



**Minutes of the Meeting  
of the  
Utah Transit Authority Audit Committee  
held at UTA FrontLines Headquarters located at  
669 West 200 South, Salt Lake City, Utah  
June 10, 2019**

**Audit Committee Members Present:**

Carlton Christensen, Chair  
Beth Holbrook  
Jeff Acerson  
Troy Walker (via telephone)

**Audit Committee Members Excused/Not in Attendance:** Kent Millington

Also attending were members of UTA staff, interested citizens, and members of the media.

---

**Call to Order and Opening Remarks.** Chair Christensen welcomed attendees and called the meeting to order at 3:06 p.m. with three committee members present.

**Safety Minute.** Chair Christensen yielded the floor to Sheldon Shaw, UTA Manager of Safety, for a brief safety message.

**Consent Agenda.** A motion to approve the consent agenda was made by Trustee Holbrook and seconded by Member Acerson. The motion carried unanimously.

Member Walker joined the meeting at 3:15 p.m. via telephone.

**2018 Comprehensive Annual Financial Report (CAFR) Presentation.** Bob Biles, UTA Chief Financial Officer, was joined by Troy Bingham, UTA Comptroller, and Steven Rowley with Keddington & Christensen, UTA's independent outside internal audit firm. Mr. Rowley summarized items included in the independent auditor's report on the CAFR, such as compliance, internal controls, equipment inventory tracking, and the state compliance audit. Mr. Rowley indicated that following its review, his firm issued an unmodified report (e.g. clean report) stating that UTA complied in all material respects to state requirements as referenced in the report for the fiscal year ending December 31, 2018. Discussion ensued. Questions on differing year ends of component units of the State, equipment inventory

reconciliation, and UTA's asset tracking system were posed by the committee and answered by Mr. Rowley and staff.

A motion to accept the 2018 Comprehensive Annual Financial Report and forward it to the board for approval was made by Member Acerson and seconded by Trustee Holbrook. The motion carried unanimously.

**Internal Audit Update.** Riana de Villiers, UTA Chief Internal Auditor spoke about the status of the 2019 Internal Plan and agency compliance to internal audit recommendations.

**Internal Audit Report Review.** Riana de Villiers, UTA Chief Internal Auditor, was joined by Brian Ledbetter, UTA Senior Internal Auditor, Mr. Biles, and Mr. Bingham.

**National Transit Database (NTD) Report.** Ms. de Villiers summarized the audit scope. Mr. Ledbetter spoke about findings associated with governance, accuracy of data, review of data and documentation, timely reporting of vanpool data, and close-out. Management then spoke to some of the items included in the report. Discussion ensued. Questions on queries from the Federal Transit Administration on NTD submissions, annual reconciliation on monthly reporting, accuracy of the information included in the NTD, and progress on automating processes were posed by the committee and answered by staff.

**Treasury Management Report.** Ms. de Villiers provided an overview of the audit scope. Mr. Ledbetter reviewed findings associated with policies and procedures, bank accounts, bonds, leases, investments, and contracts and agreements. Management spoke about policies and procedures designed to address the audit findings. Discussion ensued. Questions on lease payments and reconciliation of payments on leases were posed by the committee and answered by staff. A clarification was made that "leases" in the report refers to vehicle leases and not real estate leases.

**Accounts Payable Preliminary Report.** Ms. de Villiers spoke about the audit scope. Discussion ensued. Mr. Ledbetter spoke about areas with findings in the preliminary report, including governance, general invoice processing, three-way match invoices, two-way match invoices, standard invoices, vendor payments, employee reimbursement, and vendor management. Management provided a response. Questions on the possibility for automation, fraud mitigation, and purchase card rebates were posed by the committee and answered by staff.

#### **Other Business.**

**Next Meeting.** The next audit committee meeting is tentatively scheduled for August 12, 2019 at 3:00 p.m.

**Adjournment.** The meeting was adjourned at 4:22 p.m. by motion.

Transcribed by Cathie Griffiths  
Executive Assistant to the Board Chair  
Utah Transit Authority  
[cgriffiths@rideuta.com](mailto:cgriffiths@rideuta.com)  
801.237.1945

*This document is not intended to serve as a full transcript as additional discussion may have taken place; please refer to the meeting materials, audio, or video located at <https://www.utah.gov/pmn/sitemap/notice/538807.html> for entire content.*

*This document along with the digital recording constitute the official minutes of this meeting.*