

# **Milk Control Bureau and Board of Milk Control**

## **Department of Livestock**

**Audit Objectives:** *(what the audit intends to accomplish or questions auditors will answer)*

Do the Milk Control Bureau and Board of Milk Control ensure that Montana's milk industry is effectively regulated through producer pricing, pooling, and quota?

**Audit Scope:** *(the boundary of the audit & subject matter auditors will assess)*

- Audit scope will focus on the bureau's regulatory policies and activities between 2014 and 2019, with an emphasis on recent years (2018 and 2019)
- Analyze trends of milk production and consumption both in Montana and nationally to understand the milk industry
- Review production records from operating dairy farms in Montana to compare recent production with awarded quota.
- Determine how the Milk Control Bureau uses USDA base prices and Montana price differentials to calculate the monthly Montana class utilization prices
- Assess Montana's statewide pooling structures and other state or national regulatory practices
- Survey milk producers regarding how the current milk control structures and regulations are working for the industry.