

28 (2) "Audit" means an examination that:

29 (a) analyzes the accounts of all officers of the entity having responsibility for the care,
30 management, collection, or disbursement of moneys belonging to it or appropriated by law or
31 otherwise acquired for its use or benefit;

32 (b) is performed in accordance with generally accepted government auditing standards;
33 and

34 (c) conforms to the uniform classification of accounts established or approved by the
35 state auditor or any other classification of accounts established by any federal government
36 agency.

37 (3) "Audit report" means:

38 (a) the financial statements presented in conformity with generally accepted accounting
39 principles;

40 (b) the auditor's opinion on the financial statements;

41 (c) a statement by the auditor expressing positive assurance of compliance with state
42 fiscal laws identified by the state auditor;

43 (d) a copy of the auditor's letter to management that identifies any material weakness in
44 internal controls discovered by the auditor and other financial issues related to the expenditure
45 of funds received from federal, state, or local governments to be considered by management;
46 and

47 (e) management's response to the specific recommendations.

48 (4) "Compilation" means information presented in the form of financial statements
49 presented in conformity with generally accepted accounting principles that are the
50 representation of management without the accountant undertaking to express any assurances on
51 the statements.

52 (5) "Fiscal report" means providing information detailing revenues and expenditures of
53 all funds using forms provided by the state auditor.

54 (6) "Governing board" means:

55 (a) the governing board of each political subdivision;

56 (b) the governing board of each interlocal organization having the power to tax or to
57 expend public funds;

58 (c) the governing board of any local mental health authority established under the

59 authority of Title 62A, Chapter 15, Substance Abuse and Mental Health Act;

60 (d) the governing board of any substance abuse authority established under the
61 authority of Title 62A, Chapter 15, Substance Abuse and Mental Health Act;

62 (e) the governing board of any area agency established under the authority of Title
63 62A, Chapter 3, Aging and Adult Services;

64 (f) the governing board of any nonprofit corporation that receives at least 50% of its
65 funds from federal, state, and local government entities through contracts;

66 (g) the governing board of any other entity established by a local governmental unit
67 that receives tax exempt status for bonding or taxing purposes; and

68 (h) in municipalities organized under an optional form of municipal government, the
69 municipal legislative body.

70 (7) "Review" means performing inquiry and analytical procedures that provide the
71 accountant with a reasonable basis for expressing limited assurance that there are no material
72 modifications that should be made to the financial statements for them to be in conformity with
73 generally accepted accounting principles.

Legislative Review Note
as of 1-24-07 11:00 AM

Office of Legislative Research and General Counsel

H.B. 349 - Accounting Audit Standards

Fiscal Note

2007 General Session
State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

1/29/2007, 9:53:57 AM, Lead Analyst: Ricks, G.

Office of the Legislative Fiscal Analyst