

**COUNTY AUDITOR AMENDMENTS**

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jordan D. Teuscher**

Senate Sponsor: Curtis S. Bramble

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**LONG TITLE**

**General Description:**

This bill modifies provisions relating to a county auditor.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ clarifies and modifies the duties of a county auditor;
- ▶ establishes that a county auditor in a county of the first class shall conduct services in accordance with generally accepted government auditing standards;
- ▶ establishes the title of county controller;
- ▶ clarifies and modifies a county auditor's duties and authority regarding a performance audit; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**17-19a-102**, as last amended by Laws of Utah 2022, Chapter 288

**17-19a-202**, as enacted by Laws of Utah 2012, Chapter 17

**17-19a-206**, as enacted by Laws of Utah 2012, Chapter 17

29 **17-19a-208**, as enacted by Laws of Utah 2012, Chapter 17

30 **17-19a-401**, as enacted by Laws of Utah 2012, Chapter 17

31 REPEALS:

32 **17-19a-101**, as last amended by Laws of Utah 2022, Chapter 288

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

35 Section 1. Section **17-19a-102** is amended to read:

36 **17-19a-102. Definitions.**

37 As used in this chapter:

38 (1) "Account" or "accounting" means:

39 (a) the systematic recording, classification, or summarizing of a financial transaction or  
40 event; and

41 (b) the interpretation or presentation of the result of an action described in Subsection  
42 (1)(a).

43 (2) (a) "Accounting services" means the creation, modification, or deletion of  
44 transactions and records in a financial accounting system, including the preparation of a  
45 county's annual financial report.

46 (b) "Accounting services" does not include the creation of a purchase order.

47 (3) "Audit" or "auditing" means an examination that is a formal analysis of a county  
48 account or county financial record:

49 (a) to verify accuracy, completeness, or compliance with an internal control;

50 (b) to give a fair presentation of a county's financial status; and

51 (c) that conforms to the uniform classification of accounts established by the state  
52 auditor.

53 (4) "Book" means a financial record of the county, regardless of a record's format.

54 (5) (a) "Budget" or "budgeting" means the preparation or presentation of a proposed or  
55 tentative budget as provided in Chapter 36, Uniform Fiscal Procedures Act for Counties.

- 56 (b) "Budget" or "budgeting" includes:
- 57 (i) a revenue projection;
- 58 (ii) a budget request compilation; or
- 59 (iii) the performance of an activity described in Subsection (5)(b)(i) or (ii).
- 60 (6) (a) "Claim" means under the color of law:
- 61 (i) a demand presented for money or damages; or
- 62 (ii) a cause of action presented for money or damages.
- 63 (b) "Claim" does not mean a routine, uncontested, or regular payment, including a bill,
- 64 purchase, or payroll.

65 (7) (a) "County auditor" means the county officer elected as the county auditor under  
66 Section 17-53-101.

67 (b) "County auditor" includes a person given the title of county controller under  
68 Subsection 17-19a-202(6).

69 (8) "County executive" means the elected chief executive officer of a county.

70 ~~[(7)]~~ (9) "Performance audit" means [a review and audit as described in Subsection  
71 17-19a-206(3) of a county program, county operation, county management system, or county  
72 agency to:] an assessment of whether a county office, officer, department, division, court, or  
73 entity, or any related county program is:

74 (a) managing public resources and exercising authority in compliance with law and  
75 policy;

76 (b) achieving objectives and desired outcomes; and

77 (c) providing services effectively, efficiently, economically, ethically, and equitably.

78 ~~[(a) review procedures, activities, or policies; and]~~

79 ~~[(b) determine whether the county is achieving the best levels of economy, efficiency,~~  
80 ~~effectiveness, and compliance.]~~

81 Section 2. Section **17-19a-202** is amended to read:

82 **17-19a-202. Duties and services.**

83 A county auditor shall perform:

84 (1) in accordance with Section [17-19a-205](#), an accounting duty or service described in  
85 this chapter or otherwise required by law;

86 (2) an auditing duty or service described in this chapter or otherwise required by law;  
87 and

88 (3) other duties as may be required by law.

89 (4) A county auditor may conduct, in relation to any county office, officer, department,  
90 division, court, or entity, as the county auditor deems necessary, the following duties and  
91 services:

92 (a) financial audits;

93 (b) attestation-level examinations, reviews, and agreed-upon procedures engagements  
94 or reviews of financial statements;

95 (c) subject to Section [17-9a-206](#), performance audits;

96 (d) subject to Section [17-19a-205](#), accounting services; and

97 (e) other duties as required by law.

98 (5) In a county of the first class, the county auditor shall conduct the services under  
99 Subsections (4)(a) through (c) in accordance with generally accepted government auditing  
100 standards.

101 (6) A county legislative body may change the title of county auditor to county  
102 controller for a county auditor's office that predominantly performs accounting services.

103 (7) The county auditor may not conduct the services described in Subsections (4)(a)  
104 through (c) with respect to the auditor's own office, accounts, or financial records.

105 (8) Nothing in this chapter limits a county legislative body's authority under Section  
106 [17-53-212](#) or a county executive's authority under Section [17-53-303](#).

107 Section 3. Section **17-19a-206** is amended to read:

108 **17-19a-206. Performance audit services.**

109 ~~[(1) (a) A county auditor shall, under the direction and supervision of the county~~

110 legislative body or county executive and subject to Subsections (1)(b) and (2), provide  
111 performance audit services for a county office, department, division, or other county entity.]  
112 [~~(b) A county auditor may not conduct a performance audit of the auditor's own office.~~]  
113 [~~(2) The county legislative body or county executive shall establish the goals and  
114 nature of a performance audit and related services.~~]  
115 (1) In a county of the first class, the county auditor shall conduct a performance audit:  
116 (a) as the county auditor deems appropriate, taking into account:  
117 (i) the standards of the profession;  
118 (ii) the county auditor's professional judgment; and  
119 (iii) the county auditor's assessment of risk and materiality; or  
120 (b) as requested and engaged by the county legislative body or county executive, in  
121 accordance with the following:  
122 (i) the county legislative body or county executive shall establish the goals and nature  
123 of the performance audit;  
124 (ii) the county auditor shall conduct the audit in a manner consistent with the county  
125 auditor's professional judgment and statutory duties; and  
126 (iii) the county legislative body or county executive and the county auditor shall agree  
127 upon the prioritization and timing of the performance audit, with terms that are consistent with  
128 the county auditor's statutory duties and available resources.  
129 (2) (a) In a county of the second through sixth class, the county auditor shall conduct a  
130 performance audit under the direction and supervision of the county legislative body or county  
131 executive.  
132 (b) The county legislative body or county executive shall establish the goals and nature  
133 of a performance audit conducted under Subsection (2)(a).  
134 (3) A performance audit conducted [~~in accordance with~~] under this section may include  
135 [~~a review and audit~~] an assessment of the following:  
136 (a) the honesty and integrity of financial and other affairs;

- 137 (b) the accuracy and reliability of financial and management reports;
- 138 (c) the adequacy of financial controls to safeguard public funds;
- 139 (d) the management and staff adherence to statute, ordinance, policies, and legislative
- 140 intent;
- 141 (e) the economy, efficiency, and effectiveness of operational performance;
- 142 (f) the accomplishment of intended objectives; and
- 143 (g) whether management, financial, and information systems are adequate and
- 144 effective.

145 Section 4. Section **17-19a-208** is amended to read:

146 **17-19a-208. Reporting -- State treasurer -- County legislative body.**

147 (1) On or before the last day of each month, the [~~county auditor~~] county finance officer

148 shall submit a report to the state treasurer regarding the collection, care, and disbursement of

149 state money by the county during the preceding month.

150 (2) The county auditor and the county treasurer shall, as required by the county

151 legislative body, make a joint report to the county executive and the county legislative body

152 accounting for the financial condition of the county.

153 (3) If a county auditor determines that a county office, officer, department, division,

154 court, or entity has not implemented a county auditor's prior recommendation in connection

155 with a previous financial audit, performance audit, examination, or review, the county auditor

156 shall notify the county legislative body that the entity has not implemented the

157 recommendation.

158 Section 5. Section **17-19a-401** is amended to read:

159 **17-19a-401. County auditor investigative powers -- Report of findings.**

160 (1) (a) A county auditor:

161 (i) may conduct an investigation of an issue or action associated with or related to the

162 auditor's statutory duties, including investigating a book or account of a county [~~officer, county~~

163 ~~office, or other county entity~~] office, officer, department, division, court, or entity; and

164 (ii) may not conduct an investigation of an issue or action that is not associated with or  
165 related to the auditor's statutory duties.

166 (b) A county officer, employee, or other county administrative entity shall grant the  
167 county auditor complete and free access to a book requested by the county auditor in  
168 accordance with Subsection (1)(a)(i).

169 (c) A county auditor, with the assistance of the county or district attorney, may:

170 (i) administer an oath or affirmation; or

171 (ii) issue an administrative subpoena for a witness or document necessary to the  
172 performance of the auditor's statutory duties.

173 (2) If the county auditor, after a complete investigation, finds that a book or account of  
174 a county [~~officer, office, or other county administrative entity~~] office, officer, department,  
175 division, court, or entity is not kept in accordance to law, or that an [~~officer, office, or other~~  
176 ~~county administrative entity~~] office, officer, department, division, court, or entity has made an  
177 incorrect or improper financial report, the county auditor shall prepare a report of the auditor's  
178 findings and submit a copy of the report to the county executive.

179 (3) If a county auditor, after a complete investigation, finds that a justice court judge  
180 has not kept a book or account according to law, or that the justice court judge has made an  
181 incorrect or improper financial report, the auditor shall prepare a report of the auditor's findings  
182 and submit a copy of the report to the state court administrator, the county executive, and the  
183 county legislative body.

184 Section 6. **Repealer.**

185 This bill repeals:

186 Section **17-19a-101, Title and scope.**