

High-Risk List

Identifying and Mitigating Critical
Vulnerabilities in Utah – 2025

Office of the Legislative
Auditor General

Report to the UTAH LEGISLATURE



LEGISLATIVE AUDITOR GENERAL



1975 - 2025



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November 18, 2025

TO: THE UTAH STATE LEGISLATURE

Transmitted herewith is our report:

“High-Risk List: Identifying and Mitigating Critical Vulnerabilities in Utah – 2025” [Report #2025-25].

An audit summary is found at the front of the report. The scope and objectives of the audit are included in the audit summary. In addition, each area has a corresponding area summary found at its beginning.

This report is unique and did not produce new official recommendations. Rather, we reviewed recommendations from audits related to the high-risk areas. In doing so, we worked with the following executive officers of state entities and related offices. Responses from most of these officers are included at the end of this report, but they are not subject to the audit response plan requirements outlined in [Utah Code 36-12-15.3](#).

Joel Ferry, DNR	Tracy Gruber, DHHS	Sophia DiCaro, GOPB
Kelly Pehrson, UDAF	Marvin Dodge, DGO	Carlos Braceras, UDOT
Tim Davis, DEQ	Jonny Stewart, Leg Services	Carlton Christensen, UTA
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Molly Hart, USBE	Jonathan Ball, LFA	

We will be happy to meet with appropriate legislative committees, individual legislators, and other state officials to discuss any item contained in the report in order to facilitate the implementation of the recommendations.

Sincerely,

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Auditor General
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HIGH-RISK LIST

AUDIT REQUEST

For several years, the U.S. Government's Government Accountability Office (GAO) has produced a biennial list of high-risk programs of government operations that highlight vulnerabilities at the federal level. As requested by the Legislative Audit Subcommittee, our office released a similar list in 2023. This report provides an update on the progress made in the areas we identified in 2023.

BACKGROUND

In the 2023 General Session, the Legislature codified the High-Risk List as part of OLAG's regular duties. We report to the Audit Subcommittee a list of high-risk programs and operations that:

- Threaten public funds or programs;
- Are vulnerable to inefficiency, waste, fraud, abuse, or mismanagement; or
- Require transformation.

10 HIGH-RISK AREAS

- 1 **Utah's Water Needs:** Meeting Utah's water needs requires ongoing data management, optimization, and coordination.
- 2 **Utah's Water Infrastructure:** Utah's aging water infrastructure continues to require large capital infusions.
- 3 **Educational Pathways:** Continued emphasis on student preparation and clearer pathways to high-yield programs can improve education's return on investment.
- 4 **Behavioral Health:** Insufficient behavioral health treatment capacity needs to be addressed.
- 5 **Effective Transportation:** Effective transportation in Utah relies on strategic land use and funding decisions.
- 6 **Public Workforce Shortages:** Vacancy and turnover rates in critical areas of state government personnel have improved, but need to show sustained levels over time.
- 7 **Housing Affordability:** Despite recent efforts, a lack of affordable housing negatively impacts quality of life and state economic growth.
- 8 **Utah's Energy Policy:** Growing energy demands will require Utah to plan and implement effective policy solutions.
- 9 **Cybersecurity and Data Privacy:** Persistence of cybersecurity and data privacy incidents demonstrate need for wider-spread adoption of cybersecurity best practices.
- 10 **State and Federal Revenue Diversification:** As the Legislature continually seeks solutions, both state and federal revenue risks could impact Utah's structural budget integrity.



The beehive shows the dimensions that we expect entities to address in order to mitigate the high-risk concerns. Namely, Action Plan, Capacity, Monitoring, and Progress. These are explained further in the Introduction section of this report.

Summary continues on back >>

SOME PROGRESS HAS BEEN MADE IN ADDRESSING HIGH-RISK AREAS SINCE THE 2023 REPORT

In the following table, red indicates that the dimension (shown in the beehive graphic on the previous page) digressed since the last High-Risk List; green shows that the dimension improved; and any shade of blue indicates that the dimension rating is the same as in 2023. If an area is still In Process, that means that an agency has made progress in the area, but further work remains to change the dimension rating.

	Action Plan	Capacity	Monitoring	Progress
1.1 Water Data	In Process	In Process	In Process	Not Yet Rated
1.2 Agricultural Water Optimization	In Process	In Process	In Process	In Process
1.3 Secondary Water Metering	In Process (Static)	In Process	In Process	In Process
2.1 High-Hazard Dams	In Process	In Process	In Process	In Process
2.2 Water Infrastructure	In Process	In Process	In Process	In Process
3.1 K-12 Student Proficiency	In Process	In Process	In Process	In Process
3.2 Educational Pathways	In Process	In Process	In Process	In Process
3.3 Workforce Alignment	In Process	In Process	In Process	In Process
4.1 Behavioral Health Workforce	In Process	Not Met	In Process	Not Met
4.2 Behavioral Health Governance	In Process	In Process	In Process	In Process (Static)
5 Effective Transportation	Met	In Process	Met	In Process
6 Public Workforce Shortages	In Process	In Process	In Process	In Process
7 Housing Affordability	In Process	In Process	In Process	Not Met
8 Energy Policy	In Process	In Process	In Process	In Process
9.1 Cybersecurity	In Process	In Process	In Process	In Process
9.2 Data Privacy	Met	Met	Met	In Process
10.1 State Revenue Diversification	Continued Legislative Action Is Needed			
10.2 Federal Funds Reliance	In Process	In Process	In Process	In Process

The Majority of High-Risk Work Is Still In Process

As the table above shows, Monitoring improved from Not Met to In Process for K-12 Student Proficiency. Action Plans for High-Hazard Dams and Behavioral Health Governance digressed from Met to In Process after further audit work identified weaknesses.

On the whole, as the graph to the right shows, most work is still In Process.

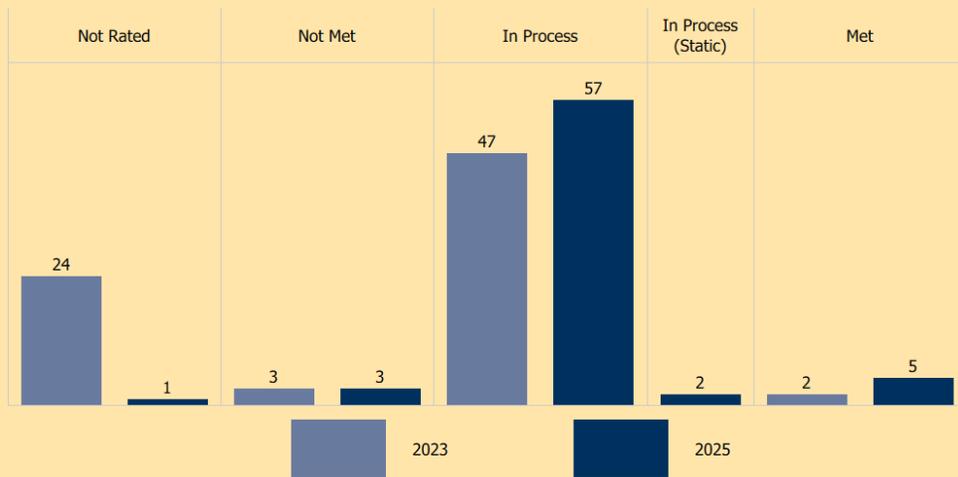


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Introduction and Methodology: High-Risk Areas Are Focused on Impact

Identifying High-Risk Areas

In the 2023 General Session, the Legislature codified this High-Risk List as part of our office’s regular duties. *Utah Code* directs us to “create, manage, and report to the Audit Subcommittee a list of high-risk programs and operations that:

- Threaten public funds or programs;
- Are vulnerable to inefficiency, waste, fraud, abuse, or mismanagement; or
- Require transformation.”¹



We identified twelve high-risk areas in our 2023 report which met these criterion. The purpose of this 2025 report is assess progress in those areas. We deemed three of the areas in 2023 as “honorable mention” and did not provide a full analysis of them in that report. Two of those areas (Contract Performance Management and Public Building Safety) are now part of our high-risk Watch List, discussed in Area 11. The other area, Revenue Diversification, receives a more in-depth analysis in Area 10.

We identified the original areas in 2023 through a risk assessment and impact analysis process. Through that process we reviewed and analyzed concerns from key Utah stakeholders, concerns at the federal and state levels, and concerns reported in our past audits. We identified the largest detrimental effects that could stem from various risk areas, and when possible, quantified those potential impacts. Impacts that are considered high-risk are those that could cause (1) injury or loss of life, (2) fiscal damages, or (3) impaired service delivery.



Lastly, we selected performance measures in each risk area that could be used to track progress toward mitigating its risk. That analysis allowed us to compare potential risks on equal footing, from which we chose the twelve original areas. Some of the progress determination is now also based on the implementation status of our audit recommendations. Following those same steps for this report, we

¹ *Utah Code* 36-12-15(6)(d)



determined that Transportation should be added to the High-Risk List. This leaves us with ten high-risk areas.

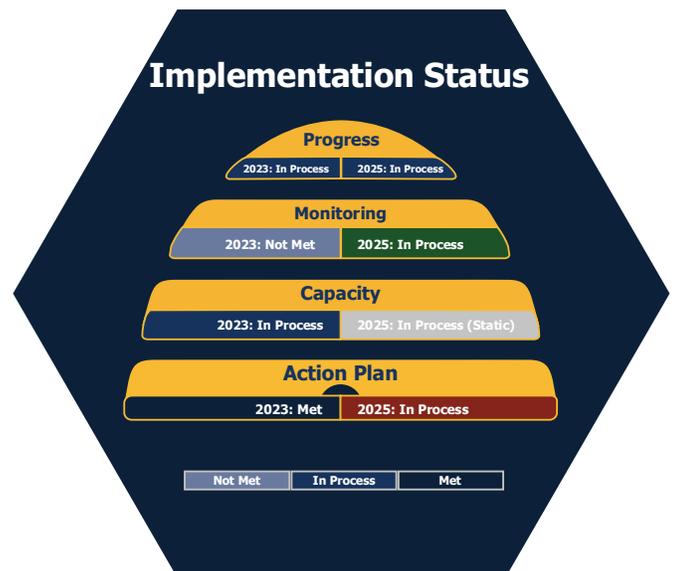
Rating and Updating the High-Risk Areas

Each of the ten high-risks has its own area in this report and some have multiple sub-areas. For example, Water Needs is comprised of three sub-areas. We rate each sub-area according to four dimensions and discuss the most detrimental impacts that could arise if the risks are not addressed. As the format for this is the same in each area, we explain the rating system here for future reference. Following our counterpart at the federal level, the Government Accountability Office (GAO), we chose to rate the high-risk areas on the following dimensions:²

- **Action Plan:** a corrective action plan exists that defines the root cause and solutions and provides for substantially completing corrective measures, including steps necessary to implement solutions we recommended.
- **Capacity:** agency has the capacity (i.e., people and resources) to resolve the risk(s).
- **Monitoring:** a program has been instituted to monitor and independently validate the effectiveness and sustainability of corrective measures.
- **Progress:** ability to demonstrate progress in implementing corrective measures and in resolving the high-risk area.

The four dimensions are likely to build on each other. Once an action plan is in place, then capacity and monitoring can be established, and progress is likely to follow. If progress does not follow, it could show a need to review and adjust action plans, capacity, or monitoring mechanisms.

The Implementation Framework “beehive” shows how we have rated each of the four dimensions. We rate them as “Not Met,” “In Process,” “In Process (Static),” or “Met.” The



² Government Accountability Office. “[High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness](#),” February 2025, pg. 34.



updated beehive compares the 2025 rating to the 2023 rating. This provides the reader with a summary of the work agencies did in each dimension.

If a dimension is In Process in both years, that means there has been notable progress on the dimension, but work is still ongoing. In contrast, In Process (Static) means that work is ongoing on a dimension, but there has been minimal, if any, change since 2023. For example, in 2023, we reported that local water systems needed to create secondary metering plans. Since the plans are not due until December 31, 2025, we were told they still have not submitted them. Thus, we rate the action plan dimension for that sub-area (1.3) as In Process (Static).

In our 2023 High-Risk List, we wrote a detailed background summary to help provide context for the risk areas. Rather than duplicate these summaries in this 2025 report, we chose to limit the background information for the risk areas that we already discussed in 2023. These areas are therefore more succinct and focus on progress or major changes that have taken place since 2023. However, we provide more background for Transportation (Area 5) and Energy Policy (Area 8) to give those areas sufficient context.

Many of Utah’s High-Risk Areas Are Increasingly Interwoven

Performance audits help identify and address challenging government problems by providing objective analysis to improve program performance, reduce costs, and facilitate decision making. As the Legislature recognized in House Concurrent Resolution 11 from the 2024 General Session, Utah faces interrelated growth challenges. They cut across geographic boundaries and are interwoven between government agencies and their programs. Similarly, the Governor’s Office of Planning and Budget released a report stating,³

Governor’s Office of Planning and Budget:

“Many...growth issues are interconnected and the work of state agencies is increasingly interdependent. This overlap of issues to serve Utah residents and protect our resources requires working together to ensure enterprise alignment and the prudent use of the state’s limited fiscal, workforce, and natural resources.”

For example, water consumption concerns are related to Utah’s air quality through the drying of the Great Salt Lake. Likewise, close coordination between Utah’s transportation entities, local municipalities, and housing authorities will

³ Governor’s Office of Planning and Budget, State Agency and Legislative Leadership. [“Guiding Our Growth: A Statewide Planning Coordination Strategy,”](#) March 2025.



be required to provide efficient transportation solutions and most effectively address unaffordable housing. We have also been told that water needs may affect future growth potential, which could change future planning dynamics for housing.

The GAO has found that auditors need to focus on improving connections across organizations, levels of government, sectors, and policy tools. This High-Risk List is one of our office’s efforts to help achieve this end. We believe that the high-risk areas generally require robust and sustained efforts by stakeholders across the state and generally exist on a longer-term horizon. With that in mind, our experience shows that it is not feasible to fully address all these risk areas in a short period of time. Going forward, we will likely conduct high-risk follow-ups every three to five years.

The high-risk areas generally require robust and sustained efforts over a longer-term time horizon. We will likely conduct high-risk follow-ups every three to five years.

Incorporating OLAG Audits into the 2025 High-Risk List

Like GAO, we rely heavily on presenting information and findings that our office identified in audits related to the high-risk areas. While most areas on the high-risk list can draw from findings and recommendations made in our other audits, we believe some high-risk areas could benefit from further investigation if the Legislative Audit Subcommittee chose to prioritize full-scale audits in those areas. From our experience, this could add additional nuance and completeness to the high-risk list.

Sub-area 1.3: Secondary Water Metering	Area 5: Effective Transportation
Sub-area 2.1: High-Hazard Dams	Area 6: Public Workforce Shortages
Sub-area 2.2: Water Infrastructure	Area 10: State and Federal Revenue Diversification
Sub-area 3.2: Educational Pathways	

It is important to recognize that our High-Risk List presents scoped risks rather than attempting to address and rank every potential vulnerability that the state could face. We prioritize critical gaps where exposure is greatest, recognizing that the state’s resources are finite and must be directed strategically. By focusing on the highest-impact areas, we hope to provide decisionmakers with a clear and actionable framework for strengthening the state’s capacity to address its most pressing risks. Final prioritization of state efforts to address these issues will ultimately rely on the Legislature.



BACKGROUND

In 2023, our office released *A Performance Audit of Utah’s Water Management*, which provided various recommendations to improve water data and statewide water planning. The Division of Water Resources, the Division of Water Rights, and the Department of Agriculture and Food have made significant efforts to address those recommendations, as shown in the beehive ratings for sub-areas 1.1 and 1.2. The ratings below show that the agencies are still working to implement all recommendations. We also provide Action Items for consideration to help move sub-area 1.3 forward.

1.1 Without Sufficient Data, Utah Cannot Account for Future Population Growth and Increased Water Needs



1.2 The Agricultural Water Optimization Program Has Not Yet Fully Demonstrated Its Effectiveness

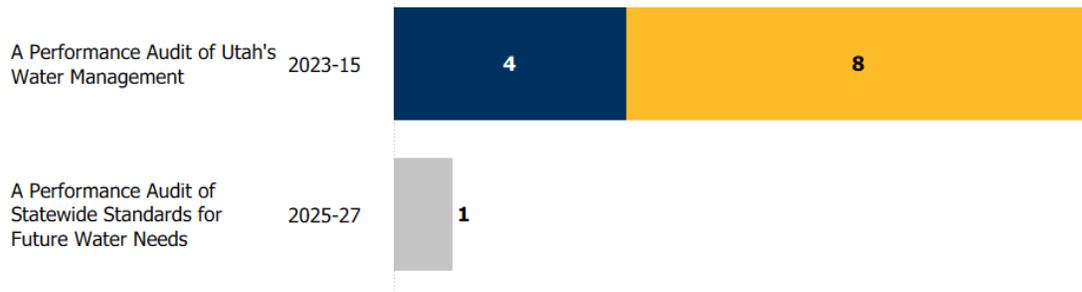


1.3 Retrofitting Secondary Systems with Meters Is a Major Initiative Requiring Lead Time



Audit Title

Recommendation Status



Related OLAG Products

- Report #2025-27: A Performance Audit of Statewide Standards for Future Water Needs
- Report #2023-15: A Performance Audit of Utah’s Water Management
- Report #2017-17: An In-depth Follow-up of Projections of Utah’s Water Needs
- Report #2017-16: An In-depth Follow-up of the Division of Drinking Water’s Minimum Source Sizing Requirements
- Report #2015-12: A Performance Audit of Culinary Water Improvement Districts
- Report #2015-01: A Performance Audit of Projections of Utah’s Water Needs





Area 1 Meeting Utah’s Water Needs Requires Ongoing Data Management, Optimization, and Coordination

Why Area Is High Risk

Due to Utah’s climate and reliance on mountain snowmelt for its water supply, wise water use is essential. In the midst of a 25-year megadrought, the Division of Water Resources (DWR) has reported that since 2000, “...some percentage of the state has experienced moderate to exceptional drought nearly every year.” Future population growth adds to these concerns. As reported in the previous High-Risk List, Utah’s population is expected to grow to five million by 2050, about a 43 percent increase from the present population. This growth will further strain Utah’s water supply, highlighting the importance of effective management of the state’s water resources.

Both the Agricultural Water Optimization Program and the metering of secondary water systems are efforts in place to help conserve water. While these efforts are underway to more effectively manage the state’s water supply, continued focus and efforts on this issue are needed.

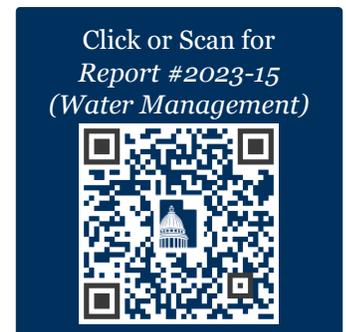
1.1 Without Sufficient Data, Utah Cannot Account for Future Population Growth and Increased Water Needs

Our update on this high-risk area is based on our report, *A Performance Audit of Utah’s Water Management (#2023-15)*, and its subsequent one-year follow-up. That audit provided

recommendations to improve water data and statewide water planning.

Work in this area is generally In Process. Our primary concern

is that it will take years to fully implement some recommendations related to water data management. We provide a short explanation of our ratings below. Further information on progress agencies are making to implement audit recommendations can be found after that.





We recognize the Division of Water Resources’ (DWRe) ongoing efforts to develop a statewide water plan. Because that plan is not required to be completed until December 31, 2026, the specific, measurable goals of the plan have not yet been formalized. We believe those goals should align with *Utah Code* 73-10-15-2(a). Until those goals are formalized, we cannot rate this area.



Our 2023 audit noted that the Division of Water Rights (DWRi) could improve state water use monitoring, water data management practices, and supplemental well monitoring in critical groundwater management areas. DWRi has shown progress but is still in the process of implementing these recommendations.



We also found in 2023 that state water data could not be used as effectively as it needed to be for various management needs, including distribution accountability and water use transparency. DWRi told us that they have been coordinating with DWRe and the Division of Drinking Water to address related recommendations; however, they expect full implementation to take some time.



We reported in 2023 that, despite planning efforts by multiple entities, no single comprehensive **statewide** plan existed for addressing Utah’s water needs. House Bill 280 in 2024 required the creation of a statewide plan that provides for adequate water.⁴ DNR reported that DWRe is now in the process of coordinating and creating that plan with state agencies and will also work closely with local watershed councils. They expect to release the plan by the December 31, 2026 deadline.

⁴ *Utah Code* 73-10-15(2)(a)



Recommendations for Improving Water Data and Coordinating Water Planning Are Still Being Implemented

Based off our most recent one-year follow up, several recommendations from our report, *A Performance Audit of Utah's Water Management* ([#2023-15](#)) are still In Process. We believe implementing these recommendations related to improving water data will help move this area forward. The recommendation numbering below matches that of the report.

Action Plan Recommendation	2024 Follow-up Status
# 2023-15 – 3.3 The Division of Water Resources should address coordination and collaboration by generating necessary relationships with key water entities to effectively create a comprehensive statewide water plan.	In Process

DWRe has hired a state water plan manager and another employee to help coordinate the next state water plan. They told us during our annual follow-up that they have already started meeting with state agencies for the state water plan and will work closely with the Utah Watershed Councils.

Capacity Recommendations	2024 Follow-up Status
# 2023-15 – 1.4 The Department of Natural Resources and the Department of Environmental Quality's Division of Drinking Water should evaluate the resource needs of the Water Use Program and implement a new management strategy, based on best practices, that ensure that the Program can wholly achieve its goals.	In Process
# 2023-15 – 1.5 The Division of Water Rights should improve internal data evaluation and management through the following: <ul style="list-style-type: none"> • Complete the gap analysis with Utah State University. • Link data to goals identified in the Division's seven focus areas. • Create and update data tools, including a data map and data dictionary. 	In Process



<p>#2023-15 – 3.1 The Legislature should consider strengthening the current statute Utah Code 73-10-15 outlining cooperation with the Division of Water Resources in the formulation of a state water plan going forward by ensuring all other entities, institutions, and political subdivisions of the state cooperate in statewide planning, and address language which may prevent the Division from collecting the information needed for a comprehensive statewide water plan.</p>	<p>Implemented</p>
<p>#2023-15 – 3.2 The Legislature should consider a comprehensive update of Utah Code 73-10-15, 16, and 17 to ensure coordinated efforts in statewide water planning.</p>	<p>Implemented</p>

House Bill 280 in the 2024 session strengthened statute for statewide water planning. DWRe and DWRi said that this would help them better work toward a comprehensive statewide water plan, addressing two of the recommendations. The other recommendations are still In Process. DNR reported that DWRi is working closely with DWRe and the Division of Drinking Water to coordinate improvements to data collection, organization, and analysis. They expect that these efforts will take some time. For Recommendation 1.5, DNR reported that Utah State University completed the gap analysis and a technology modernization roadmap. The roadmap, which DWRi reported that they are implementing, includes processes for updating data tools and documenting systems with a data map and data dictionary. DNR also told us they are developing a data services action plan to address the relevant focus areas.

<p>Monitoring Recommendations</p>	<p>2024 Follow-up Status</p>
<p>#2023-15 – 1.1 The Division of Water Rights should continue to develop the Water Right Network so that data can be used in a wider scope of internal management needs and provide better transparency and accountability.</p>	<p>In Process</p>
<p>#2023-15 – 1.2 The Division of Water Rights should continue its internal data audit to ensure its data is accurate and complete, and should make improvements based on gaps or inaccuracies identified in the internal audit.</p>	<p>In Process</p>
<p>#2023-15 – 1.3 The Division of Water Rights should identify, meter and monitor supplemental wells in critical areas and implement a well management plan to protect water users against interference from over-pumping and to bring declining aquifers into balance.</p>	<p>In Process</p>



We were told DWRI’s data services section was reorganized to include the water right network team to help facilitate some of these recommendations. The DNR also reported that they hired additional hydrologic scientists and other staff to help address Recommendations 1.1 and 1.2, but they expect it will take multiple years to build out the Water Right Network statewide. DWRI plans to require metering and monitoring of supplemental wells as part of new groundwater management plans as they are implemented.

1.2 The Agricultural Water Optimization Program Has Not Yet Fully Demonstrated Its Effectiveness

Our update on this high-risk area is based on our report, *A Performance Audit of Utah’s Water Management (#2023-15)*, and its subsequent one-year follow-up. We provided recommendations to improve the Agricultural Water Optimization Program (the Program) in Chapter two of that report. We subsequently followed up on those recommendations in December 2024. We are encouraged by the

Program’s [2024 annual report](#)⁵ showing some results of

the Program, but the report states that measuring the impact of projects will be more accurate as data becomes available. Further information on progress agencies are making to implement audit recommendations can be found on the following pages.



Project Selection and Data Collection Remain Critical Concerns for Program Progress and Success

Accounting for 80 percent of Utah’s diverted water use, it is extremely important that agricultural water use is efficient and effective. The Program is a significant factor to help those efforts. One of our main concerns lies with the fact that some Program outcomes are likely to be counter to statutory expectations and the Program’s purpose. According to the Program’s 2024 annual report: “It is possible under certain circumstances that some conversions may lead to increased depletion.” We believe the Program should identify and prioritize projects that are based on best practices and do not produce results counter to the Program’s design.

⁵ DWRe prepared this report in coordination with the Utah Department of Agriculture and Food and DWRI.



Progress

2023: Not Yet Rated

2025: In Process

The Program’s 2024 annual report claims that measuring the impact of projects will be more accurate as data becomes available. Thus, the effectiveness of the Program still cannot fully be evaluated.

Monitoring

2023: Not Yet Rated

2025: In Process

In response to our 2023 audit, the Utah Department of Agriculture and Food (UDAF) has established objectives, strategies, and performance metrics that will help measure the effectiveness of the Program. UDAF has also gathered prior water use data; however, future annual audit follow-ups may evaluate how the information in those reports is being used.

Capacity

2023: Not Yet Rated

2025: In Process

One of our main capacity concerns is the Program’s ability to quantify depletion. While the 2024 annual report provides insight into some benefits of the Program, researchers have reported challenges to measuring a reduction in depletion. UDAF and other Program stakeholders need to ensure that they can quantify changes in depletion in a standardized and comparable manner across projects.

Action Plan

2023: Not Yet Rated

2025: In Process

In our 2023 report, *A Performance Audit of Utah’s Water Management (#2023-15)*, we found that UDAF had not developed a strategic plan for the Program. In our one-year follow-up for that audit, we found that UDAF had developed a strategic plan with a vision, mission, and actionable steps to achieve performance measures. In future follow-ups, when Progress can be measured, we will assess whether the plan is successful. As such, we rate this area as In Process.



UDAF Has Collected a Significant Amount of Prior Water Use Data

Several recommendations from our report, *A Performance Audit of Utah’s Water Management* ([#2023-15](#)) are still In Process based off our last one-year follow-up. Implementing these recommendations related to the Agricultural Water Optimization Program will help move this area forward. The recommendation numbering below matches that of the report. The lighter blue “Action Items” are new items to be considered to further progress in this area.

Action Plan Recommendation	2024 Follow-up Status
<p>#2023-15 – 2.1 The Department of Agriculture and Food should develop a comprehensive strategic plan for the Agricultural Water Optimization Program to include the following elements:</p> <ul style="list-style-type: none"> • Vision statement and core values • Measurable outcomes of long-term objectives • Strategies, best practices, and actionable steps fulfilling the Program’s vision • Key data elements, including all prior data, to evaluate performance of measurable outcomes 	<p>Implemented</p>

The Agricultural Water Optimization Program’s 2024 strategic plan addressed most of the bulleted items in Recommendation 2.1. UDAF reported that they have collected most of the prior annual reports and we have decided to focus on that as part of Recommendation 2.3 below. Thus, Recommendation 2.1 is Implemented and Recommendation 2.3 is In Process. Our second annual follow-up for this audit will provide an updated status on Recommendation 2.3. We also plan to conduct a deeper dive in future follow-ups to see whether the strategic plan has been successful.

Action Item for Agency (Capacity)

The Department of Agriculture and Food, the Division of Water Resources, and the Division of Water Rights should ensure that they can quantify changes in depletion in a standardized and comparable manner across projects.



Monitoring Recommendations	2024 Follow-up Status
#2023-15 – 2.2 The Department of Agriculture and Food should work with the Department of Natural Resources and the Legislature to ensure the goals of the Agricultural Water Optimization Program are clear, as well as a clear awareness and understanding of what the Program should achieve and work towards those goals.	Implemented
#2023-15 – 2.3 The Department of Agriculture and Food should enforce its reporting requirements by collecting all annual reports currently past due and those that will be due in the future, including prior water use data and savings, and other noted metrics in this Chapter, from all projects it has already funded.	In Process

UDAF reported that they worked with DNR to create the agricultural water optimization strategic plan, which developed clear goals for the program. As we previously stated, DWRe also coordinated with UDAF and DWRI to develop the Program’s 2024 annual report.

Progress Recommendation	2024 Follow-up Status
#2023-15 – 2.4 The Department of Agriculture and Food, when developing the comprehensive strategic plan for the Agricultural Water Optimization Program, should also include an annual assessment of progress towards strategic plan goals and objectives.	In Process

UDAF reported to us that future annual assessments will review progress towards strategic plan goals. Once these assessments have been done, we plan to review them during future follow-ups.



1.3 Retrofitting Secondary Systems with Meters Is a Major Initiative Requiring Lead Time

In Chapter 1 of our 2023 High-Risk Report, we rated this risk area. This section focuses on providing updates to the main concerns we presented in that report. Following the QR code provides more detailed information about the scope and background of this risk area from our previous report. Action items for this area can be found following the beehive ratings on the next page.



The adjacent beehive shows that most of the ratings have remained the same. We are encouraged that a reported 85,300 secondary meters have been installed since 2023 (the infographic below shows that unmetered connections decreased from 190,000 to 104,700).



Our main concern is whether water suppliers will be able to finance all the meters they need to install by the January 1, 2030 deadline. Of the reported 104,700 unmetered connections, 25,000 still need funding. DWRe expects that annual grants can help fund 5,000 of those

connections (up to 50 percent of the costs). Low-interest loans are available to help water suppliers finance the remaining 20,000 meters. We were told that the loans typically cover 85 percent of the costs. Under current cost estimates, it is projected that there will be enough low-interest loans available to help water suppliers finance the remaining unfunded meters. Given, of course, that the suppliers cover their portion of the costs. This highlights the need for local secondary metering plans. These are supposed to identify how water suppliers will fund the remaining connections.

	2023	March 2025
Secondary Water Connections Not Yet Metered	190,000	104,700
Unfunded Secondary Water Connections	49,000	25,000

Source: Auditor generated from numbers reported by the Division of Water Resources.



Progress

2023: In Process	2025: In Process
------------------	------------------

As discussed on the previous page, the number of reported unmetered connections have decreased nearly 45 percent since 2023, from 190,000 to 104,700. Additionally, the reported unfunded connections decreased from 49,000 to 25,000.

Monitoring

2023: In Process	2025: In Process
------------------	------------------

In 2023, we suggested that indicators for awareness of installation requirements, procurement and installation details, and adherence to project budgets could be insightful indicators for this risk area. We believe this type of data should be leveraged to ensure that water suppliers can meet the 2030 deadline. For example, DWRe told us they review invoices for procurement and installation details. Water providers have expressed concern about their ability to cover metering costs and since the invoice review can show whether projects are coming in under budget, it could help show whether additional grant funding is available. Additionally, we believe it is important to monitor American Rescue Plan Act (ARPA) funds that have been committed to this initiative. As they expire at the end of 2026, efforts should continue to be made to ensure they are used by then.

Capacity

2023: In Process	2025: In Process
------------------	------------------

The Legislature appropriated \$250 million through grants to help cover installation costs. Additional small system grants have also been made available. These cover up to 50 percent of the installation costs. Based on the current estimated metering costs, it is projected that there will be enough low-interest loans available to help water suppliers finance the costs of the remaining 20,000 unfunded meters.

Action Plan

2023: In Process	2025: In Process (Static)
------------------	---------------------------

Given the capacity constraints outlined above, our focus for this dimension is on local secondary metering plans. They will provide installation costs and timeline details, as well as how suppliers will finance the installation. Thus, these plans



can help ensure that water suppliers meet the 2030 deadline. Per statute, suppliers must submit plans by December 31, 2025. Because this is similar to what we reported in 2023, we rate this area as still In Process, but Static.

Continued Monitoring of Local Secondary Metering Plans and Installation Progress Would Be Beneficial

To further address this high-risk area, the following Action Items should be considered.

Action Item for Agency (Action Plan)

The Division of Water Resources should ensure that secondary water suppliers submit their secondary metering plans by the December 31, 2025 deadline.

Action Item for Agency (Capacity)

Once suppliers have submitted their plans, the Division of Water Resources should review whether there will be adequate funding through remaining state loans and grants to address all of the secondary water metering needs.

Action Item for Agency (Monitoring)

The Division of Water Resources should continue to monitor invoices and address any potential delays in installation or procurement that could hinder suppliers from meeting the 2030 deadline.





BACKGROUND

Replacing aging infrastructure and building new infrastructure to meet a growing population continues to be a significant need for Utah. Failure of water infrastructure could put human lives at risk and restrict access to water for many people. We focus on high-hazard dams, aqueducts, and public water systems. While we have not conducted a full in-depth audit in these areas, we offer several action items for agencies and the Legislature to consider. The Legislature could also consider requesting full audits of these areas.

2.1 Some High-Hazard Dams Do Not Meet Safety Standards



2.2 Water Infrastructure Is at Risk of Failure from Seismic Risks and Delayed Replacement



	2023	2025
High-Hazard Dams	223	227
High-Hazard Dams That Do Not Meet Safety Standards	~100	104
Dams with Rehabilitation Efforts Underway	24	26
Estimated Years to Rehabilitate All High-Hazard Dams	120	117

Related OLAG Products

Report #2025-27: A Performance Audit of Statewide Standards for Future Water Needs

Report #2017-17: An In-depth Follow-up of Projections of Utah's Water Needs

Report #2017-16: An In-depth Follow-up of the Division of Drinking Water's Minimum Source Sizing Requirements

Report #2015-12: A Performance Audit of Culinary Water Improvement Districts





Area 2

Utah's Aging Water Infrastructure Continues to Require Large Capital Infusions

Why Area Is High Risk

We reported in 2023 that much of Utah's water infrastructure was nearing or exceeding its useful life. Replacing aging water infrastructure and building new infrastructure to meet a growing population continues to be a significant need for Utah. Failure of this infrastructure could put human lives at risk and restrict access to water for many people. It is projected that a major earthquake event could happen within the next 40 years which highlights the importance of mitigating these risks. When or if this occurs, it is projected that water and sewer services would be disrupted for more than a million people for six months or longer. The focus of this chapter is on high-hazard dams, aqueducts, and public water systems, including stormwater, wastewater, and drinking water systems.



A major earthquake could disrupt water and sewer services for more than a million people for many months.

High-hazard dams are rated differently than other dams because they could place human lives at risk and cause extensive damage in the event of a failure. For example, our analysis of just two high-hazard dams shows that they could impact up to 131 parcels⁶ of land with a total market value of nearly \$400 million. There are a reported 104 high-hazard dams in Utah that do not meet minimum safety standards. Some progress has been made in upgrading dams since our last report. However, we are concerned that the current estimated time to upgrade all high-hazard dams is still 117 years.

Aqueducts and water systems, which include treatment and storage facilities, are part of the infrastructure which provides water to Utahns. Aqueducts are at risk of significant damage in the event of an earthquake as they are located across and along fault lines. Damage to the aqueducts could not only restrict water access for many months but also lead to negative impacts to Utah's economy which could take years to recover. Completion of proposed projects would reduce the timeline for restoring water service in the event of an earthquake and increase the chances that water is available for residents. These aqueducts feed Utah's local water systems, which are also susceptible to a seismic event.

⁶ Our analysis only included residential, commercial, and mixed-use parcels.



State water leaders are developing a statewide water infrastructure plan that is required to outline, plan for, and prioritize water infrastructure projects that are needed to maintain a reliable, safe, and clean water supply in Utah. This plan will be based on plans that state water agencies submit. However, many water systems that feed these agency plans do not have adequate expertise for managing their infrastructure and do not know some details about their systems. This knowledge gap should be addressed in order to provide the best possible information to build out the agency and statewide plans.

2.1 Some High-Hazard Dams Do Not Meet Safety Standards

In Chapter 2 of our 2023 High-Risk Report ([#2023-10](#)), we rated this risk area. More detailed information about the scope and background of this risk area can be found in that report. This section focuses on providing updates to the main concerns we identified in 2023. As the graphic below shows, it is now reported that there are 227 high-hazard dams in the state. Our focus is on the 104 that do not meet minimum safety standards. Over a one-year span since the previous high-risk list, the expected number of years before all high-hazard dams that do not meet safety standards are rehabilitated decreased from 120 to 117 years. This shows progress; however, it is far from the target of 30 years. Funding remains a barrier to meeting this goal as current reported funding levels only allow for one dam to be finished each year. We believe more planning is needed to address the funding barrier.



	2023	2025
High-Hazard Dams	223	227
High-Hazard Dams That Do Not Meet Safety Standards	~100	104*
Dams with Rehabilitation Efforts Underway	24	26
Estimated Years to Rehabilitate All High-Hazard Dams	120	117**

Source: Auditor generated from numbers reported by the Department of Natural Resources and COBI.

*DNR explained that this number has increased due to new dam construction and hazard creep, which is when homes or businesses are established below moderate- or low-hazard dams.

** The estimated years to completion number was reported in 2024.



Progress

2023: In Process	2025: In Process
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Since the last High-Risk List was released in 2023, we were told that two high-hazard dams that did not meet safety standards were rehabilitated. Again, our main concern is that the projected number of years to rehabilitate all the high-hazard dams that do not meet safety standards is still nearly quadruple the goal of 30 years.

Monitoring

2023: In Process	2025: In Process
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Annual inspections are the main monitoring effort. These inspections were all reported to us as completed in 2024, and the prioritization list was not changed. We reported in 2023 that the Division of Water Rights was updating the hazard classifications of all dams by reviewing projected populations at risk in the event of a dam failure. They are still working on this. Thus, this dimension remains In Process.

Capacity

2023: In Process	2025: In Process
------------------	------------------

Utah Code 73-5a-502 recognizes that some dam owners⁷ need assistance from the state to meet minimum dam safety standards. Thus, *Utah Code* states that the state engineer cannot require those dam owners to rehabilitate a dam unless a state grant to cover 80 percent of the costs is available. This has tied the rate of rehabilitation efforts to the amount of funding for dam safety, contributing to the long estimated timeline before all high-hazard dams are rehabilitated. More options should be considered to speed up the rehabilitation rate, as we discuss in Action Plan below. For example, there is reportedly limited information about the capacity of dam owners to pay for rehabilitation costs.

Action Plan

2023: Met	2025: In Process
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Utah Code 73-5a and *Administrative Rules* R655-10 to 12 continue to establish a plan to manage dam safety throughout the state. This includes requiring that minimum standards be set for high-hazard dams and prioritizing high-hazard

⁷ Mutual irrigation companies and water users associations.



dams for rehabilitation. We believe, however, that more should be done to plan for and address the funding constraints previously discussed.

For example, the Division of Water Resources could study the capacity of dam owners to pay for rehabilitation costs. They could then determine whether there are dam owners who can afford to rehabilitate their dam and do not need to wait for state funding. The Legislature could also decide whether to adjust the current 80/20 funding scheme and require some dam owners to cover more of the rehabilitation costs. We now rate this dimension as “In Process.”

New Strategies to Increase the High-Hazard Dam Rehabilitation Rate Should Be Considered

To further address this high-risk area, the following Action Items should be considered.

Action Item for Agency (Action Plan)

The Division of Water Resources should develop a plan to address funding constraints for high-hazard dam rehabilitation.

Action Item for Legislative Consideration (Capacity)

Based on the Division of Water Resources’ plan, the Legislature should consider whether the 80/20 split for rehabilitating high-hazard dam should be adjusted.

Action Item for Agency (Monitoring)

The Division of Water Rights should complete its review of the projected populations at risk in the event of a high-hazard dam failure.



2.2 Water Infrastructure Is at Risk of Failure from Seismic Risks and Delayed Replacement

In 2024, a leak in Huntsville’s water system caused the city’s storage tank to fall to about six percent capacity. This was equal to about ten hours of water left if citizens did not conserve water; citizens were also put on a boil water alert, suggesting the water was contaminated. Much of Utah’s water infrastructure is reaching the end of its useful life and other systems could be at risk. The events in Huntsville show what can happen if infrastructure fails. The Legislature has passed bills in the last couple of years creating the framework for a new statewide Unified Water Infrastructure Plan (UWIP). This should help organize and prioritize water infrastructure projects across the state; however, we are concerned that some water systems may not have the necessary resources to comply with certain parts of the plan. This would mean that decisionmakers still may not have all the relevant information they need.



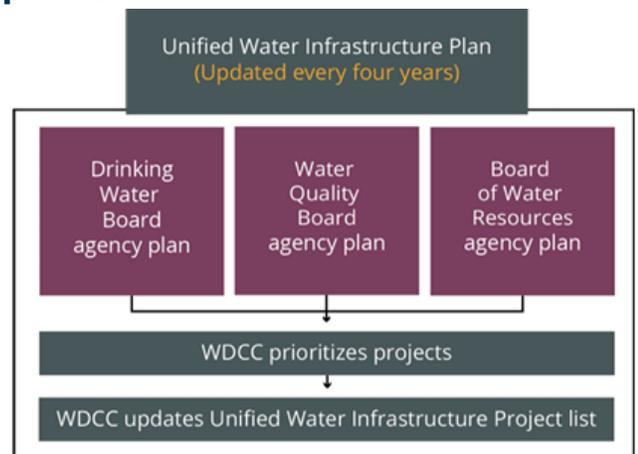
A water leak in Huntsville reduced their storage tank to six percent capacity.



Our previous High-Risk List (#2023-10) had areas 2.2 and 2.3 in the water infrastructure chapter. One was for major aqueducts and water systems, while the other was for stormwater, wastewater, and drinking water systems. Since the UWIP takes a holistic approach to addressing these water systems, we combined the two sections into one going forward. All high-risk dimensions are currently In Process.

Action Plan – In Process: Following Recent Legislation, a Unified Water Infrastructure Plan for Utah Is Under Development

Recent legislation requires the creation of the UWIP. This new plan will rank and prioritize water infrastructure projects across the state up to a 20-year time horizon. Furthermore, the intent of the UWIP is to be holistic as it is informed by several agency plans, as shown in the infographic to the right. Those agency plans are tied to applications from applicants seeking state funding. Once these agencies have



Source: Division of Water Resources’ Integration of Existing Funds Study.



submitted their plans, the Water Development Coordinating Council (WDCC) will then prioritize the projects into the UWIP.

The UWIP process should help the state proactively plan for water infrastructure needs and still find flexibility to respond to emergencies. The first UWIP is supposed to be done by March 1, 2026 and will be updated at least every four years after that. As we will discuss in the capacity section, sufficient expertise and resources at the local water system level remain a major concern for developing a comprehensive and accurate statewide plan. Some plans to update the major aqueducts are developed, but the major water conservancy districts are still fully evaluating the aqueducts. The main aqueducts that serve the Wasatch Front are the Alpine Aqueduct, Davis and Weber Aqueducts, Salt Lake Aqueduct, and Jordan Aqueduct.

Capacity – In Process: Adequate Resources and Expertise Remains a Key Concern for Water Systems to Prepare for the Future

As we have said, one challenge to addressing aging water infrastructure is having proper resources and expertise at the local water system level. This is a factor that leads to emergency water infrastructure projects and we are concerned that instances like Huntsville may happen elsewhere. To address this, the new UWIP has a related Water Infrastructure Fund (WIF) that will help fund the prioritized projects. Any entity that applies for funding through the WIF is required to submit a reserve study showing how they will pay back the loan and that they must comply with capital asset management requirements.

However, we previously reported that additional expertise was likely needed to help local systems create similar plans. Our collaboration with local water systems, state agencies, and other water stakeholders confirmed that this is still an issue that needs to be addressed. While funding may be a challenge, other public or private entities are available to help or consult. Insufficient expertise can also impact an entity's ability to set proper water rates, which have not kept pace with infrastructure needs over time. We were told that entities usually cannot cover both ongoing maintenance and new capital infrastructure projects.



Insufficient expertise can impact a municipality's ability to set proper water rates and maintain infrastructure over time.

The exact extent of potential funding shortfalls remains to be seen. The Division of Water Resources (DWRe) has reported that there is an estimated \$60 billion in water infrastructure needs by 2060. This includes pipes, canals, and treatment



plants for drinking water, wastewater, and stormwater systems. DWRe expects that water providers will cover many of the expenses with a portion coming from federal and state funding sources. A study stemming from Senate Bill 34 in 2023 looked at potential adjustments to how water is funded in the state, including whether to use property tax revenue, concluding:

LRB Public Finance Advisors:

“Balancing water conservation and revenue streams is a delicate matter that will require constant attention. Tiered rates economically motivate water conservation. Securing stable revenue streams through base rates and property taxes helps lower the costs of water. Seeking this balance to maintain reliable revenues and encourage water conservation.”

This statement shows how adjustments to water funding may be needed for financial purposes, but they also can help with water conservation efforts (one of the major factors of Area 1’s risk of having enough water for the future). DWRe



There are various options besides raising fees/rates that could help close the water infrastructure funding gap.

is also conducting a study tied to UWIP that will determine whether additional fees will be needed to fund those projects. The Legislature should consider aspects of both studies to determine if policy changes may be necessary related to water infrastructure funding.

Besides workforce and water fees/rates, there are other options to consider for closing the funding gap and building more water resilience. Based on a national report,⁸ this could include looking for ways to optimize funding sources⁹, prioritizing resilience outcomes, and enabling operational efficiencies such as technology integration or regional cooperation.¹⁰ Given the scope of the High-Risk List being different than a full audit, we did not vet each of these options, but an analysis of how viable and applicable these options could be in Utah would be beneficial.

⁸ Adam Barth, Humayun Tai, and Sarah Brody. [“Water resilience: Closing the funding gap for utilities,” McKinsey & Company](#), March 11, 2025.

⁹ A study of other state revolving funds found existing resources could be better leveraged and the number of projects funded by the funds could be scaled.

¹⁰ Tied to Senate Bill 76 in 2023, Utah’s Division of Drinking Water also conducted a [study](#) on regionalization and provided several recommendations.



Action Items for Legislative Consideration

The Legislature should consider aspects of water infrastructure funding studies (Senate Bill 34 in 2023 and House Bill 280 in 2024) and determine whether policy changes are necessary.

Monitoring – In Process: The UWIP Process Can Help Improve Monitoring of Water Infrastructure Upgrades; Local Plans Should Also Be Used Effectively

This statement from the Utah American Society of Civil Engineers (ASCE) stresses the importance of infrastructure monitoring:

Utah Infrastructure Report Card 2020:

“In absence of any data on operation, maintenance, conditions or risk, the performance and reliability of [stormwater] systems under extreme events is questionable at best and at worst poses a threat to infrastructure and the public.”

While ASCE’s 2025 Utah report card focuses on the need to fund new infrastructure, their 2020 report highlighted concerns with monitoring of drinking water and stormwater systems, including inadequate planning and limited or non-existent management systems.



Water systems that do not apply for state grants may have limited knowledge about their water infrastructure needs.

Thus, we believe that the new UWIP framework can help improve monitoring of water infrastructure, although some gaps still exist. Systems who apply for funding should have a better grasp of their infrastructure and its remaining useful life. Systems that do not apply for this funding will not have to abide by the same requirements.

Once the projects are prioritized and put into funding phases through the UWIP process, the completion of those projects can then be monitored. Monitoring should help to show whether projects are happening in a timely manner or are being deferred. Additionally, it can offer insight into whether actual project costs are coming in close to projected costs. This could provide valuable information on whether specific factors are driving higher-than-expected costs. Given the \$60 billion in expected water infrastructure expenses, any efforts to prevent those projections from rising would be beneficial.



Preliminary reports show that about 48 miles of aqueducts need improvement to withstand seismic activity.



We were told that the total estimated length of aqueducts needing improvement for potential seismic activity is not precisely known. This is because each of the four major aqueducts has not been fully evaluated. Preliminary estimates, however, show at least 48.9 miles of aqueducts will need to be improved to withstand seismic activity. Water systems who own the major aqueducts should continue to fully evaluate them.

**Progress – In Process:
Data on Necessary Water Infrastructure
Projects Should Continue to Be Gathered**

We believe that progress in this area can be shown in a couple of ways. This includes having better knowledge about whether the rate of upgrading water infrastructure across the state is sufficient¹¹ and what water infrastructure funding gaps exist. For example, UDOT closely tracks the state of repair of all its infrastructure. Its website shows this information and provides strategies for maintaining its infrastructure. In contrast to this road tracking, the full extent of necessary water projects and whether there are funding gaps is not known. Unlike UDOT’s infrastructure, water infrastructure is mainly maintained at the local level. Thus, it is primarily up to local systems to set sufficient rates and upgrade their infrastructure. Despite that challenge, we believe the UWIP process can provide information on the progress of water infrastructure upgrades.

Action Item for Agency

The Water Development Coordinating Council should develop metrics that show whether aging water infrastructure is being updated in a timely manner.

Additionally, progress on upgrading the four major aqueducts is still underway. The owners of those aqueducts need to finish evaluating them and upgrade all sections in need of seismic resiliency. Considering that major projects on the Salt Lake Aqueduct will not get underway until 2041, this high-risk dimension remains In Process. Without seismic upgrades to the aqueducts, there will be no water in the network. Subsequently, upgrades to water and sewer systems will have a negligible impact. Given the importance of the



Major projects on the Salt Lake Aqueduct will not begin until 2041.

¹¹ For instance, this could include establishing a target date to upgrade infrastructure, similar to what is established for high-hazard dams.



aqueducts, we recommend that the Legislature consider whether a deeper analysis of the work being done on them is needed.

Action Item for Legislative Consideration

The Legislature should consider whether a deeper analysis of the efforts to upgrade major aqueducts is necessary.



BACKGROUND

Our office has released various audits related to Utah’s education system, both K-12 and higher education. Educational stakeholders and the Legislature have made significant efforts to address recommendations from those reports, as shown below, but they are still working to implement all recommendations. We believe full implementation of all recommendations will help address this high-risk area.

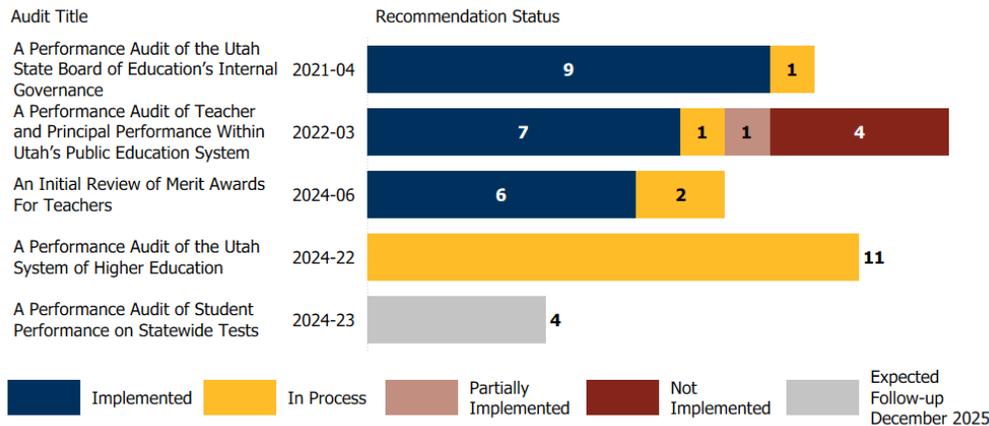
3.1 K-12 Student Proficiency Measures Show Mixed Progress Short of Their Goals



3.2 Despite Improving Educational Pathways, Access to USHE Institutions Continues to Decline



3.3 Continued Improvement of Data Collection and Management Can Help Alignment of Education Programs With Workforce Needs



Related OLAG Products

Report #2025-13: The Best Practice Handbook for Student Achievement in Public Education

Report #2024-23: A Performance Audit of Student Performance on Statewide Tests

Report #2024-22: A Performance Audit of the Utah System of Higher Education

Systemic School District Audits: Report #2025-10, Report #2025-07, Report #2024-21, Report #2024-10, Report #2024-08, Report #2023-11, Report #2022-16, Report #2022-02

Report #2022-08: Comprehensive Education Audit Capstone (includes seven audits spanning 2020-2022)





Area 3

Continued Emphasis on Student Preparation and Clearer Pathways to High-Yield Programs Can Improve Education’s Return on Investment

Why Area Is High Risk

Cost of living remains a top concern for Utah citizens. An effective and efficient education system is an essential tool to address this risk as it can help citizens increase their earning potential. It has been shown also that in the state of Utah, students tend to prioritize enrolling in programs that will potentially improve their employment outcomes. Typically, students who do not access postsecondary programs limit their earning potential. Those who begin but do not complete a program may also incur student debt, increasing their costs without gaining the credential that could significantly raise their earnings. Thus, educational and workforce pathways should be aligned with workforce demand and effectively help students access postsecondary education programs—and complete them.

Both Utah’s K-12 system, overseen by the Utah State Board of Education (USBE), and the Utah System of Higher Education (USHE) play a role in this risk area. Past audits have found weaknesses in both systems that they are addressing. For example, declines in math proficiency and ACT scores among Utah K-12 students is concerning as it correlates with a student’s ability to succeed in high-yield, high-demand postsecondary programs. Additionally, efforts are underway at Utah’s higher education institutions to more fully understand the return on investment for their programs. USHE also continues to work on developing workforce-aligned pathways that help students stack credentials from K-12 through higher education. We believe such efforts can help attract more students and reduce the risk of students not completing their programs or not increasing their earning potential.

3.1 K-12 Student Proficiency Measures Show Mixed Progress Short of Their Goals

This section focuses on recommendations from past audits that still need to be implemented to help move this area forward. It also provides updates to the ratings from the 2023 High-Risk List. As the beehive graphic with ratings on the next page shows, Capacity has improved since 2023, with all other dimensions remaining In Process.

Click or Scan for
the first High-Risk List





We have released a suite of USBE audits, some of which still have recommendations outstanding. They relate to governance, educator recruitment and retention, and reporting. We also review student achievement as our primary area of focus in individual audits of local education agencies (LEAs). This allows us to offer targeted recommendations to LEAs.



Figure 3.1 shows USBE’s main Education Elevated metrics for student proficiency. They have all improved since the last High-Risk List, but math proficiency has overall digressed since these improvement goals were set in 2017. Not shown is the share of students who score at least 18 on the ACT, which is also below its baseline. We recognize that the COVID-19 pandemic played a role in this. A recent study showed that the pace of Utah student learning has stabilized since the pandemic, but it has not yet offset proficiency losses due to the pandemic.

Figure 3.1 Education Elevated Metrics and Student Proficiency Metrics Have Shown Some Improvement but Are Still Below the 2016 Baseline. Science and English Language Arts for all students have improved over the 2016 baseline.*



Source: Auditor generated from USBE data.
 *There is no 2020 data due to the COVID-19 pandemic.

Both USBE and the Legislature have worked to improve teacher retention. We stress that the effectiveness of those efforts should be monitored, evaluated, and adjusted if needed. That can help address concerns in the Capacity dimension.



Figure 3.1 shows there has been recent improvement in student proficiency, but Math and ACT performance have not improved over 2016 baselines.



USBE has improved its monitoring of teacher shortages, but there is room for improvement for monitoring student performance. USBE continues to monitor performance through the School Report Card program and provides yearly implementation updates of its strategic plan. However, we found that the need for accurate, timely data has been a persistent problem over time. USBE should expedite the analysis of student data and return it to LEAs more quickly. LEAs can also improve their analysis of student scores and educators should be trained to more effectively use assessment data to build student competency.



The main capacity concern we identified in 2023 was developing and retaining highly effective teachers. Data continues to show that 5-year (73%) and 10-year (54%) retention rates for new teachers are low compared to the state's average yearly retention rate (91%). In response to an audit recommendation, USBE has made efforts to improve its understanding of teacher retention. However, USBE has not fully implemented recommendations for principal evaluations. This is concerning as they have an outsized impact on student and teacher performance.

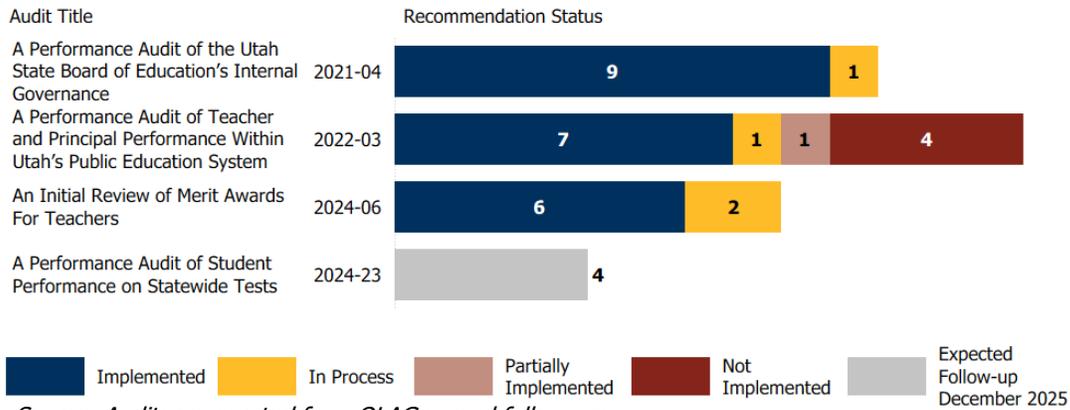


Since our last report, USBE has released a new mission and vision statement. During our fourth annual follow-up on Report [#2021-04](#), USBE reported they have also made significant changes to the plan and several recommendations are now implemented. We will follow-up on the effectiveness of the plan in future iterations of the high-risk list.



The Development and Evaluation of Quality School Administrators Needs to Be Improved as It Can Hinder Student Development

Based on our most recent annual follow-ups, there are recommendations from past public education audits that are not implemented. We recognize that many recommendations are implemented, but we are concerned that those that have not been addressed are hindering progress in the education high-risk area. We identified four main systemwide audits with unimplemented recommendations.



One of our main concerns regarding this student proficiency risk area is effective teacher and principal evaluations, which are part of the Capacity dimension. Principals have an outsized impact on student and teacher performance, so not addressing this could hinder efforts to improve student and teacher performance. In recent audits of LEAs, we found that the development of quality administrators can still improve. Despite this, several related recommendations from Report [#2022-03](#) are not implemented. Given continued weaknesses in developing quality administration, we still encourage full implementation of the recommendations below.

Appendix A provides a more detailed narrative on what remains to be done on the recommendations. It also reviews other recommendations that have been implemented. Additionally, we want to emphasize our audits of specific LEAs and *The Best Practice Handbook for Student Achievement in Public Education* ([#2025-13](#)). We expect LEAs to implement the targeted recommendations we give them. And while there are no recommendations in the *Handbook*, we believe all LEAs would benefit from implementing its practices. Specifically, those that are related to strategic planning, evaluation, and principal development.

Capacity Recommendations	2025 Follow-up Status
#2022-03 – 3.5 The Legislature and the Utah State Board of Education should collaborate to consider adding criteria to evaluation code requiring teacher and principal involvement in collaborative educator teams.	Not Implemented

A Performance Audit of Teacher and Principal Performance Within Utah's Public Education System (#2022-03)



#2022-03 – 4.1 The Legislature, the Utah State Board of Education, local districts, and higher education should collaborate to establish a principal preparation pipeline.	Partially Implemented
#2022-03 – 4.2 The Utah State Board of Education should provide suggestions to the Legislature to consider creating an independent state statute for school administrator evaluations.	Not Implemented
#2022-03 – 4.3 The Legislature should consider providing support for professional development and that this be included in a potential principal preparation pipeline.	In Process
#2022-03 – 4.4 The Utah State Board of Education should formalize principal evaluation frameworks within a new principal evaluation law for districts to utilize.	Not Implemented
#2022-03 – 4.5 The Utah State Board of Education and higher education institutions should study the viability of a tiered licensure program and longer mentorships for new principals.	Not Implemented
#2024-06 – 1.7 After June 30, 2025, the Legislative Audit Subcommittee should consider having the Office of the Legislative Auditor General evaluate program adoption rates, including the potential impact of funding structure on participation.	In Process
#2024-06 – 1.8 The Legislative Audit Subcommittee should consider having the Office of the Legislative Auditor General conduct an audit of the merit-award program’s effectiveness and implementation at the conclusion of the pilot program.	In Process

*A Performance Audit of Teacher and Principal Performance Within Utah’s Public Education System (#2022-03)
An Initial Review of Merit Awards For Teachers (#2024-06)*

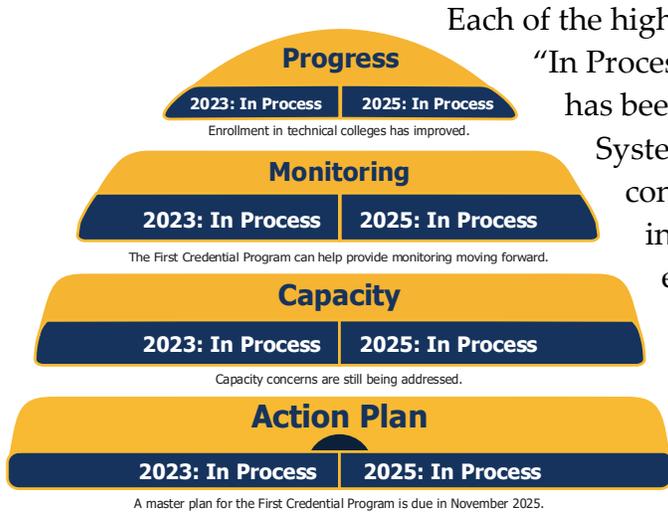
Action Plan Recommendations	2024 Follow-up Status
#2021-04 – Chapter 2 Recommendation 1 The Utah State Board of Education should follow the mission and vision for public education formalized in <i>Utah Code</i> .	Implemented
#2021-04 – Chapter 3 Recommendation 3 The Utah State Board of Education should incorporate all USBE section operations into its strategic plan.	Implemented
Monitoring Recommendations	2024 Follow-up Status
#2021-04 – Chapter 3 Recommendation 2 The Utah State Board of Education should routinely collect, track, and report performance of internal operations, including those that relate to the fulfillment of their strategic plan.	In Process
#2021-04 – Chapter 5 Recommendation 1 The Utah State Board of Education should include external turnover rates in the State Superintendent’s Annual Report as part of the internal metrics to be developed.	Implemented

A Performance Audit of the Utah State Board of Education’s Internal Governance (#2021-04)



3.2 Despite Improving Educational Pathways, Access to USHE Institutions Continues to Decline

In Chapter 3 of our 2023 High-Risk List, we rated this risk area. This section focuses on providing updates to the main concerns we presented in that report. Following the QR code, more detailed information about the scope and background of this risk area can be found in our previous report.

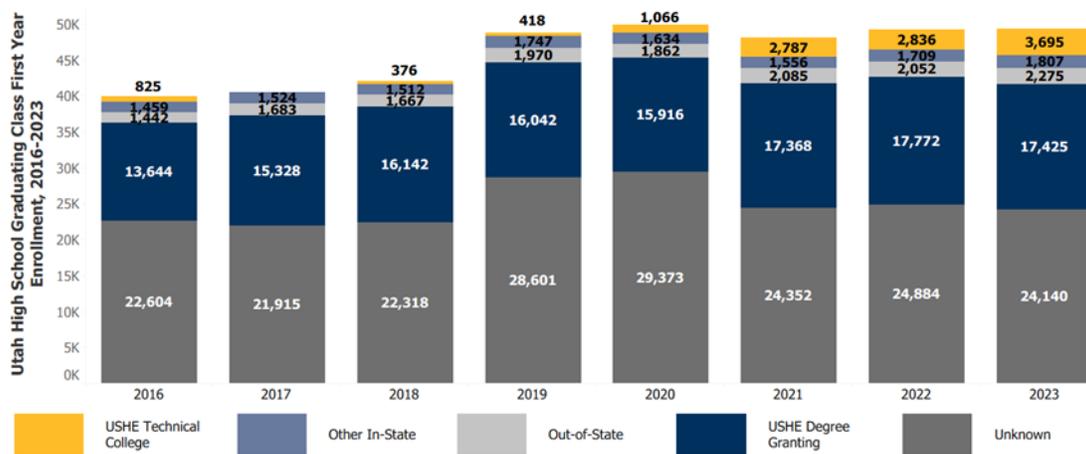


Each of the high-risk dimensions have the same “In Process” rating as in 2023, but there has been improvement. The Utah

System of Higher Education (USHE) has addressed concerns related to credit transfer among institutions. And as Figure 3.2 shows, enrollment in USHE’s technical colleges has more than tripled since 2020. While more students have accessed options beyond traditional four-year degrees, additional work is needed to clarify pathways, help students access them, and support

education and career planning. We believe that these pathways can help reduce risk as students break their paths into smaller tasks. The new First Credential Program is a major effort related to this. It encourages career readiness by identifying industry-recognized credentials and rewarding students who receive them with a scholarship they can use at USHE, or other accredited institutions.

Figure 3.2 High School Graduating Class Enrollment at USHE Technical Colleges Has More than Tripled since 2020.



Source: Auditor generated from USHE High School Feedback Reports.



Progress

2023: In Process

2025: In Process

Educational pathways should improve student access, completion, and career readiness. While enrollment in technical colleges and timely completion at USHE institutions have improved, the share of Utah high school graduates enrolling in a USHE institution is still decreasing.

Monitoring

2023: In Process

2025: In Process

USHE has established a [dashboard](#) that shows the latest progress it has made on its strategic plan’s strategies and tactics. Additionally, USHE [continues to track](#) its completion and access goals. The First Credential Oversight Committee has been developing monitoring elements for the First Credential Program, which are part of the First Credential Master Plan. They are scheduled to release the plan shortly after the release of this High-Risk List. *Utah Code* requires monitoring of key pathway processes to ensure continuous improvement. Maintaining the master list of credentials, evaluated on criteria such as wage trajectory, industry demand, ROI, transferability, and employer validation is part of that process.

Capacity

2023: In Process

2025: In Process

In 2023, our capacity concerns included the awareness of pathways, potential increased enrollment, having clear pathways, and credit transfer among USHE institutions. As shown, it appears that awareness is improving. USHE has also improved credit transferability by adopting a credit-based system for all USHE institutions and streamlining general education. Lastly, the First Credential Program could help clarify pathways and identify enrollment needs. As the program is new, we will review it in future high-risk reports.

Action Plan

2023: In Process

2025: In Process

USHE has strategies to improve access and completion in its own strategic plan. For pathways, USHE has helped develop the First Credential Master Plan. The First Credential Program replaced Utah’s PRIME program. The plan builds on the PRIME program to create a statewide framework that integrates First



Credentials across K-12, higher education, and the workforce. The framework outlines five statutory pathways to earning a First Credential: CTE completion, youth apprenticeships, industry-recognized credentials, concurrent enrollment, and technical college certificates.

The Office of the Commissioner and USBE Should Evaluate What Impact Their Efforts Have Had on Awareness of Educational Pathways

The following Action Items should be considered to further address the educational pathways high-risk area.

Action Item for Agency (Capacity)

The Commissioner’s Office of Higher Education and the Utah State Board of Education’s Career and Technical Education Office should assess the impact of their efforts to increase awareness of educational pathways.

Action Item for Agency (Monitoring)

As the Office of the Commissioner of Higher Education (OCHE) completes tactics on its strategic plan related to educational pathways (such as access, the First Credential Program, and work-based learning), it should analyze whether they helped improve its access goal. If not, OCHE should adjust those tactics.

3.3 Continued Improvement of Data Collection and Management Can Help Alignment of Education Programs with Workforce Needs

In Chapter 3 of our 2023 High-Risk List, we rated this workforce alignment risk area in education. This section provides updates to the main concerns we presented in that report. Following the QR code, more detailed information about the scope and background of this risk area can be found in our previous report. We also include information from *A Performance Audit of the Utah System of Higher Education (#2024-22)*, where we reviewed the Utah System of Higher Education’s (USHE) workforce alignment efforts.





Workforce alignment helps address cost of living and affordability concerns. Students who participate in career and technical education (CTE) have shown improved employment and wage outcomes. Efforts to improve workforce alignment in Utah continue as each of the dimensions remains In Process. Such efforts include recent legislation related to the First Credential Program and Higher Education Strategic Reinvestment.

We are encouraged that the number of USHE institutions that have reached their high-yield, high-demand goal increased from three to eight since our last High-Risk List, as shown in Figure 3.3. However, USHE is still not on pace to meet its systemwide goal of 74.2 percent of graduates being in high-demand fields.

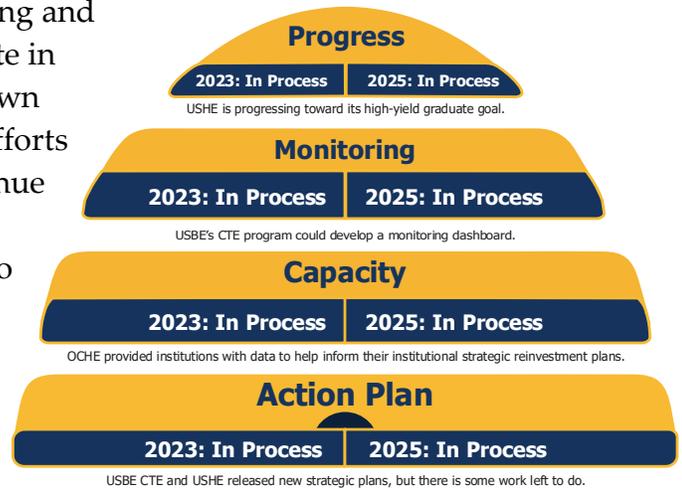
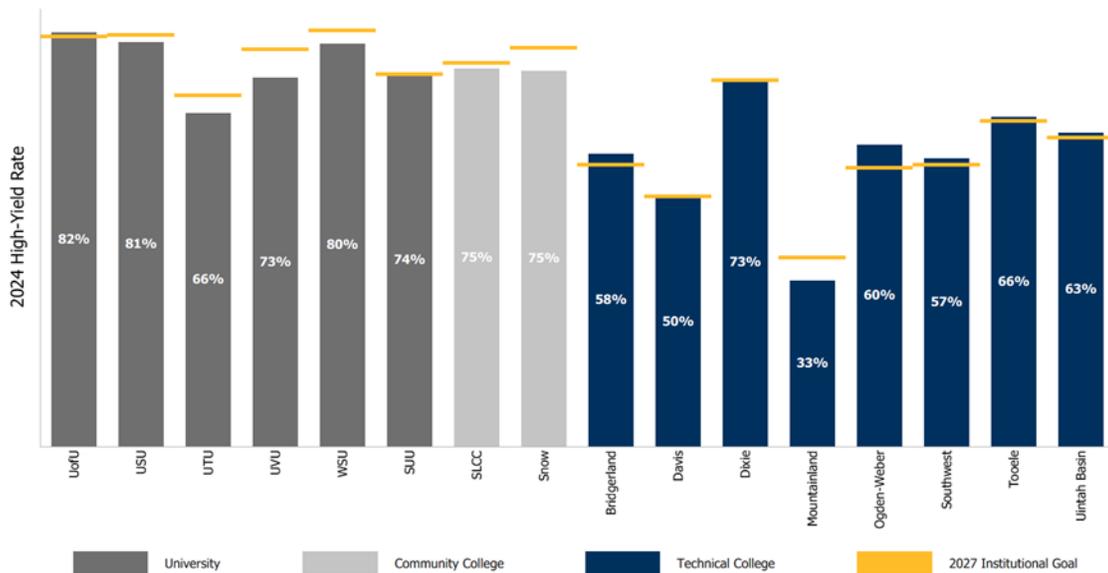


Figure 3.3 Half of USHE Institutions Have Reached Their High-Yield, High-Demand Goal. This is up from three institutions that had met them in our 2023 High-Risk List.



Source: Auditor generated from USHE Attainment Goal Dashboard.



Progress

2023: In Process	2025: In Process
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As discussed on the previous page, USHE is making progress toward its high-yield graduate goal. USBE’s CTE program has now established a goal to have 50 percent of high school graduates be pathway completers. We will report on that moving forward.

Monitoring

2023: In Process	2025: In Process
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USHE’s [strategic plan](#) and [attainment goal](#) dashboards provide transparent monitoring of their progress. A new [dashboard](#) also shows the impact of Talent Ready Utah. Although USBE lacks similar dashboards for CTE, we believe the new CTE strategic plan provides an opportunity to develop comparable monitoring.

Capacity

2023: In Process	2025: In Process
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Recent changes target improving the alignment of USHE programs with industry demand. The Office of the Commission of Higher Education (OCHE) told us that they have provided USHE institution presidents with the information needed to expand, reduce, or discontinue programs. We are concerned that CTE faculty shortages and awareness about CTE, concerns we reported in 2023, continue to be challenges for USBE. Changes in House Bill 447 from the 2025 General Session could help. It allows individuals who do not have a license but who do have industry experience to work as an educator. Efforts to address capacity concerns need to be monitored, evaluated, and adjusted as needed.

Action Plan

2023: In Process	2025: In Process
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We recognize the progress USBE has made in creating its new CTE strategic plan. While it has long-term strategies and goals, we believe it can improve with the addition of short-term metrics. We were told that USBE is developing these. USHE also developed a new strategic plan since our last High-Risk List. It includes two new priorities related to workforce alignment: Financial Value and Economic Development. As we recommended in our 2024 USHE audit ([#2024-](#)



22), we also believe USHE needs to develop a long-term plan outlining the roles of its institutions.

USBE Must Improve the Short-Term Metrics in Its CTE Strategic Plan

A *Performance Audit of the Utah System of Higher Education* (#2024-22) provided recommendations to the Legislature, the Utah Board of Higher Education (UBHE), and OCHE to improve efficiency and workforce alignment within Utah’s system of higher education. We list the related recommendations below and provide brief updates.

During our follow-up on Recommendations 2.1 and 2.2, OCHE explained to us that they, and UBHE, are working on a redesign of the system of higher education based on best practices. In this, they are prioritizing student experience and statewide value.

Action Plan Recommendations	2025 Follow-up Status
#2024-22 – 2.1 The Utah Board of Higher Education and Office of the Commissioner of Higher Education should promote stronger system coordination by more clearly specifying institution roles and providing stronger oversight of those roles.	In Process
#2024-22 – 2.2 UBHE should create a long-term plan outlining the unique roles each degree-granting institution will fulfill over the next 20 years.	In Process

Action Item for Agency (Action Plan)

The Utah State Board of Education’s Career and Technical Education Office should develop short-term performance measures that show the impact of the strategies in its Strategic Plan.

Action Item for Agency (Action Plan)

The Utah State Board of Education’s Career and Technical Education Office should develop an annual work plan for its Strategic Plan.



OCHE Is Developing a Methodology to Calculate Program Level Return on Investment

As reported in our follow-up, OCHE developed a new program outcomes dashboard to serve as an aid for the development of strategic reinvestment plans required under House Bill 265. They explained that the dashboard helps inform program-level return on investment. OCHE told us though that work is still underway to finalize a comprehensive methodology to determine institutional program ROI. They also work with the Department of Workforce Services (DWS) to receive workforce outcomes data that OCHE uses to update their [workforce outcomes dashboard](#). USHE’s Talent Ready Utah often leverages DWS’s data to identify specific areas of workforce need. Their Workforce Priority Model is an example. They use this model to identify workforce gaps and put together strategies to close those gaps.

Capacity Recommendations	2025 Follow-up Status
#2024-22 – 1.1 The Office of the Commissioner of Higher Education (OCHE) should work with institutions to develop and oversee a uniform methodology to calculate program-level return on investment, including program costs and completion rates.	In Process
#2024-22 – 1.5 OCHE should work with the Department of Workforce Services to curate and coordinate use of regional and state workforce data to drive proper programmatic investment of taxpayer funds.	In Process
#2024-22 – 2.4 The Utah Board of Higher Education should compile a report of unnecessarily duplicative programs across the system, programs with low student outcomes, and programs that no longer serve a market or systemwide need, then place this report on a President’s Council agenda for further discussion and coordination.	In Process
#2024-22 – 2.6 The Legislature should consider the policy question of whether it is desirable to provide performance funding at the system level, to incentivize a more coordinated system.	In Process

Action Item for Agency (Capacity)

Local Education Agencies should adopt strategies to address retention and recruitment concerns for CTE positions, based on data from the CTE Office’s regional needs data dashboard



OCHE Has Provided Additional Workforce Data Which Should Continue to Be Used to Make Data-Based Decisions for Which Programs to Expand, Reduce, or Discontinue

OCHE and UBHE continue to implement the following recommendations. They provided data to institutions to help inform institutional strategic reinvestment plans. Additionally, for Recommendation 1.3, USHE has continued to prioritize Direct Admissions, Accelerated Bachelor Degrees, and reinvestment into programs that are responsive to industry needs and provide students with strong employment and wage outcomes.

Monitoring Recommendations	2025 Follow-up Status
#2024-22 – 1.2 OCHE and institution presidents should use program costs, enrollments, completion rates, employment outcomes, and workforce demand to determine if programs should be expanded, reduced, or discontinued.	In Process
#2024-22 – 1.3 OCHE should improve their decision making by working with institutions to identify why students choose to attend private non-traditional institutions and why institutions are losing market share for some programs.	In Process
#2024-22 – 1.4 The Legislature should consider the costs and benefits of providing targeted funding to areas of high workforce need and consider holding institutions more accountable for the funding they provide to these areas of high workforce need.	In Process
#2024-22 – 2.3 UBHE should utilize their audit resources to perform systemwide accountability reviews, ensuring institutions act within their long-term roles, and identifying further system efficiencies including areas where better data systems are needed.	In Process
#2024-22 – 2.5 The Legislature should consider requiring UBHE to perform ongoing review of programs, administration, and other operational efficiencies within the Utah System of Higher Education.	Partially Implemented

Action Item for Agency (Monitoring)

The Utah State Board of Education’s Career and Technical Education Office should develop a method to track progress toward implementing its Strategic Plan, including measurable metrics and baselines.

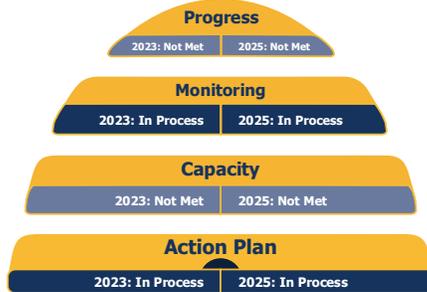




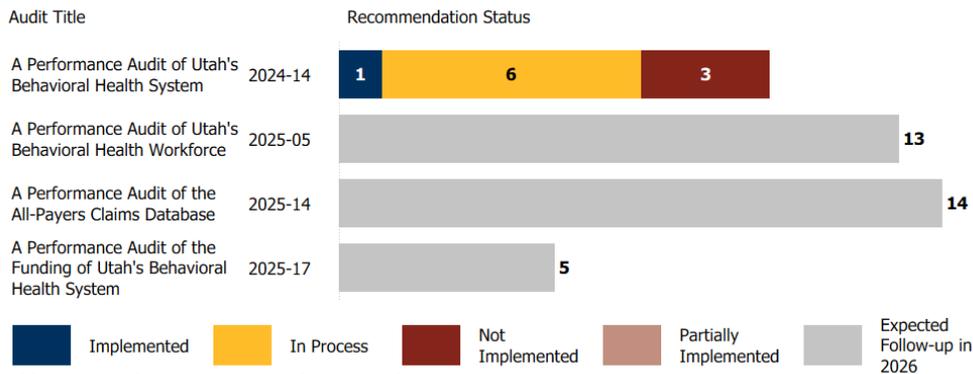
BACKGROUND

We consolidated our mental health areas and the substance use area from the 2023 High-Risk List into a single behavioral health area with two sub-areas. This was done based on several audits we released on Utah’s behavioral health system, focusing on governance, planning, coordination, workforce needs, and funding. Those audits provided various recommendations for improving aspects of the state’s behavioral health system. We will complete annual follow-ups on the audits and provide updates on the recommendations moving forward.

4.1 Insufficient Access to Mental Health Services Amid Rising Mental Health Needs Is Concerning



4.2 Insufficient Accountability and Coordination Hinder Statewide Efforts to Improve Behavioral Health Outcomes



Not all audit recommendations are listed as some of them are not related to the high-risk area.

Related OLAG Products

- Report #2025-17:** A Performance Audit of the Funding of Utah’s Behavioral Health System
- Report #2025-14:** A Performance Audit of the All-Payers Claims Database
- Report #2025-05:** A Performance Audit of Utah’s Behavioral Health Workforce
- Report #2024-14:** A Performance Audit of Utah’s Behavioral Health System
- Report #2019-02:** A Performance Audit of the Neuropsychiatric Institute
- Report #2017-11:** A Limited Review of Sources of Funding and Expenditures for Homeless Initiatives





Area 4

Insufficient Behavioral Health Treatment Capacity Needs to be Addressed

Why Area Is High Risk

As we reported in our 2023 high-risk list, Utah’s behavioral health system remains fragmented across various systems. In recent behavioral health audits, we found that there is no true centralized authority, despite the recent addition of the Utah Behavioral Health Commission. Because of this, the current governance structure is limited in its ability to coordinate and hold the many entities overseeing the behavioral health system accountable. The fragmented system and data sharing challenges may contribute to diminished health outcomes.



Suicide is the second leading cause of death for Utahns ages 10-44.

Utah saw nearly 700 individuals die from suicide in 2023—it is the second leading cause of death for Utahns ages 10 to 44. Additionally, Utah’s suicide rates continue to be well above the national average, as shown in Figure 4.2. Suicide deaths, however, are only part of the problem. More people are hospitalized or treated for a suicide attempt than are fatally injured.



About 50 percent of Utah Adults and 48 percent of Utah youth with a mental illness do not receive treatment.

Unfortunately, Utah’s behavioral health workforce cannot keep up with treatment needs. About 50 percent of Utah adults¹² and 48 percent of Utah youth¹³ with a mental illness did not receive treatment, which is similar to what we reported in 2023. Furthermore, in 2022-2023, 71 percent of Utah adults who needed substance use treatment did not

receive it. Workforce shortages are concerning as a delay in treatment can lead to increased mortality and morbidity. In fact, more people died from drug overdose in 2023 than ever before.

¹² For adults, this measure is for adults with any mental illness who did not receive treatment. Maddy Reinert, Danielle Fritze, and Theresa Nguyen. “The State of Mental Health in America 2023,” *Mental Health America*. October 2022.

¹³ For youth, this measure is youth with a major depressive episode who did not receive mental health services.

Maddy Reinert, Danielle Fritze, and Theresa Nguyen. “The State of Mental Health in America 2024,” *Mental Health America*. July 2024.



This High-Risk Follow-up Combines Two Behavioral Health Areas from 2023. Mental Health and Substance Use were separate areas in our 2023 high-risk list, but we have now combined them into a single area under Behavioral Health. Sub-area 4.2 now reports on both suicide rates and drug overdoses. We combined the areas primarily because of what we have learned from conducting several audits of Utah’s behavioral health system since 2023. We incorporated our findings from the following audits into this high-risk area.

Report #2024-14¹⁴ (Governance Audit)

Report #2025-05¹⁵ (Workforce Audit)

Report #2025-14¹⁶ (All-Payers Claims Database or APCD Audit)

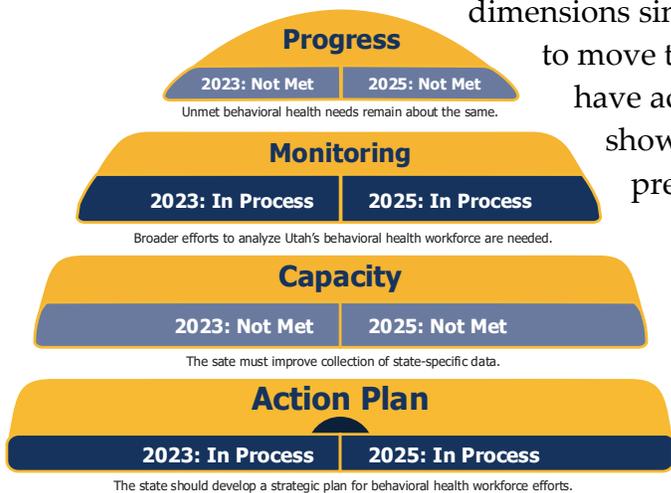
Report #2025-17¹⁷ (Funding Audit)

Our office will also release more behavioral health audits which will be incorporated into the high-risk list in the future. As such, we may add to the following sub-areas moving forward.

4.1 Insufficient Access to Mental Health Services Amid Rising Mental Health Needs Is Concerning

While we rated this risk area in 2023, our update incorporates findings from our 2025 Workforce Audit and the All-Payers Claims Database (APCD) Audit. Recommendations from those audits address gaps in Utah’s behavioral health workforce data and encourage a more effective use of it.

As the beehive graphic shows, there has been no change in the high-risk dimensions since 2023, but we will discuss current efforts to move the dimensions forward. While more people have accessed state behavioral health services, shown in Figure 4.1 on the next page, the prevalence of mental illness also increased.



¹⁴ A Performance Audit of Utah’s Behavioral Health System ([Report #2024-14](#))

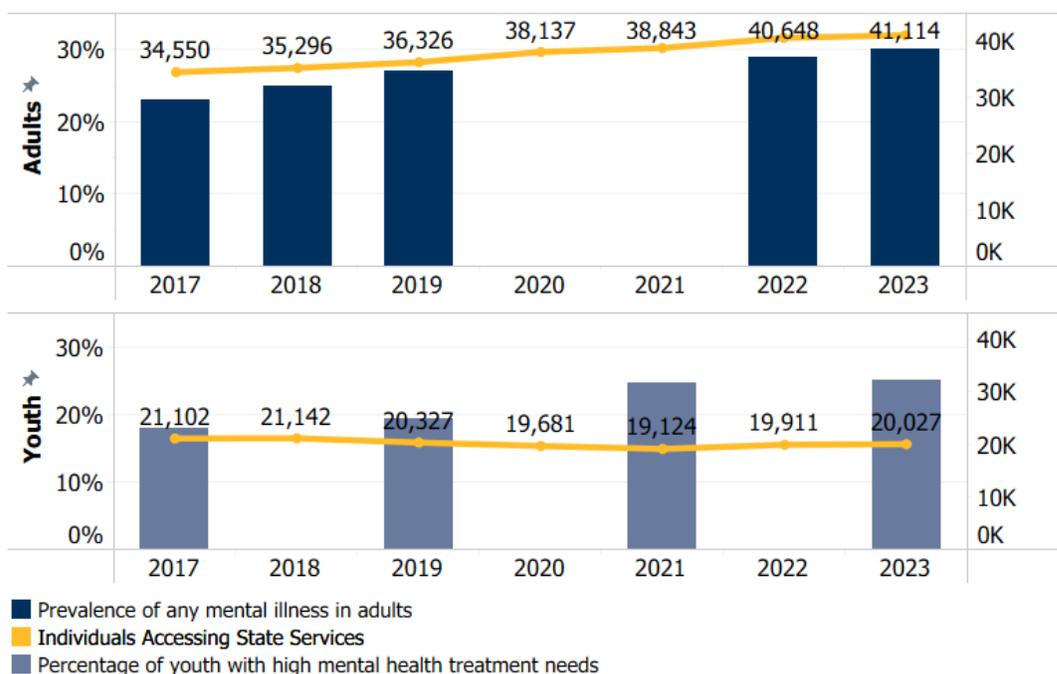
¹⁵ A Performance Audit of Utah’s Behavioral Health Workforce ([Report #2025-05](#))

¹⁶ A Performance Audit of the All-Payers Claims Database ([Report #2025-14](#))

¹⁷ A Performance Audit of the Funding of Utah’s Behavioral Health System ([Report #2025-17](#))



Figure 4.1 While Access to State Behavioral Health Services Has Increased, the Prevalence of Mental Health Concerns Has Also Increased.* Thus, progress in this area remains not met.



Source: Auditor generated from Department of Health and Human Services and National Survey on Drug Use and Health data.

*Even year data for youth treatment needs is not available as it is only gathered every other year. 2020 and 2021 data for adults mental illness prevalence is not available due to the pandemic.

State services, however, are only part of the picture; our 2025 Workforce Audit found that “Currently, the state’s demand for behavioral health services outpaces the limited number of providers.”¹⁸ This unfortunate shortage contributes to the many Utahns who need behavioral health treatment and do not receive it. The state should look for ways to build a resilient and sustainable behavioral health workforce. This includes improving the state’s behavioral health workforce data and using quantifiable measures to see if efforts to address workforce shortages are effective. We recognize that workforce quality, access, and insurance acceptance are also important factors in addressing the state’s behavioral health challenges.

¹⁸ A Performance Audit of Utah’s Behavioral Health Workforce (#2025-05), page 1.



Figure 4.1 shows that more individuals have started to access state services. Utah, however, still has a large behavioral health workforce gap. Additionally, the percentage of youth and adults who need behavioral health treatment but do not receive it has stayed about the same. Thus, this area remains Not Met.



The Health Workforce Information Center can be the state’s central repository and analysis hub for behavioral health workforce data. Unfortunately, we found in our APCD Audit that they have been denied access to APCD,¹⁹ an important piece for tracking the workforce. Improving the ability to track the workforce can inform efforts to improve access to treatments for those who need them.



As we have stated, workforce gaps are still a concern. The Office of Professional Licensure Review in the Department of Commerce reported that Utah needs about 8,000 more providers to meet the needs of Utah residents. A large reliance on qualitative information and national estimates to shape behavioral health workforce policy, even for public sector providers, prevents the state from accurately assessing needs, addressing hiring barriers, and allocating resources effectively. Thus, improved data collection is important. DHHS launched a new behavioral health internship program for critical areas within DHHS to address workforce challenges. The state also created the behavioral health technician certification to help alleviate the overburdened system.



¹⁹ The All-Payers Claims Database is a comprehensive health care data source that collects claims from various payers, including commercial insurers, Medicaid, and third-party administrators. It has the capacity to track physical and behavioral health metrics over time, which could support health policy decisions and interventions.



The behavioral health workforce should improve its strategic planning. Our Workforce Audit recognized that various entities, including ones that the Legislature created, have spent several years studying and offering solutions to improve the workforce. A barrier to these efforts has been that the solutions were not always aligned with the recommendations or assigned to a specific entity. We recommend the creation of a behavioral health workforce strategic plan.

Action Plan Recommendations	Next Expected Annual Follow-up
#2025-05 – 1.5 The Health Workforce Advisory Council, with input from the Behavioral Health Commission, should develop a strategic plan for behavioral health workforce efforts and determine the effectiveness of these measures.	April 2026

A Performance Audit of Utah’s Behavioral Health Workforce (#2025-05)

Data Sharing Should Improve to Facilitate Better Tracking of the Behavioral Health Workforce

Behavioral health stakeholders can use the APCD to identify where Utahns need more behavioral health services and recommend where more capacity should be built. The Health Workforce Information Center should receive adequate access to behavioral health workforce data to facilitate this. Shown in Recommendation 2.1, Legislature should also consider options to allow more data sharing within the Department of Health and Human Services (DHHS). DHHS concurred with this recommendation and committed to work with lawmakers in the 2026 General Session to find solutions for maintaining data privacy while better utilizing the data. The state should also address inaccuracies in its commercial insurance directory and the Office of Substance Use and Mental Health (OSUMH) should improve the certification process for the peer support specialist workforce.

Capacity Recommendations	Next Expected Annual Follow-up
#2025-05 – 1.1 The Department of Health and Human Services should ensure the Health Workforce Information Center has adequate access to behavioral health workforce data sources for workforce evaluation.	April 2026
#2025-05 – 1.3 The Health Workforce Advisory Council and the Utah Substance Use and Mental Health Advisory Committee should evaluate their legislative review processes for the behavioral health workforce and eliminate any duplicative efforts.	April 2026

A Performance Audit of Utah’s Behavioral Health Workforce (#2025-05)



#2025-05 – 1.4 The Legislature should consider formalizing the reporting structure between the Behavioral Health Commission and the Health Workforce Advisory Council on behavioral health workforce analysis and policy related recommendations.	April 2026
#2025-05 – 2.4 The Office of Substance Use and Mental Health should improve the certification process for the peer support specialist workforce.	April 2026
#2025-05 – 2.5 The Department of Health and Human Services’s Office of Background Processing should evaluate and improve current background check processes for better efficiency and clarity.	April 2026
#2025-05 – 4.1 The Legislature should consider updating <i>Utah Code</i> for online provider directories, including accuracy requirements and the role of state oversight.	April 2026
#2025-14 – 2.1 The Legislature should consider policy options allowing for more data sharing within the Department of Health and Human Services for public health cases.	August 2026

A Performance Audit of Utah’s Behavioral Health Workforce (#2025-05)
A Performance Audit of the All-Payers Claims Database (#2025-14)

Lack of Quantitative Data Limits Stakeholders’ Ability to Make Informed Workforce Decisions

Increased efforts should go toward evaluating all behavioral health providers in the workforce. Local authorities should work with DHHS to provide more information related to their behavioral health workforce needs. Also, the Health Workforce Information Center can more fully analyze the workforce and should consider using additional data models in its analysis.

Monitoring Recommendations	Next Expected Annual Follow-up
#2025-05 – 1.2 The Health Workforce Information Center should evaluate all behavioral health providers in its analysis of the behavioral health workforce.	April 2026
#2025-05 – 2.1 The Office of Substance Use and Mental Health should require local authorities to indicate if service deficiencies are related to workforce challenges as part of their annual audit process.	April 2026
#2025-05 - 2.2 The Health Workforce Information Center should consider additional data collection models to ensure its analysis captures the entirety of the behavioral health workforce.	April 2026

A Performance Audit of Utah’s Behavioral Health Workforce (#2025-05)



Following up from our 2023 high-risk list, the Office of Substance Use and Mental Health (OSUMH) has developed targets for metrics they did not have targets for previously. These are shown in their Results Based Accountability (RBA) Plan. Targets for several other metrics are still under development, which they should finalize. OSUMH has several tactics related to paraprofessionals in its RBA plan. These tactics include monitoring the quality of paraprofessional training, increasing training, and developing procedures and guidelines for appropriate supervision of paraprofessionals. As shown in Recommendation 2.3, OSUMH should also ensure accurate tracking of paraprofessionals to determine if RBA tactics have been achieved.

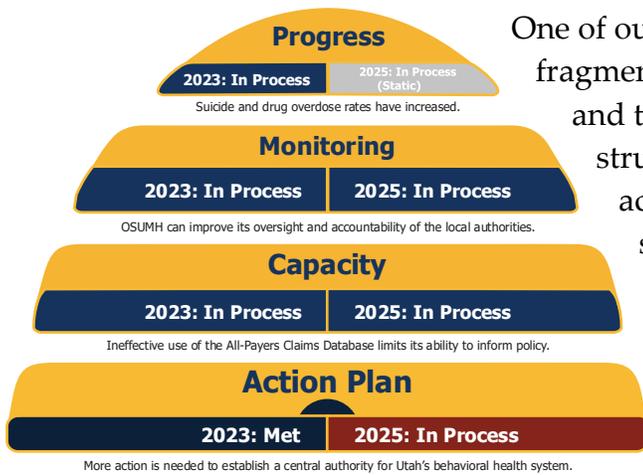
#2025-05 – 2.3 The Office of Substance Use and Mental Health should ensure accurate tracking of paraprofessionals and trainings to determine if RBA tactics have been achieved.	April 2026
#2025-05 – 4.2 The Utah Behavioral Health Commission should analyze the options presented to monitor and improve the adequacy and accuracy of commercial health plan networks, with input from the Utah Insurance Department, and provide this analysis to the Legislature.	April 2026
#2025-05 – 4.3 The Legislature should consider the results of the Utah Behavioral Health Commission’s analysis from Recommendation 4.2 and make a policy decision on implementation.	April 2026

A Performance Audit of Utah’s Behavioral Health Workforce (#2025-05)



4.2 Insufficient Accountability and Coordination Hinder Statewide Efforts to Improve Behavioral Health Outcomes

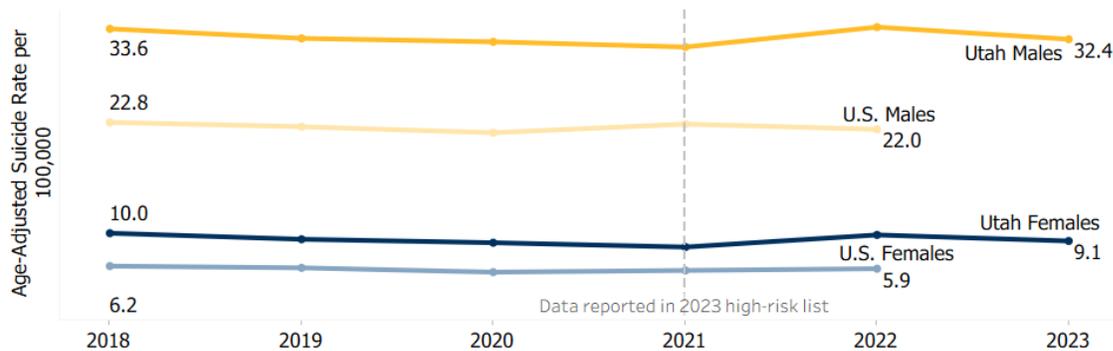
While we rated this risk area in 2023, our update incorporates findings from our Governance, APCD, and Funding Audits. The audits gave recommendations to improve the behavioral health system’s governance and better utilize behavioral health data. Improved governance should help provide more accountability to the system and better data utilization can help policymakers and stakeholders navigate the complexities of behavioral health and make more informed choices.



One of our primary concerns is the continued fragmentation of Utah’s behavioral health system and the absence of a central governance structure to ensure coordination and accountability. This fragmentation impedes service access and limits the efficient and effective use of public resources.

Although the creation of the Utah Behavioral Health Commission (Commission) represents progress, its current structure does not provide the overarching authority needed to align statewide efforts. A deep understanding of the state’s behavioral health system is required for effective public governance and financial stewardship. Once a true central authority is created, it should work to grasp the full scope of the system, which is an important component in identifying gaps, improving coordination, and ensuring resources are aligned with actual needs. As noted in our Workforce Audit, delays in treatment can lead to increased morbidity and mortality.

Figure 4.2 Utah’s suicide rates remain well above national averages and have not significantly improved since our 2023 high-risk list.* As shown in our 2023 high-risk list, this is an important metric in demonstrating progress.



Source: Auditor generated from Utah’s Public Health Indicator Based Information System (IBIS).
*U.S. data for 2023 is not yet available.



Figure 4.2 shows that suicide rates for both males and females have not significantly improved since our 2023 high-risk list. More people died from a drug overdose in 2023 than ever before. While overdose deaths from prescription opioids and heroin have decreased, there has been a sharp increase in fentanyl deaths, similar to our findings in 2023. Utah’s drug death rate does compare favorably to the U.S.’s rate. Since being about the same in 2019, the U.S. rate has spiked while Utah’s has stayed relatively consistent.



In the 2023 report, we focused on the Office of Substance Use and Mental Health’s (OSUMH) monitoring efforts. OSUMH’s monitoring through its RBA plan and [data portal](#) continues. Submission from rural counties can still improve and while OSUMH has worked to improve its oversight of local authorities, work on those recommendations remains In Process. According to the Commission’s recently established master plan, they will also provide some monitoring. They are still developing tactics in their plan but say they will regularly assess its objectives and tactics.



There is still a reported need to expand the behavioral health workforce and crisis services. However, we are concerned that workforce discussions and needs were mainly based on national estimates and surveys. Additionally, we found in our Funding Audit that a deeper understanding of the behavioral health system is required and the final central authority for the system should work to grasp a full scope of the system. The Workforce and APCD Audits also both identified data sharing issues and ineffective use of Utah’s behavioral health data as limitations. Those limitations impede the improvement of Utah’s system and may result in diminished public health outcomes.





Despite multiple entities identifying issues and offering recommendations for how they should be fixed, no one entity was made responsible for implementing recommendations related to Utah’s behavioral health system. Utah needs both an operational strategic plan with actionable steps and a central oversight body to set a clear direction for behavioral health entities to follow. The newly formed Commission released an update to Utah's Behavioral Health Master Plan, but the Commission lacks the authority to implement the plan’s recommendations. Our Governance Audit provides various options to address this concern. Another planning concern we identified is that there is no clear vision for how to use the APCD to drive meaningful policy change. This is important as the APCD can help policymakers and other stakeholders make more informed decisions.

More Action Is Needed to Establish a Central Authority for Utah’s Behavioral Health System

As noted, Utah lacks a central authority over its behavioral health system. A *Performance Audit of Utah’s Behavioral Health System* provided several recommendations to address that, which are outlined below. They include the need to consider how much authority to give the entity, developing an actionable statewide behavioral health plan, and reducing silos. A plan must also be developed for more effectively using Utah’s APCD. More effectively using the APCD can provide actionable behavioral health insights and help inform decisions about how to allocate resources.

Action Plan Recommendations	2025 Follow-up Status
#2024-14 – 1.1 The Legislature should consider the options presented to consolidate and provide oversight for the behavioral health system.	In Process
#2024-14 – 1.2 If the Legislature decides to create a central oversight body over the behavioral health system, it should consider amending statute to specify which entity has decision making authority, and how much power that entity has over other state entities providing behavioral healthcare.	In Process
#2024-14 – 1.3 If the Legislature creates a central authority, that central authority should prioritize a plan to reduce silos.	In Process
#2024-14 – 2.1 Depending on the chosen governance structure, the Legislature should consider assigning formal ownership and implementation of the <i>Utah Behavioral Health Assessment & Master Plan</i> to a designated central authority.	In Process
#2024-14 – 2.2 The <i>Utah Behavioral Health Assessment & Master Plan</i> should be developed into an actionable statewide strategic plan including best practice elements.	In Process

A Performance Audit of Utah’s Behavioral Health System (#2024-14)



<p>#2024-14 – 2.3 After creating a complete strategic plan, the central authority should prioritize the many areas for improvement into the most foundational goals.</p>	<p>Implemented</p>
<p>#2025-14 – 3.1 The Department of Health and Human Services should ensure the Healthcare Statistics program follows the guidance of Governor’s Office of Planning and Budgeting’s <i>Guide to Strategic Planning</i> to create and implement a strategic plan for the All-Payers Claims Database.</p>	<p>Expected Follow-up August 2026</p>
<p>#2025-14 – 3.2 The Department of Health and Human Services should ensure that the Health Data Plan includes a clear vision for the role of the Healthcare Statistics program in processing and analyzing data to inform decisions and support behavioral health.</p>	<p>Expected Follow-up August 2026</p>
<p>#2025-14 – 3.4 The Legislature should consider establishing a defined purpose for the All-Payers Claims Database in state statute.</p>	<p>Expected Follow-up August 2026</p>

A Performance Audit of Utah’s Behavioral Health System (#2024-14)
A Performance Audit of the All-Payers Claims Database (#2025-14)

Data Sharing Challenges Hinder the Effective Use of APCD

Along with lacking a clear vision, we found that the APCD has not informed policy due to limitations in staff capacity and data sharing challenges. The following recommendations address those challenges, increasing APCD’s potential to inform policy decisions and improve decision making.

Capacity Recommendations	Next Expected Annual Follow-up
<p>#2025-14 – 2.2 The Department of Health and Human Services should explore the potential for creating an expedited review process for internal data requests.</p>	<p>August 2026</p>
<p>#2025-14 – 2.3 The Legislature should consider balancing the need for more robust behavioral health metrics with data privacy principles.</p>	<p>August 2026</p>
<p>#2025-14 – 2.4 If the Legislature desires more robust behavioral health metrics, it should consider which entity should be charged with connecting, protecting, and analyzing inter-agency data.</p>	<p>August 2026</p>
<p>#2025-14 – 3.5 The Department of Health and Human Services should ensure that the Healthcare Statistics program explores renegotiating vendor contracts to invest more resources in Healthcare Statistics staff.</p>	<p>August 2026</p>
<p>#2025-14 – 3.6 The Legislature should decide whether to require that the Healthcare Statistics program prioritize improving operational revenue through data user fees.</p>	<p>August 2026</p>

A Performance Audit of the All-Payers Claims Database (#2025-14)



#2025-14 – 3.7 The Department of Health and Human Services should redefine Healthcare Statistics’ staff roles and responsibilities to better align with the program’s redefined vision.	August 2026
#2025-14 – 3.8 The Department of Health and Human Services should determine whether monthly submissions of claims data to Healthcare Statistics are necessary.	August 2026
#2025-14 – 3.9 The Department of Health and Human Services should work with Healthcare Statistics staff to automate all possible data submission and delivery processes.	August 2026
#2025-14 – 3.10 The Department of Health and Human Services should update the ACPD data dictionary to include better descriptions of data variables, how to interpret data values, and their limitations.	August 2026

A Performance Audit of the All-Payers Claims Database (#2025-14)

OSUMH Should Continue to Improve Its Oversight and Accountability Over Local Authorities

As we discussed previously, OSUMH’s has worked to improve its oversight of the local authorities based on our recommendations in the Governance Audit; however, the recommendations remain In Process. OSUMH reviews the quality and frequency of local authorities’ services but has permitted deficiencies to persist for years. Our recommendations are intended to help OSUMH improve its monitoring of the local authorities by increasing accountability. APCD can also improve with the adoption and implementation of performance metrics.

Monitoring Recommendations	2025 Follow-up Status
#2024-14 – 3.1 The Office of Substance Use and Mental Health (OSUMH) should establish a system of accountability, including consistently enforcing the monitoring and audit requirements of <i>Utah Code</i> .	In Process
#2024-14 – 3.2 OSUMH should engage with local authorities to directly address issues associated with noncompliance.	In Process
#2024-14 – 3.3 OSUMH should develop and implement standards for corrective action plans resulting from yearly audit findings, including a root cause analysis and guidelines for follow up.	In Process
#2024-14 – 3.4 OSUMH should establish enforcement mechanisms to address multi-year findings.	In Process
#2025-14 – 3.3 The Department of Health and Human Services should ensure that the Healthcare Statistics program adopt and implement performance metrics that include revenue, customer retention and growth, data quality, and public engagement.	Expected Follow-up August 2026

A Performance Audit of Utah’s Behavioral Health System (#2024-14)

A Performance Audit of the All-Payers Claims Database (#2025-14)



BACKGROUND

Although transportation is a new addition to the High-Risk List for 2025, effective transportation has always been foundational to maintaining Utah’s strong economy and high quality of life. Utah’s transportation partners have produced detailed long-range planning documents that identify issues and prescribe possible solutions. However, the challenge will be implementing their recommendations at all levels of government.

5.1 Strategic Land Development Is Needed to Maintain an Effective Transportation System



Audit Title	Recommendation Status
A Performance Audit of the Utah Transit Authority 2024-04	UTA Should Continue to Build on Progress Linking Transit and Land Use 2
	UTA Should Set Innovative Goals Based on Transit Principles to Become a Leader in Transportation Solutions 2 1



Not all audit recommendations are listed as some of them are not related to the high-risk area.

Related OLAG Products

Report #2024-04: A Performance Audit of the Utah Transit Authority

Report #2023-09: A Limited Review of B and C Road Funds

Report #2016-06: A Performance Audit of the Utah Department of Transportation

Report #2016-05: An In-depth Budget Review of the Utah Department of Transportation





Area 5

Effective Transportation in Utah Relies on Strategic Land Use and Funding Decisions

Why Area Is High Risk

Although transportation is a new addition to the High-Risk List for 2025, effective transportation has always been foundational to maintaining Utah’s strong economy and high quality of life. This is because congestion and lack of



Congestion could cost Utah \$61 billion between 2026 and 2050.

mobility negatively impact business and personal lives by increasing costs, limiting people’s access to opportunities, and reducing the desirability of investing and living in Utah. Transportation researchers estimated that road congestion in Utah’s

urban areas²⁰ cost the state \$1.65 billion in 2022 alone.²¹ Projecting their historic trends into the future, congestion could cost Utah \$61 billion between 2026 and 2050.

Population growth presents the biggest challenge to Utah’s transportation system, as it increases the need for additional infrastructure and places further strain on existing infrastructure. Utah’s growth will largely happen in the greater Wasatch Front, where about 80 percent of the state’s population lives.

Geographically, the Wasatch Front consists of valleys constrained by mountains and lakes, which heighten the challenges of growth. State transportation leaders emphasize the Wasatch Front’s limited capacity to exclusively focus on extending road capacity to maintain mobility. While a safe and reliable road network is critical to keep Utahns moving, adjusting land use planning decisions to improve access to transit and active transportation options will also be critical. Utah’s federal leaders recently reintroduced legislation to support this.²²



Utah’s transportation leaders indicated that road capacity expansion is limited, and that the population will soon overreach capacity.

²⁰ Salt Lake City-West Valley City, Provo-Orem, St. George, Ogden-Layton, and Logan

²¹ Dollar value is based on additional personal and commercial time spent commuting and wasted fuel.

²² The bill titled, “Build More Housing Near Transit Act of 2025,” H.R. 4576, incentivizes the development of more housing near transit stations by tying the competition for federal transit funding to state and local housing plans along transit corridors.



Utah has a \$40 billion shortfall in funding for “needed” projects between 2023 and 2050.

Funding transportation infrastructure presents an additional challenge. Utah’s state transportation plan, known as Utah’s Unified Transportation Plan (the Plan), identified a \$40 billion shortfall in funding for “needed” projects between 2023 and 2050. For instance, existing transportation revenue sources, such as the motor fuel tax, may need replacement due to increased electric vehicle use. Utah needs to consider new strategies to provide funding for its transportation needs to maintain its strong economy and high quality of life.

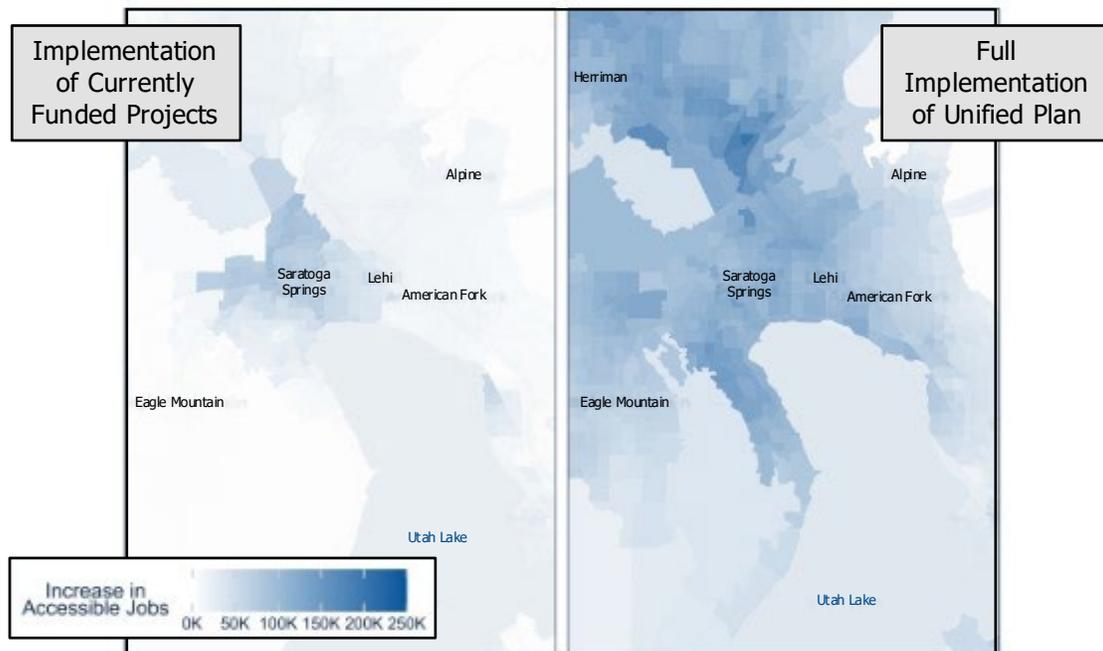
5.1 Strategic Land Development Is Needed to Maintain an Effective Transportation System

As identified in our *Performance Audit of the Utah Transit Authority (#2024-04)*, one of the biggest challenges in transit planning is its strong connection to land use. Specifically, there is an opportunity to facilitate development in urban centers and transit-hubs so that transit and active transportation are viable options for more Utah residents. Utah’s transportation leaders agree that the feasibility of increasing road capacity is limited. As such, strategic land use will be a required tool in Utah’s transportation toolbox.



UDOT modeling shows how full implementation of Utah’s Unified Transportation Plan along the Wasatch Front improves people’s access to their needs. Because the Plan invests in multiple transportation modes and links transportation options to various land uses, it shows that both of those tools are effective in addressing transportation challenges. An example of this from Northern Utah County is shown in Figure 5.1. The model focused on access to jobs, which is a proxy for people accessing their general needs. As the figure shows, access to jobs is projected to increase through full implementation of the Plan in Northern Utah County. Traffic congestion in some areas is projected to improve; however, it would not be eliminated.

Figure 5.1 Implementation of Utah’s Unified Transportation Plan Will Improve People’s Access to Their Needs. This suggests that both transportation infrastructure and transit-oriented land use are important for improving quality of life.



Source: Utah Department of Transportation.

The importance of this high-risk area is compounded by its intersection with two other high-risk areas: affordable housing and revenue diversification. We touch on this overlap in the Capacity section below. Those risks are also further explained in Area 7, Affordable Housing, and Area 10, Revenue Diversification.

**Action Plan – Met:
Utah’s Transportation Authorities Have Robust and Comprehensive Long Range Transportation Plans**

Federal law requires state agencies, in coordination with metropolitan planning organizations (MPOs), to develop a long-range transportation plan for Utah every four years. Per *Utah Code*²³, UDOT has general responsibility to plan state transportation systems. UDOT collaborates with Utah’s transportation partners to collectively develop Utah’s Unified Transportation Plan as part of this process. The Plan includes a list of needed transportation projects that are influenced by UDOT’s statewide transportation vision: good health, strong economy, better mobility, and connected communities. Utah’s Transportation Commission is then responsible for prioritizing UDOT funding sources for projects.

²³ *Utah Code* 72-1-201 (1)(a)



UDOT collaborated with Utah Transit Authority (UTA) and Utah’s four MPO’s—Wasatch Front Regional Council (WFRC), Cache MPO, Dixie MPO, and Mountainland Association of Governments (MAG)—in the development of Utah’s Unified Transportation Plan. Each of these entities has their own long-range plan which feeds the Utah Unified Transportation Plan. Finally, the Wasatch Choice Vision²⁴ was developed by WFRC, MAG, UDOT, UTA, and several other partners. It coordinated with local governments to develop a collective vision of land use development and has been a shared blueprint for growth in the Wasatch Front for more than a decade. Most importantly, plans agree that Utah’s transportation challenges are rooted in managing growth and securing adequate funding.



Utah has a collective vision for transportation that is embraced in Utah’s Unified Transportation Plan.

However, the risk is that we don’t implement the plan.

Utah’s transportation plans identify issues and prescribe possible solutions. As such, we rate Utah’s Transportation Action Plan status as Met. However, as one transportation leader clarified, “the risk is that we don’t implement the plans.” Utah’s capacity to implement these plans relies on funding availability and allocation, as well as local government land use and funding decisions. Additionally, introducing new funding strategies and maintaining the purchasing power of existing funding streams is critical to addressing Utah’s long-term transportation needs.

**Capacity – In Process:
Implementation of Strategic Land Use
Planning Relies on Municipalities**

Although UDOT and UTA execute aspects of Utah’s transportation plans, critical elements related to land use planning are executed by local governments. *Utah Code*²⁵ grants municipalities and counties broad authority to enact ordinances, resolutions, rules and other forms of land use controls for the use and development of land. Local governments are therefore responsible for adopting and implementing zoning rules and ordinances that support development strategies outlined in Utah’s transportation plans.



Local governments are responsible for implementing and adopting zoning rules and ordinances that support development strategies outlined in Utah’s transportation plans.

²⁴ Also previously known as Wasatch Choice 2040 and Wasatch Choice 2050.

²⁵ *Utah Code* 10-9a-102(2) and 17-27a-102(1)(b)



As described in our *Performance Audit of Utah Housing Policy (#2023-16)*, if a city and its leadership want to accommodate growth, they can use these statutory powers to balance the need for housing with important factors such as traffic, infrastructure, and projected tax revenues.

OLAG: A Performance Audit of Utah Housing Policy:

“However, if a city’s residents and leaders oppose housing growth, or if they want only single-family detached homes—a recipe for trouble as Utah continues to grow—the city’s elected leaders can use their statutory powers to stifle housing construction, essentially pushing the problem to its neighboring governments.

Unfortunately, it is difficult to make comprehensive statements about Utah cities and counties because of the different approaches they take toward land use management.

Diving deeper into the challenges local governments face when implementing strategies from the transportation plans is beyond the scope of the High-Risk List. However, transportation leaders identified several common barriers:

- Public concerns about impacts from growth.
- Some developers prefer development in greenfields because of simplicity and lower upfront costs.²⁶
- Many local governments do not have the time or resources to update their rules to proactively facilitate strategic land use.

Therefore, capacity concerns in this risk dimension that are related to managing growth can be addressed by better communicating opportunities to support cities to improve their local planning and create incentive structures that move development pressure away from greenfields, and into transit-oriented town centers. Presently, MAG and WFRC both support local governments to improve their land use planning in accordance with the State’s transportation goals. We believe recommendations



Capacity concerns can be addressed by providing better resources to cities to create incentive structures that move development pressure away from greenfields, and into transit-oriented town centers.

²⁶ Although greenfield development may be more economical to the developer, the state is faced with an additional burden to accommodate the inefficient transportation and infrastructure development.



made in our *Performance Audit of the Utah Transit Authority (#2024-04)* also help address these concerns.

Capacity Recommendations	2025 Follow-up Status
<p>#2024-04 – 2.1 The Utah Transit Authority, in coordination with its transportation planning partners, should prepare a guidebook for local governments in its service area to illustrate the characteristics of transit-supportive development to enhance the work done in the UTA Long-Range Transit Plan and the MPO Regional Transportation Plans.</p>	<p>In Progress</p>
<p>#2024-04 – 2.2 The Utah Transit Authority, in coordination with its transportation planning partners, should continue to inventory transit elements of local general plans to assess how the plans are fulfilling the statutorily required mandates for planning for and around major transit investment corridors, and to inform the UTA Long-Range Transit Plan and the MPO Regional Transportation Plans.</p>	<p>In Progress</p>



The Legislature may need to consider ways to bolster existing and new revenue sources to meet all infrastructure needs.

In Addition to Land Use Planning, Funding Capacity for New Construction and Repair of Aging Infrastructure Will Also Be a Challenge. Utah’s Unified Transportation Plan anticipates that \$153 billion will be necessary to meet all the state’s transportation needs through 2050, but it projects a \$40 billion shortfall in meeting this target.²⁷ The Plan

expects to generate \$113 billion to meet its fiscally constrained needs, but even that is dependent on generating \$18 billion through planned new revenue sources. Those options are listed on the right side of Figure 5.2 and are not guaranteed since they are policy decisions. The Legislature should continue to review the plans and options for funding sources to meet the entire shortfall.

²⁷ Figures presented here are from the current (2023-2050) Utah Unified Transportation Plan and are in 2023 dollars. However, since its release, additional funding has been authorized, and continuing inflation has affected these numbers. These figures will be updated for the next Utah Unified Transportation Plan, 2027-2055.



Figure 5.2 Utah’s Unified Transportation Plan’s Anticipated Revenue Sources Are Not Expected to Meet the Plan’s Projected Funding Needs. The Legislature may consider ways to augment existing and new revenue sources to generate additional revenue.

Existing Revenue Sources	Planned New Revenue Sources
<ul style="list-style-type: none"> • State motor fuel and diesel taxes (or equivalent replacement sources) • Vehicle registration fees • Local option transportation sales taxes • Federal funding • State auto-related sales taxes • One-time legislative appropriations (for base year) • Local general funds 	<ul style="list-style-type: none"> • Statewide motor fuel and diesel tax increases (or equivalent replacement sources) • Statewide vehicle registration fee increase • Local community vehicle registration fee increase • Local community sales tax increase • Limited financing or bonding • Federal grant funding for eligible transit projects • Private-sector funding to build local roads

Source: Utah’s Unified Transportation Plan.

Ultimately, specific funding mechanisms will depend on decisions by federal, state, and local policymakers.²⁸ Such policy considerations associated with the federal government are discussed further in Area 10 of the High-Risk List, Revenue Diversification.²⁹ As we identified in the first High-Risk List, cultural shifts are driving changes in state revenue generation, and funding mechanisms for transportation may need to be revised to keep up with demand.

The Legislature has made substantial investments in multimodal transportation programs in recent years which helped advance Utah’s Unified Transportation Plan. The Plan currently slots 72 percent (\$110 billion) of the \$153 billion in transportation needs for road capacity and road preservation. However, we believe continued investment in multimodal transportation is also important to ensure that transit and active transportation options are available to more Utahns as the state grows.

²⁸ The WFRC 2023-2050 Regional Transportation Plan contains [a detailed list](#) of transportation funding programs.

²⁹ Federal funds represent roughly 13% of total transportation investment in Utah, between 2021 and 2025.



Monitoring – Met: Utah’s Transportation Authorities Closely Monitor Progress Towards Transportation Planning Goals

Utah’s transportation partners monitor performance measures related to adopted regional goals, Utah’s Unified Transportation Plan goals, and federal performance goals.³⁰ Regional performance measures are updated every four years in accordance with their federally mandated plans while UDOT and UTA system performance metrics are updated annually. More specifically, regional performance measures track key indicators relative to goals identified in the Wasatch Choice Vision, including transit use, access to transportation modes, auto travel time, freight speed, and daily travel miles per household. Additionally, WFRC, in collaboration with others, has developed numerous planning tools that track existing conditions and project future conditions. For example, WFRC and MAG’s Utah Housing Inventory Explorer³¹ can produce detailed summaries of housing data based on custom geographies for any period of record. This makes it possible to track individual communities’ progress in implementing strategic land use planning through time. Similarly, they also have a suite of tools³² that track and measure access to opportunities, which they believe is a key measure of effective land use.



Utah transportation leaders have built several tools to closely monitor progress.

As a component of the Plan, Utah’s Statewide Annual Average Daily Traffic³³ tool estimates traffic volume for 8,113 road segments statewide. It also projects volumes for each segment for several time periods into 2050. This tool allows for detailed monitoring of road capacity throughout the state and is fed by other transportation and land use modeling efforts. UDOT monitors the quality of its infrastructure through its asset management plan and data dashboards that summarize assets, their condition, and value. As a result, UDOT can project funding needs for repair and replacement of its infrastructure.

UTA monitors ridership by tracking average weekday boardings for all its services. The data are compiled and tracked through time to show systemwide ridership by month. We believe this is a key measure for showing progress in this high-risk area.

³⁰ [WFRC Performance Measures](#)

³¹ [Utah Housing Inventory Explorer](#)

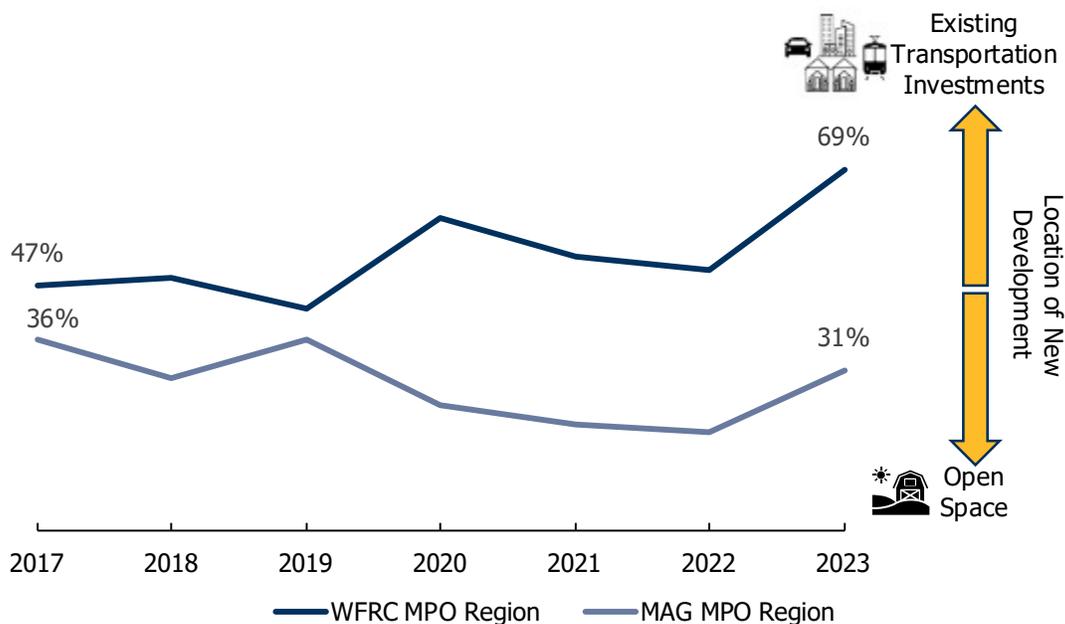
³² [Access to Opportunities](#)

³³ [Utah Statewide Annual Average Daily Traffic](#)

Progress – In Process: Recent Legislation Has Helped Improve Transportation Choice but More Can Be Done

Providing transportation choices are core to the Wasatch Choice Vision and Utah’s Unified Transportation Plan. Figure 5.3 below shows the extent of housing growth near high-capacity transportation infrastructure³⁴ in the two regional planning areas along the Wasatch Front. Data shows that communities in the WFRC region—which are mostly those in Salt Lake and Davis counties—are beginning to favor infill development over greenfield development. Communities in the MAG region—which are mostly those in Utah county—still favor greenfield development.

Figure 5.3 Housing Units Constructed Near Higher Capacity Transportation Infrastructure Has Recently Jumped, but Substantial Development Continues to Occur in Greenfields. Providing transportation choices are core to the Wasatch Choice Vision and Utah’s Unified Transportation Plan.



Source: Wasatch Front Regional Council.

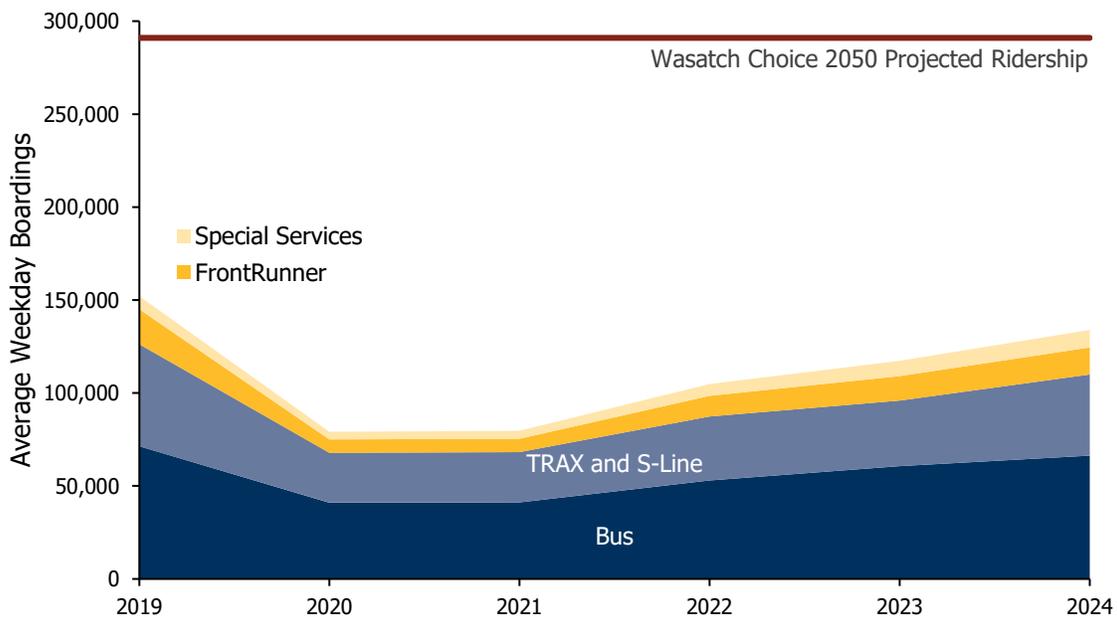
Our 2023 housing audit noted that Salt Lake County and Davis County are at the greatest risk of failing to meet housing growth needs due to the lack of remaining space. Thus, encouraging housing growth through infill and redevelopment near high-capacity transportation infrastructure could be beneficial to both the transportation and housing high-risk areas.

³⁴ Housing built within one mile of a freeway-style interchange or within 0.5 miles of a rail or bus-rapid-transit station.



We believe another critical measure of progress is UTA ridership as we expect transit use to increase as more housing is developed near transportation infrastructure. Shown in Figure 5.4, transit ridership has been steadily increasing since its low point during the COVID-19 pandemic. However, ridership is still below pre-pandemic levels. Additionally, the Wasatch Choice Vision’s anticipated ridership in 2050 is more than double the current ridership, as the red line in the figure shows. The gap between current ridership and the 2050 projected performance highlights that a continued focus on ridership is needed. We believe that implementing recommendations from our UTA audit can help increase ridership.

Figure 5.4 UTA Ridership Is Increasing but Current Levels Are Still Below Pre-pandemic Levels. UTA ridership will need to more than double to reach transportation projections.



Source: Utah Transit Authority.

State, regional, and local stakeholders have also worked together to develop and authorize meaningful tools and policy changes over the past few years to promote the connection between land use and transportation. These include station area planning, housing and transit reinvestment zones, first home reinvestment zones, pedestrian and bicycle safety amendments, and other efforts. For example, House Bill 37 in 2025 mandated the creation of a state housing plan, as recommended by our 2023 housing policy audit (#2023-16). While housing and transportation are closely tied, we present the status of recommendations made in that audit in Area 7 of this report, Housing Affordability.



The following recommendations, and those listed previously in this chapter, come from *A Performance Audit of the Utah Transit Authority* ([#2024-04](#)). They are more transportation-specific and indicate additional areas where progress can be made in this high-risk area.

Progress Recommendations	2025 Follow-up Status
# 2024-04 – 3.1 The Utah Transit Authority should plan and implement goals to reduce routine delays on key system routes for buses and trains.	Implemented
# 2024-04 – 3.2 The Utah Transit Authority should establish on-time performance and service interruption targets, then monitor and evaluate their results, and implement changes needed to meet targets.	Implemented
# 2024-04 – 3.3 The Utah Transit Authority should create advancing goals on what their future frequency network should be, then implement and evaluate these goals.	In Process





BACKGROUND

Our update on this high-risk area is largely based on previous audit reports and their subsequent annual follow-ups. Our reports on the Utah State Correctional Facility and Adult Probation and Parole provided recommendations to address staffing shortages and turnover rates within those agencies. Both entities have seen improvements in staffing recently. We noted other potential staffing concerns in our 2023 High-Risk List. The Legislature could consider prioritizing a full audit of statewide workforce shortages.

6.1 Turnover Rates Are Substantially Better, but There Are Past Recommendations to Finish Implementing



Audit Title	Recommendation Status
A Performance Audit of the Oversight and Effectiveness of 2022-13 Adult Probation and Parole	1 Implemented, 4 In Process
A Performance Audit of the Utah State Correctional Facility 2023-17	5 In Process



Not all audit recommendations are listed as some of them are not related to the high-risk area.

Related OLAG Products

Report #2023-17: A Performance Audit of the Utah State Correctional Facility

Report #2022-14: A Performance Audit of the Board of Pardons and Parole

Report #2022-13: A Limited Review of the Oversight and Effectiveness of Adult Probation and Parole

Report #2021-15: An In-Depth Follow-up of the State’s Career Service System





Area 6

Vacancy and Turnover Rates in Critical Areas of State Government Personnel Have Improved, but Need to Show Sustained Levels Over Time

Why Area Is High Risk

We showed in 2023 that personnel turnover and vacancy rates at various state entities were concerning, including the Department of Corrections (UDC), the Department of Public Safety (DPS), the Department of Health and Human Services, and the Department of Alcoholic Beverage Services. For this iteration of the High-Risk List, we chose to focus on those jobs where turnover and vacancy rates have proven to be a risk to health, safety, and human life—and for which we have completed a full audit. Specifically, we found in 2023 that shortages at the Utah State Correctional Facility (USCF) had raised concerns about the safety of inmates and staff. This manifested itself through a life-threatening assault incident in USCF’s maximum-security building. We recognize, however, that hiring and turnover rates for correctional officers have improved substantially. After being down more than 400 officers just a few years ago, UDC has seen a significant staffing turnaround and reports being fully staffed.³⁵ We will assess whether the improved rates are sustained over time during future high-risk reviews.

In 2022, we found that staffing concerns at Adult Probation and Parole (AP&P) has contributed to increased workloads for officers and decreased effectiveness on specialized cases. At the Utah State Hospital, staffing shortages have led to loss of safety measures for patients and reduced critical face-to-face therapy, which could increase risk of self-injury or death. The Legislature may choose whether to request a more in-depth review of other state-level turnover and retention concerns we do not review here.

³⁵ There is some nuance to being fully staffed that manifests itself in the difference between actual vacancies and operational vacancies. As UDC explained to us, actual vacancies represent the number of positions they need to hire for. Operational vacancies represent positions that are filled and individuals are receiving pay, but those individuals are not working shifts. Individuals being in training or on leave contribute to operational vacancies. Thus, there could be no actual vacancies, but still a number of operational vacancies.



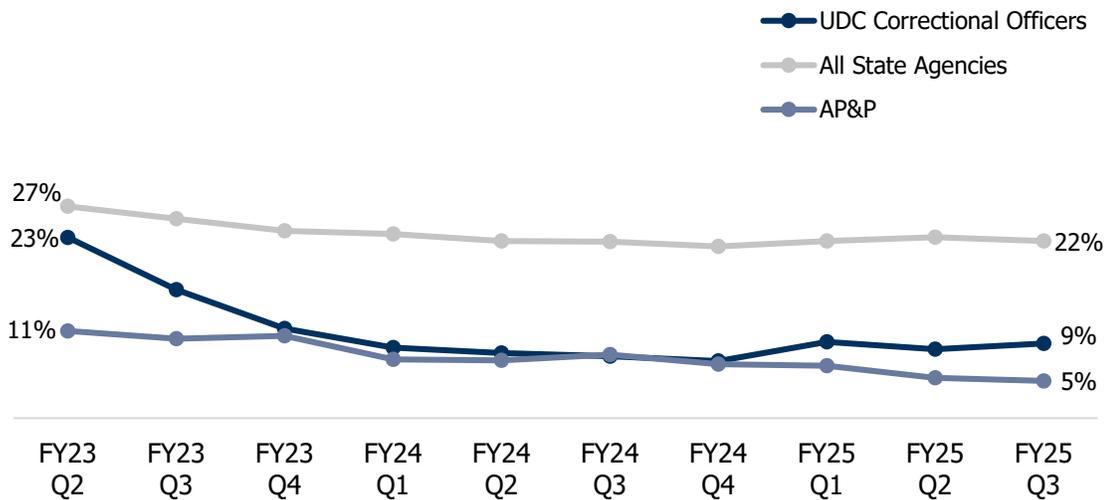
6.1 Turnover Rates Are Substantially Better, but There Are Past Recommendations to Finish Implementing

Our update on this high-risk area is largely based on previous audit reports and their subsequent annual follow-ups. We refer to both *A Performance Audit of the Utah State Correctional Facility (#2023-17)* and *A Performance Audit of the Oversight and Effectiveness of Adult Probation and Parole (#2022-13)*. Those reports provided recommendations to address staffing shortages and turnover rates within those agencies.

Some audit recommendations from those audits have been addressed. Additionally, turnover rates, as shown in Figure 6.1 are substantially better.



Figure 6.1 Turnover Rates for AP&P Agents and Correctional Officers Have Noticeably Improved. Both positions are below the average turnover rate for all state agencies.



Source: Auditor generated from Department of Government Operations Workforce Profile Dashboard and Utah Department of Corrections reports.

For both correctional officers at UDC and DPS dispatchers, personnel turnover rates have decreased since the last High-Risk List was released. This suggests that strategies to address this concern have had an impact. However, there are still recommendations where work remains In Process, especially as it relates to the Monitoring and Capacity high-risk dimensions. These present opportunities to further improve internal processes and retention.



UDC has formalized a recruitment and retention plan for correctional officers, but is still reviewing the department's culture. Our audit of behavioral health beds will also discuss staffing challenges in relation to behavioral health services and is to be released in 2026. As that report has not been released yet, the following pages focus on what UDC and AP&P have done to address staffing concerns we identified in earlier audits. Since some findings are new and work is ongoing, the high-risk dimensions remain In Process. An In Process rating recognizes that UDC has made progress in the areas and continues to address the areas.



Progress

2023: In Process	2025: In Process
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We recognize the efforts that have gone into decreasing the turnover rates in Figure 6.1. We would like to see those lower rates sustained over time. Turnover for correctional officers increased slightly after hitting a low point. Hiring and attrition rates for correctional officers have also generally improved, although they regressed near the end of Fiscal Year 2025. Thus, continued efforts beyond what has already been done are necessary.

Monitoring

2023: In Process	2025: In Process
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Our annual follow-ups showed that UDC is tracking these turnover rates. Monitoring efforts should show both the effectiveness of strategies to address turnover concerns and whether those efforts are sustainable. As these agencies track turnover over time, they should continue to assess whether their strategies can continue to keep turnover rates low.

Capacity

2023: In Process	2025: In Process
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In response to audit recommendations, UDC reported that they implemented some strategies to improve retention, but others remain In Process. This includes a staffing analysis, reviewing the department’s culture, and working with various consultants. Further information on the recommendations can be found below. We believe that full implementation of them is needed to move this dimension toward Met.

Action Plan

2023: In Process	2025: In Process
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UDC implemented strategies to improve recruitment and retention of AP&P agents, addressing an audit recommendation. UDC has formalized a recruitment and retention plan for correctional officers, focusing on compensation, public awareness and advertising, enhancing culture and employee experience, and other process improvements. Recommendation 1.1, shown below, remains In Process pending our official annual follow-up on Report [#2023-17](#).



UDC Has Implemented Many Efforts to Address Staffing and Retention Concerns, but Continued Efforts Are Still Underway

UDC has implemented retention strategies for AP&P, including improved compensation, leadership, professionalism, and culture. AP&P has sustained turnover rates below ten percent since the start of Fiscal Year 2024. UDC also told us that they hired a retention consultant to address correctional officer turnover. They have also released a formalized recruitment and retention plan.

Action Plan Recommendations	2024 Follow-up Status
#2022-13 – Chapter 2 Recommendation 1 The Division of Adult Probation and Parole should create and implement retention strategies to ensure that the Division is adequately staffed and retaining experienced agents.	Implemented
#2023-17 – 1.1 The Utah Department of Corrections should prioritize recruitment and retention of correctional officers and procure professional consulting to create a focused recruitment and retention plan.	In Process

A Performance Audit of the Oversight and Effectiveness of Adult Probation and Parole (#2022-13)

A Performance Audit of the Utah State Correctional Facility (#2023-17)

To address Capacity recommendations from Report [#2022-13](#), UDC reported that they have focused more on technology integration. They told us that they hired a new technology and innovation director and received additional funding for 20-30 new technology staff. However, they are still working to migrate O-Track to cloud technology and fully integrate O-Track into Recidiviz, which they expect to complete near the end of 2026. Additionally, UDC still needs to establish a formalized, consistent assignment process for mentally ill offenders based on population ratios and caseload sizes.

Capacity Recommendations	2024 Follow-up Status
#2022-13 – Chapter 2 Recommendation 3 The Division of Adult Probation and Parole should upgrade O-Track to provide supervisors with an accurate status of each agent’s deficiencies on supervision.	In Process
#2022-13 – Chapter 3 Recommendation 4 The Division of Adult Probation and Parole should increase the number of current agents trained to supervise offenders with a mental health diagnosis.	In Process

A Performance Audit of the Oversight and Effectiveness of Adult Probation and Parole (#2022-13)



The remaining Capacity recommendations are related to USCF. Work is still underway with contractors to conduct a staffing analysis and review pay, benefits, and culture. UDC has reported a new mission and vision for the organization to establish a foundation for office culture. They also told us they have developed a people development team to ensure there is a culture focused on staff development. To reduce the demand on staff, they reported removing mandatory overtime requirements and added civilian control point officers.

<p>#2023-17 – 1.2 The Utah Department of Corrections should procure professional consulting to assist in carrying out a staffing analysis for the prison at full capacity.</p>	<p>In Process</p>
<p>#2023-17 – 1.3 The Utah Department of Corrections should procure professional consulting to complete an analysis of pay, benefits, and organizational culture.</p>	<p>In Process</p>
<p>#2023-17 – 1.4 The Utah Department of Corrections should evaluate prison operations in conjunction with a correctional expert at the Utah State Correctional Facility and identify ways to reduce the demand for staff.</p>	<p>In Process</p>
<p>#2023-17 – 2.1 The Utah Department of Corrections’ senior leadership should foster a positive culture by working with professionals to review the organization and address actions and mindsets that do not align with the new organizational values.</p>	<p>In Process</p>

A Performance Audit of the Utah State Correctional Facility (#2023-17)

To improve monitoring, UDC told us they created a new template for reviewing high profile events within AP&P and now require recommendations for improvement. However, they still need to determine how to track and document the status of those recommendations. UDC has also worked to improve performance reviews. They told us they now require quarterly one-on-one evaluations, will work to ensure that each employee has a performance plan, and they plan to implement a yearly “360 review” for all supervisory positions.

<p>Monitoring Recommendations</p>	<p>2024 Follow-up Status</p>
<p>#2022-13 – Chapter 2 Recommendation 2 The Division of Adult Probation and Parole should establish a more formal process in policy that will provide a more thorough review of high-profile events, make recommendations for improvements, and document the results of recommendations to provide better documentation for greater transparency.</p>	<p>In Process</p>
<p>#2022-13 – Chapter 2 Recommendation 4 The Division of Adult Probation and Parole should improve and monitor the frequency and quality of yearly performance reviews by supervisors.</p>	<p>In Process</p>

A Performance Audit of the Oversight and Effectiveness of Adult Probation and Parole (#2022-13)

AREA 7 Summary

Despite Recent Efforts, A Lack of Affordable Housing Negatively Impacts Quality of Life and State Economic Growth



BACKGROUND

Utah’s population growth, combined with slower housing production after the Great Recession, has resulted in a shortage of housing units. Without enough housing to satisfy demand, home prices have increased, making it difficult for buyers to find housing within an affordable price range. This area was included on our 2023 High-Risk List, but the risk dimensions were not yet rated. We have now rated the following risk dimensions based on our 2023 audit and its subsequent one-year follow-up.

7.1 Despite Planning and Policy Efforts, Housing Is Still Unaffordable for Many Utahns



Audit Title	Recommendation Status
A Performance Audit of Utah Housing Policy 2023-16	The Legislature Should Create State-Level Housing Policy Objectives 3
	Facing Similar Housing Markets, Other States Have Created Policy Focused on Local Governments 3
	Cities Differ in Their Attitude and Approaches Toward Housing 1

In Process
 Implemented

Related OLAG Products

Report #2023-16: A Performance Audit of Utah Housing Policy

Report #2018-12: A Performance Audit of Utah’s Homeless Services

Report #2017-11: A Limited Review of Sources of Funding and Expenditures for Homeless Initiatives





Area 7

Despite Recent Efforts, a Lack of Affordable Housing Negatively Impacts Quality of Life and State Economic Growth

Why Area Is High Risk

Utah’s significant population growth, combined with slower housing production after the Great Recession, has resulted in a shortage of housing units. Without enough housing to satisfy demand, home prices have increased, making it difficult for buyers to find housing within an affordable price range. Though deficient housing supply is a driving component of Utah’s housing problems, other significant factors—like mortgage interest rates and the cost of construction materials and labor—also impact housing affordability. The lack of affordable housing can negatively impact Utah’s future prosperity, including the state’s economy, labor market, transportation, and quality of life. Thus, addressing housing affordability is a strategic imperative for all policymakers in Utah.

Our 2023 audit, *A Performance Audit of Utah Housing Policy (#2023-16)*, found that without more space-efficient housing options, Salt Lake and Davis counties could begin to run out of space for housing before 2050. Much of the housing capacity in current local general plans comes from building more low-density, single-family detached homes. Although increasing housing supply in all areas is critical, denser communities with multiple transportation options and smaller homes can alleviate transportation challenges and increase affordability. This is discussed further in the Transportation Area of this report.

Click or Scan for
Report #2023-16
(Housing Affordability)



7.1 Despite Planning and Policy Efforts, Housing Is Still Unaffordable for Many Utahns

Affordable housing was included on our 2023 High-Risk List, but the risk dimensions were not yet rated. This update now rates the risk dimensions based on our 2023 housing audit and its subsequent one-year follow-up. The audit provided recommendations to improve statewide housing capacity and affordability. As of our December 2024 follow-up, implementation of all audit recommendations was In Process. Likewise, we now rate all risk dimensions as In Process, except for Progress, which we rate as Not Met.



Notably, in response to a recommendation made in that audit, the Legislature mandated a state housing plan be created. As a result, the Governor’s office has recently released a draft of the second phase of Utah’s Strategic Housing Plan, with the final plan to be complete in December 2025. The first phase of the strategic plan defined the housing problem and established a set of shared goals. Phase II includes an audit recommendation crosswalk, as well as a prioritized tactics menu and implementation plan.

Progress

2023: Not Yet Rated 2025: Not Met

Utah’s housing shortage increased from 28,000 to 35,000.

Monitoring

2023: Not Yet Rated 2025: In Process

A dashboard has been developed to monitor the statewide housing plan.

Capacity

2023: Not Yet Rated 2025: In Process

Recommendations related to adjusting housing policy remain In Process.

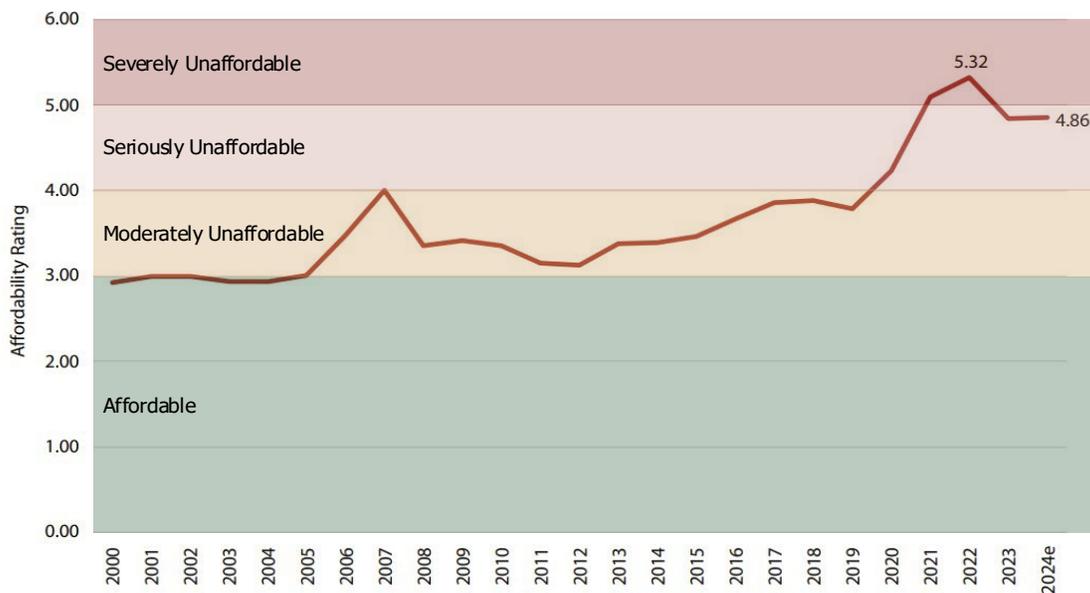
Action Plan

2023: Not Yet Rated 2025: In Process

Utah’s statewide housing plan is expected to be finalized in December 2025.

Utah’s housing needs span a spectrum of housing types and affordability levels, from those experiencing homelessness, to those where market-rate housing is just out of reach. Presently, only nine percent of non-homeowners in Utah can afford the median priced home. Data in Figure 7.1 shows Utah’s Median Multiple Affordability Rating, which is used to gauge housing affordability and is one of the Progress metrics for this area. The rating is the ratio of median home price to median household income. The data shows that Utah has been in a seriously unaffordable housing market or worse since 2020.

Figure 7.1 Utah’s Ratio of Median Home Price to Median Household Income – Known as the Median Multiple Affordability Rating – Has Steadily Risen since 2012. Markets are considered affordable when the affordability rating is 3.00 or less.



Source: 2025 Economic Report to the Governor.



Progress

2023: Not Yet Rated	2025: Not Met
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In 2022, Utah was 28,000 homes short of meeting demand. That number has now increased to 35,000. Projections estimate a need for 274,000 homes over the next ten years, but estimates also show that current market conditions are only expected to produce 220,000 during that time. This would further increase the housing gap from 35,000 to 89,000 by 2035.

Monitoring

2023: Not Yet Rated	2025: In Process
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Phase II of the strategic housing plan identifies lead metrics for measuring progress and identifies reporting entities responsible for that monitoring.³⁶ Additionally, the Kem C. Gardner Policy Institute developed the Utah Housing Affordability Dashboard in partnership with the Utah Department of Workforce Services. As part of House Bill 462 in 2022, the dashboard tracks moderate and affordable housing needs and supply across Utah communities.

Capacity

2023: Not Yet Rated	2025: In Process
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Although governmental entities do not directly build housing, setting the right mix of public policy could create more favorable conditions to create housing at the level needed to keep pace with population growth. We believe implementing recommendations made in the 2023 audit will help address these challenges by improving comprehensive statewide policy.

Action Plan

2023: Not Yet Rated	2025: In Process
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As discussed previously, the Governor’s office has developed the second phase draft of its strategic housing plan which will be finalized in December 2025. Improved housing affordability is heavily dependent on local government policy and planning. Subsequently, local moderate income housing plans should be effective. We believe our recommendations related to those should be implemented.

³⁶ Part of the plan’s strategic metric dashboard is already available [here](#).



Fully Implementing Recommendations from Report #2023-16 Can Help Move This High-Risk Area Forward

Several recommendations from our report, *A Performance Audit of Utah Housing Policy* (#2023-16) are still In Process. We believe that implementing them is an important aspect of moving this high-risk area forward. The recommendation numbering below matches that of the report.

Action Plan Recommendations	2024 Follow-Up Status
#2023-16 – 1.1 The Legislature should consider requiring the creation of a state-level strategic plan for housing in Utah. This plan should define success and include goals that specifically address the current housing shortage and forecasted population growth.	In Process
#2023-16 – 2.1 The Legislature should consider whether to expand the moderate-income housing plan requirements to include forecasting benchmarks for household growth.	In Process

House Bill 37 in the 2025 legislative session requires the Governor’s Office of Planning and Budget (GOPB) to develop a state housing plan. Because the plan is still being developed, the status of Recommendation 1.1 remains In Process. It does not appear that 2.1 has yet been fully addressed.

Capacity Recommendations	2024 Follow-Up Status
#2023-16 – 1.2 The Legislature should consider amending the land use, development, and management acts at both the county and city level to clearly emphasize housing production and affordability as primary goals of land use regulations.	Implemented
#2023-16 – 2.2 The Legislature should consider options to increase zoning density on a wide scale within the state.	In Process
#2023-16 – 2.3 The Legislature should consider policy options to craft additional penalties and incentives associated with housing planning and targets to better ensure local government compliance.	In Process



Two bills in the 2025 Legislative session made modifications to statewide housing. Both Senate Bill 181 and House Bill 37 considered housing density options. House Bill 37 fulfilled recommendation 1.2 by including housing affordability as a goal of county and city land use regulations.³⁷

Monitoring Recommendation	2024 Follow-Up Status
# 2023-16 – 3.1 As part of any statewide housing strategic planning, the Legislature should consider metrics to better track both actual and potential housing production.	In Process
Progress Recommendation	2024 Follow-Up Status
# 2023-16 – 1.3 With information gathered from strategic planning, the Legislature should consider the range of state-level policy options presented in this chapter to create a program to set and manage state-level housing production targets.	In Process

These final two recommendations are closely related to the statewide housing plan. Thus, the response to them will likely become clearer upon the completion of that plan.

³⁷ This was not yet fulfilled at the time of our 2024 follow-up. However, since House Bill 37 addressed this before our 2025 follow up, we currently consider it implemented.





BACKGROUND

Emerging energy demands are increasing the risks to electricity reliability in Utah and the western United States. The previous version of the High-Risk List gave a limited review of Utah’s energy policy and deferred to our 2023 report, *A Performance Audit of Utah’s State Energy Policy*, for details. The Governor’s Operation Gigawatt announcement highlighted the problem, but effective and sustained efforts by Utah’s Office of Energy Development will be necessary to grow electricity production in Utah.

8.1 Utah Is Part of a Regional Electricity Network, Making Planning and State Control of Energy Generation Complex



Audit Title	Recommendation Status
A Performance Audit of Utah's State Energy Policy 2023-06 Utah is at an Energy Crossroads and Needs Better Planning to Meet Future Energy Needs	2
Utah's Office of Energy Development Needs to Provide Stronger Energy Direction to the State	2 (In Process) 2 (Implemented)

In Process
 Implemented

Related OLAG Products

Report #2023-13: A Performance Audit of the Intermountain Power Agency

Report #2023-06: A Performance Audit of Utah’s State Energy Policy

Report #2017-14: A Performance Audit of State Energy Incentives





Area 8

Growing Energy Demands Will Require Utah to Plan and Implement Effective Policy Solutions

Why Area Is High Risk

Emerging energy demands are increasing the risks to electricity reliability in Utah and the western United States. According to multiple sources, the supply of electricity is not growing fast enough to keep up with projected demand growth and variability. Thus, Utah (and the West) must move quickly and decisively to



Large loads like data centers, manufacturing facilities, cryptocurrency mining operations, and large-scale electrification add substantial demand to the system in a very short time.

ensure electricity resource adequacy. The Governor recently announced the Operation Gigawatt initiative, which seeks to double energy production in Utah. Similarly, the Legislature passed bills in 2024 and 2025 that will help advance nuclear energy development in Utah. Our 2023 audit, *A Performance Audit of Utah’s State Energy Policy (#2023-06)*, found that the Office of Energy Development must more effectively plan to meet the increasing demand.

Failure to increase capacity over the next decade will increase the risk of serious and more frequent disruptions, and stifle economic growth. Our goal is to prevent these disruptions. Meeting these projected capacity demands will be a challenge. Utah’s nameplate capacity³⁸ has only increased ten percent between 2014-2023, which is half the growth rate necessary to meet the demand for the next decade.

Over the last decade, the Western Interconnection³⁹ has experienced steady and predictable load growth—this has changed. Large loads like data centers and large-scale electrification add substantial demand to the system in a short time. These loads consume large amounts of energy, can be constructed quickly, have different consumption patterns, and require changes or additions to infrastructure.

Utah’s state energy policy prioritizes adequacy as its first goal for energy development. But Figure 8.1 shows that Utah’s electricity generation has recently dipped. Generation now parallels present



Western Interconnection
Source: Western Electricity Coordinating Council.

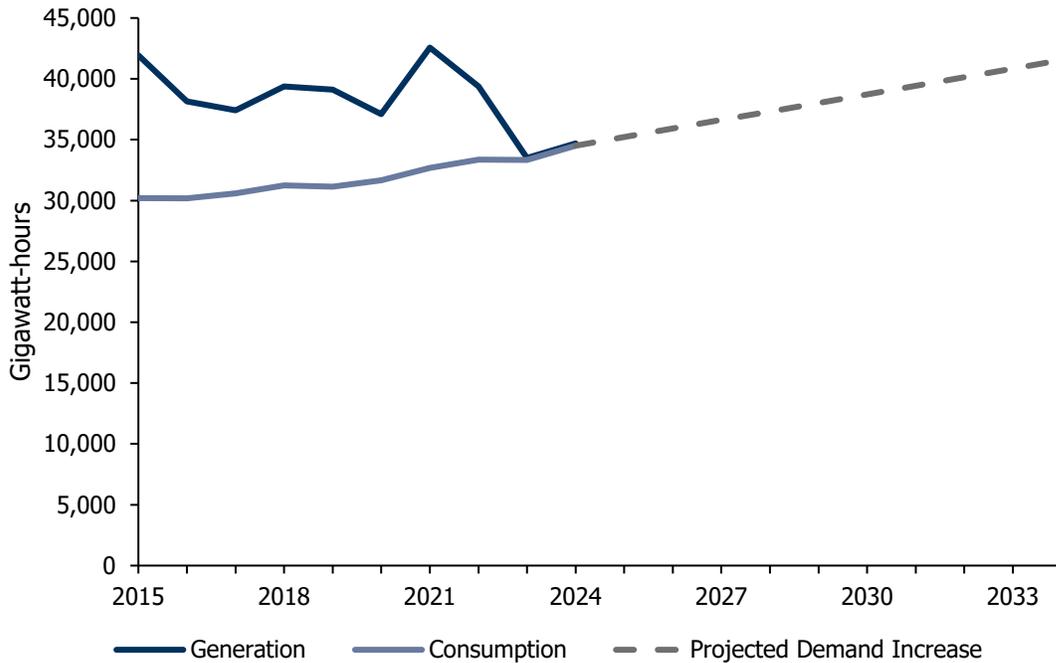
³⁸ Nameplate capacity is the maximum capacity of an energy producing resource.

³⁹ The Western Interconnection is the geographic area containing the electric grid in the western part of North America, which includes two Canadian provinces, 14 western states, and Northern Baja Mexico.



levels of consumption which have slowly but steadily risen. This is concerning since demand is projected to grow 20 percent by 2034.⁴⁰ The recent dip in energy generation must be reversed.

Figure 8.1 Utah's Electricity Generation Recently Declined and Is Now Equal to Consumption. Utah's energy generation currently parallels demand and the price for this energy has been largely stagnant.



Source: Auditor generated with data from Utah Geological Survey and U.S. Energy Information Administration. The projected demand increase is based on WECC's projection for the whole Western Interconnection, increasing 20.4% over the next ten years.

Affordability is listed as the fourth priority of Utah's energy policy. Electricity energy prices have stagnated over the last 10 years, and were recently found to be the lowest in the country.

⁴⁰ This projection is for the whole Western Interconnection. The figure shows what the demand would look like just for Utah under that projection.



8.1 Utah Is Part of a Regional Electricity Network, Making Planning and State Control of Energy Generation Complex

The previous version of the High-Risk List gave a limited review of Utah’s energy policy and deferred to our 2023 audit for details, *A Performance Audit of Utah’s State Energy Policy*. The 2023 audit focused on energy policy and did not have as much detail on energy generation. The status of each high-risk dimension in 2023 as it related to policy was rated as In Process. As can be seen in the adjacent beehive, that remains the case. This year, we also provide more details related to energy generation.



As part of an interconnected power system, Utah’s largest electric utility company (PacifiCorp) is working to balance the politically divergent legislation of several states which makes direct state planning and control complicated.

As an investor-owned utility, PacifiCorp must submit an Integrated Resource Plan (IRP) to the Public Service Commission (PSC) for approval. This

allows the PSC to determine if PacifiCorp is complying with the State’s energy policy, reliability standards, and other regulatory requirements. PacifiCorp provides electricity services to multiple states but submits only one IRP. This requires PacifiCorp to plan within the confines of six different state policy requirements in addition to federal requirements.



Utah’s sources of electricity are heavily influenced by other states and the federal government.

One complicating issue is that some of the other states that PacifiCorp serves prioritize non-carbon emitting sources at a pace that may impact Utah’s energy reliability. Federal policies, regulations, treaties, and funding also place pressure on the types of resources states use for energy generation and consumption. These influences all interact within Utah’s energy policy, which prioritizes resource development in the following order: adequate, reliable, dispatchable, affordable, sustainable, secure, and clean.⁴¹ Considering these competing priorities, many energy experts acknowledge uncertainty about the state’s future energy portfolio. As mentioned earlier, we recognize the Legislature’s recent

⁴¹ *Utah Code* 79-6-301(1)(a)(ii)



efforts to clarify Utah’s energy policy and pave a pathway to expand nuclear energy development.

Action Plan – Rating: Remains In Process **OED Is Still Working to Build Out the State Energy Plan**

The Western Electricity Coordinating Council (WECC) is a non-profit corporation that exists to assure a reliable electric system in the Western Interconnection mentioned earlier. WECC has been designated by the Federal Energy Regulatory Commission as the entity responsible for compliance monitoring and enforcement. It also oversees reliability planning and assessments. WECC’s 2024 assessment of resource adequacy found that:

WECC Western Assessment of Resource Adequacy (2024):

“Entity resource plans seem overly optimistic. While planning entities provide specific information about the resources they plan to add in the next one to five years, in many cases, they provide generic, non-specific “placeholder” resources in long-term planning five to ten years out. Traditional resource planning and review practices do not have a mechanism to ensure that resources will actually be built.”

Entity resource plans for the next 10 years include large numbers of new generation resource projects. Never has generation been built in the West at the rate called for in many current resource plans. Delays or cancellation of these projects can put resource adequacy and reliability at risk.

OED’s State Strategic Energy Plan Is Not Yet Complete. In our 2023 audit, *A Performance Audit of Utah’s State Energy Policy*, we recommended that the Legislature require the Office of Energy Development (OED) to adopt best practices in developing actionable goals and recommendations for the state energy plan, which they implemented with the passage of House Bill 48 in 2024.



Current OED leadership has had a limited opportunity to make progress since recently joining in October of 2024.

Our review of the plan on OED’s website showed that many of the targets for their strategic objectives are still pending and need further development. As our previous audit also identified, OED has struggled to retain leaders and staff, which may have hindered state energy policy in the past. New leadership joined in October of 2024. Despite the progress they have made, there is still more to do.

The Governor’s energy initiative, Operation Gigawatt, is also overseen by OED. The initiative was announced in October of 2024 and seeks to double Utah’s energy production by 2034. OED informed us that they are currently developing



an implementation plan for Operation Gigawatt. Importantly, OED management has not yet determined a metric to use as a baseline and target for doubling Utah’s energy capacity, making it difficult to track progress moving forward. OED management also indicated that doubling Utah’s energy capacity is not limited to grid-based energy. This distinction makes tracking progress more complex, reinforcing the need to identify clear performance metrics to ensure future success.



Operation Gigawatt does not yet have clear performance metrics to measure progress in doubling Utah’s power production.

Because elements of PacifiCorp’s IRP may be overly optimistic, and because OED’s strategic energy plan is not yet fully developed, we continue to rate this area as In Process.

Action Items for Agency

The Office of Energy Development should determine performance metrics for Operation Gigawatt and its strategic objectives in the State Energy Plan to ensure progress can be measured.

Capacity – Rating: Remains In Process Meeting Projected Electricity Capacity Needs Will Require Unprecedented Growth

In the Western Interconnection in 2023, only 53 percent of the new generation resources scheduled to come online that year came online. The rest were delayed or cancelled. Challenges like supply chain issues, geopolitical turbulence, a shortage of skilled workers, siting issues,⁴² the increasing interconnection



In 2023, only 53 percent of the new generation resources scheduled to come online that year came online—the rest were delayed or cancelled.

queue,⁴³ and increased interest rates can disrupt planned resources, which creates risk for resource shortfalls.

PacifiCorp responds to several of these capacity risk-areas in its 2025 IRP. They claim that their relatively large portfolio and geographic footprint creates a wider range of opportunities than are available to many other utilities, increasing the likelihood that

⁴² Siting issues are challenges involved in finding, approving, and securing land for building new energy infrastructure.

⁴³ The interconnection queue is the list of energy projects that have applied to connect to the regional power grid. These projects are undergoing an evaluation of reliability impacts and transmission system upgrades that must be made before they can start to deliver power.



some new projects will be able to proceed. They also claim that their newly implemented interconnection process has enabled interconnection requests to be processed more quickly than in the past. Finally, PacifiCorp said that their large demand allows it to contract with multiple developers for multiple sites, reducing the impact if any single developer or site falls through or is delayed. However, they still acknowledge that substantial risks remain for any resource additions.

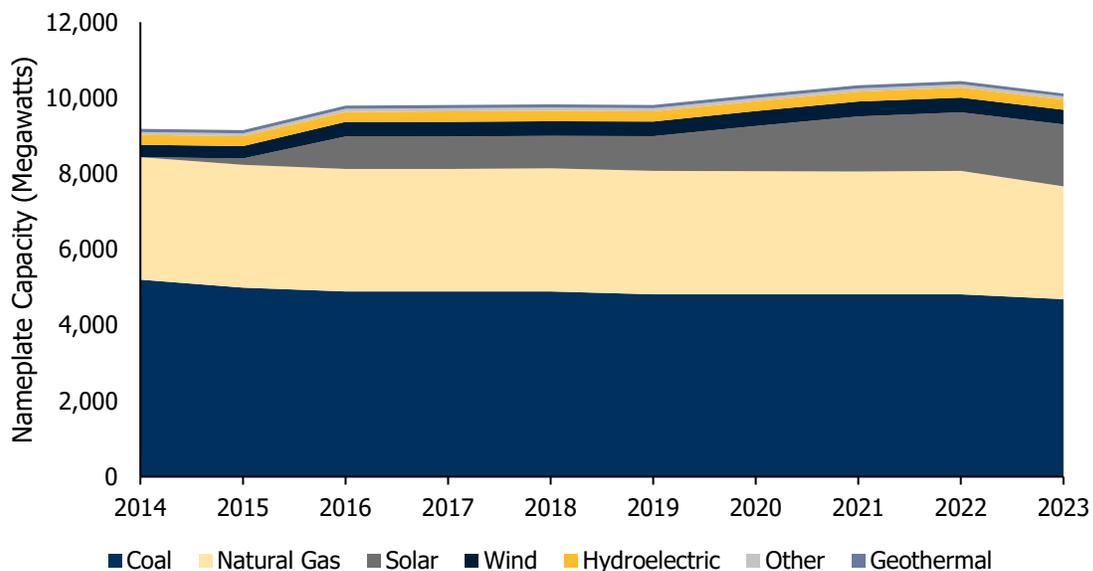
OED’s role in statute does not include building or operating energy producing facilities. Rather, its capacity to increase energy production in the state relies on other strategies like providing education, outreach, workforce, and research initiatives. OED also develops policy strategies for federal energy programs and rulemaking, and prepares Utah’s strategic energy plan. OED leadership explained that their primary role in developing energy for Utah is ensuring a regulatory and economic environment that encourages energy producers to develop in Utah. As was mentioned in the previous section, OED is still working to fully develop the state energy plan and the implementation plan for Operation Gigawatt. We encourage OED to complete these plans quickly.



Utah must rely on policy solutions that encourage energy development within the State.

Figure 8.2 shows the total nameplate capacity of Utah’s electricity generating facilities from 2014-2023. Generating capacity during this time has grown slowly.

Figure 8.2 Nameplate Capacity of Utah’s Electricity Generating Facilities Only Increased by 10 Percent in the Last Decade. Utah’s current energy generation will need to ramp up considerably to reach Operation Gigawatt’s 2034 goal of doubling capacity.



Source: Auditor generated with data from U.S. Energy Information Administration.



Though historical trends do not indicate future trends, doubling nameplate capacity in Utah will be a major change to the status quo, as nameplate capacity has only increased 10 percent during the most recent 10 years of record. Thus, there is a need to quickly develop a clear implementation plan so that progress toward Operation Gigawatt's goal can be tracked. Tracking progress on the state energy plan and Operation Gigawatt could also help identify capacity concerns within OED's purview that are hindering the initiative. OED can then prioritize and address those concerns even though Utah is reliant on PacifiCorp to develop energy production facilities within the State. Given the need for an implementation plan and the historic trend of slower than anticipated growth, we conclude that Capacity for this risk area remains In Process.

Monitoring – Rating: Remains In Process Regulators Are Closely Monitoring Progress; OED Is Working to Improve Their Monitoring

As mentioned earlier, WECC is the federally designated organization that monitors resource adequacy across Utah and the Western Interconnection. They accomplish this through compliance monitoring, enforcement, and annual assessments of energy adequacy.



PacifiCorp's required integrated resource planning process should result in the optimal set of resources given the combination of costs, risk, and uncertainty.

Utah Public Service Commission requires PacifiCorp to submit an IRP every two years. The IRP process evaluates all energy resources on a consistent and comparable basis to meet current and future electric energy services. These services must be met at the lowest total cost to the utility and its customers, and in a manner consistent with long-term public interest. The process should result in the selection of the optimal set of resources given the expected combination of costs, risk, and uncertainty.

OED is presently working to improve their monitoring of Utah's resource adequacy through its strategic energy plan, which is still being developed. They have also developed internal monitoring documents to ensure the office is reaching its internal goals.

WECC and PacifiCorp regularly monitor and update resource adequacy in the Western Interconnection. However, because OED is still working to fully build out the State Energy Plan, we retain this area as In Process.



Progress – Rating: Remains In Process Utah’s Recent Declines in Energy Generation Are Concerning Considering the Growing Energy Demand

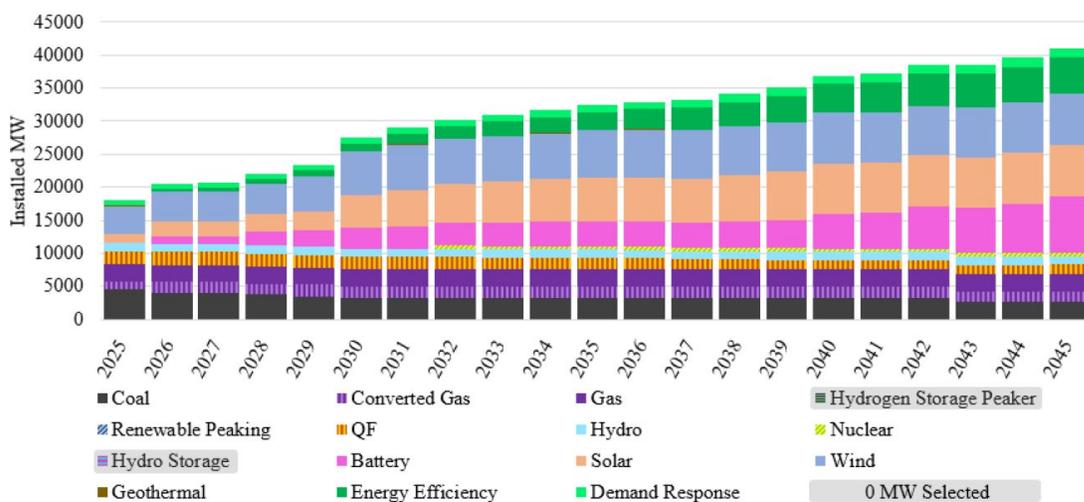
OED and the Legislature have made progress in implementing most of the recommendations in our 2023 audit, *A Performance Audit of Utah’s State Energy Policy* (#2023-06). These include amending the Utah Energy Act, increasing OED staff expertise, and improving OED internal governance. However, OED is still working to improve reporting of long-term planning measures.



Utah’s electricity generation has recently dipped while consumption has slowly but steadily risen.

OED management said they have several memorandums of understanding to collaborate on projects that will advance nuclear energy development in Utah. Additionally, Utah’s Department of Environmental Quality recently announced the creation of a new nuclear regulatory office to allow nuclear permitting to move faster while still ensuring it’s safe here in Utah. PacifiCorp’s 2025 preferred portfolio of existing and planned resources is shown in Figure 8.3. PacifiCorp’s preferred portfolio includes substantial new renewables, demand-side management resources, storage resources, advanced nuclear, and renewable peaking resources facilitated by incremental transmission investments. PacifiCorp is also including several transmission upgrades which increase transfer capability between southern Utah and the Wasatch Front.

Figure 8.3 PacifiCorp Has Planned Substantial Expansions to Electric Capacity in the Coming Years. PacifiCorp’s planned increase in capacity will come from expansions in energy production and grid efficiency increases.



Source: PacifiCorp Integrated Resource Plan (2025).



Although PacifiCorp also serves five other states beyond Utah, we believe their presently planned capacity expansion will offer Utah’s opportunities to increase in-state production. OED and PacifiCorp appear to be making progress at this time. However, substantial work remains ahead to meet Utah’s growing energy demands. Specifically, the need to implement and track OED’s state energy plan and the implementation plan for Operation Gigawatt is urgent. We believe that fully implementing the remaining recommendation from our 2023 audit will also help make progress in this area.

Progress Recommendations	2025 Follow-up Status
#2023-06 – 2.2 The Office of Energy Development should include Legislative recommendations and long-term energy planning in their annual report to the Legislature.	In Process
#2023-06 – 2.3 The Office of Energy Development should develop goals, measures, and tracking to demonstrate accountability for office operations and to provide better direction moving forward.	Implemented





BACKGROUND

Utah’s critical infrastructures—such as energy, transportation systems, communications, and financial services—are dependent on technology systems to carry out fundamental operations. The security of these systems and data is vital to safeguarding individual privacy and protecting Utah’s security, prosperity, and well-being. Risk dimension ratings for this area are primarily based on our 2023 reports on state cybersecurity and state data privacy, as well as their two-year audit recommendation follow-ups.

9.1 Individual Cybersecurity Systems Throughout the State Should Improve Their System Readiness



9.2 The Legislature Has Made Substantial Progress in Addressing State Data Privacy Risks



Audit Title	Recommendation Status		
A Performance Audit of the Cybersecurity in the State of Utah 2023-04	<table border="1"> <tr> <td>6</td> <td>6</td> </tr> </table>	6	6
6	6		
A Performance Audit of the Collection, Protection, and Use of Personal Information by State Agencies 2023-07	<table border="1"> <tr> <td>5</td> <td>1</td> </tr> </table>	5	1
5	1		

 Implemented	 In Process	 Partially Implemented
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Related OLAG Products

Report #2025-19: A Performance Audit of Public and Higher Education Cybersecurity

Report #2025-08: A Performance Audit of Election Cybersecurity

Report #2023-07: A Performance Audit of the Collection, Protection, and Use of Personal Information by State Agencies

Report #2023-04: A Performance Audit of Cybersecurity in the State of Utah





Area 9

Persistence of Cybersecurity and Data Privacy Incidents Demonstrate Need for Wider-Spread Adoption of Cybersecurity Best Practices

Why Area Is High Risk

Utah’s critical infrastructures—such as energy, transportation systems, communications, and financial services—are dependent on technology systems to carry out fundamental operations. They also process, maintain, and report vital information. The security of these systems and data is vital to safeguarding individual privacy and protecting Utah’s security, prosperity, and well-being.

Over the past decade, Utah government entities have witnessed significant escalations in cyber incidents. Initially, attacks were less frequent and sophisticated, often targeting basic vulnerabilities. Recent attacks reflect a surge in complex ransomware attacks, data breaches, and phishing campaigns specifically designed to exploit government systems.

Malicious actors are becoming more willing and capable of carrying out cyberattacks, seeking to disrupt services, extort funds, and compromise sensitive data. Such attacks can result in serious harm to human safety, state security, the environment, and the economy. State entities and critical infrastructure owners must protect the confidentiality and integrity of their systems and effectively respond to cyberattacks. Local governments are at extra risk due to budget constraints and limited cybersecurity expertise, making them more susceptible to these evolving cyber risks.



Recent cyberattacks in Utah reflect a surge in complex attacks specifically designed to exploit government systems.



Cyberattacks can result in serious harm to human safety, state security, the environment, and the economy.

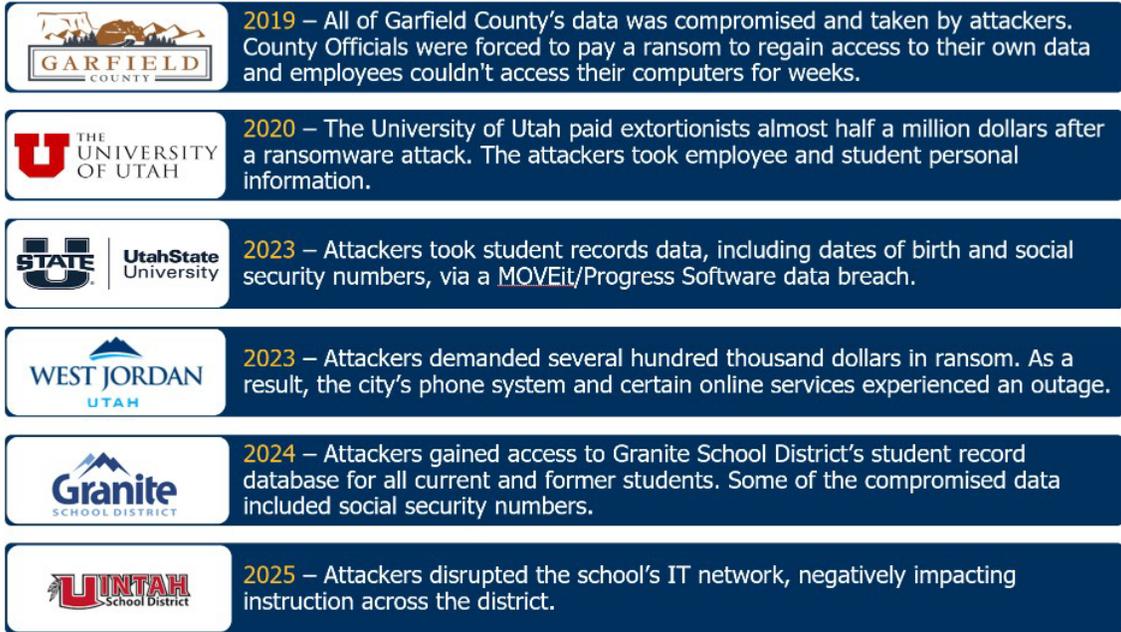
Studies have found that human error accounts for 95 percent of cyber breaches. Public entities can decrease the likelihood of serious cyberattacks through a few simple and effective methods. These include adopting a cybersecurity framework and requiring employees to complete annual cybersecurity training. Entities should also adopt

incident response plans to minimize the impact of an attack.

Since 2019, several cyberattacks have negatively impacted state entities throughout Utah. Figure 9.1 summarizes some of these attacks and their impacts.



Figure 9.1 Numerous Cyberattacks Have Targeted Utah Public Entities in Recent Years. State entities can improve their cybersecurity posture⁴⁴ to reduce these risks.



Source: Auditor generated.

9.1 Individual Cybersecurity Systems throughout the State Should Improve Their System Readiness

Risk dimension ratings for this area are primarily based on our 2023 report, *A*

Performance Audit of the Cybersecurity in the State of Utah,

(#2023-04) and its two-year follow-up. However, our

office also released *A Performance Audit of Election*

Cybersecurity (#2025-08) in April of this year, and *A*

Performance Audit of Public and Higher Education

Cybersecurity (#2025-19) in September of this year.

Additionally, we will also be releasing a

cybersecurity audit related to public utilities in

early 2026. All of these audit reports provide

additional information and recommendations

relevant to addressing risks in this area.



⁴⁴ Security posture refers to the security status of an enterprise’s networks, information, and systems based on information security resources and capabilities in place to defend the enterprise and to react as the situation changes.



Progress

2023: In Process	2025: In Process
-------------------------	-------------------------

We believe the implementation of several key audit recommendations have helped move Utah forward in cybersecurity readiness. Most notably, House Bill 239 in the 2024 Legislative Session requires all state executive branch employees to complete a cybersecurity training course once per year. The Division of Technology Services (DTS) helped monitor and execute this directive and found that 97 percent of state employees completed this in 2024.

Monitoring

2023: In Process	2025: In Process
-------------------------	-------------------------

The Utah Cyber Center was created in *Utah Code*⁴⁵ to coordinate efforts between state, local, and federal resources. The Center helps bolster statewide security and defend against future cyberattacks by sharing cyber threat intelligence, best practices, and through strategic partnerships. Similarly, the Statewide Information and Analysis Center (SIAC) strives to enhance Utah's cybersecurity posture to help prevent cyberattacks and scams, and mitigate the effects of compromised systems and cybercrime. A full evaluation of these entities' effectiveness is beyond the scope of the High-Risk list. However, the Legislature could consider requesting an evaluation of them in the future.

Capacity

2023: In Process	2025: In Process
-------------------------	-------------------------

Our 2023 audit and a recent assessment by DTS found that many state entities have significantly underdeveloped cybersecurity systems. Efforts by DTS and the Department of Public Safety through the federally managed State and Local Cybersecurity Grant Program (SLCGP) have helped 140 state entities improve their cybersecurity systems in recent years. However, we believe these assessments show that more should be done.

Action Plan

2023: In Process	2025: In Process
-------------------------	-------------------------

Utah's Cyber Center has developed a statewide strategic cybersecurity plan for executive branch agencies and other governmental entities. Fully reviewing the

⁴⁵ *Utah Code* 63A-16-1102(1)(a)



plan was not in the scope of this report, but it can be reviewed in the future if they are not meeting their own goals and objectives. However, implementation of the remaining 2023 audit recommendations (listed next) should be addressed before we can rate this risk dimension as Met. The Legislative Information Technology Office, the judicial branch, DTS, and the Legislature have implemented all other recommendations.

The Legislative Information Technology Office Should Complete Its Cybersecurity Plans and Policy

Based on our most recent two-year follow up, six of the eleven recommendations from our report, *A Performance Audit of the Cybersecurity in the State of Utah* (#2023-04) are Implemented. These included cybersecurity readiness improvements in the Administrative Office of the Courts and with DTS. However, several recommendations are still In Process. We believe implementing these remaining recommendations will strengthen the Legislative Information Technology Office’s cybersecurity readiness and move this risk area forward. The recommendation numbering below matches that of the report.

Action Plan Recommendations	2025 Follow-up Status
#2023-04 – 2.1 The Legislative Information Technology office should create and maintain a cybersecurity strategic plan.	In Process
#2023-04 – 2.2 The Legislative Information Technology office should create a detailed incident response plan.	In Process
#2023-04 – 2.3 The Legislative Information Technology office should create and maintain a more detailed cybersecurity policy.	In Process

Our 2024-2025 follow-up surveys indicated that more state entities need to adopt a CIS or NIST cybersecurity framework to improve their cybersecurity posture. Our 2023 audit reported that entities that adopt a cybersecurity framework tended to have less severe vulnerabilities. Likewise, our 2023 audit and DTS’s assessment further demonstrate the need for improvement in this area.



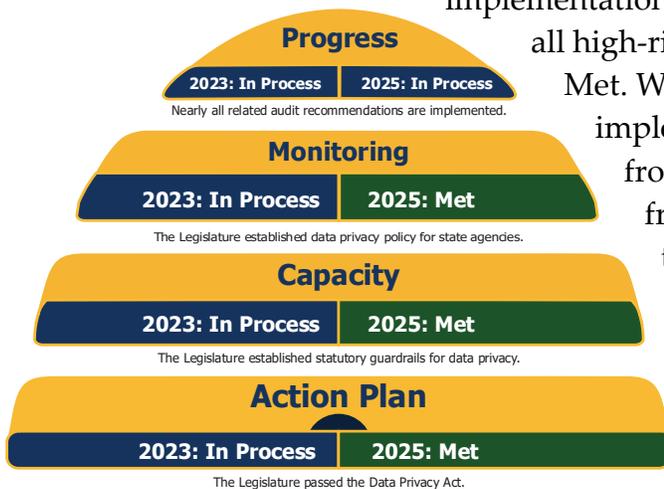
Capacity Recommendations	2025 Follow-up Status
#2023-04 – 1.1 Entities that lack a cybersecurity framework should immediately adopt a framework, such as the Center for Internet Security (CIS) standards.	In Process
#2023-04 – 1.4 Compliance should be made a high priority for any governmental entity that is not satisfactorily compliant with competent cybersecurity standards.	In Process
#2023-04 – 1.5 Entities should create and maintain an incident response plan.	In Process

9.2 The Legislature Has Made Substantial Progress In Addressing State Data Privacy Risks

Our update on this high-risk area is based on our 2023 report, *A Performance Audit of the Collection, Protection, and Use of Personal Information by State Agencies* (#2023-07), and its subsequent one and two-year follow-ups. That audit provided recommendations to improve statewide data privacy by adding additional guardrails for state agencies' when managing and collecting personal data. As of the June 2025 follow-up, nearly all of the audit recommendations were Implemented. Our 2023 High-Risk List initially rated all risk dimensions as In Process. As a result of almost full



implementation of our recommendations, we now rate all high-risk dimensions except for Progress as



Met. When our last recommendation is implemented, Data Privacy could be removed from the High-Risk List. However, removal from the High-Risk List does not mean that data privacy risks no longer exist to the State. Rather, the State would have a complete framework in place to manage the risks.

In our audit, we recommended that statutory guardrails be put in place to balance the benefits of data with data privacy. We also recommended that the Legislature provide state agencies with a data privacy governance structure so



that they can incorporate principles of data privacy into their practices for data processing and sharing. The Legislature addressed our concerns through the passage of House Bill 491 during the 2024 Legislative Session. Additionally, the Legislature responded to our recommendations by passing House Bill 212 in the 2024 Legislative Session. That bill further clarified types of information that the Office of Vital Records and Statistics must delete, as well as clarified details regarding birth registration.

The only remaining recommendation is for the Legislature to consider defining data privacy in statute for all state agencies, listed next. We believe this would strengthen the existing and substantial progress already made through House Bill 491. Defining data privacy in statute will help guide the management of data across the state.

Progress Recommendation	2025 Follow-up Status
# 2023-07 – 1.3 The Legislature should consider defining data privacy in statute for all state entities.	Partially Implemented



BACKGROUND

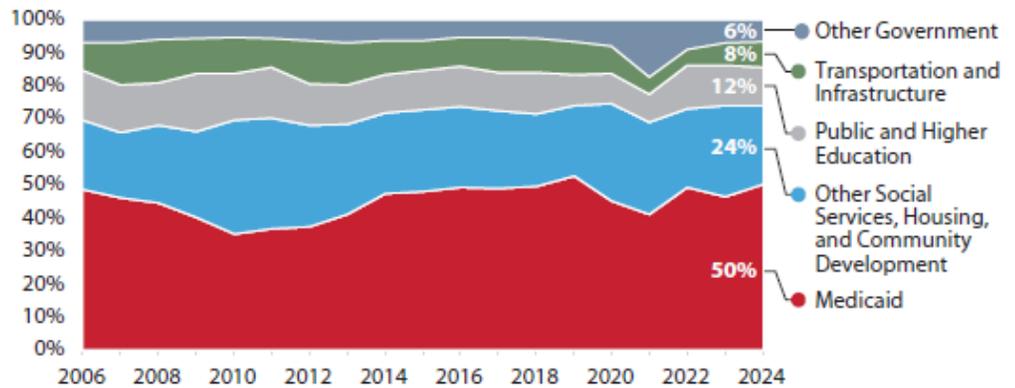
As we stated in 2023, the state’s structural budget integrity could be at risk due to threats in revenue areas. Concerns with the sales tax and income tax bases also limit Utah’s budget flexibility, which could impair government services. We have included federal revenue reliance as a new risk area. The Congressional Budget Office and Government Accountability Office have both reported that the country’s current fiscal path is unsustainable. In 2024, about a quarter of the state’s budget came from the federal government, as shown below. Such funding, and the services it provides, could be at risk given the federal debt situation.

10.1 The State’s Structural Budget Integrity and Flexibility Face Challenges Due to Threats in Revenue Areas



Nearly 75 percent of the Fiscal Year 2024 federal funding in Utah went toward social services, including Medicaid. As shown in the graphic, public education and transportation also received federal funding that could be impacted in the event of reduced federal funding.

10.2 Potential Reductions in Volatile Federal Funding Could Lead to Reduced Services, Largely for Utah’s Vulnerable Populations



Related OLAG Products

The Legislature could choose to prioritize further OLAG work in this area.





Area 10

Both State and Federal Revenue Risks Could Impact Utah’s Structural Budget Integrity

Why Area Is High Risk

As we stated in 2023, the state’s structural budget integrity could be at risk due to threats in revenue areas. For example, the introduction of electric vehicles has decreased the reliance of the motor fuel tax to cover transportation projects. This could prevent the completion of some projects in Utah’s Unified Transportation Plan. Aspects of the sales tax and income tax bases also limit Utah’s budget flexibility. Limited flexibility could impair some government services such as law enforcement, housing, water, mental health services, and infrastructure.

For this iteration of the High-Risk List, we wanted to make sure we also discussed Utah’s reliance on federal funds. The Government Accountability Office (GAO) and the Congressional Budget Office (CBO) have both stated that our country’s current fiscal path is unsustainable. The federal government’s debt is projected to grow faster than the economy, which could lead to a fiscal crisis. In the event of a fiscal crisis, there could be a suspension or serious reduction in federal funds transfers to states, such as Utah. While the CBO believes the risk of a crisis is low in the near term, growing federal debt payments, which have nearly tripled since 2020, still mean that less money is available for other government priorities, such as education, research and development, and infrastructure.



A fiscal crisis or a reduction in federal funds could impact government services in Utah.

Thus, either a fiscal crisis or efforts to reduce the federal debt could impact government services in Utah. About a quarter of Utah’s budget in Fiscal Year 2024 came from the federal government. The majority of that federal funding went towards Medicaid and other social services. Approximately 353,000 Utahns who receive services through Medicaid and CHIP could see a reduction in services in the event of reduced funding.



As of the printing of this report, the current U.S. government shutdown had exceeded 40 days.

As of the printing of this report, the U.S. government shutdown had exceeded 40 days—the longest in history. As the state experienced during the federal government shutdown in 2025, federal fiscal concerns could impact Utahns beyond a reduction in federal transfers to the state. In Utah, the federal government employs about 40,000 civilians and the federal



defense industry employs over 170,000 more. That represents thousands of jobs and billions of dollars in wages that could be at risk if federal funding is severely reduced.

10.1 The State’s Structural Budget Integrity and Flexibility Face Challenges Due to Threats in Revenue Areas

Concerns with the state’s structural budget integrity continue. We recognize the efforts that the Legislature has made to address those concerns and are aware of the complexity of tax reform. Utah’s motor fuel tax and sales tax face narrowing tax bases. At the same time, the state has become increasingly reliant on income tax. That reliance could pose a challenge since income tax revenues tend to be volatile. The Office of the Legislative Fiscal Analyst (LFA) reported that Utah’s income tax revenue grew at an above-average rate almost every year from 2018 to 2022. In 2023, the Kem C. Gardner Policy Institute cautioned that it is unclear whether that growth would be sustainable over time. Indeed, LFA reported later that year that income tax revenue growth for 2023 was below average and projected to stay below average for the following two years.

Utah’s rainy-day funds provide flexibility when dealing with revenue challenges. In their 2022 budget stress test, LFA found that Utah’s total budgetary reserves would be sufficient to weather a severely adverse economic recession. LFA reported that some buffers (about \$250 million) were used to make the most recent budget work. We, and LFA, do not believe that relying on budget contingencies to balance the budget each year should be a consistent strategy. The Legislature should continue to consider ways to address structural budget concerns.

The Legislature’s Recent Attempts to Adjust the Tax Structure Highlight the Inherent Difficulties

A significant effort at tax reform came in 2019. Senate Bill 2001 targeted Utah’s declining sales tax base. The bill also would have adjusted income tax rates and increased revenue for transportation. The Legislature passed the bill and the governor signed it, but it was then repealed after facing public opposition.





Despite some growth in recent years (largely due to an increase in the consumption of goods during the COVID-19 pandemic), Utah’s sales tax base still faces challenges in keeping pace with a service-based economy.

Without change, Utah faces reduced budget flexibility which could impair general government services such as law enforcement, housing, water, mental



The Legislature has made several efforts to adjust the state’s tax structure.

health services, and infrastructure. Utah’s constitutional requirement that income tax be used only for education and non-education services for children or individuals with a disability further limits the state’s budget flexibility.

The Kem C. Gardner Policy Institute reported that during recent budget cycles, the Legislature largely maxed out its budget flexibility under the current arrangements. Amendment A in 2024 attempted to provide more flexibility by allowing income tax to be used for other government services while still protecting funding for education. The amendment was voided in court before the ballot vote. LFA told us that Senate Bill 37⁴⁶ in the 2025 General Session would have helped address this problem as well; however, it was vetoed. LFA regularly analyzes the state’s fiscal sustainability and there are various tools to manage the budget.



During recent budget cycles, the Legislature largely maxed out its budget flexibility.

While recent growth in income tax revenue may help offset some concerns with sales and motor fuel tax revenue, the volatility of income tax revenue creates budget uncertainty. This could pose a challenge when income tax revenues decline and demand for government services does not, such as during a recession. Rainy day funds can be used to help weather such circumstances. In 2022, LFA found that Utah’s total budgetary reserves would be sufficient to weather a severely adverse economic recession. About \$250 million of those buffers were used to facilitate the most recent budget. We believe, however, that concerning structural trends in the state’s budget still need to be addressed for long-term fiscal health.

⁴⁶ Senate Bill 37 from 2025, *Minimum Basic Tax Rate Amendments*, would have adjusted the manner in which tax revenue was distributed to school districts.



Although significant tax reforms in Utah can be difficult to enact, they are needed to improve budget flexibility and ensure the state can effectively respond to economic challenges and maintain government services. The Legislature could consider requesting that our office conduct further reviews of this high-risk concern.



The Legislature could consider requesting that our office conduct further reviews of this high-risk concern.

Click or Scan to access the Tax Modernization Series

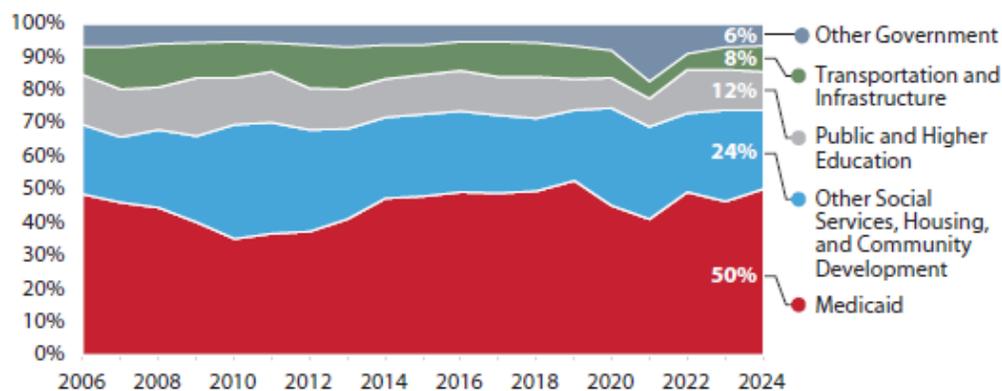


The Kem C. Gardner Policy Institute has also released a series of tax modernization reports that provide options to consider for addressing structural budget concerns.

10.2 Potential Reductions in Volatile Federal Funding Could Lead to Reduced Services, Largely for Utah’s Vulnerable Populations

Utah’s reliance on federal funds also poses a threat to the state’s structural budget integrity. In Fiscal Year 2024, 27 percent of the state’s budget (\$7 billion) came from the federal government. While this is on the lower end compared to other states, a reduction in federal funding would likely impact many individuals and services. Nearly 75 percent of the Fiscal Year 2024 federal funding in Utah went toward social services, including Medicaid. As shown in Figure 10.1, public education and transportation also received federal funding that could be impacted.

Figure 10.1 A Reduction in Federal Funding Could Impact Medicaid and Other Social Services. Other federal funds that do not flow through the state could also be impacted.



Source: Office of the Legislative Fiscal Analyst.

Unless it is replaced through another source, a reduction in federal funding would require a reduction in funding to state programs.⁴⁷ Through the Federal

⁴⁷ *Utah Code* 63J-1-218



The Legislature has prioritized studying federal funds concerns for over a decade.

Funds Commission and the Utah Commission on Federalism, Legislators have studied this and other federal concerns for over a decade.⁴⁸ The Legislature now requires monitoring of federal funds trends and for certain agencies to create

contingency plans in the event of reduced federal funding. We believe the effectiveness of these plans could benefit from further review. The commissions received various options for better preparing the state for a reduction in federal funds although not all of them have been implemented. For these reasons, we rate the work in this high-risk area as In Process.



**Action Plan – In Process:
State and Local Contingency Plans Help Entities Prepare for a Potential Reduction in Federal Funds**

*Utah Code*⁴⁹ requires agencies where 33 percent or more of their budget comes from federal funding to create contingency plans for a reduction in federal funding. The plans should identify risks the agency faces if there is a reduction in federal funds and what strategies the agency would implement to respond to the risks. Statute requires that these plans are submitted annually in December. Each of the five agencies⁵⁰ who are required to have a plan submitted one within the last year.

Higher education institutions and political subdivisions are not subject to those



Further evaluation of the contingency plans could be considered.

contingency planning requirements. However, political subdivisions⁵¹ who receive federal funds or federal receipts that comprise 10 percent or more of their annual budget are required⁵² to submit contingency plans. Those plans are supposed to show

⁴⁸ Both commissions have now been combined into the Federalism Commission.

⁴⁹ *Utah Code* 63J-5-301 and 302

⁵⁰ Department of Workforce Services, Department of Health and Human Services, Department of Environmental Quality, Department of Veterans and Military Affairs, and the Utah National Guard

⁵¹ Defined as a county, municipality, special district, special service district, interlocal entity, community reinvestment agency, local building authority, or conservation district.

⁵² *Utah Code* 11-52



what the entity would do in the event of a 5 to 24 percent reduction in their budget and a reduction of 25 percent or more. The Office of the State Auditor told us that a consultant helped many of the entities compile these plans.

Per the scope of the High-Risk List, we did not evaluate the effectiveness of these plans. As such, the Legislature could consider requesting further review of them.

**Capacity – In Process:
Past Options Given to the Federalism
Commission Could Still Be Considered**

Utah’s general rainy-day fund and the Medicaid rainy-day fund both play a role in the event of reduced federal funding. In the Fiscal Year 2024 Revenue Volatility Report, LFA⁵³ stated that Utah’s total budgetary reserves were sufficient to weather a severely adverse economic recession. During recessions, the federal government can use its borrowing power to effectively backfill states, such that services can be maintained. That support is a typical practice and happened during the Great Recession and the COVID-19 pandemic. But we must consider what would happen if federal funding were not available to backfill state services.

 **During recessions, the federal government can use its borrowing power to effectively backfill states, such that services can be maintained.**

But we must consider what would happen if federal funding were not available to backfill state services.

As previously discussed, contingency plans can help agencies prepare for reduced funding scenarios. Additionally, the Federal Funds Commission and Federalism Commission received various suggestions to help the state be more prepared. Included in those were the following:

- “Revamp contingency plan statute (5% and 25%) and ask instead for prioritization of federal programs that state government would take-on as federal support declines.”
- “Create ongoing revenue set-aside that begins transitioning high priority federal programs to state funding over time.”
- “Include federal programs in future budget stress testing.”

⁵³ LFA plans to further analyze the economic and policy risks of the Medicaid program in its Fiscal Year 2025 budget stress test.



While many of the past suggestions have been addressed, there are some that the Federalism Commission could still consider.⁵⁴ We believe that this provides an opportunity to further strengthen the state’s ability to adjust to a reduction in federal funds. For example, LFA told us that they have an informal process with



The State Sovereignty Fund can provide federal fund relief in the future.

the Governor’s Office of Planning and Budget (GOPB) to determine which programs to fund in the event of a federal government shutdown. LFA and GOPB could work to create structure for this process moving forward.

We also recognize the creation of the State Sovereignty Fund in the 2025 General Session. This fund represents a long-term strategy to address potential federal funding concerns. The fund is supposed to receive deposits over the years and beginning in Fiscal Year 2075-2076, the fund can be used to offset reduced federal funding or provide other tax relief.

**Monitoring – In Process:
The Legislature Could Consider Further Review
of the Federal Funds Request Process**

Given the risk of reduced federal funding, *Utah Code* 63J-5-204 outlines a process that federal funds requests must go through before an agency can accept the funding. For example, entities are supposed to consider the likelihood that the funding could be reduced and what the entity would do if that were to happen. Additionally, entities are to show how they will wind down the program when the funds are fully used and how they will communicate to stakeholders that the services from the funds could be temporary. In our opinion, this process could help identify funding where the potential risks outweigh the benefits.

While several steps occur throughout the process, the Executive Appropriations Committee must ultimately approve requests for \$1 million to \$10 million. The full Legislature approves requests greater than \$10 million. We reviewed all requests given to the Executive Appropriations Committee from 2023 to

⁵⁴ “Create ongoing revenue set-aside that begins transitioning high priority federal programs to state funding over time.”
 “Formalize a federal rainy-day fund allowing deposits from GF as well as EF (for child programs and people with a disability).”
 Along with Medicaid, “Include [other] federal programs in future budget stress testing.”
 “Include higher education grants in current grant management system.”



September 2025. All the requests were approved. The Legislature should consider whether the process to monitor new and reauthorized federal funds requests could benefit from further evaluation or oversight.

Since 1980, the federal government has generally increased its use of federal grants that provide more flexibility to the recipients on how the grants are used. The Legislature has expressed interest in having some legislative prerogative over the use of certain grants. They can provide some guidance on the use of the federal funds when they approve them, as they did through House Joint Resolution 101 during the 2025 First Special Session. Given the temporary nature of federal grants to the Rural Health Transformation Program, House Joint Resolution 101 provided the following guiding principles:

House Joint Resolution 101:

“... (1) initiatives should seek to create sustainable positive financial outcomes without creating future financial obligations for the state or permanently committing the state to a local government or private sector responsibility;

(2) initiatives should prioritize one-time projects or upgrades; ...

(6) when awarding funds, the state of Utah should notify funding recipients that the funds are temporary and do not create an ongoing obligation by the state government:”

After the Executive Appropriations Subcommittee or the full Legislature approves the receipt of federal funds, they still go through the appropriations process. During General Session, the Legislature can provide intent language in appropriations bills. However, the Legislature could consider additional oversight over the use of federal funds through appropriations subcommittees during Legislative Interim.

We also note that the payment thresholds for review of federal grants, discussed on the previous page, have not changed for at least 25 years and could be reconsidered.

Most of the tools we discussed throughout this area receive some form of monitoring as well.

- LFA performs a federal funds trend analysis on a regular basis.
- State agencies must submit their contingency plans to the Governor’s Office of Planning and Budget, the Executive Appropriations Committee, and LFA.



- *Utah Code* says that the Office of the State Auditor receives copies of contingency plans from political subdivisions.
- The Office of the State Treasurer will invest and manage the money in the State Sovereignty Fund.

**Progress – In Process:
Sustained Efforts Are Needed
to Address This Risk Area**

As we stated, there are various past suggestions given to the Federalism Commission that are still being implemented or could be considered further. With that, and potential further review of the federal funds request process, we rate this dimension as In Process. Future iterations of the High-Risk List can review progress in implementing the suggestions and what remains to be done. They may also provide further analysis into Action Plan and Monitoring efforts.





BACKGROUND

The High-Risk List focuses on the most urgent and potentially life threatening or costly challenges facing Utah’s government. There are other areas that, while not receiving a full review in this report, still merit attention. These “Watch List” areas also pose risks to health and human safety, are vulnerable to operational inefficiencies, or present opportunities for improvement before problems escalate too far. Proactively addressing these issues could help avoid future placement on the High-Risk List and improve more effective use of taxpayer resources.

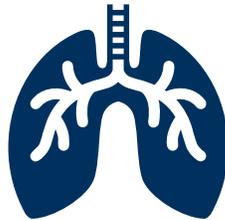
11.1 Utah Faces Childcare Shortages and Child Safety Challenges



11.2 Public School Building Seismic Concerns Place School Children in Danger



11.3 Despite Some Successes, Emergent Risks Continue to Threaten Utah’s Air Quality



11.4 Contract Performance Management Should Be Bolstered to Improve Accountability



Related OLAG Products

Report #2025-14: A Performance Audit of the All-Payers Claims Database

Report #2025-09: A Performance Audit of Public-School Construction Standards and Efficiency

Report #2024-15: A Review of Specific Nonprofit Pass-Through Grants

Report #2020-05: A Performance Audit of the Division of Air Quality

Report #2020-H: A Limited Review of State Emergency Contracting Practices

Report #2019-08: A Performance Audit of Child Welfare During Divorce Proceedings





Area 11

Four Areas Added to a “Watch List” for Our 2025 High-Risk List

What Is The High-Risk Watch List

The High-Risk List focuses on the most urgent and potentially life threatening or costly challenges facing Utah’s government. There are other areas that, while not receiving a full review in this report, still merit attention. These “Watch List” areas also pose risks to health and human safety, are vulnerable to operational inefficiencies, or present opportunities for improvement before problems escalate too far. From our perspective, by addressing these issues proactively, agencies overseeing watch list candidates may reduce the likelihood of future placement on the High-Risk List. We believe addressing these areas could also improve public trust and ensure more effective use of taxpayer resources. Unlike the ten high-risk areas where we provide a more in-depth analysis, we simply highlight the main risks for the following areas:

- Child and Family Success
- Public School Building Seismic Safety
- Air Quality
- Contract Performance Management

11.1 Utah Faces Child Safety and Childcare Shortage Challenges

Our initial risk assessment identified some child and family safety concerns in Utah that warrant further discussion here, although this is not an exhaustive list. Public reports of child safety concerns prompted the Legislative Audit Subcommittee to prioritize a performance audit of Utah’s Division of Child and Family Services from our office.



This is not an exhaustive list of all potential child and family safety concerns.

Utah’s Division of Child and Family Services (DCFS) interacts with youth at substantially elevated risks for negative health outcomes relative to Utah’s state average. Because of this, its ability to

effectively execute its mission is critical. Recent reports have highlighted concerns that could be threatening Utah’s at-risk youth. The Legislative Audit Subcommittee prioritized a performance audit of DCFS which our office is scheduled to release in December of 2025. That audit will provide



recommendations that will help improve DCFS operations and further help at-risk children.

According to one study requested by the Legislature,⁵⁵ licensed and license-exempt childcare providers can only provide for about 36 percent of Utah’s childcare demand. This lack of childcare supply in general, and high-quality care



Childcare providers can only meet 36 percent of Utah’s childcare demand.

specifically, is a serious challenge facing Utah families. We recognize that preferred parental work situations differ across families. Pre-K programs allow parents to work if that is preferred and relates to positive child outcomes, such as improving behavior and learning related to school readiness.

Both the Governor’s Office and the Legislature recently prioritized the need to better support families with children and provide adequate childcare options. The Utah Childcare Solutions and Workplace Productivity Plan, which the Legislature requested, offers potential recommendations.

11.2 Public School Building Seismic Concerns Place School Children in Danger

An “honorable mention” on our last High-Risk List, we determined that this area should be on our high-risk watch list rather than receive a full review. The Utah K-12 Public Schools Unreinforced Masonry Inventory⁵⁶ (Inventory) shows that more than 72,000 children across 119 schools could be at a risk of death or serious injury in the event of a large magnitude earthquake. This is because those schools are classified as unreinforced masonry⁵⁷ (URM) buildings. Besides educating students, schools commonly serve other purposes in their communities as well, including as emergency shelters before and after disasters. The schools cannot serve that function if they do not withstand the disaster itself.



Over 72,000 children in 119 schools could be at risk of death or serious injury in the event of a large magnitude earthquake.

⁵⁵ Early Learning Policy Group, LLC. “[Utah Childcare Solutions and Workplace Productivity Plan](#),” December 2024.

⁵⁶ Applied Technology Council. “[Utah K-12 Public Schools Unreinforced Masonry Inventory](#),” February 2022. Prepared for the Utah Division of Emergency Management and Federal Emergency Management Agency.

⁵⁷ URM consists of buildings constructed of brick or block without reinforcing steel, making them susceptible to earthquakes.



While some districts have worked on retrofitting and replacing URM schools for over 20 years, the Inventory reported that periodic structural inspections are not required by law, so schools often do not receive seismic improvements in timely intervals. In recent years, the Federal Emergency Management Agency, the Utah Department of Emergency Management, and the Utah Seismic Safety Commission have released several reports on URM. Those reports provided over a dozen recommendations that can help form a structured approach to URM rehabilitation.



Schools often do not receive seismic improvement in timely intervals.

11.3 Despite Some Successes, Emergent Risks Continue to Threaten Utah’s Air Quality

Utah’s wintertime air pollution has improved over the past two decades despite a period of growth in population and economic activity, demonstrating state progress in addressing PM2.5⁵⁸ and ground-level ozone. Despite this success,



Air pollution causes 2,480 to 8,000 premature deaths annually in Utah and decreases the median life expectancy of Utahns by 1.1 to 3.6 years.

Utah faces a growing list of challenges that threaten the progress the state has made. A report by the Kem C. Gardner Institute noted that hospitals along the Wasatch Front see a forty percent increase in emergency room visits when pollution ranks as unhealthy. In 2020, local experts estimated that the annual economic costs of air pollution in Utah are between \$750 million and \$3.3 billion.

Efforts that can support improved air quality can also support efforts to address our transportation, energy, and housing high-risk areas. In addition to implementing the Wasatch Choice Vision plan which is discussed in Area 5 on Transportation in this report, the Kem C. Gardner institute developed an [air quality roadmap](#) for Utah in 2020. It offers several policy solutions related to air quality in Utah that could be considered.

⁵⁸ Particulate matter with a diameter of 2.5 micrometers or less.



11.4 Contract Performance Management Should Be Bolstered to Improve Accountability

Each year, state agencies manage over 10,000 contracts worth billions of dollars. This reflects a significant use of taxpayer resources and it is important that the state receives adequate service delivery from the contractors. Contract performance management should help hold contractors accountable for their services. In our preliminary analysis,⁵⁹ however, we found that many contract managers did not receive training prior to managing a contract, some did not believe they received the tools they needed to be successful, and others did not understand the contract they managed.



Many contract managers report not receiving training prior to managing a contract.

Managing contracts includes ensuring compliance with the contract terms and conditions, resolving contract disputes, curing contract errors and deficiencies, and measuring or evaluating completed work and contractor performance. Thus, we believe more work should be done to understand (1) why some contract managers reported not meeting with the vendor throughout the year and (2) whether it is negatively impacting service delivery. In our analysis, we also identified contract managers who were not satisfied with their contracts for consecutive years. While not every issue may be resolvable, this could show a need for improved contract management skills.

In preparing this 2025 Watch List, we worked with the Governor's Office of Planning and Budget (GOPB) on this area as an option for them to pursue. To that end, GOPB has prioritized contract performance management as one of their efficiency evaluation projects and anticipates beginning work on it in 2026.

⁵⁹ We analyzed responses from a 2022-2024 contract management survey that was conducted by the Division of Purchasing. The responses came from a small sample of total contract managers and thus further analysis should be conducted to fully understand the concerns we identified.



Complete List of Audit Recommendations





Complete List of Audit Recommendations

This report is unique and did not produce new official recommendations. Rather, we reviewed recommendations from audits related to the high-risk areas. The status of those recommendations is listed throughout this report, and we will continue to follow-up on them during our annual audit follow-ups.





Appendix





A. A List of Recommendations from Public Education Audits



As noted in Area 3, our office has released various audits on public education. We believe that implementing the recommendations in these reports will help move risk area 3.1 forward. All recommendations for area 3.1 come from the following reports:

- *A Performance Audit of the Utah State Board of Education’s Internal Governance* ([#2021-04](#))
- *A Performance Audit of Teacher and Principal Performance Within Utah’s Public Education System* ([#2022-03](#))
- *An Initial Review of Merit Awards For Teachers* ([#2024-06](#))
- *A Performance Audit of Student Performance on Statewide Tests* ([#2024-23](#))

We recognize that many recommendations are implemented, but we are concerned that those that have not been addressed are hindering progress in this high-risk area. The following matrices show both recommendations that have been implemented and those that have not been fully addressed. The recommendation numbering below matches that of the respective report.

USBE Should Implement a Recommendation from 2021 to Help Ensure All USBE Staff Work toward Their Strategic Plan

USBE has incorporated each of the following recommendations related to strategic planning.

Action Plan Recommendations	Most Recent Follow-up Status
#2021-04 – Chapter 3 Recommendation 1 The Utah State Board of Education should incorporate both its oversight responsibility of the public education system and its internal efficiency and effectiveness into its strategic plan.	Implemented
#2021-04 – Chapter 2 Recommendation 1 The Utah State Board of Education should follow the mission and vision for public education formalized in Utah Code.	Implemented
#2021-04 – Chapter 3 Recommendation 3 The Utah State Board of Education should incorporate all USBE section operations into its strategic plan.	Implemented

A Performance Audit of the Utah State Board of Education’s Internal Governance ([#2021-04](#))

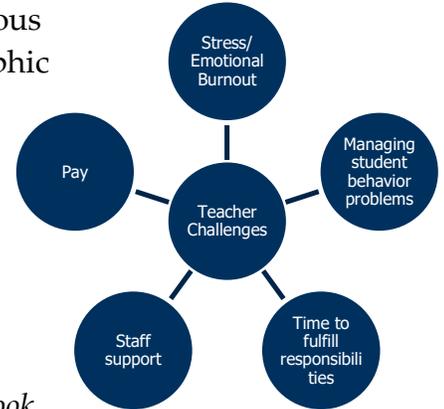
The Development and Evaluation of Quality School Administrators Needs to Be Improved as It Can Hinder Student Development

Teacher recruitment and retention, compensation, and teacher and principal evaluations each play a role in the Capacity dimension. We recognize efforts from both USBE and the Legislature to address these issues. All recommendations directed to USBE from *A Performance Audit of Teacher Retention Within Utah's Public Education System (#2021-13)* are implemented.

Capacity Recommendations	Most Recent Follow-up Status
#2021-04 – Chapter 4 Recommendation 1 Each section within the Utah State Board of Education should create an onboarding plan for new employees, which is specific to the duties of their section and position.	Implemented
#2021-04 – Chapter 4 Recommendation 2 All Utah State Board of Education sections should create desk manuals for their positions.	Implemented
#2021-13 – 2.1 The Legislature, the Utah State Board of Education, and the Utah System of Higher Education should focus additional efforts on improving retention in the first five years of a teacher's career.	Implemented
#2021-13 – 2.3 The Utah State Board of Education should work with the Legislature to determine which teacher retention analyses are needed and, in cases where data are not available, which need better collection and reporting.	Implemented
#2021-13 – 3.1 The Utah State Board of Education and local education agencies should establish a method to evaluate and track teacher vacancies to better target recruitment policies.	Implemented
#2021-13 – 3.2 The Utah State Board of Education should report comprehensive shortage information to be determined by the Legislature, highlighting regions and districts that experience greater levels of shortage so that policies may be targeted.	Implemented
#2021-13 – 4.1 The Legislature should consider targeted policy options to address teacher stresses and concerns.	Implemented

A Performance Audit of the Utah State Board of Education's Internal Governance (#2021-04)
A Performance Audit of Teacher Retention Within Utah's Public Education System (#2021-13)

USBE’s work related to teacher retention has helped identify various teacher retention challenges. These are shown in the adjacent graphic and include pay, stress, and the need for additional support. While our recommendations have been implemented, it is imperative that the effectiveness of strategies that are chosen to improve retention continue to be monitored. As we discussed in Area 3 of this report, 5-year and 10-year retention rates are still relatively low. If the chosen strategies to improve these rates are ineffective, then new strategies should be considered. This management cycle process is explained in our *Best Practice Handbook* ([#2023-05](#)).



One approach to addressing retention has been to improve teacher salaries. Senate Bill 173 in 2024 created a merit-award program for teachers. It is designed to identify Utah’s best teachers and reward them financially. Our Report [#2024-06](#) provided several recommendations to support effective implementation of this program. The Utah State Center for the School of the Future has implemented those recommendations and reported on the program during the October 2024 Education Interim Committee meeting. The Legislative Audit Subcommittee should still consider whether to have our office evaluate the impact of the program.

<p>#2024-06 – 1.1 The Utah State University’s Center for the School of the Future should develop policies and procedures that take into account variation of teacher evaluation systems across local education agencies when identifying the state’s highest performing teachers.</p>	<p>Implemented</p>
<p>#2024-06 – 1.2 The Utah State University’s Center for the School of the Future should evaluate methods for determining teacher effectiveness statewide when teacher evaluation data is only available for participating local education agencies.</p>	<p>Implemented</p>
<p>#2024-06 – 1.3 The Utah State University’s Center for the School of the Future should evaluate methods for determining teacher effectiveness statewide when parent survey data is only available for participating local education agencies.</p>	<p>Implemented</p>
<p>#2024-06 – 1.4 The Utah State University’s Center for the School of the Future should ensure that local education agencies account for objectivity concerns in the nomination of teachers by principals or their designees.</p>	<p>Implemented</p>
<p>#2024-06 – 1.5 The Utah State University’s Center for the School of the Future should determine whether refinements to student growth percentile or an alternative measure of student growth are needed to better measure teacher performance for Utah’s merit-award program.</p>	<p>Implemented</p>

An Initial Review of Merit Awards For Teachers ([#2024-06](#))

<p>#2024-06 – 1.6 The Utah State University’s Center for the School of the Future should develop policies and procedures to ensure that any alternative measures used for student growth or achievement are validated.</p>	<p>Implemented</p>
<p>#2024-06 – 1.7 After June 30, 2025, the Legislative Audit Subcommittee should consider having the Office of the Legislative Auditor General evaluate program adoption rates, including the potential impact of funding structure on participation.</p>	<p>In Process</p>
<p>#2024-06 – 1.8 The Legislative Audit Subcommittee should consider having the Office of the Legislative Auditor General conduct an audit of the merit-award program’s effectiveness and implementation at the conclusion of the pilot program.</p>	<p>In Process</p>

An Initial Review of Merit Awards For Teachers (#2024-06)

Another part of the Capacity dimension is effective teacher and principal evaluations. In 2022, we reported that teacher evaluations generally did not improve teacher performance. More recent reports from USBE show that about 25 percent of educators never or rarely receive performance feedback from their principal or supervisor. Teachers also do not believe their supervisor understands their strengths and weaknesses. Time constraints may be a challenge, but we believe that it is unacceptable that some teachers are not receiving feedback on their performance.

USBE has implemented many of the recommendations we gave in Report [#2022-03](#) related to teacher evaluations, as shown below. Additionally, Senate Bill 137 in 2024 established an alternative teacher evaluation process that includes an assessment of professional growth, instructional improvement, and student academic growth. This new evaluation process is optional, however. Thus, its effectiveness should be evaluated, and consideration should be given as to whether it should replace the old process.

<p>#2022-03 – 2.1 The Legislature should collaborate with the Utah State Board of Education to clarify Utah Code and Administrative Rule to define the timing, content, and district flexibility in summative teacher evaluations.</p>	<p>Implemented</p>
<p>#2022-03 – 2.2 The Legislature should consult with the Utah State Board of Education to examine the options presented in Chapter III to guide their decisions regarding the frequency, administrative workload, and other improvement outcomes desired for educator evaluations.</p>	<p>Implemented</p>
<p>#2022-03 – 2.3 The Legislature should consider changing Utah Code such that districts no longer be required to submit teacher evaluation rating data to USBE.</p>	<p>Implemented</p>

A Performance Audit of Teacher and Principal Performance Within Utah’s Public Education System (#2022-03)

#2022-03 – 3.1 The Legislature should consider the evaluation improvement suggestion offered by the Utah State Board of Education and determine whether to amend statute accordingly.	Implemented
#2022-03 – 3.2 The Utah State Board of Education should provide suggestions to the Legislature regarding the educator evaluation process so that uniform practices can be developed and implemented.	Implemented
#2022-03 – 3.4 The Legislature, the Utah State Board of Education, and other education stakeholders should collaborate to determine the conditions for and appropriate significance of student growth in teacher and principal evaluations.	Implemented

A Performance Audit of Teacher and Principal Performance Within Utah’s Public Education System (#2022-03)

Reiterating what we showed in Area 3, our recommendations for principal evaluations remain largely unaddressed. As principals have an outsized impact on student and teacher performance, not implementing these recommendations could hinder efforts to improve student and teacher performance. In recent audits of LEAs, we found that the development of quality administrators can still improve. Despite this, USBE has chosen not to implement some of our recommendations related to principal performance and evaluations (4.2, 4.4, and 4.5). For others, USBE told us they are waiting on action from the Legislature (3.5, 4.1, and 4.3). Collaboration from local districts and the Utah System of Higher Education are also needed to implement Recommendation 4.1. Given continued weaknesses in developing quality administration, we encourage full implementation of the following recommendations.

#2022-03 – 3.5 The Legislature and the Utah State Board of Education should collaborate to consider adding criteria to evaluation code requiring teacher and principal involvement in collaborative educator teams.	Not Implemented
#2022-03 – 4.1 The Legislature, the Utah State Board of Education, local districts, and higher education should collaborate to establish a principal preparation pipeline.	Partially Implemented
#2022-03 – 4.2 The Utah State Board of Education should provide suggestions to the Legislature to consider creating an independent state statute for school administrator evaluations.	Not Implemented
#2022-03 – 4.3 The Legislature should consider providing support for professional development and that this be included in a potential principal preparation pipeline.	In Process
#2022-03 – 4.4 The Utah State Board of Education should formalize principal evaluation frameworks within a new principal evaluation law for districts to utilize.	Not Implemented

A Performance Audit of Teacher and Principal Performance Within Utah’s Public Education System (#2022-03)

#2022-03 – 4.5 The Utah State Board of Education and higher education institutions should study the viability of a tiered licensure program and longer mentorships for new principals.

Not Implemented

A Performance Audit of Teacher and Principal Performance Within Utah’s Public Education System (#2022-03)

Better Strategies and Improved Interventions Are Needed to Close Student Proficiency Gaps

Monitoring is critical to improving student performance because it helps identify which strategies are working and which are not. USBE is still working to address a recommendation from 2021 that will help them more clearly track their internal operations to be more accountable to their strategic plan. Several of the recommendations for Monitoring come from Report [#2024-23](#).

These recommendations are meant to help USBE and LEAs improve their analysis of student proficiency data. Based on that analysis, they should then develop, implement, and evaluate targeted interventions to improve student performance. As it has not been a year since we released that report, we have not followed up on those recommendations yet. We will provide updates to those recommendations in subsequent high-risk lists. Lastly, as we discussed in the Capacity section, we also believe that USBE and LEAs should continue to monitor and refine teacher retention efforts to ensure that they are improving retention rates.

Monitoring Recommendations	Most Recent Follow-up Status
#2021-04 – Chapter 2 Recommendation 3 The Utah State Board of Education should continue to review and identify areas where their measures can be streamlined without compromising accountability.	Implemented
#2021-04 – Chapter 3 Recommendation 2 The Utah State Board of Education should routinely collect, track, and report performance on internal operations, including those that relate to the fulfillment of their strategic plan.	In Process
#2021-04 – Chapter 5 Recommendation 1 The Utah State Board of Education should include external turnover rates in the State Superintendent’s Annual Report as part of the internal metrics to be developed.	Implemented
#2021-13 – 2.2 The Utah State Board of Education should evaluate the impacts of new licensure changes on teacher retention and review turnover rates by teacher pathway to determine areas of need.	Implemented

A Performance Audit of the Utah State Board of Education’s Internal Governance (#2021-04)
A Performance Audit of Teacher Retention Within Utah’s Public Education System (#2021-13)

<p>#2024-23 – 1.1 The Utah State Board of Education should review the cycle of student assessment data and identify opportunities to expedite the process thereby improving the turnaround time to Utah local education agencies.</p>	<p>Expected Follow-up December 2025</p>
<p>#2024-23 – 1.2 Local education agencies should collect and analyze data to determine gaps in student proficiency, and implement programs designed to bridge those gaps.</p>	<p>Expected Follow-up December 2025</p>
<p>#2024-23 – 1.3 Local education agencies should review intervention data (as mentioned in Recommendation 1.2) and determine whether the interventions were effective, or if efforts could be better focused elsewhere.</p>	<p>Expected Follow-up December 2025</p>
<p>#2024-23 – 2.1 Local education agencies should reevaluate the effectiveness of their student intervention programs by collecting system level data to review and adjust interventions, as necessary, in response to programmatic weaknesses.</p>	<p>Expected Follow-up December 2025</p>

A Performance Audit of Student Performance on Statewide Tests (#2024-23)





Agency Responses



Department of Natural Resources





State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Natural Resources

JOEL FERRY
Executive Director

November 5, 2025

Kade R. Minchey
Legislative Auditor General
House Building Capitol Complex
Salt Lake City, Utah 84114

Dear Mr. Minchey:

The Utah Department of Natural Resources, the Division of Water Resources, the Division of Water Rights, and the Office of Energy Development are grateful for the time and effort the Legislative Auditor's Office has dedicated to studying water and energy needs and infrastructure in Utah. We appreciate their thoroughness and willingness to coordinate with us on these critical issues.

As noted, progress in Area 1: *Meeting Utah's Water Needs (Data Management, Optimization, and Coordination)* is "**In Process.**" We will continue to work toward meeting the state's water needs by developing a Statewide Water Plan by the December 31, 2026 deadline, improving data management and coordination, and facilitating the installation of the remaining secondary meters. We have made significant progress in metering secondary connections, with the number of unmetered connections decreasing by 85,300 since 2023.

Progress in Area 2: *Utah's Aging Water Infrastructure (Capital Infusions)* is "**In Process**" because more planning is needed to address the funding constraints. We will continue to seek funding solutions, including studying the capacity of dam owners to pay for rehabilitation.

Progress in Area 8: *Growing Energy Demands Will Require Utah to Plan and Implement Effective Policy Solutions* recommends that "the Office of Energy Development should include Legislative recommendations and long-term energy planning in their annual report to the Legislature." This is "**In Process.**"

Demand for energy resources is dynamic and has drastically changed in recent years as a result of the rapid deployment of AI and increased electrification of society. We support continued emphasis on progress towards ensuring Utah has sufficient energy resources to meet current demand projections and foster an environment that will enable economic growth and opportunity.

The Office of Energy Development is in the midst of strategic planning processes to adapt to this dynamic environment. Ongoing efforts will assist in addressing the primary concerns identified by the report, including the utilization of new modeling capabilities to guide state energy policy.

Also noted, progress in Area 8: *Growing Energy Demands Will Require Utah to Plan and Implement Effective Policy Solutions* recommends that “the Office of Energy Development should develop goals, measures, and tracking to demonstrate accountability for office operation and to provide better direction moving forward.” This has been “**Implemented.**”

We support the research and outcomes identified in the high-risk assessment and believe in the importance of proactive planning, data gathering, monitoring, and implementation of these actions to ensure the security of the state’s water and energy needs. We look forward to working with the Legislature and the Office of the Legislative Auditor.

Sincerely,



Joel Ferry
Executive Director



Department of Agriculture and Food





State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Agriculture and Food

KELLY PEHRSON
Commissioner

TROY FORREST
Deputy Commissioner

AMBER BROWN
Deputy Commissioner

Kade Minchey, CIA, CFE
Auditor General
Office of the Legislative Auditor General
W315 State Capitol Complex
Salt Lake City, UT 84114

Dear Mr. Minchey,

Thank you for allowing the Utah Department of Agriculture and Food (UDAF) to respond to Section 1.2 of the Utah High Risk List published by the Office of the Legislative Auditor General (OLAG). UDAF appreciates the work that went into drafting the List and the efforts of OLAG to engage on important issues that affect water availability in the State of Utah. UDAF fully agrees that it is vital that agricultural water use be both efficient and effective and recognizes the important role the Agricultural Water Optimization Program plays in accomplishing this goal. We appreciate how the Section acknowledges the improvements made in the administration of the program through additional data collection and the creation of a Strategic Plan, although we agree with that there is more work to do.

Specifically, Section 1.2 finds that the work of the Agricultural Water Optimization Program remains *In Process* with regard to the four recommendation areas from OLAG's Report on *A Performance Audit of Utah's Water Management: Progress, Monitoring, Capacity, and Action Plan*. To that end, UDAF is committed to continuing to gather program data as projects are fully implemented and to refining our reporting process to ensure that the data can be evaluated to better measure program effectiveness. We will also continue to work with stakeholders as technology evolves on depletion measurement so that changes in depletion can be measured in a standardized way across projects. We look forward to OLAG reviewing program progress towards our strategic plan goals in future follow ups.

Again, thank you for your support and continued partnership.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Pehrson".

Kelly Pehrson
Commissioner
Utah Department of Agriculture and Food



Utah State Board of Education





November 6, 2025

Kade Minchey, CIA, CFE
Auditor General
Office of the Legislative Auditor General
W315 State Capitol Complex
Salt Lake City, UT 84114

Mr. Minchey,

Risk management, including the identification, assessment, and mitigation of risks, is critical to serving the public interest and honoring the public trust. Thus, we commend the Legislature's efforts to prioritize risk management.

We appreciated the opportunity to review and provide feedback on Chapter 3 of report 2025-25 *High Risk List: Identifying and Mitigating Critical Vulnerabilities in Utah*. The USBE is committed to mitigating risk and ensuring accountability as part of general control and supervision of the public education system.

With respect,

A handwritten signature in black ink, appearing to read "M. Hart".

Molly Hart, Ed.D.
Utah State Board of Education
State Superintendent of Public Instruction



Utah System of Higher Education





November 10, 2025

Kade Minchey, CIA, CFE
Legislative Auditor General
W315 State Capitol Complex
Salt Lake City, Utah 84114

Dear Mr. Minchey,

Thank you for the opportunity to review Chapter 3, *Continued Emphasis on Student Preparation and Clearer Pathways to High-Yield Programs Can Improve Education's Return on Investment*. We appreciate Darin Underwood and Andrew Poulter for their thoughtful analysis and for highlighting both the progress made and the opportunities ahead for the Utah System of Higher Education (USHE). Their work underscores the importance of strengthening and expanding educational pathways that improve student access to and completion of higher education programs aligned with Utah's workforce needs.

In alignment with the First Credential Master Plan and Master List, USHE supports working in partnership with the Utah State Board of Education to create awareness and track efficacy of educational pathways. The first credential master plan outlines recommendations for implementation of this co-defined pathway model that will be addressed in collaboration with public education, higher education, and industry.

We recognize that this chapter is part of a broader report addressing High-Risk Areas in Utah and acknowledge the critical importance of enabling smooth transitions from secondary to postsecondary education. We concur with the assessment provided by the Office of the Legislative Auditor General and remain committed to collaborating with legislative leaders, the Governor, the Utah State Board of Education, and our institutions to advance and sustain a statewide vision for educational pathways that serve Utah students and employers.

Sincerely,

A handwritten signature in black ink, appearing to read "G. Landward", is written over a light blue horizontal line.

Geoffrey T. Landward
Commissioner



Department of Health and Human Services





State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Health & Human Services

TRACY S. GRUBER
Executive Director

STACEY BANK, MD
Executive Medical Director

TONYA HALES
Deputy Director

DAVID LITVACK
Deputy Director

NATE WINTERS
Deputy Director

November 7, 2025

Mr. Kade Minchey
Utah Legislative Auditor General
Utah Capitol Complex
P.O. Box 145315
Salt Lake City, UT 84114-5315

Dear Mr. Minchey,

Thank you for the opportunity to respond to the High-Risk List Follow-up (Report #2025-25). The Department of Health and Human Services (DHHS or department), Office of Substance Use and Mental Health (SUMH), recognizes the critical risks posed by the combination of system fragmentation, workforce shortages, and the tragic rates of suicide and drug overdose among Utahns. We appreciate the thoroughness and professionalism of your staff in conducting the foundational Governance, Workforce, All-Payers Claims Database (APCD), and Funding Audits, whose findings are incorporated into the comprehensive report.

DHHS is fully committed to implementing data-driven and strategically aligned efforts to ensure equitable and timely access to high-quality behavioral health services for all Utahns. DHHS is also fully committed to working with the Behavioral Health Commission to identify and address behavioral health issues in Utah.

SUMH is actively working to address the specific vulnerabilities identified in Sub-area 4.1, concerning Insufficient Access to Mental Health Services Amid Rising Mental Health Needs. We acknowledge the urgent need to address the workforce gap and the persistent high rate of untreated Utahns, and are committed to leading the development of a strategic workforce plan with the Behavioral Health Commission and the Health Workforce Advisory Council (HWAC) as recommended.

State Headquarters: 195 North 1950 West, Salt Lake City, Utah 84116
telephone: 801-538-4001 | email: dhhs@utah.gov | web: dhhs.utah.gov

Additionally, SUMH is addressing Sub-area 4.2, focused on Insufficient Accountability and Coordination Hinder Statewide Efforts to Improve Behavioral Health Outcomes. We continue to establish a robust system of accountability for Local Authorities (LAs), which includes implementing and improving a consistent system for enforcing monitoring and audit requirements and developing standards for corrective action plans resulting from yearly audit findings.

We are taking several steps to address other key audit recommendations. We concur with the need for better utilization of the APCD and are currently exploring options to ensure the Health Workforce Information Center (HWIC) has adequate access to behavioral health workforce data for analysis, as well as developing a strategic plan for the APCD to ensure it effectively informs policy decisions and resource allocation. Additionally, we will continue to work with the Behavioral Health Commission to ensure the statewide strategic plan includes measurable outcomes that are actively worked on. Furthermore, DHHS will engage with the Legislature to consider options for creating a central oversight body for the system, ensuring clear decision-making authority and reducing siloed efforts.

We appreciate the work of the Office of the Legislative Auditor General in providing the necessary framework for this reform. We will continue with our swift and effective implementation of these recommendations as we strive to maximize the impact of public investment and create a more resilient and sustainable behavioral health system for Utah.

Sincerely,



Tracy S. Gruber
Executive Director

Utah Department of Transportation





State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

DEPARTMENT OF TRANSPORTATION

CARLOS M. BRACERAS, P.E.
Executive Director

LISA J. WILSON, P.E.
Deputy Director of Engineering and Operations

BENJAMIN G. HUOT, P.E.
Deputy Director of Planning and Investment

November 4, 2025

Kade R. Minchey, CIA, CFE
Auditor General
Office of the Legislative Auditor General
W315 House Building State Capitol Complex
Salt Lake City, UT 84114

Dear Mr. Minchey:

The Utah Department of Transportation (UDOT) would like to express our gratitude to the Legislative Auditor's Office for their comprehensive work on Report #2025-25, *High Risk List: Identifying and Mitigating Critical Vulnerabilities in Utah - 2025* and for their coordination with the Utah Department of Transportation.

We have reviewed Area 5, "Effective Transportation in Utah Relies on Strategic Land Use and Funding Decisions," and have provided our comments and feedback. We support the research and the conclusions of this assessment, recognizing the critical role of transportation in sustaining Utah's strong economy and high quality of life.

We look forward to working with the Legislature and the Office of the Legislative Auditor moving forward.

Sincerely,

Carlos M. Braceras, P.E.
Executive Director

CMB/dej

Cc: Ben Huot, UDOT Deputy Director of Planning and Investment
Tiffany Pocock, UDOT Director of Program Development



Wasatch Front Regional Council





Dawn Ramsey, Chair
Mayor, South Jordan

Bob Stevenson, Vice Chair
Commissioner, Davis County

Dirk Burton
Mayor, West Jordan

Robert Dandoy
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Gage Froerer
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Ben Nadolski
Mayor, Ogden

Mike Newton
Commissioner, Morgan County

Kristie Overson
Mayor, Taylorsville

Lee Perry
Commissioner, Box Elder County

Joy Petro
Mayor, Layton

Mark Shepherd
Mayor, Clearfield

Jeff Silvestrini
Mayor, Millcreek

Brandon Stanger
Mayor, Clinton

Scott Wardle
Councilmember, Tooele County

Jenny Wilson
Mayor, Salt Lake County

Aimee Winder Newton
Councilmember, Salt Lake County

Monica Zoltanski
Mayor, Sandy

Senator Wayne Harper
Utah State Senate

Representative Ariel Defay
Utah House of Representatives

Carlton Christensen
Utah Transit Authority

Carlos Braceras
Utah Department of Transportation

Troy Walker
Utah League of Cities and Towns

Lorene Kamalu
Utah Association of Counties

Jason Brown
Envision Utah

Laura Hanson
State Planning Coordinator

Andrew Gruber
WFRC Executive Director

November 4, 2025

Kade Minchey, CIA, CFE
Auditor General
Office of the Legislative Auditor General
W315 State Capitol Complex
Salt Lake City, UT 84114

Re: Response to the High-Risk List: Identifying and Mitigating Critical Vulnerabilities in Utah – 2025 #2025-25.

Dear Mr. Minchey,

The Wasatch Front Regional Council (WFRC) appreciates the opportunity to respond to *Area 5, Effective Transportation in Utah Relies On Strategic Land Use and Funding Decisions*. We are grateful for the good and thorough work of the audit team, and for the identification of transportation as a “high risk” area. WFRC agrees that mobility and access to opportunities enabled by transportation are essential components of Utah’s high quality of life.

As a Metropolitan Planning Organization, WFRC works in close collaboration with Utah’s transportation partners, local governments, and other stakeholders to plan transportation investments that are coordinated with development patterns and economic opportunities.

WFRC agrees with and would like to highlight two key points reflected in the audit:

1. *Investing in multimodal transportation choices should be a continuing priority.* [Utah’s Unified Transportation Plan](#) identifies investment priorities to give Utahns the choice to drive, use transit, bike, or walk.
2. *Transportation and land use are inextricably linked.* Coordinating the development of housing and jobs with the existing and planned multimodal transportation system - which is the core strategy of the [Wasatch Choice Vision](#) - will help Utah to effectively accommodate continuing growth.

We appreciate your collaboration with WFRC and your analysis of this issue.

Sincerely,

Andrew Gruber
Executive Director
Wasatch Front Regional Council



Utah Department of Corrections





State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Utah Department of Corrections Executive Office

JARED GARCIA
Executive Director

REBECCA BROWN
Deputy Executive Director

MIKE SCHOENFELD
Deputy Executive Director

MARIA SHIREY
Deputy Executive Director

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Deputy Executive Director

November 3, 2025

Kade R. Minchey
Legislative Auditor General
W315 House Building – State Capitol Complex
Salt Lake City, UT 84114

Mr. Minchey,

The Utah Department of Corrections (UDC) appreciates the ongoing review and insights provided by the Office of the Legislative Auditor General regarding personnel turnover and vacancy rates. We acknowledge the continued designation of this area as "high-risk" and are committed to addressing the remaining challenges to ensure sustained improvement in staffing and retention across critical areas, particularly for correctional officers and Adult Probation and Parole (AP&P) agents.

Summary of Progress and Current Status:

UDC recognizes and appreciates the audit's finding that turnover rates for correctional officers and AP&P agents have substantially improved, with both positions now below the average turnover rate for all state agencies (Figure 6.1). We are pleased to report that the Utah State Correctional Facility (USCF) is close to being fully staffed, a significant achievement that directly addresses the safety concerns for inmates and staff identified in 2023. This progress reflects dedicated efforts and strategic initiatives implemented by the Department.

While significant strides have been made, we understand that several high-risk dimensions remain "In Process," indicating the need for continued work in planning, retention, and recruitment strategies.

Important Clarification on Staffing Levels:

As noted in the report, there is an important distinction between our operational vacancies and our actual vacancies. While the USCF may be considered "fully staffed" or close to it, in terms of actual vacancies (the number of positions that are actually vacant), our operational vacancies (the number of vacancies we operationally have at each prison location) can present a different

picture. Due to the operational vacancies at the prison, we still have voluntary overtime offered to our officers and sergeants to fill the shifts that are operationally vacant.

We have also previously informed the legislature that we are intentionally holding some correctional officer positions open/vacant to cover funding deficits in certain areas. The positions being held open for funding purposes are not included in our overall staffing picture when we talk about being fully staffed or close to fully staffed. We will begin hiring for these positions at a future date when the needs of the prison necessitate it.

Detailed Response by High-Risk Dimension

Progress (2025: In Process)

- **Correctional Officers:** We acknowledge the slight increase in turnover after hitting a low point and the digression in hiring and attrition rates near the end of FY25. UDC is actively monitoring these trends and reinforcing efforts to ensure sustained improvements. The USCF has made substantial progress to increase the number of correctional officers hired and retrained, which is a critical milestone in addressing previous safety concerns noted in the legislative audit.
- **AP&P Agents:** AP&P has successfully sustained turnover rates below 10 percent since the start of Fiscal Year 2024, demonstrating the effectiveness of the implemented retention strategies.

Monitoring (2025: In Process)

- UDC continues to track turnover rates for both correctional officers and AP&P agents through various internal dashboards and reports. We are committed to refining our monitoring efforts to not only track rates but also to assess the long-term effectiveness and sustainability of our strategies. We are working to determine how to track and document the status of recommendations for improvement for high-profile events within AP&P.
- Improved performance reviews, including quarterly one-on-one evaluations, ensuring employee performance plans, and the planned implementation of a yearly 360 review process for supervisory positions, are designed to enhance accountability and identify areas for further support and development.

Capacity (2025: In Process)

- **AP&P:** UDC has focused on technology integration at AP&P, including hiring a new Technology and Innovation Director and securing additional funding for new technology staff. We are actively working to migrate O-Track to cloud technology and fully integrate it into Recidiviz, with an expected completion near the end of 2026. Efforts are ongoing to establish a formalized, consistent assignment process for mentally ill offenders based on population ratios and caseload sizes.
- **USCF:** UDC is actively engaging contractors to conduct a staffing analysis and review pay, benefits, and culture. We have established a new mission and vision and developed a People Development Team to foster a positive culture focused on staff development. To reduce staff demand, mandatory overtime requirements have been removed, and civilian

control point officers have been added. Full implementation of these strategies is crucial to moving this dimension toward "Met."

Action Plan (2025: In Process)

- **AP&P Agents:** UDC has successfully implemented strategies to improve recruitment and retention for AP&P agents, addressing prior audit recommendations. These efforts have contributed to the sustained lower turnover rates.
- **Correctional Officers:** UDC has engaged consultants and is focusing on improving compensation, leadership, staffing patterns, recognition, professionalism, and culture for correctional officers.

Response to Specific Recommendations (2024 Follow-up Status):

- **#2022-13 Chapter 2 Recommendation 1 (AP&P Retention Strategies):** Implemented. AP&P has created and implemented effective retention strategies.
- **#2023-17-1.1 (Prioritize Recruitment and Retention of Correctional Officers and Procure Consulting):** In Process. UDC has developed a formal recruitment and retention plan and is actively implementing it.
- **#2022-13 Chapter 2 Recommendation 3 (Upgrade O-Track):** In Process. UDC is working to upgrade O-Track to cloud technology and integrate it with Recidiviz.
- **#2022-13 Chapter 3 Recommendation 4 (Increase Trained Agents for Mental Health Diagnosis):** In Process. UDC is working to establish a formalized, consistent assignment process for mentally ill offenders.
- **#2023-17-1.2 (Procure Consulting for Staffing Analysis for Prison):** In Process. Contractors are currently conducting a staffing analysis for the prison at full capacity.
- **#2023-17-1.3 (Procure Consulting for Analysis of Pay, Benefits, and Culture):** In Process. Work is underway with consultants to complete this analysis.
- **#2023-17-1.4 (Evaluate Prison Operations with Correctional Expert):** In Process. UDC has removed mandatory overtime requirements and added civilian control point officers to reduce staff demand. Some voluntary overtime opportunities remain at USCF.
- **#2023-17-2.1 (Foster Positive Culture):** In Process. UDC has created a new mission and vision and developed a People Development Team. Work continues regarding staff recognition and other culture improvements.
- **#2022-13 Chapter 2 Recommendation 2 (Formal Process for Reviewing High-Profile Events):** In Process. UDC has created a new template and requires recommendations for improvement but needs to formalize tracking and documenting the status of these recommendations.
- **#2022-13 Chapter 2 Recommendation 4 (Improve and Monitor Performance Reviews):** In Process. UDC has implemented quarterly one-on-one evaluations and is working to implement a yearly 360 review process for supervisory positions.

Additional Feedback on Improvements Made:

Beyond the specific audit recommendations, UDC has undertaken several proactive measures to address staffing and retention, demonstrating a commitment to creating a sustainable and supportive work environment.

- **Leadership Development Programs:** We have invested in leadership development programs for supervisors and managers to enhance their ability to support and retain staff.

This includes training on effective communication, conflict resolution, and creating a positive team culture. These programs are offered both internally and in partnership with Utah State University. Our agency is also actively participating in the State of Utah Leadership program.

- **Employee Wellness Initiatives:** Recognizing the demanding nature of correctional work, UDC has launched new employee wellness initiatives, including access to mental health resources, stress management programs, and fitness challenges.
- **Enhanced Onboarding and Mentorship:** We have revamped our onboarding process to provide a more comprehensive and supportive introduction for new hires, coupled with a formalized mentorship program to pair experienced staff with new recruits.
- **Feedback Mechanisms:** Regular employee satisfaction surveys and open forums have been implemented to gather feedback directly from staff, which informs ongoing improvements to policies and practices.
- **Public Recognition and Awards:** UDC has increased efforts to publicly recognize the contributions of our correctional officers and AP&P agents through internal and external award programs, boosting morale and acknowledging dedication.

UDC remains dedicated to achieving full implementation of all outstanding recommendations and maintaining sustained improvements in our vacancies and turnover rates. We will continue to collaborate with the Office of the Legislative Auditor General and other stakeholders to ensure the safety and effectiveness of state government operations.

Sincerely,



Jared Garcia (Nov 3, 2025 22:50:06 MST)
Jared Garcia
Executive Director

Governor's Office of Planning and Budget





SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lt. Governor

GOVERNOR'S OFFICE OF PLANNING & BUDGET

SOPHIA DiCARO
Executive Director

November 5, 2025

Kade R. Minchey CIA, CFE, Auditor General
Office of the Legislative Auditor General - Utah State Capitol Complex
Rebecca Lockhart House Building, Suite W315
P.O. Box 145315
Salt Lake City, UT 84114-5315

Dear Mr. Minchey,

We thank you for the opportunity to review and respond to the *Introduction and Methodology* section and *Area 7 (Housing Affordability)* of the High-Risk Audit Report.

Thank you for highlighting in the *Introduction* both the interconnectedness of high-risk policy areas and the power of collaboration in helping ensure the best possible use of our state's resources.

Housing affordability continues to be one of our greatest challenges. We agree with the findings and recommendations of *Area 7* and thank you for highlighting the progress accomplished to date. The Governor's Office of Planning and Budget is looking forward to delivering the completed Utah Housing Strategic Plan to the Legislature in December. We will continue to work with our state and community partners to track progress towards implementing the plan and closing our housing supply gap.

Sincerely,

Sophia DiCaro
Executive Director
Governor's Office of Planning and Budget

CC: Laura Hanson
Steve Waldrip



Office of Legislative Services





Memorandum

To: Kyle Pepp, Legislative Performance Auditor
From: Jonny Stewart, Executive Officer, Office of Legislative Services
Date: November 3, 2025
Subject: Response to Area 9 of the 2025 High-Risk List

Thank you for the opportunity to provide a response to Area 9 of the 2025 High-Risk List.

The Legislative Information Technology Office continues to make significant progress in strengthening its cybersecurity defenses. As part of Area 9, recommendations from a previous audit are still in process. A cybersecurity incident response plan and cybersecurity policy have been drafted and will be presented to LSMC for review and approval on November 3, 2025. The Legislative IT Office has been instituting core policies and procedures that will lay the groundwork for a cybersecurity strategic plan.



Utah Department of Government Operations





State of Utah

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Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Department of Government Operations
Executive Director's Office

MARVIN L. DODGE
Executive Director

MARILEE P. RICHINS
Deputy Director

DAVID DYCHES
Deputy Director

November 10, 2025

Dear Auditor Minchey,

On behalf of the Department of Government Operations and the Utah Cyber Center, I appreciate the opportunity to respond to the recommendations outlined in the report, *Area 9 Persistence of Cybersecurity and Data Privacy Incidents Demonstrate Need for Wider-Spread Adoption of Cybersecurity Best Practices*.

The report outlines the significant and escalating risks posed by cyber threats to Utah's government entities and critical infrastructure. The emphasis on the increasing complexity and frequency of attacks, coupled with the potential for serious harm to public safety and the economy, fully justifies the High-Risk designation for this area.

The report clearly articulates why this area is high risk, citing the reliance on technology for fundamental operations and the surge in complex attacks, including ransomware, data breaches, and phishing. Referencing the compelling evidence in Figure 9.1 provides a concrete and concerning summary of five cyberattacks since 2019 that negatively impacted state and local entities, including the University of Utah, Utah State University, Garfield County, Granite School District, and several others via the PowerSchool breach. This evidence underscores the urgency of the problem.

The report provides a clear, data-driven assessment of Utah's cybersecurity vulnerabilities. The identified risks are severe and require sustained, high-level attention from both the legislative and executive branches. Priorities must include the full implementation of all pending audit recommendations, continued investment in improving system capacity across all entities, and ensuring that established coordination centers are operating with maximum effectiveness to safeguard Utah's security, prosperity, and well-being.

We look forward to further engagement with these issues.

Please do not hesitate to contact me or the division directors with any additional questions.

Best Regards,

Marvin Dodge
Executive Director



Legislative Fiscal Analyst





Office of the Legislative Fiscal Analyst

Jonathan Ball, Legislative Fiscal Analyst

W310 State Capitol Complex | Salt Lake City, UT 84114 | Phone: 801.538.1034

November 7, 2025

Kade Minchey
Legislative Auditor General
W315 Lockhart House Office Building
State Capitol Complex
Salt Lake City, UT 84114

Dear Mr. Minchey:

Thank you for the thoughtful assessments contained in Report #2025-25, *High-Risk List: Identifying and Mitigating Critical Vulnerabilities in Utah - 2025*. Chapter 10 of the report, "Both State and Federal Revenue Risks Could Impact Utah's Structural Budget Integrity," identified additional steps that Utah policymakers have taken to stabilize the state's revenue streams since this high-risk list was last completed in 2023. We especially commend your work on oversight of federal funds, introduced in this edition.

The concerns you express in Chapter 10 are among the risk factors this office considers when performing long-term fiscal health analyses like the state budget stress test required by Utah Code 36-12-13(2)(e). For the first time this year our stress test will examine risks related to federal funding volatility in Medicaid. Together with your office, we remain dedicated to supporting the Legislature's ongoing efforts to strengthen Utah's sound fiscal policy – recognized as best in the nation four years running by U.S. News and World Reports.

Sincerely,

Jonathan Ball
Legislative Fiscal Analyst







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