



OFFICE OF THE
UTAH STATE AUDITOR

News Release
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Office of the Utah State Auditor Releases
A Performance Audit of Utah Communications Authority
Financial Management and Transparency

Deficiencies permitted a former employee to allegedly make more than \$1 million in personal purchases on UCA credit cards

Salt Lake City, UTAH –

The Office of the Utah State Auditor (Office) today released *A Performance Audit of Utah Communications Authority (UCA) Financial Management and Transparency*. This audit was conducted to (1) identify existing financial controls to ensure proper use of UCA resources and (2) evaluate overall UCA transparency with regards to procurement.

The report highlights three areas of significant concern.

- Section 1 - Improved Financial Management Would Reduce Susceptibility To Misuse Of UCA Resources: Internal control weaknesses, including lack of proper review and failure to follow existing policies on credit card use, created an opportunity for the misuse of UCA credit cards to continue undetected for years.
- Section 2 - Increased Transparency Will Improve Accountability: The Board did not follow statutory requirements for conducting board meetings and did not report required financial data to the Utah Public Finance Website (UPFW).
- Section 3 - UCA Board Should Improve Oversight: The Board did not adequately oversee UCA finances or properly adopt required policies and procedures,

In addition, the Office makes the recommendation that, due to the significance of the concerns cited in this report, **the legislature should review UCA's status as an independent state entity.**

The full report may be found on the Office's website, auditor.utah.gov, specifically at <http://financialreports.utah.gov/saoreports/2016/PA16-01UCAFinMgmt&TransparencyUtahCommunicationsAuthority.pdf>.

About the Office of the Utah State Auditor

The Office of the Utah State Auditor provides Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government.

Specific activities of the Office include performing financial audits, conducting Federal funds compliance audits, providing local government oversight, conducting agency and program performance audits, performing fraud and compliance audits, and operating the State Auditor Hotline for citizens to report suspected financial issues or improprieties. These capabilities strengthen Utah State Government and help taxpayers have confidence in the integrity of Utah's government agencies.

The Utah State Auditor is a Constitutional Officer of the State of Utah, elected directly by the state's citizens every four years. The role of the Utah State Auditor is authorized in Article VII, Section 15 of the Utah Constitution. For more information, see auditor.utah.gov.

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