



OFFICE OF THE  
STATE AUDITOR



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# Utah Lake Authority

## Agreed-Upon Procedures

For the year ended June 30, 2023

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Report No. 23-34

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### Office of the State Auditor

Audit Leadership:

John Dougall, State Auditor

Jason Allen, CPA, CFE, Audit Director

Davis Wesche, Audit Senior



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# Independent Auditor's Report

To the Governing Board,  
and  
Luke Peterson, Executive Director  
Utah Lake Authority

We have performed the procedures enumerated below on the Utah Lake Authority's (Authority) accounting records pursuant to *Utah Code* 11-65-604 (*Utah Code* Title 51, Chapter 2a) for the year ended June 30, 2023. The Authority is responsible for their expenditures and any compliance with laws, regulations, or contracts.

The Authority has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing an annual accounting report and oversight in accordance with *Utah Code* 51-2a for the year ended June 30, 2023. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the associated findings are as follows:

1. We selected 15 disbursements, which represents the greater of 15 disbursements or 10% of disbursements, and determined the disbursement:
  - a. Was consistent with the Authority's purpose.
  - b. Agreed to the receipt or invoice supporting the amount and payee.
  - c. Was authorized consistent with the Authority's policies and procedures.
  - d. Was in compliance with the Authority's purchasing/procurement policy (bids, quotes, etc.).

The Authority was not able to provide supporting documentation for one of its disbursements, which totaled \$11,935; therefore, we were not able to perform these procedures on this disbursement.

2. We obtained the credit card or purchasing card statements for each month and scanned each statement for unsupported, missing receipts, or unusual transactions. The purchases were supported by detailed receipts.

However, for several months in fiscal year 2023, the Authority did not have adequate separation of duties to ensure the monthly card statements were reviewed and reconciled to the detailed receipts by someone other than the card holder.

3. We selected two timesheets from each employee during the period to determine whether the employee's pay was properly approved.

The timesheets for the former and current executive director were not properly reviewed and approved by another individual.

4. We performed analytical procedures for payroll to assess the reasonableness of total payroll expenses to the approved amounts and established budget.

We found no exceptions as a result of these procedures.

5. We scanned the Authority's activity for proper classification of the reported amounts expended as follows:

<b>Reporting category from <i>Utah Code 11-65-605(2)</i></b>	<b>Amount</b>
Outstanding principal amount of bonds or other loans	\$0
Expended for:	
Acquisition of property	\$19,052
Site improvements or site preparation costs	\$0
Installation of public utilities or other public improvements	\$0
Administrative costs	\$312,360
<b>Total expended</b>	<b>\$331,412</b>

6. We reviewed the posting of the Authority's financial information to the Transparent Utah website ([transparent.utah.gov](http://transparent.utah.gov)) for compliance with Required Public Financial Information and Data Submission Procedures outlined in Utah Public Finance Website policy #01-01.02 B and C.

We found no exceptions as a result of these procedures.

7. We selected and obtained the agenda and meeting minutes for two public meetings held during the fiscal year and performed the following:
- a. Determined that the entity gave proper notice of the meeting at least 24 hours before each meeting by posting the notice on the Utah Public Notice website.
  - b. Determined that the agenda was reasonably specific to enable lay persons to understand the topics to be discussed.
  - c. Determined if the public body took any final actions on a topic in the meeting that was not listed under an agenda item.
  - d. Determined whether the minutes were posted to the Utah Public Notice Website within three days of the meeting minutes being approved.
  - e. If a portion of the meeting was closed to the public, determined that: (1) before the meeting was closed, the reason for holding the closed meeting was documented in the meeting minutes and a roll call vote was taken; (2) the reason for closing the meeting was permitted under statute; and (3) an audio recording of the closed meeting was made unless specifically exempted.

The meeting minutes for one public meeting, held on March 29, 2023, were approved on May 24, 2023; however, the minutes for this meeting are not available on the Utah Public Notice Website when we performed these procedures in March 2024 (approximately 10 months after the minutes were approved). We found no other exceptions as a result of these procedures.

We were engaged by the Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. An agreed-upon procedures engagement involves 1) performing specific procedures that the Authority has agreed to and acknowledged to be appropriate for the intended purpose of the engagement, and 2) reporting on findings based on the procedures performed. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Authority pursuant to *Utah Code* 11-65-604 (*Utah Code* Title 51, Chapter 2a) for the year ended June 30, 2023. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to agreed-upon procedure engagements.

This report is intended solely for the information and use of the governing board and management. The report is not intended to be, and should not be, used by anyone other than the specified parties.

However, pursuant to *Utah Code* Title 63G Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

*Office of the State Auditor*

Office of the State Auditor

Salt Lake City, Utah

March 21, 2024