

**Utah Transparency Advisory Board Meeting**  
**June 25, 2014**  
**State Capitol Building**  
**Room 415 – 1:30 p.m.**

**Public Meeting Notice and Agenda**

<b>Item</b>	<b>Participants</b>	<b>Est. Time</b>
1. Welcome.	Board Chair	5 minutes
2. Review of May 14, 2014, meeting minutes.	Board	5 minutes
3. Report from Jonathan Ball on possibility of live-streaming the transparency meetings.	Jon Ball	5 minutes
4. Discussion of DTS Implementation Plan. New software presentation.	Bob Woolley Dave Fletcher	10 minutes
5. Additional discussion of Archives Transparency Implementation Plan	Archives	10 minutes
6. Report from the working group on the refresh of the financial transparency website	Jon Ball	10 minutes
7. Public Comment.	Board	5 minutes
8. Discuss date for next Board Meeting.	Board	5 minutes

(Draft – Awaiting Formal Approval)  
**UTAH TRANSPARENCY ADVISORY BOARD MINUTES**  
**May 14, 2014**  
**State Capitol Building**  
**Room 415 – 1:30 p.m.**

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**Board Members Present:**

Senator Deidre Henderson – Chair, Utah State Senate  
John Reidhead – Vice Chair, Director, Division of Finance, Dept. of Administrative Services  
Evan Curtis, Utah Governor’s Office of Management and Budget (absent)  
Jonathan Ball, Legislative Fiscal Analyst, Utah State Legislature  
Representative Steve Eliason, Utah State House of Representatives (absent)  
Mark VanOrden, Utah Department of Technology Services  
Patricia Smith-Mansfield, Utah State Archivist  
Gary Williams, City Attorney for Ogden City  
Lex Hemphill, State Records Committee  
Phillip Windley, Public Board Member (absent)  
Jason Williams, Public Board Member

**1. Welcome:**

Senator Henderson welcomed everyone to the May 14, 2014, Utah Transparency Advisory Board Meeting.

**2. Review of November 19, 2013, meeting minutes.**

John Reidhead moved to approve the minutes from the November 19, 2013 board meeting. There was not a discussion to the motion, motion passed unanimously.

**3. Transparency assignments Finance is currently working on:**

John Reidhead reminded the Board of some of the Finance’s past assignments and to provide an update of these assignments. Mr. Reidhead turned the time over to Brenda Lee and Darrell Swensen from the Division of Finance.

a. LEA consistent chart of accounts.

A bill that passed in the 2013 Legislative session required all LEA’s to use a consistent chart of accounts. The LEA’s were provided with the new Chart of Accounts that was developed by the Office of Education. The deadline is July 31, 2014, for posting the FY14 data.

There have been 28% that have posted 3 quarters worth of data. Finance is working with Charter Schools to help them move to the consistent Chart of Accounts, using templates and spreadsheets. They may not meet the July 31<sup>st</sup>, deadline, but they are working towards it. The School Districts have systems that are programmed for this, or their programmers will have to make changes to the Chart of Accounts they use when uploading data to Transparency Website.

Bruce Williams from the State Office of Education explained the chart of accounts they developed and gave an update of the school districts progress of changing to this new chart of accounts.

The larger districts are programming the chart of accounts themselves. There is a group of 25 Districts that have the same financial accounting system (ALIO). Through their software they have a tool that allows them to upload directly to the transparency website using the State's chart of accounts. There has also been a system developed through the USOE called the Utah Public Education Finance System (UPEFS). This system has the ability to take any account the districts are using, and change them to the standard chart of accounts to upload to the transparency website. It is currently in test mode and should be live within 2 weeks. Smaller districts and charter schools will also be able to use the UPEFS system. Things are moving forward.

Mr. Williams feels that most districts will meet the July 31<sup>st</sup> deadline.

- b. Office of State Auditor's additional field and transaction types (budget and balance sheet).

The Utah State Auditor's Office requested an additional field to be uploaded by local entities that would be in the background and not displayed on the website, and two new transaction types, budget, and balance sheets. Finance has been working with entities and the State Auditor's Office on these requests.

All entities have been notified of the new field, about 41% of the entities with June fiscal yearend, have posted data to the transparency website with the new field. Entities with a calendar yearend are not due until Jan. 2015.

Budget and balance sheet transactions are available for upload to the website.

These requirements should be added to the Board policy for uploading data. A draft policy with these requirements will be provided at the next meeting.

- c. SB 59 Independent Entities – due to start reporting September 2014.

Ms. Lee said there are 9 independent entities that the Division of Finance will be working with to help them post to the website. Some independent entities are already on the website. Workers Compensation Fund and Utah State Retirement Office are exempt from the law.

- d. HB 111 Report on school building costs – 10 years of data due by May 15, 2015.

Bruce Williams gave a brief explanation of HB 111. He reported that the USOE has been in contact with the school districts and charter schools about this requirement. They will work with the school districts and charter school officials to help with locating and uploading this data to the website. Some information may not be available.

- e. Ability to view LEAs as one entity.

The ability to view the LEAs as one entity and the CFO Certification has been rolled together in one Statement of Work (SOW). It is ready to be signed and will be sent to Utah Interactive to begin the work.

Jon Ball would like to see this completed by July 1<sup>st</sup>.

- f. CFO Certification. Covered with agenda item (e.).
- g. Make it easier to receive comments on website. Nothing to report at this time.
- h. Make board policy for posting data apply to all entities: local, independent, and state participating entities.

The board policy for posting data needs to be changed to apply to all entities, including independent and state entities. There will be a draft policy provided at the next meeting.

- i. Add taxable value of elected official's use of state cars to compensation. (Requested by John Dougall.)

Utah State Auditor John Dougall asked to have compensation for elected officials state cars, be added to their compensation on the website. This will be a manual process, because it does not go through the system as a payment. There has not been any work done on this process yet.

John Reidhead feels there are other processes that may need to be fixed that are more of a priority to address at this time.

He is a concerned about employee travel reimbursements showing in compensation on the website. Employee travel reimbursements are not compensation or taxable. John would like to have it fixed to show as non-compensation.

Senator Henderson suggested making a list of things that need to be fixed or changed on the transparency website, and prioritize the list. Also, she thinks that compensation for state cars should be for everyone who uses a state car, not just elected officials.

If the decision is made on the compensation for elected officials state cars, it will have to be put into the policy. All levels of government would need to report this in the same way as compensation.

It was decided that the travel reimbursement showing as compensation for employees is a priority and needs to be fixed. Finance will work to correct this issue.

Laura Howart from the University of Utah said that cars used for personal use by officials is already added to their official's compensation and included on their W2. The U of U provides housing for several officials. They have an IRS exception for housing and it is not in their compensation. It would be a big undertaking for them if they had to value the housing and disclose that in compensation.

#### **4. Administrative Rules:**

- a) Five Year Review R25-10 State Entities' Posting of Financial Information to the Utah Public Finance Website.

The Board established Rule R-25-10 five years ago and it is now up for a five year review. The Division of Finance would like the rule to remain as is and address adding new entities by way of policy. Finance will proceed with submitting the five year review on the rule.

b) Procedures for Electronic Meeting.

The Board was presented with a draft rule for electronic meetings. John Reidhead explained that an Administrative Rule needs to be in place to allow board members to join the Board Meeting via phone or electronically.

Jonathan Ball will explore the possibility of live streaming the transparency meetings, and report back to the Board.

John Reidhead made a motion to put in place the Administrative Rule for the Utah Transparency Advisory Board Procedures for Electronic Meetings. There was a vote taken, motion passed.

**5. SB70-GRAMA portal, data portal. Use of appropriation.**

SB70 was passed in the 2014 General Session of the Utah State Legislature, creating the statewide data portal.

Patricia Smith-Mansfield introduced and explained to the Board the Open Records (GRAMA) Transparency Implementation five-year plan.

The information website will provide access to public records and information online.

The GRAMA portal will provide a point of access to make GRAMA requests to government entities.

The five-year plan is out for comment, and Ms. Mansfield would like to start moving forward July 1, 2014.

January 1, 2015, is the deadline in SB 70, to have a GRAMA portal for state agencies.

Jason Williams asked if a user interface was discussed to streamline the process for GRAMA requests, such as a check box that would filter the request.

Ms. Mansfield said the first step is to provide a process that facilitates a communication between the person making the request and the governmental entity. More functionality will be added in time.

Ms. Mansfield stated if a request is made and nothing is found, the Ombudsmen Office could be contacted and they would directly communicate with the governmental agency for the information.

Mark VanOrden reported that DTS proposed last Nov. for [open.utah.gov](http://open.utah.gov) to allow the public to access all the public data that is available. They are working to consolidate all the open data into one place, and have it easy to find, index, and search. The data could be downloaded in a reusable format.

Mr. VanOrden said DTS is in the process of recruiting a person to work on the [open.utah.gov](http://open.utah.gov) website. Bob Wooley and Dave Fletcher are looking at software for the site. By the next meeting they will be prepared to show you their plan.

Archives and DTS are working to tie all their information together in [open.utah.gov](http://open.utah.gov) and eventually integrate [transparent.utah.gov](http://transparent.utah.gov) into the [open.utah.gov](http://open.utah.gov) website.

Gary Williams feels that the documents that are always public need to be pushed to these websites. He is concerned about the possibility of determining ahead of time that all documents are public.

Jonathan Ball wants to ensure that the GRAMA portal is failsafe for human interaction when needed, to handle these requests in an expedient manner.

Lincoln Shurtz representing the Utah League of Cities and Towns reported that they received an appropriation from the State Legislature two years ago, to start the process for transparency in local governments. They have spent the last 2 years working on a software program for the ULCT.

Mr. Shurtz asked to allow local governments to come and present to the board the progress they have made with the portal they have been developing, and to see how their software will integrate into the software tools the state is looking at.

Connor Boyack president of Libertas Institute referred to SB 70 and the language that says the *GRAMA portal will provide a point of access to make requests*. He would like the system to keep track of all of his requests and feels that that is a point of access. He asked if it was in the plan for the GRAMA portal to keep track of requests.

Ms. Mansfield said that the portal will have a dashboard (Axiom software) presentation where a user will be able to track their requests. The system will send the request to the certified records officer on behalf of the person requesting the information. It will track the request, and the requester would get a submission back that it was successful with a copy of the request.

Both Archives and DTS would like to move forward with their funded FTE's.

Mark VanOrden suggested meeting with the Division of Finance and DTS, to put the financial plan together, and report their decisions at the next Board Meeting. DTS will also put together a timeline of their plan for the board.

## **6. Proposal to Lower the Threshold for Participating Local Entities, Office of the Utah State Auditor.**

Van Christensen representing the State Auditor's Office addressed the board. He explained that the Auditor's Office collects financial information from local governments. They have worked on ways to automate and use the information they collect. There is a gap between entities with budgets of \$500,000-\$1,000,000; they cannot collect this information electronically.

The Utah State Auditor is requiring entities with revenue and expenses within \$500,000-\$1,000,000 threshold, to report to the transparency website. There are 56 local governments that fall within that threshold. The timeline is the FY 15 financial reporting year, which begins July 1,

2014. These entities will have until Aug. 2015, to do this. Statute allows the state auditor to require a higher level of reporting

The Transparency Board's policy established the threshold of 1 million dollars. Entities with budgets under the million dollar threshold are currently encouraged to report to the transparency website, but have not been required.

Lincoln Shurtz (ULCT) stated that the State Auditors can require financial reporting, and the Transparency Advisory Board is responsible for posting to the website.

There are 16 cities that fall within this 1 million dollar threshold; the other entities are local or special districts. He suggests that the Local and Special Districts Association, and the League of Cities and Towns, meet with the Division of Finance and software vendors, to see what it would take to get these entities compliant.

Mr. Shurtz asked the Board to give them the opportunity to meet with their membership to see where they stand currently, and see what would be needed to get them onto the transparency website. They will report back to the Board the status of the ULCT current circumstances for reporting to the website.

LeGrand Bitter with the Association of Special Districts asked the Board to give him some time to communicate with the Special Districts that will be affected by this requirement.

## **7. PIRG Transparency Grade**

The Public Interest Research Group (PIRG) rated the transparency website a B- the website received 82 points out of 100. All the searchable data on the website was given full credit. The two categories that were marked down this year were the posting by Local Entities, the website received 4 out of 6 points, and Economic Development Subsidies, the website received 11 out of 27 points.

Jonathan Ball feels that there are things that could be done to the website to make it better. He would like to give the website a facelift. The website needs important information added for PIRG, but also, needs to draw people to our website and make it more useful, and user friendly.

Senator Henderson would like a key word, search function added.

John Reidhead said the DTS report asked to have a sub-group with a DTS representative, Jon Ball, Finance, and other interested parties to work on the redesign of the website.

Jon Ball proposed that the Board establish a sub-group to upgrade the financial side of the website.

## **8. Interface Redesign and Data Augmentation**

Jonathan Ball made a motion that he spear-head the sub-committee working group to refresh the [transparent.utah.gov](http://transparent.utah.gov) website. All board members present voted, motion passed unanimously.

There will be a representative from DTS (Dave Fletcher), Archives, Finance, and Utah Interactive that will work on this sub-committee.

9. **Public Comment.** No public comment.
10. **Discuss Date for next Board Meeting:** Date pending.

John Reidhead motioned to adjourn. Motion passed, the meeting was adjourned at 3:35 p.m.

Assignments for next meeting:

1. Finance will draft a policy for posting data to include all entities, including independent and state entities.
2. Jon Ball will check to see if live streaming is possible.
3. Finance will work to correct the travel reimbursement showing as compensation.
4. Barbara will submit the five year review for Rule R-25-10.
5. Finance will submit rule for Electronic Meetings for the Transparency Advisory Board Meetings.
6. DTS and Finance will meet to put together a financial plan and report back at the next meeting.
7. DTS, Finance, Archives and UI will work on the sub-committee for refreshing the financial transparency website (UPFW).
8. Bob Wooley and Dave Fletcher are looking at software for the site. By the next meeting they will be prepared to show their plan.



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## Utah Public Finance Website

### Utah Public Finance Website – Posting of Financial Information by All Participating Entities

Policy # 01-01.02

Effective: January 19, 2010

Revised: June 26, 2014

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#### **Purpose**

The purpose of this policy is to establish procedures related to the posting of Participating Entities' financial information to the Utah Public Finance Website (UPFW) or to their own website.

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#### **Definitions**

*Utah Public Finance Website (UPFW):*

The website created in Utah Code Annotated (UCA) 63A-3-402 which is administered by the Division of Finance and which permits Utah taxpayers to view, understand, and track the use of taxpayer dollars by making public financial information available on the internet without paying a fee.

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*Participating Entities:*

The following entities (see UCA 63A-3-401), with annual budgets of \$1 million

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or more:

(a) counties;

(b) municipalities (cities and towns);

(c) local districts under Utah Code Title 17B, Limited Purpose Local Government Entities – Local Districts;

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(d) special service districts under Utah Code Title 17D, Chapter 1, Special Service District Act;

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(e) school districts;

(f) charter schools;

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(g) Interlocal entities under Utah Code, Title 11, Chapter 13 Interlocal Cooperation Act, Section 103;

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(h) Independent entities as defined in UCA 63E-1-102, except for the Workers' Compensation Fund and the Utah State Retirement Office; and

(i) Participating state entities as defined by UCA 63A-3-401 (5) which is the State of Utah, including its executive, legislative, and judicial branches, its departments, divisions, agencies, boards, commissions, councils, committees,



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## Utah Public Finance Website

and institutions.

### Board:

The Utah Transparency Advisory Board created by UCA 63A-3-403(1).

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### The Division of Finance:

The Division of Finance of the Department of Administrative Services.

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### Annual Budget:

The total budget for of all the entity's revenues or expenditures, whichever is greater, for the most recent fiscal year.

## Policy

### A. Entity Size or Budget Threshold

(1) At this time, participating entities with an annual budget of less than \$1 million are not required to post public financial information to the UPFW or to their own website. However, they are strongly encouraged to post public financial information to the UPFW or to their own website as outlined in this policy if they have the ability to do so. The Board may change or eliminate this threshold in the future.

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### B. Entities Using the UPFW - Required Public Financial Information.

(1) Participating entities shall submit detail revenue and expense transactions from their integrated financial accounting system to the UPFW at least quarterly and within one month after the end of the fiscal quarter.

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(2) Participating entities will submit employee compensation and reimbursement summary information on a basis consistent with its fiscal year to the UPFW at least once per year and within three months after the end of the fiscal year.

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#### Submit Expenditures Recorded NOT W-2 Income

Employee compensation and reimbursement summary information will represent all expenditures recorded by the entity related to the employee's salary and benefits. The information will likely NOT agree to what was reported on an employee's W-2 as taxable income since the actual expenditures incurred by the entity to keep an employee in the position are usually greater than taxable income.

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(a) Employee compensation and reimbursement summary information will, at a minimum, break out the following amounts separately for each employee:

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(i) Actual total wages or salary recorded as an expense by the entity, (not budgeted amounts), and may include employer paid deferred compensation;



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## Utah Public Finance Website

(ii) Total **employer-expensed (employer paid and employer accrued)** benefits only, which shall include all employer-expensed benefits like FICA, retirement and 401K contributions, deferred compensation (**not included in wages and salaries in (a)(i) above**), health and dental insurance, workers compensation, unemployment insurance, self-assessed internal rates for leave payouts, **life insurance**, and other similar items recorded as a personnel-related expense by the entity, benefit detail is not allowed;

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(iii) Incentive awards;

(iv) Reimbursements, if recorded separately in the participating entity's payroll system;

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(v) Leave paid, if recorded separately from wages or salary in the participating entity's payroll system.

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(b) In addition, the following information will be submitted for each

employee:

(i) Name;

(ii) Hourly rate for those employees paid on an hourly basis. Not required for salaried employees, or transactions such as benefits, incentives, or reimbursement items not paid on an hourly basis.

(iii) Gender;

(iv) Job title.

(3) Entities must not submit any data to the UPFW that is classified as private, protected, or controlled by UCA 63G-2, Government Records Management Act or restricted by any other state or federal statute or rule. All detail transactions or records are required to be submitted; however, the words "not provided" shall be inserted into any applicable data field in lieu of permanently private, protected, or controlled information. The UPFW provides an automated process for entities to use to protect and unprotect vendor names and other data which is temporarily protected. Information regarding this process is included in the detail file layout which is posted on the UPFW.

### C. Entities Using the UPFW - Data Submission Procedures.

(1) Entities must submit data to the UPFW according to the file specifications listed below.

(a) Public financial information will be submitted to the UPFW in a pipe delimited text file. The [detail file](#) layout is available from the Division and is also posted on the UPFW under the *Help & FAQs* tab.

(b) Data will be submitted to the UPFW at the detail transaction level. Transactions for compensation information for each employee may be summarized into



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*Utah Public Finance Website*

transactions that represent an entire fiscal year.

(c) Each transaction submitted to the website must contain the information required in the detail file layout including:

(i) Organization – Classifies transactions within the entity’s organizational or functional structure. If available in the entity’s systems, at least 2 levels of organization will be submitted but not more than 10 levels.

(ii) Category – Classifies transactions and further describes the transaction type such as revenues or expenses. If available in the entity’s systems, at least 2 levels of category will be submitted but not more than 7 levels.

(iii) Fund – Classifies transactions by fund types and individual funds. At least 1 but not more than 4 levels of fund will be submitted.

(d) Each detail revenue and expense transaction record in file layout form should be constructed so as not to duplicate information from general and subsidiary ledgers for the same related transaction or summary general ledger posting. In order to construct the file layout record, it may be necessary to extract related detail transaction record information from integrated ledgers within a financial accounting system such as payee, vendor, contract name/number, etc. if such information is not available from the general ledger. Duplicate information resulting from separate transaction entries such as correcting or adjusting entries is permitted.

#### **D. Entities Using their Own Website – Required Public Financial Information**

(1) Entities that wish to post public financial information to their own websites must post information similar to what is described in this policy for entities that are posting information to the UPFW. This includes searchable and downloadable information at the detail transaction level from their general ledger and annual compensation information for each employee.

Each entity that wishes to use its own website must submit a proposal to the Division of Finance describing how the required public financial information will be posted to their website and how it will meet the requirements of this policy. The Division of Finance will review the proposal and make an initial determination on whether the entity’s website meets the requirements of this policy. The Division of Finance will report its findings to the Board for final action. If the Division of Finance does not feel that the website meets the requirements of this policy, the entity may appeal the decision to the Board for further consideration and a final decision on whether the entity’s website is adequate.