



MONTANA LEGISLATIVE AUDIT DIVISION

FINANCIAL-COMPLIANCE AUDIT

Department of Agriculture

For the Two Fiscal Years Ended June 30, 2011

OCTOBER 2011

11-21

REPORT SUMMARY

The department of Agriculture’s State Grain Lab deposits revenue weekly, even though its level of collections requires more frequent deposits.

Context

The Department has 124.5 employees and is organized under three divisions; Agricultural Sciences Division, Agricultural Development Division, and Central Services Division. Expenditures totaled approximately \$25.9 and \$24.6 million in fiscal years 2011 and 2010 respectively. Approximately 10 percent of the Department’s funding is derived from the General Fund, while over 50 percent of the funding is generated primarily from Licenses and Permits and Taxes on Agricultural Products. Another 30 percent is derived from Charges for Services for the Hail Insurance Program.

Results

There is one recommendation resulting from our audit.

The State Grain Lab (SGL) had not deposited collections in compliance with state law. The SGL bills and collects payment for the testing services provided to grain producers and elevators. We found the SGL is depositing their collections weekly while state law requires deposits to be made on a timelier schedule.

Recommendation Concurrence	
Concur	1
Partially Concur	0
Do Not Concur	0
<b>Source: Agency audit response included in final report.</b>	

For a complete copy of the report (11-21) or for further information, contact the Legislative Audit Division at 406-444-3122; e-mail to [lad@mt.gov](mailto:lad@mt.gov); or check the web site at <http://leg.mt.gov/audit>  
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