Little Manual Comprehension Test

Instructions

Once you have reviewed the Little Manual, complete this comprehensive exam and email it to the Office of the Utah State Auditor at ebritton@utah.gov. Upon receiving a score of 75% (18 out of 24 correct) you will be sent a certificate of training completion. Completing this training with a 75% or better comprehension will satisfy your requirements to obtain training in accordance with Utah Code 17B-1-312. Thank you for taking the time to complete this training.

Part I General Information

Date

Name

District

Position

Date of Appointment or Election

Mailing Address

Street

Street

City, State, Zip UT

Email

Part II Test Questions

1) Which four criteria is a board ultimately judged on, according to Stephen Gauthier?

- a. Competence, flexibility, public relations skills, and charisma
- b. Due diligence, thoroughness, fiscal responsibility, and creativity
- c. Effectiveness, efficiency, compliance, and reporting
- d. Competence, efficiency, fiscal responsibility, and leadership

2) Which three positions does State law require a board to elect, as a minimum?

- a. Board Chair, recorder, and treasurer
- b. Board chair, clerk, and treasurer
- c. Board chair, vice chair, and accountant
- d. Board chair, budget officer, and clerk

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Part II Test Questions (continued)

3) What are the duties of the district board?
- a. Approve all expenditures from district funds
- b. Review all expenditures authorized by the finance officer on a quarterly basis
- c. Hold public meetings to conduct the business of the district
- d. All of the above

4) A board member should serve until a successor is duly elected or appointed and qualified.
- a. True
- b. False

5) A district board member may NOT be employed by the district either as an employee or under a contract.
- a. True
- b. False

6) Under Utah law, which of the following is permitted by a board member regarding his/her relatives:
- a. Employ, appoint, vote for, or recommend a relative for employment
- b. Directly supervise a relative
- c. Employ a relative if they are the only person available, qualified, or eligible for the position.
- d. None of the above

7) Which of the following is NOT considered to be an open meeting under Utah Law:
- a. Workshops
- b. Executive sessions
- c. Chance or social meetings
- d. Regular district meetings

8) For which of the following reasons can a district board close an open meeting:
- a. Final board deliberations on the budget before final adoption
- b. The character, competence or health of an individual
- c. Discussion on whether or not the board will grant a GRAMA request
- d. Approval of district expenditures and review of quarterly finance reports

9) Unless a district's annual budget is less than $50,000, a district is required to keep written minutes AND an audio recording of all open meetings.
- a. True
- b. False

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Part II Test Questions (continued)

10) What is the time requirement for public notice and the agenda of a regular district meeting?

- a. At least 24 hours before the meeting
- b. At least 7 days before the meeting
- c. At least 2 days before the meeting
- d. There are no time requirements

11) What public notice options do ALL districts have when holding a public hearing for a fee increase?

- a. Publish a ¼ page ad in a newspaper of general circulation within the district
- b. Mailing a notice to those within the district who will be charged the fee
- c. Publishing a notice on the Legal Notice website
- d. a and b only

12) When amending a **general fund** budget during the year, a district is required to hold a public hearing if total budgeted expenditures increase.

- a. True
- b. False

13) When amending an **enterprise fund** budget during the year, a district is required to hold a public hearing if total budgeted expenditures increase.

- a. True
- b. False

14) Which choice below properly reflects the length of time before the required report is due:

- a. **Budget** - immediately upon adoption, **financial statements** - 3 months after year-end
- b. **Budget** - 30 days after adoption, **financial statements** - 6 months after year-end
- c. **Budget** - 6 months after adoption, **financial statements** - 6 months after year-end
- d. **Budget and financial statements** are due upon request of the State Auditor's Office

15) For a district that has total expenditures or revenues, greater than $350,000, but less than $750,000, what would be their financial reporting requirements?

- a. Provide financial information to the State Auditor's Office website
- b. Submit an Agreed-Upon Procedures report completed by an independent CPA
- c. Submit an audit completed by an independent CPA
- d. Both a and b above are required

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Part II Test Questions (continued)

16) Which procedures, involving proper internal controls, should be followed by a board member?
- a. Never sign a blank check
- b. Deposits and disbursements should be reviewed by the board at least quarterly
- c. Take a healthy interest in the finances of the district by reviewing the annual financial statements and physically inspecting other assets to be sure they have not been lost or stolen and are in good condition
- d. All of the above

17) Districts with full or part-time employees should have a personnel policy that is reviewed annually by the board to ensure they conform to requirements of state and federal law.
- a. True
- b. False

18) What are the three criteria that the IRS looks at to determine whether those working for a district are employees or independent contractors?
- a. Pay rate, length of employment, and benefits offered
- b. Behavioral control, financial control, and relationship of the parties
- c. Established contract, hours worked per week, and benefits offered
- d. Services provided, hours worked per week, and length of employment

19) What should be the **main** focus of a properly established purchasing policy?
- a. To provide the clerk some guidelines to follow when purchasing supplies
- b. To protect the district against complaints from the public regarding their purchases
- c. To establish a competitive purchasing process that safeguards against bias and conflicts of interest
- d. To comply with state law

20) Which public documents should be permanently maintained by the district?
- a. Meeting minutes
- b. Annual financial reports
- c. Budgets
- d. All of the above

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Part II Test Questions (continued)

21) What are the four classifications of records under the Government Records Access and Management Act (GRAMA)?

- a. Public, private, controlled, and protected
- b. Public, federal, state, and local
- c. Top-secret, privileged, classified, and open
- d. None of the above

22) The treasurer of the district is required to be bonded as of the date the Treasurer assumes the duties of the office.

- a. True
- b. False

23) When operating a **general fund**, the accumulation of the fund balance in the general fund cannot exceed the greater of 100% of the current year's property tax, or:

- a. 25% of the total general fund revenues for districts with annual general fund budgets greater than $100,000.
- b. 50% of the total general fund revenues for districts with annual general fund budgets equal to or less than $100,000
- c. 90% of last year's property tax
- d. a or b above

24) Under Utah law, training developed by the Utah State Auditor's Office, in cooperation with the Utah Association of Special Districts, is required for new board members, within one year after taking office.

- a. True
- b. False

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Part II Test Questions (continued)

Extra Credit Case Study:

Due to unforeseen circumstances, your board needs to authorize an unexpected expenditure. However, you notice that you do not have enough expenditures budgeted to cover the unexpected cost. In order to comply with State law, what would be the best course of action?

- a. Since the cost was unexpected and since you have enough money in the bank to cover it, you simply authorize the expenditure and move on.
- b. You authorize the expenditure with plans to adjust the budget during the public hearing held at the end of the fiscal year.
- c. Since your budget does not allow for it, you do not authorize the expenditure.
- d. Before authorizing the expenditure, you amend the budget by providing notice and holding a public hearing if you use a **general fund** or by amending the budget at a regular public meeting if the district uses an **enterprise fund**.