



OFFICE OF THE
STATE AUDITOR

News Release
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Office of the State Auditor Releases Financial Audit of Uintah County

Salt Lake City, UTAH – The Office of the State Auditor (Office) today released a financial audit of Uintah County (County). The Office received hotline (whistleblower) tips about potential misuse of funds at Uintah County. State Auditor John Dougall exercised his constitutional authority to perform financial post audits of public accounts, directing the Office to conduct an audit of the County's financial statements and its compliance with federal grant requirements. (Utah Constitution Article VII, Section 15)

Auditors issued 13 findings of varying severity regarding oversight and financial control weaknesses (starting on page 93). In addition, Uintah County management's refusal to take responsibility for the accuracy of the County's financial statements compelled the Office to disclaim an opinion on the financial statements. As such, the auditors could not attest to the fair presentation or accuracy of the information reported in the County's 2020 financial statements.

The findings identified by the audit team include issues spanning the entire spectrum of government accounting from its tone at the top to its day-to-day management of federal grants and include:

1. County Lacks an Effective Financial Control Environment
2. Multiple Significant Financial Statement Adjustments Due to Inadequate Financial Close-out Controls
3. Lack of Procedures to Ensure Accurate Recording and Tracking of Capital Assets
4. Accounting for Assets Reported Under the Modified Approach Not in Accordance with Generally Accepted Accounting Principles
5. Improper Spending of Coronavirus Relief Fund Monies
6. Circumvention of Established County Purchasing Policy
7. Multiple Errors in SEFA Preparation Due to Lack of Sufficient Capability and Controls
8. Accounting System Inadequate to Capture Data Critical to Internal Controls
9. Inadequate Separation of Duties Related to Accounting System Development, Deployment, and Change Management
10. County Officials Did Not Disclose Conflicts of Interest During 2020
11. Improper Spending of Coronavirus Relief Fund Monies
12. Ineffective Federal Program Management
13. County Did Not Properly Oversee Submission of Required Reports to Federal Government

Details of findings are provided in the Schedule of Findings and Questioned Costs, Part II and Part III.

The audit's concluding remarks state, "The Uintah County leadership's disagreement with the findings noted above highlights the lack of understanding and lack of responsibility with which they approach execution and oversight of financial reporting, which the auditor finds concerning."

State Auditor John Dougall emphasized, "Every political subdivision of the State of Utah is responsible for appropriately managing and reporting its financial activities. I'm deeply troubled by the severity of financial impairment in Uintah County government, particularly the disregard for regulations required for federal funding. And I'm particularly concerned by the inability or unwillingness of county officials to stand behind the accuracy of the county's financial statements. Both the Uintah County Commission and Clerk/Auditor share responsibility for overseeing the finances of Uintah County. They should take immediate steps to significantly improve internal processes, procedures, and adherence to state and federal guidelines."

The report may be found on the Office's website, auditor.utah.gov. The Report is available specifically at <https://reporting.auditor.utah.gov/servlet/servlet.FileDownload?file=0151K0000043oarQAA> .

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 Office also provides interactive graphical tools to help taxpayers and policymakers gain greater insight into governmental financial activities.

The State Auditor is a Constitutional Officer of the State of Utah, elected directly by the state's citizens every 4 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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