



OFFICE OF THE  
**STATE AUDITOR**

**News Release**

**For Immediate Release**

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**Office of the State Auditor Releases  
Its Internal Control Report: An Evaluation of Utah's Counties**

**Salt Lake City, UTAH –**

The Office of the State Auditor (Office) today released its Internal Control Report: An Evaluation of Utah's Counties. The Local Government Division of the Office ensures uniform accounting, budgeting and financial reporting by Utah's local governments. This Report serves as a baseline evaluation of the current state of internal controls for Utah's 29 counties. The term "internal controls" is used to describe processes put in place by the governing body, management, or others to provide consistent and efficient operations, including reasonable assurance that funds will be properly safeguarded.

For example, the segregation of duties of clerk and treasurer in any local government entity has been described as one of the most effective deterrents of fraud. A number of recent cases of theft or fraud in local governments have been the result of inadequate internal controls.

The purpose of this report is to gauge the extent to which county legislative bodies, including county commissions and county councils, have created formal internal control structures in accordance with State statute and best practices in order to protect the county from potential fraud, waste or abuse. Collectively, the 29 counties had already adopted two thirds of the practices we tested. However, the team identified three key areas that still need improvement.

- Adequate separation of duties over cash accounts such as a separate county clerk and county treasurer
- Internal monitoring of compliance with financial requirements; and
- Tracking compliance with conflict and ethical requirements of officials and employees

In response to the report Auditor John Dougall stated, "Utah's counties are working to properly implement internal controls. Many have already adopted the recommendations made in these reports. However, given the size of county budgets and the number of citizens served by our counties, it is essential that they ensure proper separation of duties and that county commissions and councils exercise proper financial oversight."

The summary report may be found on the Office's website at [auditor.utah.gov](http://auditor.utah.gov) and specifically at: <https://reporting.auditor.utah.gov/servlet/servlet.FileDownload?file=0151K000003IC5tQAE>

The individual county reports may be found at:  
<https://auditor.utah.gov/local-government-2/publications/countyreview/>.

### **About the Office of the State Auditor**

The Office of the 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 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 State Auditor is authorized in Article VII, Section 15 of the Utah Constitution. For more information, see [auditor.utah.gov](http://auditor.utah.gov).

### **Contact:**

Nicole Toomey Davis  
Public Information Officer  
Office of the State Auditor  
801-678-4835  
[ndavis@utah.gov](mailto:ndavis@utah.gov)