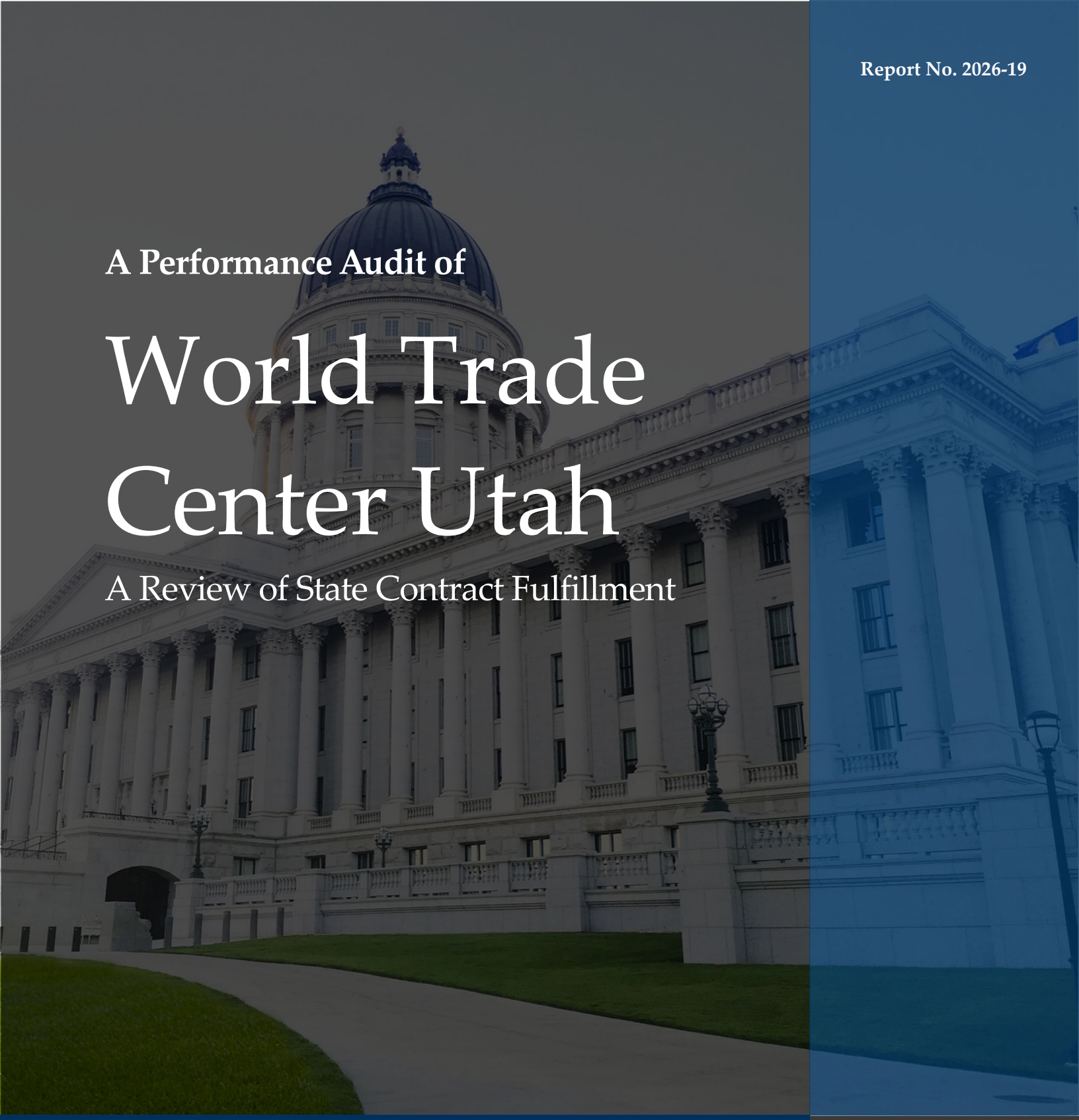
Report No. 2026-19



A Performance Audit of

World Trade Center Utah

A Review of State Contract Fulfillment

Office of the Legislative Auditor General

Report to the **UTAH LEGISLATURE**

LEGISLATIVE AUDITOR GENERAL



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September 15, 2026

TO: THE UTAH STATE LEGISLATURE

Transmitted herewith is our report:

"A Performance Audit of World Trade Center Utah" Report #2026-19

An audit summary is found at the front of the report. The scope and objectives of the audit are included in the audit summary. In addition, each chapter has a corresponding chapter summary found at its beginning.

Utah Code 36-12-15.3(2) requires the Office of the Legislative Auditor General to designate an audited entity's chief officer. There will be two officers for this audit. Jonathan Freedman, CEO, is the designated chief officer for World Trade Center Utah. Jefferson Moss, Commissioner, is the designated chief officer for the Governor's Office of Economic Development. They have been notified that they must comply with the audit response and reporting requirements as outlined in this section of ***Utah Code***.

We will be happy to meet with appropriate legislative committees, individual legislators, and other state officials to discuss any item contained in the report in order to facilitate the implementation of the recommendations.

Sincerely,

Kade Minchey

Kade R. Minchey, CIA, CFE

Auditor General

kminchey@le.utah.gov

AUDIT

Independent, objective, evidence-based reviews that identify opportunities to strengthen performance, accountability, efficiency, and outcomes.

LEAD

A high standard for audit excellence: continuously improving our methods, embracing innovation, and applying the most effective tools and techniques available.

ACHIEVE

Every engagement approached with determination, professionalism, and a commitment to overcoming challenges in pursuit of meaningful improvements.

Audit. Lead. Achieve. ***These principles reflect both what we do and how we do it. We believe every organization can improve, and we can help. Our goal is to provide decision-makers with actionable information that supports continuous improvement, informed governance, and long-term success. To meet this goal, our findings must be objective, independent, and grounded in evidence. We design recommendations to be constructive, practical, and focused on helping organizations build upon their strengths. Our audits are designed to help policymakers better serve the people of Utah.***

What World Trade Center Utah Is Doing Well

This audit identified several strengths in WTC Utah's work that demonstrates a strong commitment to helping Utah businesses expand into global markets, attract foreign investment, and develop international partnerships. Through a public-private funding model, WTC Utah leverages state, private, and federal resources to support economic development activities across the state. Our review found that WTC Utah appears to have fulfilled the primary responsibilities and deliverables required under its state contracts and reported facilitating millions of dollars in new trade opportunities in fiscal year 2025. We also found many dedicated professionals working to advance Utah's economic interests and strengthen the state's international presence. These efforts reflect a shared commitment to supporting business growth, expanding economic opportunities, and fostering long-term economic development throughout Utah.

How This Report Supports Improvement

While WTC Utah has played an important role in supporting Utah's international economic development efforts, this audit identified opportunities to strengthen how program performance and financial accountability are measured and reported. Specifically, we found that current performance metrics and financial reporting can be improved to provide greater insight into the use of state funds. Our findings and recommendations are designed to strengthen oversight, improve accountability, and support more data-driven funding decisions by ensuring that economic outcomes are reliably measured, and contract expenditures are more clearly reported. We believe these recommendations can build upon existing strengths and further enhance the value of Utah's international economic development investments.

LEGISLATIVE AUDITOR GENERAL

AUDIT SUMMARY

REPORT 2026-19 | SEPTEMBER 2026

Office of the Legislative Auditor General | Kade R. Minchey, Auditor General

PERFORMANCE AUDIT

A PERFORMANCE AUDIT OF WORLD TRADE CENTER UTAH

AUDIT REQUEST

This audit was asked to answer:

1. Are the state funds appropriated to World Trade Center Utah being spent efficiently and effectively?

2. Are participation fees for World Trade Center Utah trade missions appropriate?

BACKGROUND

World Trade Center Utah (WTC Utah) is a nonprofit organization that supports Utah's international economic development efforts by helping businesses expand into global markets, attract foreign investment, and build international partnerships. WTC Utah combines state, private, and federal dollars through a public-private funding model. They received $2.2 million through two State contracts in fiscal year 2025.

KEY FINDINGS

- 1.1 WTC Utah Successfully Fulfills Contract Deliverables but Can Strengthen Performance Metrics and Financial Reporting
  - WTC Utah can better demonstrate its economic impact by improving validation of NTO
  - Improved financial reporting could provide greater clarity on spending and results
  - New contract language should specify how funds are to be spent

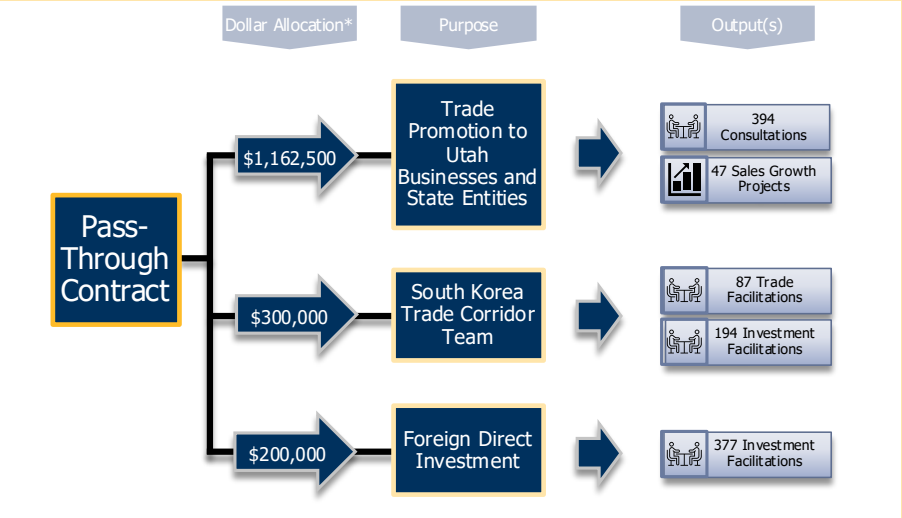
RECOMMENDATIONS

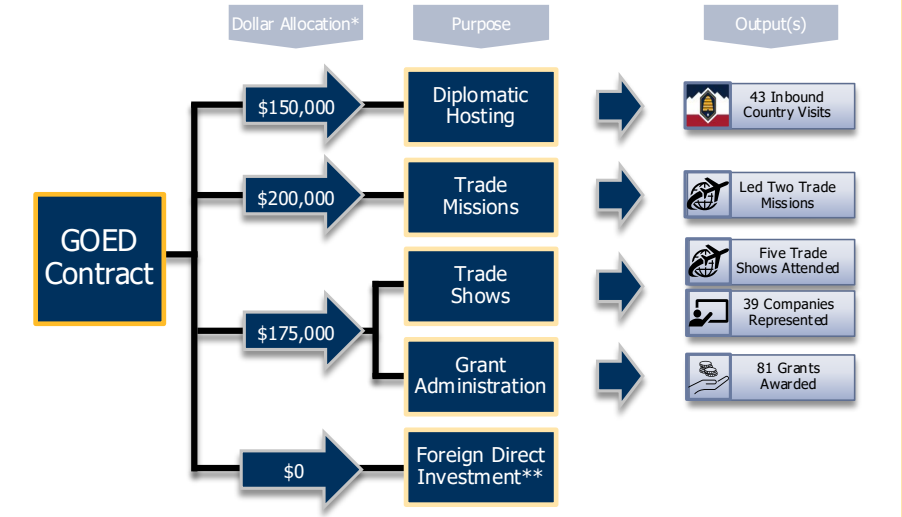
- 1.1 The Governor's Office of Economic Development (GOED) should review its current contract performance metrics for WTC Utah to ensure they adequately measure program effectiveness.
- 1.2 WTC Utah should follow up with participating businesses to obtain documentation confirming completed transactions, investments, and other economic impacts.
- 1.3 WTC Utah should strengthen its process for complying with contractual and State Auditor reporting requirements, including periodic management review of required reports.
- 1.4 GOED should specify how funds are to be spent in the new GOED contract to ensure resources are appropriately allocated to contract deliverables.
- 1.5 GOED should require contract expenses to be reported regularly based on the key deliverables outlined in the GOED contract to ensure allocations are appropriate and directed toward their best use.

REPORT SUMMARY

These Figures Summarize WTC Utah's Allocation of Funds and Reported Outputs Under Its GOED Contract and Pass-through Contract in Fiscal Year 2025.

WTC Utah receives state funding through two separate contracts. In addition to the output metrics listed below, WTC Utah uses New Trade Opportunities (NTO) as its outcome metric, which is the sum of actual sales, prospective sales, and actual investment for Utah businesses resulting from trade and/or investment activity as reported by businesses.





**Dollar allocation is based on WTC Utah's internal apportionment of funds. The contracts does not specify an apportionment.*
***The foreign direct investment deliverable is included in both state contracts and WTC Utah does not allocate GOED contract funds to deliver this service.*

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Chapter 1
WTC Utah and GOED Should Strengthen Contract Performance Measurement to Better Demonstrate Program Impact

World Trade Center Utah (WTC Utah) and the Governor's Office of Economic Development (GOED) can better demonstrate economic impact through improved reporting and validation of economic outcomes. Through a public-private funding model, WTC Utah combines state, private, and federal funding to help Utah businesses expand into international markets, attract foreign investment, and develop global partnerships. Established in 2006 as a nonprofit organization, WTC Utah works closely with GOED to support these efforts. The State provides approximately one-third of WTC Utah's annual funding, with the remaining revenue coming from private-sector and federal sources. This approach allows the state to support more economic development activities with fewer tax dollars.

In fiscal year 2025, the Legislature and GOED provided WTC Utah with approximately $2.2 million through two separate contracts that fund distinct services. GOED administers these contracts and is responsible for oversight and monitoring of these funds. State funding for WTC Utah has risen over the past five years and totals nearly $7.2 million between 2021 and 2025.[1] This audit examines how WTC Utah used its fiscal year 2025 funding to support international economic development, as fiscal year 2025 represents the most recently completed funding and reporting cycle.

Audit Questions

1. Are the state funds appropriated to World Trade Center Utah being spent efficiently and effectively?

2. Are participation fees for World Trade Center Utah trade missions appropriate?

Our review found that WTC Utah appears to have carried out the activities required under these contracts and achieved the intended contract deliverables. We also confirmed that participation fees charged by WTC Utah for government

[1] Contract funding increased in 2023 to support additional deliverables (GOED contract) and was further expanded in 2024 to fund the establishment and operation of a new trade office in South Korea (pass-through contract).

officials are in line with contract terms. A complete breakdown of WTC Utah's revenues and expenses is provided in Appendix A.

1.1 WTC Utah Successfully Fulfills Contract Deliverables but Can Strengthen Performance Metrics and Financial Reporting

Our review found that WTC Utah appears to be meeting the primary responsibilities of its pass-through and GOED contracts. As a result of these efforts, WTC Utah reported facilitating millions of dollars in new trade opportunities (NTO) in 2025.[2] Although WTC Utah fulfilled the primary directives under its contract, we found four areas where GOED and WTC Utah can improve their international development work:

- GOED should review its current contract performance metrics for WTC Utah to ensure they adequately measure program effectiveness. GOED should use these metrics to direct contract funding toward programs that produce the most meaningful outcomes.
- WTC Utah should strengthen the reliability of NTO as a performance metric by increasing its efforts to validate those reported opportunities.
- WTC Utah should strengthen compliance with its financial reporting requirements.
- GOED should specify funding allocations in its new contract with WTC Utah and require regular reporting of expenses by key contract deliverable to help ensure funds are spent appropriately.

WTC Utah did not have processes in place that ensured reporting compliance, and limited oversight by prior GOED leadership allowed deficiencies to continue. More complete financial reporting would improve transparency and provide a clearer picture of how state funds are used. Improved performance metrics will help WTC Utah better demonstrate its value and will help ensure GOED directs contract funds to their best use.

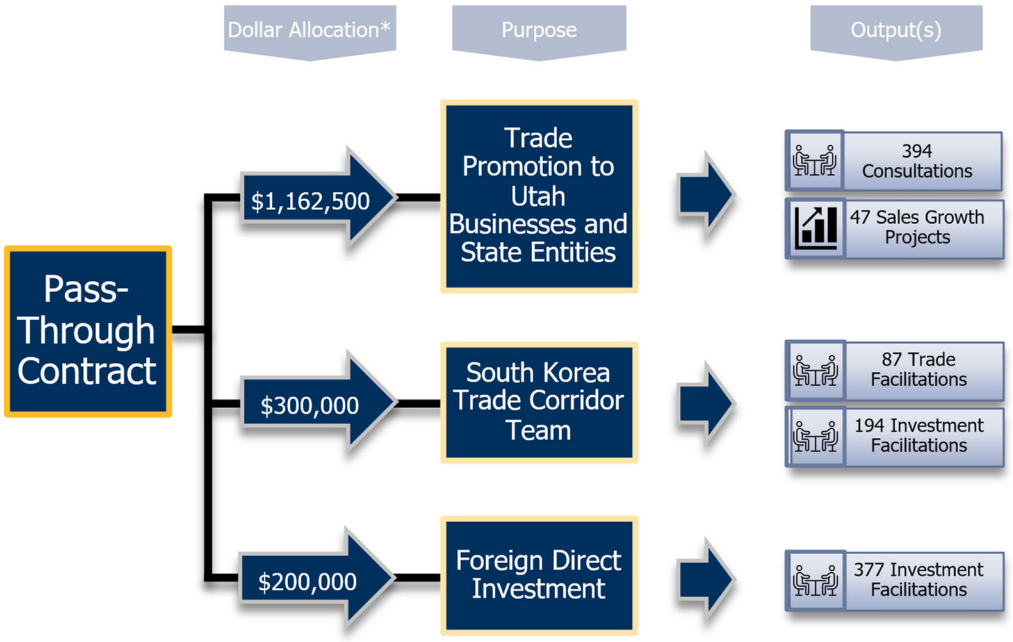
[2] NTO is calculated by summing actual sales + prospective sales + actual investments resulting from trade and/or investment activity as reported in client impact statements.

WTC Utah Appears to Meet the Required Deliverables Under Its Two State Contracts

WTC Utah receives state funding through two separate contracts. One contract is funded through a legislative pass-through appropriation, while the other is funded directly by GOED. Pass-throughs, also known as direct-award grants[3], are grants that the Legislature designates for specific recipients. When funding is approved by the Executive Appropriations Committee, the appropriation is provided to a state agency, which then distributes the funds to the designated grantee. The state agency enters into a contract with the grantee, administers the distribution of funds, and provides oversight to ensure the grantee fulfills contractual requirements.

One Contract Is a Pass-Through Contract. In fiscal year 2025, the Legislature appropriated $1.66 million to GOED for WTC Utah through a direct-award grant. The Legislature has typically appropriated this money to GOED for WTC Utah annually. GOED then administers the funding as a pass-through.

Figure 1.1 WTC Utah Allocates Funds to Achieve Output Metrics Outlined in Its Fiscal Year 2025 Pass-Through Contract. We discuss the outcomes of these deliverables after Figure 1.2.

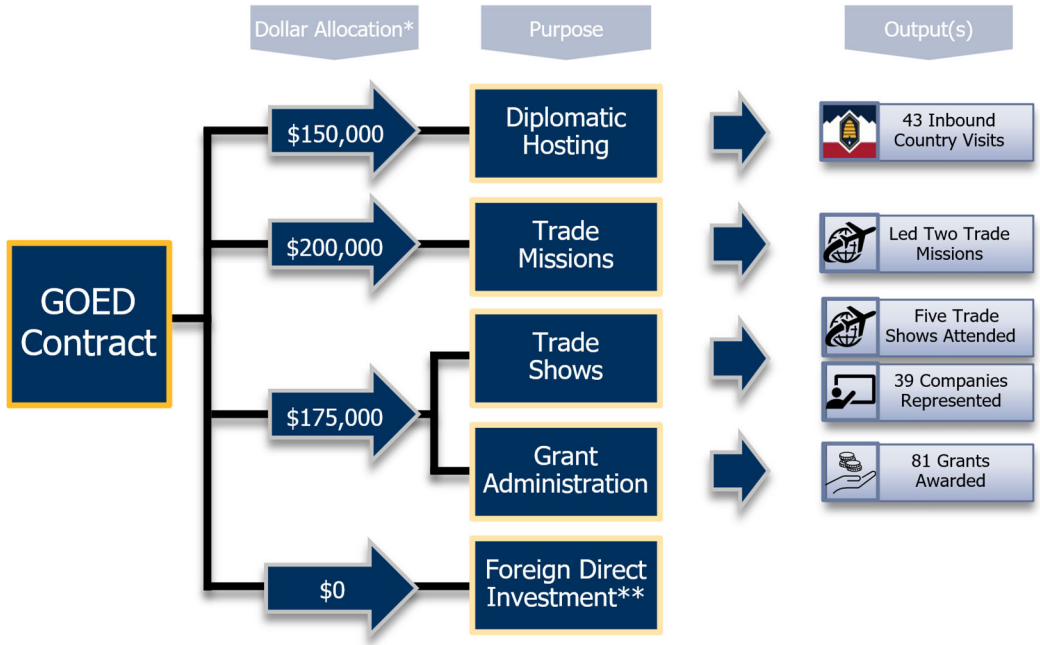


Auditor generated using 2025 data reported by WTC Utah.
**Dollar allocation is based on WTC Utah's internal apportionment of funds. The pass-through contract does not specify an apportionment.*

[3] Direct-award grants were defined in statute in 2024 as "a grant that is funded by money that the Legislature intends the state agency to pass through to one or more recipients without a competitive process" (***Utah Code*** 63G-6b-101(3)).

The Other Contract Is a Sole-Source Contract from GOED. The contract spans five years (2022–2026) and provides a total of $2.35 million in funding over that period.[4] For recent years, this amounts to GOED providing WTC Utah with $525,000 annually for specific economic enhancement activities.

Figure 1.2 WTC Utah Allocates Funds to Achieve Output Metrics Outlined in Its GOED Contract in Fiscal Year 2025. We discuss the outcomes of these deliverables below.



Source: Auditor generated using 2025 data reported by WTC Utah.
**Dollar allocation is based on WTC Utah's internal apportionment of funds. The GOED contract does not specify an apportionment.*
***The foreign direct investment deliverable is included in both state contracts and WTC Utah does not allocate GOED contract funds to deliver this service.*

Each contract has specific deliverables and reporting requirements. Our review found that WTC Utah appears to perform the main activities required under both contracts. As a result of these efforts, WTC Utah reported facilitating millions in new trade opportunities for the state in 2025.

New Trade Opportunities (NTO)

NTO is WTC Utah's primary performance measure for tracking economic impact under both of its state contracts.

NTO is calculated by summing actual sales + prospective sales + actual investments resulting from trade and/or investment activity as reported in client impact statements.

[4] This includes additional funds provided in a 2023 amendment.

NTO is the only outcome measure in WTC Utah's state contracts. The other performance metrics track outputs. Outputs measure what a program does, such as the number of services provided or clients served. Outcomes measure the results of those activities, such as economic growth or dollars invested. It's important to measure both outputs and outcomes when evaluating program performance. As discussed in the following section, we have concerns regarding the reliability of NTO as an outcome measure. GOED should review its current contract performance metrics for WTC Utah to ensure they adequately measure program effectiveness. GOED should use these metrics to direct contract funding toward programs that produce the most meaningful outcomes.

WTC Utah Can Better Demonstrate Its Economic Impact by Improving Validation of NTO

NTO is WTC Utah's performance measure for tracking economic outcomes under both of its state contracts. WTC Utah calculates NTO using economic impact data reported by businesses, such as client statements and surveys completed after participation in WTC Utah events. NTO includes both actual economic activity and potential future opportunities, such as projected sales and investments. WTC Utah's annual report includes a breakdown of its total NTO, distinguishing between prospective and actual dollars.



To improve the credibility of its reported results, WTC Utah should strengthen follow-up with businesses to obtain stronger documentation confirming economic impacts.

Because NTO includes self-reported data and prospective business opportunities, reported results may not always reflect economic activity that ultimately occurs. Some reported opportunities may not be realized, and strong supporting documentation is not consistently obtained to verify reported outcomes. Consequently, NTO figures may overstate actual economic impacts.

To improve the credibility of its reported results, WTC Utah should strengthen its follow-up with participating businesses to obtain robust documentation confirming completed transactions, investments, and other economic impacts. WTC Utah already maintains communication with companies and tracks reported NTO activity. Expanding these efforts to verify and document realized outcomes would provide greater assurance that reported impacts are accurate and would better demonstrate the economic value generated through WTC Utah's programs.

Improved Financial Reporting Could Provide Greater Clarity on Spending and Results

WTC Utah can improve compliance with reporting requirements related to its use of state funds, grant management, and filings to the State Auditor. Three instances of incomplete reporting occurred because WTC Utah did not have processes in place to ensure reporting requirements were met. The issue was also allowed to persist because prior GOED leadership provided limited oversight of pass-through funds and approved final payments to WTC Utah despite incomplete reporting.[5]

We found three areas where WTC Utah's reporting can be improved:

- *Specifying how funds are spent under its pass-through contract*
- *Including grant reporting metrics in its quarterly reporting under its GOED contract*
- *Filing annual accounting reports to the State Auditor*

Financial reporting is important because it helps GOED see how WTC Utah uses funds and ensures they are spent appropriately. Additionally, if financial reporting had been required and provided in GOED's contract, issues surrounding trade mission participation fees may not have arisen. We recommend WTC Utah comply with its contractual and State Auditor reporting to promote transparency and accountability. This will help ensure public funds are tracked and appropriately used.

As part of its required reporting to GOED under the pass-through contract, WTC Utah is required to specify "how Grantee used funds or will use funds." Unfortunately, the 2025 annual report WTC Utah submitted to GOED does not provide these details.

The GOED contract requires WTC Utah to report details related to its international grant administration. WTC Utah's quarterly reports list the number of grant recipients but do not include these other required metrics:

- Amount of grant funds available
- Number of companies awarded grants
- NTO resulting from the grants

[5] This is discussed further in *A Performance Audit of the Governor's Office of Economic Development* (Report No. 2026-18).

WTC Utah does track some of these measures, but they should be included in quarterly reports.

Lastly, WTC Utah does not presently have an up-to-date accounting report filed with the State Auditor.[6] Improved reporting will help ensure WTC Utah is appropriately using funds to meet contract deliverables.

GOED Should Ensure New Contract Language Clearly Specifies How Funds Are to Be Spent

WTC Utah's current contract with GOED expires December 31, 2026, and the parties are currently negotiating a new agreement. During this audit, some stakeholders expressed confusion and concern regarding WTC Utah's practice of charging participation fees for trade missions while simultaneously receiving state funding to support those activities. One stakeholder questioned whether charging these additional fees was appropriate given their understanding that WTC Utah was already being funded by the state to administer the trade missions. Under the contract, GOED provides WTC Utah with $525,000 annually, of which WTC Utah allocates $200,000 to support two trade missions each year. According to the 2023 contract amendment,[7] those funds are intended to cover hard costs and participation fees for the Governor and two members of the Governor's team. The contract further states that delegation members, including state employees and elected officials, are responsible for their own travel expenses and participation fees, and that WTC Utah may charge participation

Current GOED Contract

"Trade mission delegation members, including state employees and elected officials, will pay for their own travel costs and participation fees."

"WTC Utah may also charge trade mission delegation members a participation fee to cover the hard costs associated with delegation members participating and to support WTC Utah's work in promoting trade and investment in the state; WTC Utah may also cover costs associated with the trade mission via sponsorships."

[6] State law requires nonprofit corporations that receive $25,000 or more from state, federal, or local sources to submit an accounting report to the State Auditor each year. Despite meeting the reporting threshold in each subsequent year, WTC Utah has not submitted a report since 2024.

[7] "WTC Utah will book and pay for flights, hotels, and trade mission participation fees for the Governor and up to two additional members of the Governor's team. WTC Utah will not pay for any other transportation, security, staff advance trip, participation fees, or other expenses associated with Governor-led trade missions."

fees to cover trade mission costs and support its trade and investment promotion activities. Although we did not find that WTC Utah is charging fees in violation of its current contract, stakeholder concerns highlight the importance of clearly defining how state appropriations and participant fees are intended to work together. As GOED and WTC Utah negotiate a new contract, consideration should be given to ensuring that state funds and participation fees do not result in WTC Utah being compensated twice for the same activities or services. Greater transparency regarding the costs covered by the $525,000 annual contract amount, the $200,000 trade mission allocation, and participant fees could help address stakeholder concerns and avoid perceptions of double funding.[8]

GOED Should Require All Contract Expenses to Be Reported Under Its Contract. The existing GOED contract does not require WTC Utah to report expenses. As a result, GOED has limited visibility into how WTC Utah uses and allocates its contract funds. Additionally, WTC Utah does not closely account for contract expenses based on its five main directives, making it difficult to connect expenses to contract objectives. GOED should require contract expenses to be reported regularly based on the key deliverables outlined in the contract to ensure allocations are appropriate and directed toward their best use.

RECOMMENDATION 1.1

The Governor's Office of Economic Development should review its current contract performance metrics for World Trade Center Utah to ensure they adequately measure program effectiveness. The Governor's Office of Economic Development should use these performance metrics to guide future funding allocations.

[8] In the 2026 General Session, the Legislature appropriated $250,000 in one-time funds to GOED to cover travel and lodging costs for executive and legislative branch officials attending trade missions. This should further reduce uncertainty about trade mission expenses moving forward.

RECOMMENDATION 1.2

World Trade Center Utah should follow up with participating businesses to obtain documentation confirming completed transactions, investments, and other economic impacts. Expanding these efforts to verify and document realized outcomes would provide greater assurance that reported impacts are accurate and would better demonstrate the economic value generated through World Trade Center Utah's programs.

RECOMMENDATION 1.3

World Trade Center Utah should strengthen its process for complying with contractual and State Auditor reporting requirements, including periodic management review of required reports. Enhancing oversight of the reporting process can help support complete, accurate, and timely reporting. Doing so would improve transparency and provide stakeholders with more reliable information on the use and results of public funds.

RECOMMENDATION 1.4

The Governor's Office of Economic Development should specify how funds are to be spent in the new GOED contract to ensure resources are appropriately allocated to contract deliverables.

RECOMMENDATION 1.5

The Governor's Office of Economic Development should require contract expenses to be reported regularly based on the key deliverables outlined in the GOED contract to ensure allocations are appropriate and directed toward their best use.

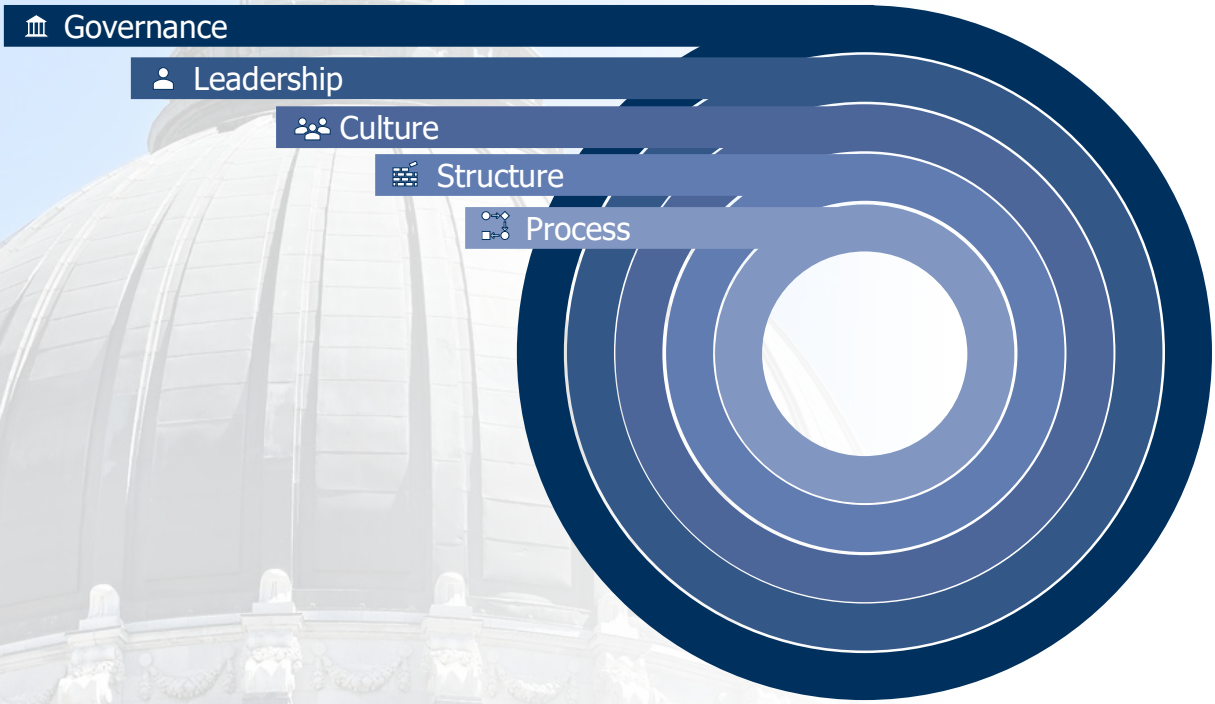




Complete List of Audit Recommendations

THE FIVE LAYERS OF CAUSE

We developed the Five Layers of Cause Framework to assist leaders in identifying the causes of organizational success and failure. To truly improve as an organization, leaders must understand the causes of major risks. Only when leaders understand these causes and their roots can they make meaningful improvements. Root causes are deeper and more fundamental.



The five layers of cause are defined below. They are ranked from most impactful in organizational change to least. The next page identifies the layer of cause in each recommendation.

GOVERNANCE

The laws and rules that establish the organization's mission, accountability, and funding. Governance empowers the organization with the leadership and resources needed to achieve meaningful results.

LEADERSHIP

The competency and character of the leaders of the organization. Leadership is the decisive force that transforms vision into action and effort into results.

CULTURE

The collective beliefs, values, and behaviors of the organization. An organization's culture can determine employee engagement and morale, willingness to innovate, and quality of product.

STRUCTURE

The policies and standards that guide an organization's work. Structures direct the flow of work and establish what is and is not acceptable.

PROCESS

The steps taken to accomplish a task. Processes are the logistics—the capital, workflows, timing, and practices—that move work along.

Complete List of Audit Recommendations

This report made the following two recommendations. The numbering convention assigned to each recommendation consists of its chapter followed by a period and recommendation number within that chapter.

Recommendation 1.1 (Structure)

The Governor's Office of Economic Development should review its current contract performance metrics for World Trade Center Utah to ensure they adequately measure program effectiveness. The Governor's Office of Economic Development should use these performance metrics to guide future funding allocations.

Recommendation 1.2 (Process)

World Trade Center Utah should follow up with participating businesses to obtain documentation confirming completed transactions, investments, and other economic impacts. Expanding these efforts to verify and document realized outcomes would provide greater assurance that reported impacts are accurate and would better demonstrate the economic value generated through World Trade Center Utah's programs.

Recommendation 1.3 (Process)

World Trade Center Utah should strengthen its process for complying with contractual and State Auditor reporting requirements, including periodic management review of required reports. Enhancing oversight of the reporting process can help support complete, accurate, and timely reporting. Doing so would improve transparency and provide stakeholders with more reliable information on the use and results of public funds.

Recommendation 1.4 (Structure)

The Governor's Office of Economic Development should specify how funds are to be spent in the new GOED contract to ensure resources are appropriately allocated to contract deliverables.

Recommendation 1.5 (Structure)

The Governor's Office of Economic Development should require contract expenses to be reported regularly based on the key deliverables outlined in the GOED contract to ensure allocations are appropriate and directed toward their best use.





Appendix



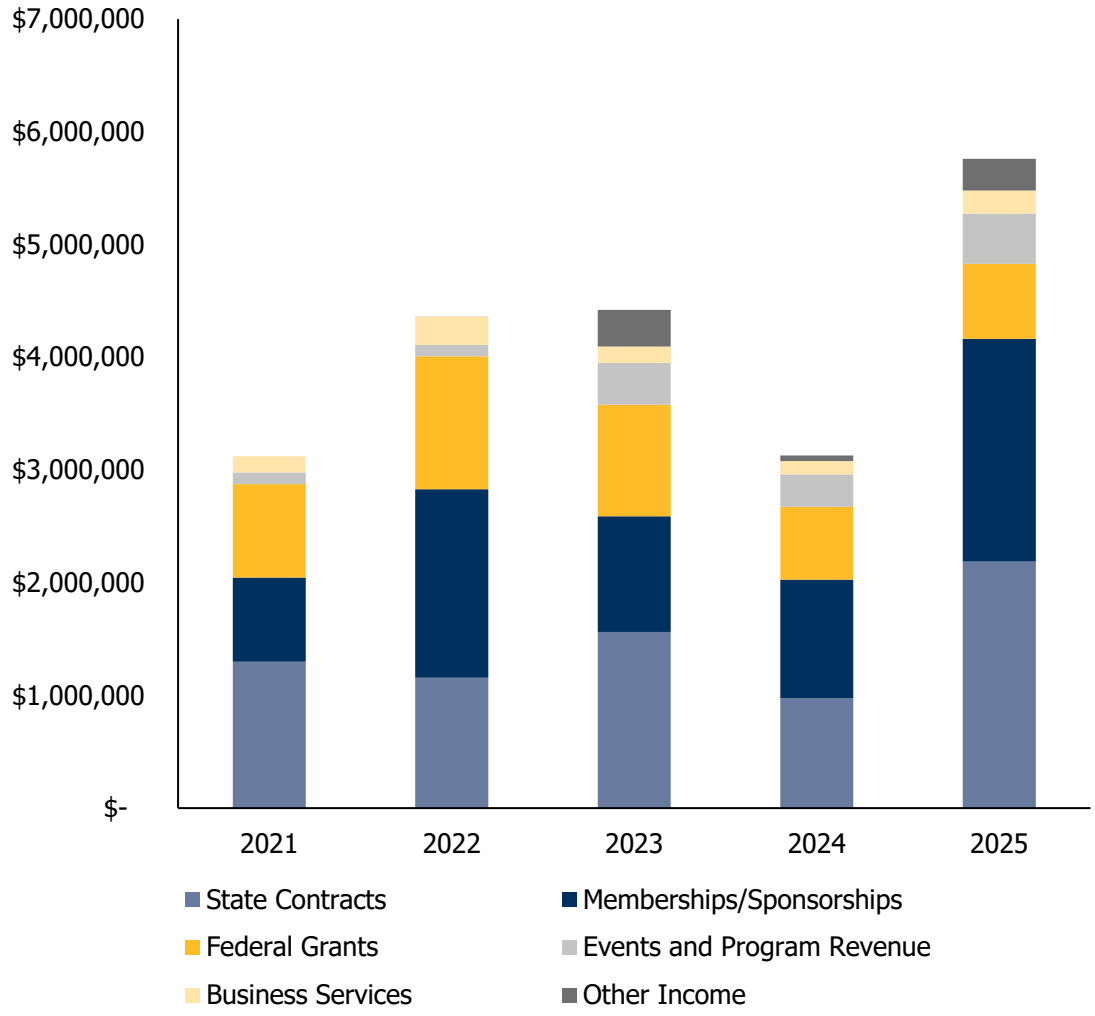
A. WTC Utah Annual Revenue and Expenditures (2021-2025)



WTC Utah Uses Public and Private Funds to Accomplish Its Mission

From 2021 through 2025, private sources provided an average of 45 percent of WTC Utah's funding, compared to 35 percent from state sources and 21 percent from federal sources. Figure A.1 shows WTC Utah's revenue sources during this period. In addition to government funding, WTC Utah generates revenue through memberships, sponsorships, and consulting services. This public-private funding model expands WTC Utah's economic development efforts beyond what government funding alone could support.

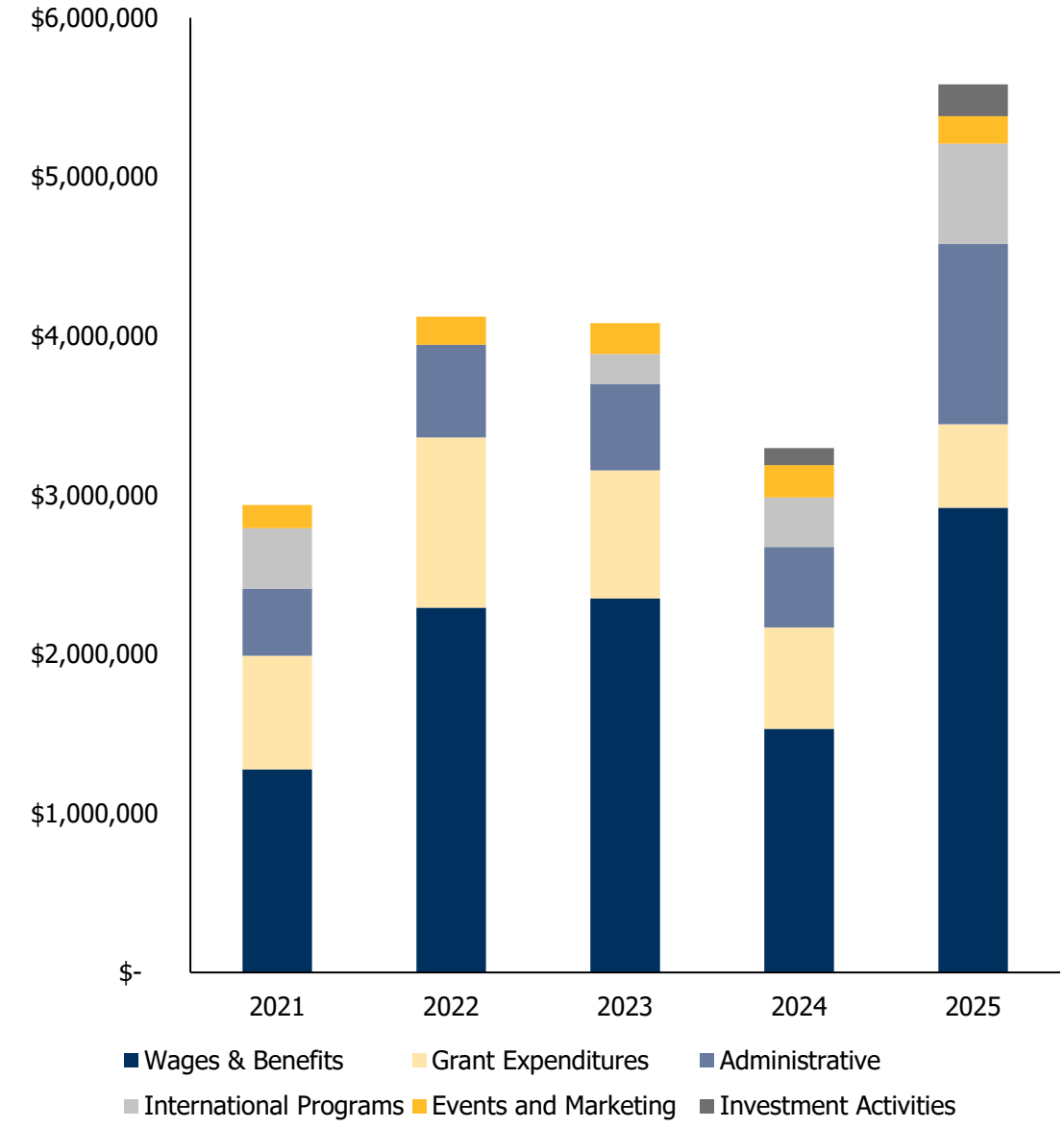
Figure A.1 Shows WTC Utah Annual Revenue Sources from 2021-2025. Private funding is WTC Utah's largest revenue source, expanding the impact of state investments in economic development.



Source: Auditor generated using WTC Utah data.

On average, from 2021 through 2025, 52 percent of WTC Utah's expenses were for staff salaries and benefits. The next largest expense was 19 percent for grant expenditures, and 16 percent for administrative costs. The remaining 14 accounted for international programs, events and marketing, and investment activities. Figure A.2 shows WTC Utah's annual expenses during this period.

Figure A.2 Shows WTC Utah Annual Expenses from 2021-2025. WTC Utah directs most of its resources toward staffing that support economic development activities.



Source: Auditor generated using WTC Utah data.



ZZ

Agency Response Plan



WORLD TRADE CENTER® UTAH

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August 14, 2026

Kade R. Minchey, CIA, CFE, Auditor General
Office of the Legislative Auditor General
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Salt Lake City, UT 84114-5315

Dear Mr. Minchey,

On behalf of World Trade Center Utah, thank you for the professionalism your team brought to the performance audit of World Trade Center Utah (Report #2026-19). We welcomed this audit and provided the audit team with financial records, contract reporting, program data, and direct access to our staff and systems over the past eight months.

We are grateful that the report confirms the substance of our work. The audit found that WTC Utah carried out the activities required under both of its state contracts and achieved the intended contract deliverables, that our participation fees are in line with our contract terms, and specifically that the audit "did not find that WTC Utah is charging fees in violation of its current contract." The report also documents what Utah gains from our public-private model: from 2021 through 2025, private sources provided an average of 45 percent of WTC Utah's funding and federal sources another 21 percent, allowing the State to support substantially more international economic development with fewer tax dollars. In 2025, that model delivered 394 business consultations, 377 investment facilitations, 43 inbound country visits, two Governor-led trade missions, and 81 grants to Utah businesses.

The strength of the public-private partnership model is how quickly it lets us respond when Utah businesses face an urgent need, as they did with tariffs from shifting policy in the current administration, and in the past with the pandemic and supply chain disruptions. As tariff and trade policy created urgent uncertainty for Utah businesses, WTC Utah convened a virtual tariff briefing in February 2025 and expanded it into the recurring weekly Trade & Tariff Briefing alongside a real-time tariff dashboard, delivering 57 virtual sessions through June 30, 2026. Attendance records show more than 2,600 external attendance instances, representing 440 distinct attendees. Nearly two-thirds of attendees returned for multiple briefings. That approach converted a flood of individual tariff questions into timely, accessible, repeatable guidance that could evolve as policy changed, and it extended our reach substantially while holding delivery costs relatively flat. Responding at that speed and scale was possible because our public-private structure lets us redirect capacity toward an emerging business need quickly, without waiting for a new appropriation. We raise this because there is a balance to strike. Clear expectations about deliverables and reporting are essential and we support them; at the same time, highly prescriptive line-item budgeting and reporting can limit our ability to move resources quickly as business needs change faster than an annual work plan can anticipate.

We also want to state our perspective on the question of double funding plainly: no activity, service, or cost is funded twice. Our two state agreements pay for different deliverables. The legislative pass-

through grant supports our core services to Utah businesses — one-on-one trade advisory work, market research and export assistance, foreign direct investment, and the team in South Korea. The Governor's Office of Economic Development (GOED) sole-source contract funds services delivered directly to GOED: diplomatic hosting, Governor-led trade missions, trade show organization, and SBA STEP grant administration.

We accept both recommendations directed to WTC Utah. It may help to describe how new trade opportunities (NTO) are developed. Utah businesses self-report their outcomes to us through client impact statements and post-engagement surveys. NTO sums actual sales, prospective sales, and actual investment resulting from that activity; reporting is voluntary in nearly all cases. Our current practices already meet or exceed the standards typical of trade promotion organizations, in part because our federal grant obligations, including SBA's State Trade Expansion Program (STEP), require a level of documentation and accountability beyond what state reporting alone asks of us.

On NTO, we will move to a three-tier reporting model — adding publicly announced to prospective and actual — and will follow up annually with every company that has reported NTO to confirm the status of that activity. This gives stakeholders a clearer picture of what our figures represent, and tracks reported opportunities as they mature, without requiring Utah companies to open confidential financial records to us, which would deter the voluntary reporting the metric depends on. We will also request supporting documentation from businesses that report NTO. We want to be candid that these requests may not always produce the result the audit envisions: companies are sometimes unable to share confidential financial records, and our ability to serve them depends on our ability to help them grow, not conditioning the relationship on their NTO disclosure. Our team reported against what the contracts asked of us, and how to strengthen this metric is a regular subject of discussion internally. We will continue to balance rigorous reporting with the business engagement that makes the underlying work possible.

Furthermore, NTO is a metric that is used to assess program performance rather than economic impact. NTO is a success of a company, not an economic development organization. We track this number and do not propose claiming it as a standalone success for WTC Utah, but rather an indicator of performance of the program(s) and organization(s) supporting that impact.

On reporting compliance, we recognize the step of uploading the annual financial audits to the state auditor's website was missing. We have already addressed the reporting requirements since being notified through this audit process. Past financial audits have been uploaded to the Office of the State Auditor and we have implemented a compliance calendar and assigned ownership and due dates for recurring reporting obligations. This gap was discovered to have occurred during a period of transition within the WTC Utah finance department. It did not involve the misuse of public funds or affect our financial records or program performance. Our financial statements are audited annually by an independent public accounting firm, reviewed by our Finance and Audit Committee, and accepted by our Board of Directors — on which GOED holds a seat — and to which our CFO and finance committee presents quarterly.

On grant reporting specifically, we did provide grant funding information in our quarterly and annual reports. However, we recognize that the data can be called out more clearly. We report each annual award within the quarter we are notified of it, and grant-related NTO is rolled into our overall

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NTO figure and attributed to the program the company participated in. That attribution is deliberate. If a company used grant funds to join a trade mission and we reported that outcome once as trade mission NTO and again as grant NTO, we would be double counting the same activity. We have not treated granting as a standalone reporting category for that reason.

More broadly, WTC Utah is committed to transparency and accountability in how we account for the public funds entrusted to us and will continue working with GOED in the clearest ways to report our efforts for the benefit of Utah's business community. We document our work thoroughly and will continue to improve our reporting systems to be more comprehensive; the format in which that work is reported is agile. If GOED would find a different presentation of our metrics, expenditures, or program results more useful for its own oversight and legislative reporting, we are willing and able to align our reporting templates with GOED's standards.

Alignment centered around a focus on Utah businesses is important. When deliverables, funding, and reporting expectations are clear, it ensures the strongest impact for all parties. We also remain committed to fulfilling deliverables within the scope of our contracts – this applies to our partners, the state, and the federal government. That shared clarity serves all parties, and it helps ensure that our reporting reflects the impact generated for Utah businesses.

The attached response plan addresses Recommendations 1.2 and 1.3, the two recommendations directed to World Trade Center Utah. Recommendations 1.1, 1.4, and 1.5 are directed to the Governor's Office of Economic Development. We stand ready to support that work. We have a plan to fulfil both of our recommendations by December 31, 2026 pending further conversations with GOED.

We appreciate your team's engagement and thoughtful questions throughout the past few months. An audit of this scale only sharpens our thinking about how we better serve Utah's business community. WTC Utah operates in a high-trust, high-visibility environment, and we take seriously our role as a trusted steward of public resources and Utah's reputation. Transparency in our work is not just a value; it's a policy we hold ourselves to. We welcome the opportunity to discuss further.

Warmly,

Jonathan Freedman
President & CEO
World Trade Center Utah

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Audit Response Plan

A Performance Audit of World Trade Center Utah — Report #2026-19

Office of the Legislative Auditor General · Submitted pursuant to Utah Code 36-12-15.3

Chapter 1 · Recommendation 1.2

"World Trade Center Utah should follow up with participating businesses to obtain documentation confirming completed transactions, investments, and other economic impacts. Expanding these efforts to verify and document realized outcomes would provide greater assurance that reported impacts are accurate and would better demonstrate the economic value generated through World Trade Center Utah's programs."

WTC Utah Response: Agree — will implement.

Two actions: a three-tier NTO reporting model, and an annual status follow-up with all reporting companies.

Who: Ben Kolendar, Chief of Staff, World Trade Center Utah — 60 E South Temple, Ste 300, Salt Lake City, UT 84111; bkolendar@wtcutah.com.

What: WTC Utah will report New Trade Opportunities (NTO) in three distinct tiers — prospective, actual, and publicly announced — rather than as a single aggregate figure, and will conduct an annual status follow-up with every company in its database that has reported NTO. Together these steps let stakeholders see exactly what WTC Utah's reported figures represent and keep those figures current as reported opportunities either mature or fall away.

NOTE: This is subject to further discussion with GOED.

How: WTC Utah will take the following steps:

- Adopt and document a three-tier NTO classification:
  1. Prospective: projected sales, sourcing, or investment reported by a Utah business;
  2. Actual: transactions or investments the reporting business confirms as completed;
  3. Publicly announced: activity corroborated by a company press release, public filing, or other public record.
- Report NTO by tier in WTC Utah's quarterly and annual reporting to GOED and in its annual report, so the composition of the total — not just the total — is visible to GOED, the Legislature, and the public.

- Conduct an annual follow-up with every company in WTC Utah's database that has reported NTO, confirming whether reported activity has been completed, is still pending, has changed in scale, or did not materialize.
- Update the record accordingly — including moving opportunities between tiers and removing activity that did not materialize — so that reported figures reflect current status rather than the original report.
- Record tier classification and annual follow-up results in WTC Utah's system of record.

Context: Business participation in outcome reporting is voluntary in nearly all cases, and NTO functions as a comparative indicator of program momentum — its value is in weighing the relative effectiveness of trade missions, market research, grant support, and investment work.

Documentation: Implementation will be validated by (1) WTC Utah's documented NTO tier definitions and reporting methodology; (2) quarterly and annual reports to GOED presenting NTO by tier; (3) system-of-record entries showing tier classification for each reported opportunity; and (4) records of the annual follow-up cycle, including status updates and reclassifications.

Timetable:

- **October 31, 2026 —** Three-tier definitions adopted and documented; system of record updated to capture tier classification; staff briefed on classification and follow-up procedures.
- **December 31, 2026 —** First annual follow-up cycle completed with all companies in the database that have reported NTO; calendar year 2026 NTO reported by tier.
- **Annually thereafter —** Follow-up cycle repeated and tiered reporting included in each annual reporting cycle.

When: Fully implemented by December 31, 2026, and recurring annually thereafter.

Chapter 1 · Recommendation 1.3

"World Trade Center Utah should strengthen its process for complying with contractual and State Auditor reporting requirements, including periodic management review of required reports. Enhancing oversight of the reporting process can help support complete, accurate, and timely reporting. Doing so would improve transparency and provide stakeholders with more reliable information on the use and results of public funds."

WTC Utah Response: Agree — implemented.

Past financial audits have been filed with the Office of the State Auditor and a compliance calendar is in place.

Who: Heather Garcia, Chief Financial Officer, World Trade Center Utah — 60 E South Temple, Ste 300, Salt Lake City, UT 84111; hgarcia@wtcutah.com. The Chief Financial Officer maintains the compliance calendar and owns all statutory and contractual financial filings.

What: WTC Utah has already remediated this deficiency. Its past financial audits have been uploaded to the Office of the State Auditor, and WTC Utah has developed and implemented a compliance calendar that assigns ownership and due dates for recurring external reporting

obligations, so that required filings are identified, tracked, and completed on time. The calendar is subject to periodic management review.

How: The following steps have been taken:

- WTC Utah's past financial audits have been uploaded to the Office of the State Auditor, bringing its filings current (COMPLETE)
- A compliance calendar has been developed and implemented, identifying each recurring external reporting obligation, its due date, and the individual responsible for completing it (COMPLETE)
- Management reviews the compliance calendar periodically to confirm that required filings are complete, accurate, and timely, satisfying the periodic management review element of this recommendation (ONGOING)

Context: The annual accounting report to the Office of the State Auditor had not been assigned an owner on a formal compliance calendar during a period of organizational transition to a full time CFO in 2021. No misuse of public funds was identified, and WTC Utah's financial records and program performance were unaffected. WTC Utah's financial statements are audited annually by an independent public accounting firm in accordance with Generally Accepted Auditing Standards; that audit is reviewed and approved by the Finance and Audit Committee and accepted by the Board of Directors, on which GOED holds a seat and to which the CFO and Treasurer present quarterly financial reports.

Documentation: Implementation is validated by (1) the financial audit reports filed with the Office of the State Auditor and the corresponding submission confirmations; (2) WTC Utah's compliance calendar showing each recurring obligation, due date, and assigned owner; and (3) records of periodic management review of the calendar.

Timetable:

- Past financial audits uploaded to the Office of the State Auditor (COMPLETE 7/28/26)
- Compliance calendar developed and implemented (COMPLETE 7/30/26)
- Periodic management review of the compliance calendar (ONGOING)

When: Implemented. Periodic management review continues on an ongoing basis.

Governor's Office *of* Economic Development

Governor
Spencer J. Cox

Lieutenant Governor
Deidre M. Henderson

Commissioner
Jefferson Moss

August 21, 2026

Kade R. Minchey, CIA, CFE, Auditor General
Office of the Legislative Auditor General
Utah State Capitol Complex
Rebecca Lockhart House Building, Suite W315
PO Box 145315
Salt Lake City, UT 84114-5315

Dear Mr. Minchey,

The Governor's Office of Economic Development (GOED) appreciates the time and effort the Office of the Legislative Auditor General (OLAG) has taken to audit the contract between GOED and World Trade Center Utah, as well as the professional and collaborative nature in which your office performed the audit. We accept the audit recommendations provided by OLAG and look forward to implementing them to further strengthen the programs, policies, and procedures of GOED in addition to the changes that we continue to make to strengthen Utah's economy. Please find our audit responses below.

Kind Regards,

Jeff Moss
Commissioner
Governor's Office of Economic Development

Chapter 1

Recommendation 1.1: We recommend the Governor's Office of Economic Development should review its current contract performance metrics for World Trade Center Utah to ensure they adequately measure program effectiveness. The Governor's Office of Economic Development should use these performance metrics to guide future funding allocations.

Department Response:

Who: Tara Rosander, Deputy Commissioner, 801.538.8680
What: GOED accepts the recommendation and will take necessary steps to implement.
How: GOED has reviewed its current contract performance metrics for World Trade Center Utah and has used this review to develop additional metrics to adequately measure program effectiveness.
Documentation: New contract with World Trade Center Utah
Timetable: A draft contract has been provided
When: The review has occurred and we are attempting to execute a new contract.

Chapter 1

Recommendation 1.4: We recommend the Governor's Office of Economic Development should specify how funds are to be spent in the new GOED contract to ensure resources are appropriately allocated to contract deliverables.

Department Response:

Who: Tara Rosander, Deputy Commissioner, 801.838.8680
What: GOED accepts the recommendation and will take necessary steps to implement.
How: GOED has specified in the new contract with World Trade Center Utah how the money is to be spent as detailed in Attachment D of the proposed contract.
Documentation: New GOED contract
Timetable: A draft contract has been provided
When: GOED is currently attempting to execute a new contract.

Chapter 1

Recommendation 1.5: We recommend the Governor's Office of Economic Development should require contract expenses to be reported regularly based on the

key deliverables outlined in the GOED contract to ensure allocations are appropriate and directed toward their best use.

Department Response:

Who: Tara Rosander, Deputy Commissioner, 801.838.8680
What: GOED accepts the recommendation and will take necessary steps to implement.
How: As detailed in Attachment B of the new proposed contract, GOED requires various quarterly reporting on the key deliverables outlined in the contract
Documentation: New GOED Contract
Timetable: A draft contract has been provided
When: GOED is currently attempting to execute a new contract.



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