

Preliminary FOLLOW-UP REPORT

A Financial Audit of the Salt Lake County Council

AUGUST 2025



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AUDITOR'S LETTER

August 5, 2025

In line with generally accepted government auditing standards and the established policies of the Auditor's Office, as authorized by Utah Code Title 17, Chapter 19a, "County Auditor," Part 2, "Powers and Duties," we are responsible for monitoring and ensuring that audit recommendations are addressed by county agencies through appropriate corrective action. This ongoing oversight also helps shape future audits.

This communication serves as the follow-up report for *A Financial Audit of the Salt Lake County Council*, following the original audit report issued in April 2024. The original audit identified six findings with 12 recommendations. The purpose of this review was to evaluate the progress made in addressing the findings and recommendations aimed at safeguarding controlled assets and retaining documentation for financial transactions. The County Council management team made significant improvements, fully implementing all 12 recommendations.

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.

We extend our appreciation to the management of the County Council for their cooperation during this process. The enclosed follow-up audit report summarizes the current status of the recommendations. Should you have any questions or require further discussion, please do not hesitate to contact me at 385-468-7200.

A handwritten signature in black ink, appearing to read "Chris Harding".

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

Action Since Audit Report





A Financial Audit of the Salt Lake County Council

Original Audit: Report Issued April 2024

6 findings with 12 recommendations issued.

Preliminary Follow-up

County Council fully implemented 12 recommendations.

	FULLY IMPLEMENTED	12
	IMPLEMENTATION IN PROGRESS	0
	NOT IMPLEMENTED	0
	CLOSED	0

FINDING 1. UNREPORTED THEFT OF COUNTY ISSUED LAPTOP



Recommendation 1.1 - We recommend that Council implement an annual written acknowledgment form for Elected, Appointed, and Merit employees to read and certify their understanding of the reporting procedures for controlled assets, specifically related to the following Countywide policies:

- Countywide Information Technology Standard: Cyber Security Incident Reporting and Response.
- Countywide Policy 1304: Discovery and Reporting of Wrongdoing or Criminal Activity
- Countywide Policy 1125: Safeguarding Property/Assets

Agency Action – Implemented our recommendation.

FINDING 2. NON-COMPLIANCE WITH COUNTYWIDE POLICY 1125: SAFEGUARDING PROPERTY/ASSETS



Recommendation 2.1 - We recommend that Council assign either the Property manager or alternative designee to monitor purchases and update the "Controlled Asset Inventory Form – Organization" or equivalent form with controlled assets that meet the County's definition per Countywide Policy 1125: Safeguarding Property/Assets.

Agency Action – Implemented our recommendation.



Recommendation 2.2 - We recommend that Council either use Mayor Financial Administration "Controlled Assets Inventory Form - Organization" form or update Council's existing Computer Inventory form to include "Certification" language, a signature line and date. The language should include but may not be limited to:

- Acknowledgement of:
 - The Property Manager's responsibility for all controlled assets not assigned to an individual employee.
 - Current inventory list identified on the form.
 - Review and agreement that the list is accurate and complete.
 - Compliance with Countywide Policies and Procedures

Agency Action – Implemented our recommendation.



Recommendation 2.3 - We recommend that Council implement and maintain a certified "Controlled Asset Inventory Form - Employee" for all employees responsible for one or more controlled assets. The form should be completed and verified by the assigned employee and submitted to the Property Manager at least annually, per Countywide Policy 1125: Safeguarding Property/Assets.

Agency Action – Implemented our recommendation.



Recommendation 2.4 - We recommend that Council implement an internal policy to designate an employee responsible for reviewing transactions for qualified controlled assets and including them to the "Controlled Asset Inventory – Organization" form, and if applicable, the "Controlled Asset Inventory – Employee" form.

Agency Action – Implemented our recommendation.

FINDING 3. LACK OF MEAL APPROVAL FORMS FOR MEALS PURCHASED ON PCARD



Recommendation 3.1 - We recommend Council assign the purchasing cardholder or alternative designee to complete and retain the Meal Approval Form with the receipt as supporting documentation within either PCard Place or other electronic storage.

Agency Action – Implemented our recommendation.

FINDING 4. CAPITAL ASSETS NOT TAGGED



Recommendation 4.1 - We recommend that Council communicate with Mayor Financial Administration to ensure that the proper asset tags are received and placed visibly on capital assets.

Agency Action – Implemented our recommendation.



Recommendation 4.2 - We recommend that Council develop their own internal organization tagging system for when circumstances arise where they do not receive tags from Mayor Financial Administration within one month of receipt of a capital asset.

Agency Action – Implemented our recommendation.

FINDING 5. SALES TAX PAID ON REIMBURSEMENT



Recommendation 5.1 - We recommend that Council ensure that the County is reimbursed for any sales tax paid, whether by the vendor or the purchaser. In cases where an employee is reimbursed for a purchase, sales tax, along with any associated duties and fees, should be excluded from the reimbursement amount.

Agency Action – Implemented our recommendation.



Recommendation 5.2 - We recommend that Council have the employee reimburse the County for the sales and duties paid by the County.

Agency Action – Implemented our recommendation.

FINDING 6. INVOICES NOT UPLOADED TO PCARD PLACE IN 2021



Recommendation 6.1 - We recommend that Council verify that documentation is attached in PCard Place for each transaction. If the cardholder is unable to provide the original or duplicate copy of documentation provided by the vendor, a Missing Receipt/Insufficient documentation form should be completed and signed by an authorized representative.





Agency Action – Implemented our recommendation.



Recommendation 6.2 - We recommend that Council ensure that invoices from PCard holders be maintained either electronically or as hard copies, in a shared folder that is accessible to all members of the Council Financial team, in accordance with the County Accounting retention policy AR-001.

Agency Action – Implemented our recommendation.

APPENDIX A: AUDIT RECOMMENDATION IMPLEMENTATION STATUS

Audit Recommendation Implementation Status			
 <p>Fully Implemented</p>	 <p>Implementation In Progress</p>	 <p>Not Implemented</p>	 <p>Closed</p>
<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 currently.</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.</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>