



OFFICE OF THE
STATE AUDITOR

August 17, 2017

Gary R. Herbert, Governor
State of Utah
State Capitol Complex, Suite 200
Salt Lake City, Utah 84114-2220

Dear Governor Herbert:

We have looked into the recent funding appropriations for institutions of higher education regarding athlete graduation rates, per your request. We determined that further review of the expenditure of these funds is not feasible at this time. Despite cooperation from the Board of Regents, the various institutions of higher education, and the Office of the Legislative Fiscal Analyst during our initial survey work, we are unable to complete this analysis for four main reasons, as noted below.

First, there is neither a legal nor administrative requirement for the institutions to expend these funds in any particular manner or for any particular purpose. The recent appropriation bills that provide this funding do not include any statutory or intent language regarding usage (2015 SB2 Item 98; 2016 HB2 Item 85; 2017 SB2 Items 105, 106, 107, 108, 109).

Second, the informally intended purpose of these funds appears to have changed over time. At one point, it was suggested that the funds be used for the purpose of student athlete recruitment, but later suggested that they be used for increasing student athlete graduation rates (*Budget of the State of Utah: 2015-2016*, p153; *Budget of the State of Utah: 2016-2017*, p158; *Budget of the State of Utah: 2017-2018*, p175).

Third, these funds are co-mingled with other funds, rendering the tracking of the expenditure of these funds indistinguishable from that of other funds.

Fourth, since these funds have been available to institutions of higher education for only two years at some of the institutions, and less than one year for most of the institutions, it appears unlikely that these funds have had any material impact on athlete graduation rates.

In light of the foregoing, further investigation would not produce an answer to your question.

Please let us know if you have any further questions.

Sincerely,

John Dougall
State Auditor

cc: Wayne Niederhauser, President, State Senate
Greg Hughes, Speaker, House of Representatives
Jacey Skinner, General Counsel, Governor's Office



Office of the Governor

State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

April 4, 2017

Office of the State Auditor
East Office Building, Suite E310
Utah State Capitol Complex
Salt Lake City, UT 84114

Dear Auditor Dougall,

At the conclusion of the 2017 Legislative session and bill signing period, I have been asked to provide you with the following letter signed by the Governor for your reference.

As you are aware, consistent with Article VII, Section 8 of the Utah Constitution, the Governor is required to state his objections to any bills he disapproves. Furthermore, although not required, the Governor at times also writes letters to express his intent as to the use of appropriated funds in the legislation that he signs. Please find attached the letter that Governor Herbert sent to President Niederhauser and Speaker Hughes regarding the Governor's intent as to the use of appropriated funds for athletic funding.

Thank you for your dedicated service. We truly value your contributions.

Kind regards,

A handwritten signature in cursive script that reads "Suzette Alles".

Suzette Alles
Staff Attorney



STATE OF UTAH

OFFICE OF THE GOVERNOR
SALT LAKE CITY, UTAH
84114-2220

GARY R. HERBERT
GOVERNOR

SPENCER J. COX
LIEUTENANT GOVERNOR

March 29, 2017

The Honorable Wayne Niederhauser
President of the Senate

and

The Honorable Greg Hughes
Speaker of the House

Dear President Niederhauser and Speaker Hughes,

As I sign SB 2, APPROPRIATIONS ADJUSTMENTS, I provide the following letter to express my intent as to the use of appropriated funds:

Item 133- Public and hunter access to SITLA lands

The Department of Natural Resources and Utah School and Institutional Trust Lands Administration (SITLA) have been in discussions related to the state funding for public and hunter access to SITLA owned lands. As part of these discussions, I have requested an independent appraisal of the value of this access. The previous 10-year contract amount for this access was \$775,000 per year. In light of this ongoing evaluation, I have directed the Department of Natural Resources to limit the payment for this access in the next fiscal year to a total of \$1 million as opposed to an increase of an additional \$1 million. This is a \$225,000 increase from the previous contract amount of \$775,000.

Items 105, 106, 107, 108, and 109- Athletic funding

I believe all higher education students deserve resources to help them graduate- this includes, but is not limited exclusively to, student athletes. My sincere hope is that going forward, the Legislature will dedicate this type of funding to address the needs of all students. Since the stated rationale for this athlete funding is to improve graduation performance for student athletes, I am requesting that the State Auditor examine the use of these funds and report on how and if the funding is being used to increase athlete graduation rates and the effectiveness of this funding in achieving this goal.

Sincerely,

A handwritten signature in black ink that reads "Gary R. Herbert". The signature is written in a cursive style with a long horizontal stroke at the end.

Gary R. Herbert
Governor