

UDAF Accountable Budget Review Update



UDAF Fee Schedule

LFA Recommendation:

We recommend the department report by June 1, 2023, a fee schedule analysis for conciseness, internal versus external fees, schedules that incentivize timely renewals, and for fee amounts that are set in accordance with UCA 63J-1-504.

Action by the Department:

- Reduction of 44 fees for FY2024, with additional reductions planned for FY2025
- Annual review of fees includes comparison of revenues and expenses at the fee level
- Coding changes effective July 1, 2023 for improved data collection
- Implementation of cost accounting function in FINET to reduce manual calculations



Agriculture Resource Development Loan Fund Rules

LFA Recommendation:

We recommend the Legislature requiring the department to create rules that would address loan fund balance minimums, the ability to charge service fees, when to recalculate interest rates, and the grant awards authorized under UCA 4-18-108.

Action by the Department:

The following changes to policy and rules have been written to be considered for approval at the next UCC meeting.

- Loans limited to \$250,000 if fund balance is \$3.5 million or below
- UCC consideration of interest rate changes may be made based on economic factors and staff recommendations
- An administrative fee will be charged if available funds balance is \$3.5 million or below
- Grant guidelines added and grants are only allowed if available funds balance is at least \$10 million



Analytical Lab Billing

LFA Recommendation:

We recommend that the department works with the LFA to identify the potential advantages and disadvantages of creating an internal service fund for their analytical lab.

Action by the Department:

The department met with LFA and determined creation of an internal service fund to not be the best option.

The department will identify all costs associated with lab tests performed for other divisions within the agency and obtain revenue transfer authority to internally transfer the funds in accordance with the Budgetary Procedures Act.



Medical Cannabis Fee Revenue

LFA Recommendation:

We recommend that the following intent language be included in the base budget for the Qualified Production Enterprise Fund: “The Legislature intends that the Department of Agriculture and Food create unique revenue codes for each fee deposited into the Qualified Production Enterprise Fund.”

Action by the Department:

An Alternative process was proposed to LFA to achieve the intent of this recommendation:

Beginning in FY2024, the department will send a monthly report to LFA with a summary of revenues by fee of the Medical Cannabis Program.

