

## SB0093S01 compared with SB0093

~~{deleted text}~~ shows text that was in SB0093 but was deleted in SB0093S01.

inserted text shows text that was not in SB0093 but was inserted into SB0093S01.

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Senator Howard A. Stephenson proposes the following substitute bill:

### INTERNAL AUDIT AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Howard A. Stephenson**

House Sponsor: \_\_\_\_\_

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#### LONG TITLE

##### General Description:

This bill establishes the Governor's Office of Internal Audit Services and amends and enacts provisions related to the auditing of state agencies and school districts.

##### Highlighted Provisions:

This bill:

- ▶ requires a local school board to establish an audit committee;
- ▶ requires a school audit committee to establish an internal audit program;
- ▶ defines terms;
- ▶ establishes the Governor's Office of Internal Audit Services;
- ▶ describes the powers and duties of the office and the governor's internal audit director;
- ▶ directs certain state agencies ~~{and school districts}~~ to establish internal audit

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programs;

- ▶ amends the powers and duties of an audit committee;
- ▶ amends the powers and duties of an agency internal audit director;
- ▶ enacts provisions related to the compensation of the governor's internal audit director; and
- ▶ makes technical corrections.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

**63I-5-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382

**63I-5-301**, as renumbered and amended by Laws of Utah 2008, Chapter 382

~~**63I-5-302**, as renumbered and amended by Laws of Utah 2008, Chapter 382~~

~~—~~ **63I-5-401**, as renumbered and amended by Laws of Utah 2008, Chapter 382

**67-22-2**, as last amended by Laws of Utah 2013, Chapters 214 and 310

ENACTS:

**53A-3-801**, Utah Code Annotated 1953

**53A-3-802**, Utah Code Annotated 1953

**53A-3-803**, Utah Code Annotated 1953

**63I-5-202**, Utah Code Annotated 1953

**63I-5-203**, Utah Code Annotated 1953

**63I-5-204**, Utah Code Annotated 1953

REPEALS AND REENACTS:

**63I-5-201**, as last amended by Laws of Utah 2012, Chapters 212 and 365

**63I-5-302**, as renumbered and amended by Laws of Utah 2008, Chapter 382

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section ~~**63I-5-102**~~ is amended to read:

~~63I-5-102~~ **53A-3-801** is enacted to read:

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### **Part 8. Internal Audits**

#### **53A-3-801. Title.**

This part is known as "Internal Audits."

Section 2. Section 53A-3-802 is enacted to read:

#### **53A-3-802. Definitions.**

As used in this part:

(1) "Audit committee" means a standing committee:

(a) appointed by the local school board with the following number of members:

(i) three members of a seven-member local school board; or

(ii) two members of a five-member local school board; and

(b) composed of people who are not administrators or employees of the school district.

(2) "Audit director" means the person who directs the internal audit program.

(3) "Audit plan" means a prioritized list of audits to be performed by an internal audit program within a specified period of time.

(4) "Internal audit" means an independent appraisal activity established within a school district as a control system to examine and evaluate the adequacy and effectiveness of other internal control systems within the school district.

(5) "Internal audit program" means an audit function that:

(a) is conducted by a local school board independent of the school district offices or other operations; and

(b) objectively evaluates the effectiveness of the school district governance, risk management, internal controls, and the efficiency of operations.

Section 3. Section 53A-3-803 is enacted to read:

#### **53A-3-803. Internal auditing program -- Audit committee -- Powers and duties.**

(1) A local school board shall establish an audit committee.

(2) The audit committee shall establish an internal audit program that provides internal audit services for the programs administered by the school district.

(3) (a) A local school board shall appoint the audit director, with the advisement of the audit committee, if the school board hires an audit director.

(b) If the school board has not appointed an audit director and the school board contracts directly for internal audit services, the local school board shall approve a contract for

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internal audit services, with the advisement of the audit committee.

(4) The audit committee shall ensure that copies of all reports of audit findings issued by the internal auditors are available, upon request, to the audit director of the State Board of Education, the Office of the State Auditor, and the Offices of the Legislative Auditor General.

(5) The audit committee shall ensure that significant audit matters that cannot be appropriately addressed by the school district internal auditors are referred to either the audit director of the State Board of Education, the Office of the State Auditor, or the Offices of the Legislative Auditor General.

(6) The audit director may contract with a consultant to assist with an audit.

Section 4. Section 63I-5-102 is amended to read:

### **63I-5-102. Definitions.**

As used in this chapter:

~~[(6)]~~ (1) "Agency governing board" is any board or commission that has policy making and oversight responsibility over the agency, including the authority to appoint and remove the agency director.

~~[(1)]~~ (2) "Agency head" means ~~+~~

~~— (a) }~~ a cabinet officer, an elected official, an executive director, or a board or commission vested with responsibility to administer or make policy for a state agency ~~{ }~~ ~~or }~~

~~{ — (b) for a school district, the local school board.~~

~~†~~ ~~[(2)]~~ (3) "Agency internal audit director" or "audit director" means the person [appointed by the agency head, with the approval of the audit committee if one has been established, to direct the internal audit function for the state agency.] who:

(a) directs the internal audit program for the state agency ~~{ or a school district }~~; and

(b) is appointed by ~~+~~

~~— (i) for a state agency, }~~ the agency head with approval of the audit committee if one has been established ~~{ and }~~.

~~{ — (ii) for a school district, the agency head.~~

~~†~~ ~~[(3)]~~ (4) "Appointing authority" means:

(a) the governor, for state agencies;

(b) the Judicial Council, for judicial branch agencies;

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(c) the Board of Regents, for higher education entities; ~~{}~~ and ~~{}~~

(d) the State Board of Education, for the State Office of Education ~~{}~~. ~~{}~~; ~~and~~

~~{~~ (c) the local school board, for a school district.

~~}~~ ~~{}~~ ~~(4)~~ (5) "Audit committee" means a standing committee ~~[whose]~~ composed of members who:

(a) are appointed by an appointing authority~~[:]~~;

~~[(a) from members of the agency governing board; and]~~

(b) ~~(i) [from individuals who]~~ do not have administrative responsibilities within the agency ~~[who]~~; and

~~(ii) are not an agency contractor or other service provider; and~~

(c) have the expertise to provide effective oversight of and advice about internal audit activities and services.

~~{}~~ ~~(5)~~ (6) "Audit plan" means a prioritized list of audits to be performed by ~~[the]~~ an internal audit ~~[organization]~~ program within a specified period of time.

(7) "Governor's internal audit director" means the governor's internal audit director appointed in accordance with Section 63I-5-202.

~~{}~~ ~~(7)~~ (8) "Higher education entity" means the board of regents, the institutional councils of each higher education institution, and each higher education institution.

~~{}~~ ~~(8)~~ (9) "Internal audit" means an independent appraisal activity established within a state agency as a control system to examine and evaluate the adequacy and effectiveness of other internal control systems within the agency.

(10) "Internal audit program" means an audit function that:

(a) is conducted by an agency, division, bureau, or office, independent of the agency, division, bureau, or office operations; and

(b) objectively evaluates the effectiveness of agency, division, bureau, or office governance, risk management, ~~and~~; internal controls, and the efficiency of operations.

~~{}~~ ~~(9)~~ (11) "Judicial branch agency" means each administrative entity of the judicial branch.

~~{}~~ ~~(10)~~ (12) (a) "State agency" means:

(i) each department, commission, board, council, agency, institution, officer, corporation, fund, division, office, committee, authority, laboratory, library, unit, bureau, panel,

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or other administrative unit of the state; and

- (ii) each state public education entity.
- (b) "State agency" does not mean:
  - (i) a legislative branch agency;
  - (ii) an independent agency;
  - (iii) a county, municipality, school district, local district, or special service district; or
  - (iv) any administrative subdivision of a county, municipality, school district, local district, or special service district.

Section ~~{2}~~5. Section **63I-5-201** is repealed and reenacted to read:

### **Part 2. Governor's Office of Internal Audit Services - Internal Auditing Programs**

#### **63I-5-201. Governor's Office of Internal Audit Services -- Creation.**

There is created within the governor's office the Governor's Office of Internal Audit Services to be administered by the governor's internal audit director.

Section ~~{3}~~6. Section **63I-5-202** is enacted to read:

#### **63I-5-202. Appointment of governor's internal audit director.**

(1) (a) If an audit committee is appointed by the governor as the appointing authority, the audit committee shall appoint, to serve at the committee's pleasure, the governor's internal audit director of the Governor's Office of Internal Audit ~~{services}~~Services.

(b) If no audit committee exists, the governor shall appoint, to serve at the governor's pleasure, the governor's internal audit director of the Governor's Office of Internal Audit Services.

(2) If in accordance with Subsection (1) an audit committee or the governor appoints the governor's internal audit director, the audit committee or governor, as applicable, shall establish the director's salary within the salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

Section ~~{4}~~7. Section **63I-5-203** is enacted to read:

#### **63I-5-203. Powers and duties of office and director.**

(1) The Governor's Office of Internal Audit Services shall have sufficient qualified staff and resources to perform internal audit duties.

(2) (a) (i) The Governor's Office of Internal Audit Services shall provide an audit program for a state agency or office that does not have an internal audit program and that is

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under the control of the governor or the lieutenant governor.

(ii) An agency or office described in Subsection (2)(a)(i) does not include a legislative branch agency or office, a judicial branch agency or office, the Office of the Attorney General, the Office of the State Treasurer, the Office of the State Auditor, or another agency or office that is not under the control of the governor or the lieutenant governor.

(b) (i) The powers and jurisdiction of the Governor's Office of Internal Audit Services and the governor's internal audit director are limited to a state agency or state program other than an agency or program described in Section 63I-5-204.

(ii) Notwithstanding Subsection (2)(b)(i), the Governor's Office of Internal Audit Services and the governor's internal audit director shall conduct an audit of a state agency or state program described in Section 63I-5-204 at the request of the governor or the lieutenant governor.

(3) The governor's internal audit director or the director's designee shall:

(a) perform various audit functions, including performance audits, financial audits, compliance audits, technology audits, and other audits that add value to an audited state agency's mission;

(b) have access to all records, data, and personnel in each state agency;

(c) report an audit finding to the governor or, if established, an audit committee;

(d) conduct risk-based audits on a state agency that does not have an internal audit program; and

(e) coordinate training opportunities and staff sharing with another state agency that has an internal auditor.

Section ~~5~~8. Section **63I-5-204** is enacted to read:

**63I-5-204. Internal auditing programs -- State agencies ~~-- School districts~~.**

(1) (a) If a director of an agency serves in the governor's cabinet, the director or the governor shall establish an internal audit program for the respective agency.

(b) The governor may, by executive order, require a state agency not described in Subsection (1)(a) to establish an internal audit program.

(c) An audit program established for an agency by the Governor's Office of Internal Audit Services may fulfill the requirements of Subsection (1)(a).

(2) (a) The Office of the Court Administrator shall establish an internal audit program

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under the direction of the Judicial Council, including auditing procedures for courts not of record.

(b) The Judicial Council may, by rule, require other judicial agencies to establish an internal audit program.

(3) (a) Dixie State University, the University of Utah, Utah State University, Salt Lake Community College, Southern Utah University, Utah Valley University, Weber State University, and Snow College shall establish an internal audit program under the direction of the Board of Regents.

(b) The State Board of Regents may issue policies requiring other higher education entities or programs to establish an internal audit program.

(4) The State Office of Education shall establish under the direction of the State Board of Education an internal audit program that provides internal audit services for each program administered by the State Office of Education.

(5) Subject to Section 32B-2-302.5, the internal audit division of the Department of Alcoholic Beverage Control shall establish an internal audit program under the direction of the Alcoholic Beverage Control Commission.

~~{ (6) The local school board of a school district shall establish an internal audit program.~~

‡ Section ~~{6}~~9. Section **63I-5-301** is amended to read:

### **63I-5-301. Audit committee -- Powers and duties.**

(1) (a) Each appointing authority may establish an audit committee to monitor the activities of the agency internal audit [~~organization~~] program.

(b) An audit committee may serve more than one state agency internal audit program.

~~{ (c) The appointing authority that establishes an audit committee for a school district shall appoint to the audit committee no fewer than:~~

~~—— (i) three members for a seven-member local school board; and~~

~~—— (ii) two members for a five-member local school board.~~

~~—— (d) An audit committee member described in Subsection (1)(c) may not be a school administrator or employee of the school district.~~

‡ (2) The appointing authority shall ensure that audit committee members have the expertise to provide effective oversight of and advice about internal audit activities and services.



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(3) If an audit committee has been established, the audit committee shall:

(a) ~~[consent to the appointment or removal of]~~ appoint, evaluate, and, if necessary, remove the agency internal audit director [as proposed by the agency head] or governor's internal audit director, as applicable;

~~{(b) consent to the internal auditing policies proposed by the agency head;~~

~~—— (c) review and approve the annual internal audit plan, modifications to the internal audit plan, risk assessment, and budget;~~

~~—— (d) review internal and external audit reports, follow-up reports, and quality assurance reviews of the internal audit office; and~~

~~—— (e) periodically meet with the agency internal audit director to discuss pertinent matters, including whether there are any restrictions on the scope of audits:~~

~~—— Section 7. Section ~~63I-5-302~~ is amended to read:~~

~~—— **63I-5-302. Agency head -- Powers and duties.**~~

~~—— (1) For each agency that establishes an internal audit program, the agency head shall:~~

~~—— (a) {(b) prepare and adopt, or if an audit committee has been established, propose to the audit committee, a} formal {policy} policies that {defines} define:~~

~~(i) the purpose of the agency's internal audit program; and~~

~~(ii) the authority and responsibility of the agency's internal auditors; {and}~~

~~—— (b) ensure that the policy:~~

~~—— (i) places no}~~

~~(c) ensure that policies adopted under Subsection (3)(b):~~

~~(i) do not place limitations on the scope of the internal audit ~~{department's}~~ program's~~

work; and

~~(ii) {declares} clarify that ~~{ auditors are to}~~ an auditor does not have ~~{ no}~~ authority or responsibility for ~~{the activities they audit}.~~~~

~~—— (2) The agency head of an agency that establishes an internal audit program shall appoint or employ an agency internal audit director:~~

~~—— (a) for a state agency, with the consent of the audit committee, if an audit committee has been established[.]; and~~

~~—— (b) for a school district, without the consent of the audit committee.~~

~~—— (3) The agency head of an agency that establishes an internal audit program shall~~

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ensure that:

~~— (a) an activity that the auditor audits;~~

(d) ensure that:

(i) the audit director ~~is allowed to employ~~ employs a sufficient number of professional and support staff to implement an effective ~~program of~~ internal ~~auditing~~ audit program;

(~~b~~ii) compensation, training, job tenure, and advancement of internal auditing staff is based upon job performance;

(~~c~~iii) the audit director and staff collectively possess the knowledge, skills, and experience essential to the practices of the profession and are proficient in applying internal auditing standards, procedures, and techniques;

(~~d~~iv) the internal audit ~~organization~~ program has employees who are qualified in disciplines ~~such as~~ necessary to meet the audit responsibilities, including accounting, business management, public administration, human resource management, economics, finance, statistics, electronic data processing, or engineering, ~~and law as needed to meet the audit responsibilities~~;

(~~e~~v) internal audit staff are free of operational and management responsibilities that would impair their ability to make independent audits of any aspects of the agency's operations;

(~~f~~vi) the audit director and the internal audit staff have access to all personnel and ~~any~~ records, data, and other agency information ~~of the state agency~~ that ~~they~~ the audit director or staff consider necessary to carry out their assigned duties; and

(~~g~~vii) that the ~~agency internal~~ audit director ~~reports to the agency head and to the audit committee, if one has been established, and has freedom of~~ and the director's employees have the necessary access to the agency head ~~to ensure that the director is responsive to~~, agency management, and agency staff;

(~~b~~) (e) consent to the internal auditing policies proposed by the agency ~~head's~~ specific requests, directions, and needs;

~~— (4) The agency internal audit director may, within budgetary constraints, contract with consultants to assist with audits.]~~

~~— (5) (4) The agency head of an agency that establishes an internal audit program shall either:~~

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~~(a)~~ head:

~~(c)~~ (f) review and approve the annual internal audit plan ~~and budget prepared by~~,  
modifications to the internal audit plan, risk assessment, and budget:

~~(d)~~ (g) review internal and external audit reports, follow-up reports, and quality assurance reviews of the internal audit office; and

~~(e)~~ (h) periodically meet with the agency internal audit director ~~or~~

~~(b) if~~ to discuss pertinent matters, including whether there are any restrictions on the scope of audits.

Section 10. Section 63I-5-302 is repealed and reenacted to read:

### 63I-5-302. Agency head -- Powers and duties.

If an agency has an internal audit program, and the agency's appointing authority has not established an audit committee ~~has been established~~, ~~review~~ the ~~plan and budget and submit them to~~ agency head shall assume the audit committee ~~for approval~~ powers and duties described in Subsection 63I-5-303(3).

Section ~~8~~ 11. Section **63I-5-401** is amended to read:

### **63I-5-401. Duties and powers of the agency internal audit director.**

(1) The agency internal audit director ~~may~~ and the governor's internal audit director shall:

(a) furnish independent analyses, appraisals, and recommendations that may, depending upon the audit scope, identify:

(i) the adequacy of the state agency's systems of internal control;

(ii) the efficiency and effectiveness of agency management in carrying out assigned responsibilities; and

(iii) the agency's compliance with applicable laws, rules, and regulations;

(b) submit audit reports directly to the agency head and to the audit committee, if one has been established;

(c) conduct internal audits of state agency programs, activities, and functions that may consist of one or more of the following objectives:

(i) to verify the accuracy and reliability of agency records;

(ii) to assess compliance with management policies, plans, procedures, and regulations;

(iii) to assess compliance with applicable laws, rules, and regulations;

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- (iv) to evaluate the efficient and effective use of agency resources; and
  - (v) to verify the appropriate protection of agency assets;
  - (d) prepare audit reports of findings;
  - (e) review and evaluate internal controls over the state agency's accounting systems, administrative systems, electronic data processing systems, and all other major systems necessary to ensure the fiscal and administrative accountability of the state agency;
  - (f) develop audit plans containing the information required by Subsection (2) to be based on the findings of periodic risk assessments;
  - (g) upon request, make a copy of the approved audit plan available to the state auditor, legislative auditor, or other appropriate external auditor to assist in planning and coordination of any external financial, compliance, electronic data processing, or performance audit;
  - (h) determine the scope and assignment of the audits;
  - (i) perform an audit of a special program, activity, function, or organizational unit at the direction of the agency head or, if one has been established, an audit committee;
  - (j) maintain the classification of any public records consistent with Title 63G, Chapter 2, Government Records Access and Management Act;
  - (k) be subject to the same penalties as the custodian of those public records for violating Title 63G, Chapter 2, Government Records Access and Management Act; and
  - (l) identify in the audit report any abuse, illegal acts, errors and omissions, or conflicts of interest.
- (2) (a) The audit plan required by this section shall:
- (i) identify the individual audits to be conducted during each year;
  - (ii) identify the related resources to be devoted to each of the respective audits;
  - (iii) ensure that internal controls are reviewed periodically as determined by the agency head or the audit committee, if one has been established; and
  - (iv) ensure that audits that evaluate the efficient and effective use of agency resources are adequately represented in the plan.
- (b) The agency internal audit director shall submit the audit plan to the agency head and the audit committee, if one has been established, for approval.
- (3) The agency internal audit director shall ensure that:
- (a) audits are conducted in accordance with professional auditing standards such as

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those published by the Institute of Internal Auditors, Inc., the American Institute of Certified Public Accountants and, when required by other law, regulation, agreement, contract, or policy, in accordance with Government Auditing Standards, issued by the Comptroller General of the United States;

(b) all reports of audit findings issued by internal audit staff shall include a statement that the audit was conducted according to the appropriate standards;

(c) public release of reports of audit findings comply with the conditions specified by the state laws and rules governing the state agency;

(d) copies of all reports of audit findings issued by the internal audit staff are available, upon written request, to the Offices of the Legislative Auditor General [~~and~~], the Office of the State Auditor [~~upon request~~], and the governor's internal audit director; and

(e) significant audit matters that cannot be appropriately addressed by the agency internal audit office are referred to either the Office of Legislative Auditor General [~~or~~], the Office of the State Auditor, or the Governor's Office of Internal Audit Services.

(4) The agency internal audit director may contract with consultants to assist with audits.

Section ~~9~~12. Section 67-22-2 is amended to read:

### **67-22-2. Compensation -- Other state officers.**

(1) As used in this section:

(a) "Appointed executive" means the:

(i) Commissioner of the Department of Agriculture and Food;

(ii) Commissioner of the Insurance Department;

(iii) Commissioner of the Labor Commission;

(iv) Director, Department of Alcoholic Beverage Control;

(v) Commissioner of the Department of Financial Institutions;

(vi) Executive Director, Department of Commerce;

(vii) Executive Director, Commission on Criminal and Juvenile Justice;

(viii) Adjutant General;

(ix) Executive Director, Department of Heritage and Arts;

(x) Executive Director, Department of Corrections;

(xi) Commissioner, Department of Public Safety;

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- (xii) Executive Director, Department of Natural Resources;
- (xiii) Executive Director, Governor's Office of Management and Budget;
- (xiv) Executive Director, Department of Administrative Services;
- (xv) Executive Director, Department of Human Resource Management;
- (xvi) Executive Director, Department of Environmental Quality;
- (xvii) Director, Governor's Office of Economic Development;
- (xviii) Governor's Internal Audit Director, Governor's Office of Internal Audit

### Services:

~~[(xviii)]~~ (xix) Executive Director, Utah Science Technology and Research Governing Authority;

- ~~[(xix)]~~ (xx) Executive Director, Department of Workforce Services;
- ~~[(xx)]~~ (xxi) Executive Director, Department of Health, Nonphysician;
- ~~[(xxi)]~~ (xxii) Executive Director, Department of Human Services;
- ~~[(xxii)]~~ (xxiii) Executive Director, Department of Transportation;
- ~~[(xxiii)]~~ (xxiv) Executive Director, Department of Technology Services; and
- ~~[(xxiv)]~~ (xxv) Executive Director, Department of Veterans' and Military Affairs.

(b) "Board or commission executive" means:

- (i) Members, Board of Pardons and Parole;
- (ii) Chair, State Tax Commission;
- (iii) Commissioners, State Tax Commission;
- (iv) Executive Director, State Tax Commission;
- (v) Chair, Public Service Commission; and
- (vi) Commissioners, Public Service Commission.

(c) "Deputy" means the person who acts as the appointed executive's second in command as determined by the Department of Human Resource Management.

(2) (a) The executive director of the Department of Human Resource Management shall:

(i) before October 31 of each year, recommend to the governor a compensation plan for the appointed executives and the board or commission executives; and

(ii) base those recommendations on market salary studies conducted by the Department of Human Resource Management.

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(b) (i) The Department of Human Resource Management shall determine the salary range for the appointed executives by:

(A) identifying the salary range assigned to the appointed executive's deputy;

(B) designating the lowest minimum salary from those deputies' salary ranges as the minimum salary for the appointed executives' salary range; and

(C) designating 105% of the highest maximum salary range from those deputies' salary ranges as the maximum salary for the appointed executives' salary range.

(ii) If the deputy is a medical doctor, the Department of Human Resource Management may not consider that deputy's salary range in designating the salary range for appointed executives.

(c) In establishing the salary ranges for board or commission executives, the Department of Human Resource Management shall set the maximum salary in the salary range for each of those positions at 90% of the salary for district judges as established in the annual appropriation act under Section 67-8-2.

(3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall establish a specific salary for each appointed executive within the range established under Subsection (2)(b).

(ii) If the executive director of the Department of Health is a physician, the governor shall establish a salary within the highest physician salary range established by the Department of Human Resource Management.

(iii) The governor may provide salary increases for appointed executives within the range established by Subsection (2)(b) and identified in Subsection (3)(a)(ii).

(b) The governor shall apply the same overtime regulations applicable to other FLSA exempt positions.

(c) The governor may develop standards and criteria for reviewing the appointed executives.

(4) Salaries for other Schedule A employees, as defined in Section 67-19-15, that are not provided for in this chapter, or in Title 67, Chapter 8, Utah Elected Official and Judicial Salary Act, shall be established as provided in Section 67-19-15.

(5) (a) The Legislature fixes benefits for the appointed executives and the board or commission executives as follows:

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(i) the option of participating in a state retirement system established by Title 49, Utah State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered by the State Retirement Office in accordance with the Internal Revenue Code and its accompanying rules and regulations;

(ii) health insurance;

(iii) dental insurance;

(iv) basic life insurance;

(v) unemployment compensation;

(vi) workers' compensation;

(vii) required employer contribution to Social Security;

(viii) long-term disability income insurance;

(ix) the same additional state-paid life insurance available to other noncareer service employees;

(x) the same severance pay available to other noncareer service employees;

(xi) the same leave, holidays, and allowances granted to Schedule B state employees as follows:

(A) sick leave;

(B) converted sick leave if accrued prior to January 1, 2014;

(C) educational allowances;

(D) holidays; and

(E) annual leave except that annual leave shall be accrued at the maximum rate provided to Schedule B state employees;

(xii) the option to convert accumulated sick leave to cash or insurance benefits as provided by law or rule upon resignation or retirement according to the same criteria and procedures applied to Schedule B state employees;

(xiii) the option to purchase additional life insurance at group insurance rates according to the same criteria and procedures applied to Schedule B state employees; and

(xiv) professional memberships if being a member of the professional organization is a requirement of the position.

(b) Each department shall pay the cost of additional state-paid life insurance for its executive director from its existing budget.



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(6) The Legislature fixes the following additional benefits:

(a) for the executive director of the State Tax Commission a vehicle for official and personal use;

(b) for the executive director of the Department of Transportation a vehicle for official and personal use;

(c) for the executive director of the Department of Natural Resources a vehicle for commute and official use;

(d) for the Commissioner of Public Safety:

(i) an accidental death insurance policy if POST certified; and

(ii) a public safety vehicle for official and personal use;

(e) for the executive director of the Department of Corrections:

(i) an accidental death insurance policy if POST certified; and

(ii) a public safety vehicle for official and personal use;

(f) for the Adjutant General a vehicle for official and personal use; and

(g) for each member of the Board of Pardons and Parole a vehicle for commute and official use.

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### **Legislative Review Note**

~~as of 2-3-14 8:29 AM~~

~~Office of Legislative Research and General Counsel~~