

Preliminary
FOLLOW-UP
REPORT

Salt Lake County Animal Services

JANUARY 2025



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County Auditor

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AUDITOR'S LETTER

JANUARY 2025

In keeping with generally accepted government auditing standards and Auditor's Office policy, as authorized by Utah Code Title 17, Chapter 19a, "County Auditor," Part 2, "Powers and Duties.", we have a responsibility to monitor and follow up on audit recommendations to ensure county agencies address audit findings through appropriate corrective action and to aid us in planning future audits.

This letter serves as the follow-up audit report for the Animal Services Audit. The original audit report was issued in January 2023. The original audit report identified 6 findings with 11 recommendations. On January 6, 2023, Animal Services submitted their management responses and action plans for each recommendation and agreed to implement all of them. Since the preliminary follow-up, Animal Services has fully implemented 10 of the 11 recommendations, and 1 recommendation was not implemented.

In this follow-up, we found that one recommendation under the sixth finding regarding the development of a written Accounts Receivable policy was not implemented as initially agreed upon. Management later decided not to move forward with this recommendation, explaining that an "internal policy with more restrictions would not be enforceable and would conflict with their goal of fostering strong, long-term relationships with their service areas." However, without a formal policy in place, there is a risk that entities could owe Salt Lake County money without clear guidelines for ensuring timely and consistent payment, potentially shifting the financial burden onto county taxpayers.

We commend Animal Services management for their work in implementing our recommendations for developing written policies and procedures, separating the General Fund expenses from the Public Works and Other Services Enterprise Fund, and establishing a capital projects fund. For the outstanding recommendation, the onus is now on management and those charged with governance to mitigate the associated risks. No further follow-up work will be performed by our office.

We performed this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We appreciate the cooperation and assistance provided by all county stakeholders during this audit. Please review the enclosed audit report for detailed findings and recommendations, and feel free to contact me at 385-468-7200 with any questions.

Chris Harding, CPA, CFE, CIA
Salt Lake County Auditor

Action Since Audit Report

An Audit of Salt Lake County Animal Services

Original Audit: Report issued January 2023

6 findings with 11 recommendations reported in January 2023.

Preliminary Follow-up

Salt Lake County Animal Services fully implemented 10 of the 11 recommendations and one recommendation was not implemented as originally agreed.



FULLY
IMPLEMENTED

10



IMPLEMENTATION IN
PROGRESS

0



NOT
IMPLEMENTED

1



CLOSED

0

Remaining Risks

This preliminary follow-up audit concludes the testing of recommendations related to the initial Animal Services Audit report from January 2023. For the not implemented recommendation, the onus is now on management and those charged with governance to mitigate the associated risks.

FINDING 1. NO DETAILED BREAKDOWN OF ANIMAL SERVICES COUNTYWIDE BUDGETED EXPENDITURES WAS ON FILE FOR 2021.



Recommendation 1.1 - We recommend that Management develop policies regarding tracking and approving allocations of expenditures between the General Fund, and contracted municipalities accounted for in the Enterprise Fund.

Agency Action – Implemented our recommendation.



Recommendation 1.2 - We recommend that Management develop procedures that document specific staff, methods of estimation, frequency of time tracking, and required documentation when allocating costs.

Agency Action – Implemented our recommendation.



Recommendation 1.3 - We recommend that documentation supporting the general fund budget request be retained on file with the annual budget packet.

Agency Action – Implemented our recommendation.

FINDING 2. GENERAL FUND EXPENSES INCLUDED IN THE PUBLIC WORKS AND OTHER SERVICES ENTERPRISE FUND.



Recommendation 2.1 - We recommend that the revenues and expenditures related to services provided countywide be housed in the General Fund.

Agency Action – Implemented our recommendation.



Recommendation 2.2 - We recommend that the revenues and expenditures related to services provided to contracted entities be included in the Public Works and Other Services enterprise fund.

Agency Action – Implemented our recommendation.

FINDING 3. NO CLEAR CRITERIA TO DETERMINE COUNTYWIDE SERVICES.



Recommendation 3.1 - We recommend that written policies and procedures be developed documenting which services are considered Countywide.

Agency Action – Implemented our recommendation.



Recommendation 3.2 - We recommend that contracts be modified to clearly indicate which services are funded by Countywide, and which are funded through the contract fees.

Agency Action – Implemented our recommendation.

FINDING 4. THERE WAS NO ANIMAL SERVICES CAPITAL PROJECTS FUND OR WRITTEN RESERVE POLICY.



Recommendation 4.1 - We recommend that management develop documented working capital requirements.

Agency Action – Implemented our recommendation.



Recommendation 4.2 - We recommend that a capital projects fund be established for Animal Services.

Agency Action – Implemented our recommendation.

FINDING 5. INTEREST WAS NOT CHARGED TO LATE PAYMENTS PER CONTRACTED TERMS.



Recommendation 5.1 - We recommend Animal Services management comply with and enforce contract terms by charging and collecting interest on late payments, or that contracts be revised to remove the provision.

Agency Action – Implemented our recommendation.





FINDING 6. ANIMAL SERVICES DID NOT HAVE WRITTEN ACCOUNTS RECEIVABLE POLICY.



Recommendation 6.1 - We recommend that Animal Services management develop a written policy regarding accounts receivable, including monitoring and following up on past due amounts, and whether interest will accrue.

Agency Action – Not Implemented – Management indicated that they do not plan to implement this recommendation as originally agreed, adding that an “internal policy with more restrictions would not be enforceable and would be counter to our goal of building a strong, long-term relationship with our service areas.”

APPENDIX A: AUDIT RECOMMENDATION IMPLEMENTATION STATUS

Audit Recommendation Implementation Status			
 Fully Implemented	 Implementation In Progress	 Not Implemented	 Closed
<p>The audit recommendation has been implemented, and the corrective actions effectively address the original issue or finding, as verified by the follow-up audit. No further action is required at this time.</p>	<p>The agency has begun taking corrective actions to address the audit recommendation. However, full implementation has not yet been achieved.</p>	<p>The agency has not taken corrective action to address the audit recommendation, and the agency indicated they do not plan to implement the recommendation. The onus now falls on the agency and those charged with governance to mitigate the associated risks.</p>	<p>Circumstances have changed surrounding the original finding or recommendation that make it no longer applicable, or the agency will only implement a portion of the recommendation as verified by the follow-up audit. No further follow-up is required.</p>