

**STATE AUDIT AMENDMENTS**

2021 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David G. Buxton**

House Sponsor: James A. Dunnigan

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**LONG TITLE**

**General Description:**

This bill modifies provisions on legislative budget and appropriation audits.

**Highlighted Provisions:**

This bill:

- ▶ authorizes the legislative auditor general to perform appropriation audits of executive branch entities and local education agencies; and
- ▶ clarifies requirements for audit content and procedures.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**36-12-15.1**, as last amended by Laws of Utah 2015, Chapter 118

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

Section 1. Section **36-12-15.1** is amended to read:

**36-12-15.1. Budget and appropriation audits.**

(1) As used in this section, "entity" means:

(a) an entity in the executive branch that receives an ongoing line item appropriation in



28 an appropriations act; and

29 (b) any local education agency, as defined in Section 53E-1-102, that receives public  
 30 funds.

31 [~~(2) The Office of Legislative Auditor General shall:~~]

32 [~~(a) each year perform an audit of at least one entity's appropriations, in addition to~~  
 33 ~~other audits performed by the Office of Legislative Auditor General, that evaluates:]~~

34 (2) (a) Each year, subject to the availability of work capacity and the discretion of the  
 35 Legislative Audit Committee, the Office of Legislative Auditor General may, in addition to  
 36 other audits performed by the office, perform:

37 (i) an audit of one or more executive branch entity's appropriations; and

38 (ii) an audit of one or more local education agency's appropriations.

39 (b) An audit performed pursuant to Subsection (2)(a) shall, as is appropriate for each  
 40 individual audit:

41 (i) evaluate the extent to which the entity has efficiently and effectively used the  
 42 appropriation by identifying:

43 (A) the entity's appropriation history;

44 (B) the entity's spending and efficiency history; and

45 (C) historic trends in the entity's operational performance effectiveness;

46 (ii) evaluate whether the entity's size and operation are commensurate with the entity's  
 47 spending history; [~~and]~~

48 (iii) evaluate whether the entity is diligent in its stewardship of state resources;

49 (iv) provide an in-depth analysis review of the entity's operations performance

50 improvements;

51 [~~(b)~~] (v) if possible, incorporate the audit methodology [described in Subsection (2)(a)  
 52 in] of other audits performed by the Office of Legislative Auditor General; and

53 [~~(c)~~] (vi) [conduct the audits described in Subsection (2)(a) according] be conducted  
 54 according to the process established for the Audit Subcommittee created in Section 36-12-8[;].

55 [~~(d) after release of]~~ (c) After releasing an audit report [by] pursuant to Subsection  
 56 (2)(a), the Audit Subcommittee[;] shall make the audit report available to:

57 (i) each member of the Senate and the House of Representatives; and

58 (ii) the governor or the governor's designee[; ~~and~~].

59           ~~(e)~~ (d) The Office of Legislative Auditor General, shall summarize the findings of an  
60 audit described in Subsection (2)(a) in:

61           (i) a unique section of the legislative auditor general's annual report; and

62           (ii) a format that the legislative fiscal analyst may use in preparation of the annual  
63 appropriations no later than 30 days before the day on which the Legislature convenes.

64           (3) The Office of Legislative Auditor General shall consult with the legislative fiscal  
65 analyst in preparing the summary required by Subsection (2)~~(e)~~(d).

66           (4) The Legislature, in evaluating an entity's request for an increase in its base budget,  
67 shall:

68           (a) review the audit report required by this section and any relevant audits; and

69           (b) consider the entity's request for an increase in its base budget in light of the entity's  
70 prior history of savings and efficiencies as evidenced by the audit report required by this  
71 section.