



U.S. Department of Justice
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Re: Non-Prosecution Agreement – Utah Transit Authority

Dear Counsel:

On the condition that Utah Transit Authority (“UTA”) fulfills its obligations under this agreement (“Agreement”), UTA will not be a target of any federal investigation by the United States Attorney’s Office for the District of Utah (“this Office”) and this Office will not bring any criminal action against UTA for any conduct relating to the ongoing investigation including, but not limited to, UTA’s operation of mass public transit services, application for federal grants and funding, expenditure and use of federal funds, or the negotiation for, and/or acquisition of, real property, equipment and other capital improvements related to UTA’s operations. In addition, this Office and the U.S. Department of Transportation’s Office of Inspector General (“OIG”) confirm that no referral has been made to the Federal Transit Administration for civil debarment or suspension action against UTA. This “Agreement” applies only to conduct that occurred prior to April 3, 2017.

In August 2014, the State of Utah’s Office of Legislative Auditor released an audit (Legislative Audit”) of UTA. The Legislative Audit identified several areas where the lack of adequate institutional controls and oversight led to problematic actions taken by UTA.

Based on information learned from the Legislative Audit and the on-going investigation, UTA recognized the need for improved institutional conformity with financial and ethical requirements and acknowledges the following issues and concerns (the “four core issues”) focused on during the investigation:

- (a) Inadequate controls over federal funds and drawdowns from federal grants;