

DAVIS COUNTY  
INDEPENDENT AUDITORS' REPORT ON  
STATE AND LEGAL COMPLIANCE  
DECEMBER 31, 2013



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE  
WITH THE STATE OF UTAH LEGAL COMPLIANCE AUDIT GUIDE**

Honorable County Commissioners  
Davis County  
Farmington, Utah

**REPORT ON COMPLIANCE**

We have audited Davis County's compliance with the general and major state program compliance requirements described in the *State of Utah Legal Compliance Audit Guide* for the year ended December 31, 2013.

The general compliance requirements applicable to the County are identified as follows:

- Cash Management
- Budgetary Compliance
- Fund Balance
- Justice Courts
- Statement of Taxes Charged, Collected & Disbursed
- Assessing & Collecting Property Taxes
- Transient Room Tax and Tourism, Recreation, Culture, Convention, and Airport Facilities Tax
- Utah Retirement Systems Compliance
- Government Records Access Management Act
- Conflicts of Interest
- Open and Public Meetings Act

The County received the following major assistance programs from the State of Utah:

- Children's Justice Center Program (Attorney General's Office)
- Substance Abuse (Department of Human Services)

***Management's Responsibility***

Compliance with the requirements referred to above is the responsibility of the County's management.

***Auditor's Responsibility***

Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State of Utah Legal Compliance Audit Guide*. Those standards and the *State of Utah Legal Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the County and its major programs occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

***Opinion***

In our opinion, Davis County complied, in all material respects, with the general compliance requirements identified above and the compliance requirements that are applicable to each of its major state programs for the year ended December 31, 2013.

## REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered the County's internal control over compliance to determine the auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses in internal control over compliance. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

### *Purpose of Report*

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Christensen, Palmer & Ambrose P.C.*

Davis County Government  
Schedule of Expenditures of State Awards  
For the Year Ended December 31, 2013

Grant Name	Award/ Contract #	Year of Last Audit	Expenditures
<u>ATTORNEY GENERAL'S OFFICE</u>			
Children's Justice Center Program	11-0518	2013	\$ 202,434.02
Subtotal - Attorney General's Office			<u>\$ 202,434.02</u>
<u>DEPT. OF ENVIRONMENTAL QUALITY</u>			
Environmental Services	2013-176		\$ 28,755.45
Environmental Services	13-0468		<u>\$ 28,817.69</u>
Subtotal - Dept. of Environmental Quality			<u>\$ 57,573.14</u>
<u>UTAH DEPT. OF HEALTH</u>			
Cluster 1--CHEC	14-9038		\$ 3,733.41
Cluster 10	14-0307		\$ 129,874.35
Cluster 3--PANO	14-0303		\$ 7,151.06
Cluster 3	13-1526		\$ 164,705.85
Cluster 6 --Minimum Performance Standards	13-2279		\$ 27,539.50
Cluster 1--CHEC	13-0525		\$ 9,418.05
Cluster 6 --Minimum Performance Standards	13-0459		\$ 95,094.50
Cluster 5--TB Control	12-1921		\$ 2,550.00
EMS Grant			<u>\$ 8,961.00</u>
Subtotal - Utah Dept. of Health			<u>\$ 449,027.72</u>
<u>UTAH DEPT. OF HUMAN SERVICES</u>			
Human Services Programs	14-0650		\$ 410,371.86
Home and Community-Based Medicaid Aging Waiver Program	14-0070		\$ 7,040.33
Human Services Programs	13-0780	2012	\$ 327,527.36
Medicaid Aging Waiver Program	13-0507		\$ 3,557.54
Mental Health	12-2434	2012	\$ 3,213,878.97
Substance Abuse	12-2387	2013	\$ 1,649,792.25
Drug Offender Reform Act	11-0408		<u>\$ 79,250.17</u>
Subtotal - Utah Dept. of Human Services			<u>\$ 5,691,418.48</u>
<u>Utah State Library Division</u>			
Cooperative Sharing of Library Resources	14-0018		\$ 15,182.00
Community Library Enhancement Funds	13-0166		<u>\$ 38,962.00</u>
Subtotal - Utah State Library Division			<u>\$ 54,144.00</u>
<u>Dept. of Workforce Services</u>			
Weatherization Assistance Program (Rocky Mtn. Power)	13-2294		\$ 14,884.25
Weatherization Assistance Program (Questar Gas)	13-2292		\$ 154,428.00
Weatherization Assistance Program (Rocky Mtn. Power)	12-1776		<u>\$ 5,779.50</u>
Subtotal - Dept. of Workforce Services			<u>\$ 175,091.75</u>
<u>Utah Commission on Criminal and Juvenile Justice</u>			
State Asset Forfeiture Grant	12N60		<u>\$ 9,262.60</u>
Subtotal - Utah Commission on Criminal and Juvenile Justice			<u>\$ 9,262.60</u>
<u>Utah Highway Safety Office</u>			
Child Passenger Safety Program	MOU		<u>\$ 2,500.00</u>

Subtotal - Utah Highway Safety Office

\$ 2,500.00

TOTAL GRANT, CONTRACT, AND LOAN FUND EXPENDITURES

\$ 6,641,451.71