

DEPARTMENT OF AGRICULTURE AND FOOD

AUDIT REQUIREMENTS

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: Craig W. Butters

LONG TITLE

General Description:

This bill removes the requirement that a licensed accountant who audits certain accounts be selected by the commissioner and approved by the state auditor and makes technical amendments.

Highlighted Provisions:

This bill:

- ▶ deletes the requirement that a licensed accountant who audits certain accounts be selected by the commissioner and approved by the state auditor;
- ▶ amends provisions relating to the auditing of the Utah Dairy Commission's accounts so that the accountant performing the audit is selected by the commission rather than by the commissioner; and
- ▶ makes technical amendments.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

4-21-5, as last amended by Chapter 134, Laws of Utah 1985

4-22-8, as last amended by Chapter 9, Laws of Utah 2002

4-23-8, as last amended by Chapter 3, Laws of Utah 1982

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **4-21-5** is amended to read:

4-21-5. Revenue from fees to be used to promote beef industry -- Payment of revenue monthly to Utah Beef Council -- Deduction of costs of administration and processing funds -- Annual audit of books, records, and accounts -- Financial statement of audit published.

(1) (a) All revenue derived from the collection of fees authorized by this chapter ~~[is]~~ shall be used to promote the beef industry of the state ~~[with]~~ and the revenue ~~[generated]~~ shall be paid to:

(i) the Utah Beef Council, a Utah nonprofit corporation organized ~~[for the purpose of promoting]~~ to promote Utah beef~~[-];~~; or ~~[to]~~

(ii) an agency, acceptable to the department, with the concurrence of the Utah Cattlemen's Association~~[-, or a]~~.

(b) The revenue shall be paid monthly ~~[basis]~~, as requested by the council or appointed agency, ~~[with a deduction of]~~ and the actual costs of administration ~~[of]~~ for processing the funds shall be deducted before disbursing the funds.

(2) (a) The books, records, and accounts of the Utah Beef Council or appointed agency ~~[are]~~ shall be audited at least once annually by a licensed accountant ~~[selected by the commissioner and approved by the state auditor]~~.

(b) The results of the audit ~~[are]~~ shall be submitted to the commissioner, and a financial statement of the audit and a general statement of operations and promotional and advertising activities shall be published by the council or appointed agency in a major livestock publication having general circulation in Utah.

Section 2. Section **4-22-8** is amended to read:

4-22-8. Revenue from assessment used to promote dairy industry -- Deposit of funds -- Annual audit of books, records, and accounts -- Annual financial report to producers.

(1) The revenue derived from the assessment imposed by Section 4-22-7 shall be used

exclusively for the:

- (a) administration of this chapter; and
- (b) promotion of the state's dairy industry.

(2) (a) A voucher, receipt, or other written record for each withdrawal from the Utah Dairy Commission Fund shall be kept by the commission.

- (b) No funds shall be withdrawn from the fund except upon order of the commission.

(3) The commission may deposit the proceeds of the assessment in one or more accounts in one or more banks approved by the state as depositories.

- (4) The books, records, and accounts of the commission's activities are public records.

(5) (a) The accounts of the commission shall be audited once annually by a licensed accountant selected by the ~~[commissioner]~~ commission and approved by the state auditor.

- (b) The results of the audit shall be submitted to the:

- (i) commissioner;
- (ii) commission; and
- (iii) Division of Finance.

(c) It is the responsibility of the commission to send annually a financial report to each producer.

Section 3. Section **4-23-8** is amended to read:

4-23-8. Proceeds of sheep fee -- Refund of sheep fees -- Annual audit of books, records, and accounts.

(1) (a) The commissioner ~~[is authorized to expend]~~ may spend an amount not to exceed the equivalent of 16 cents per head each year from the proceeds collected from the fee imposed on sheep for the promotion, advancement, and protection of the sheep interests of the state.

(b) All costs to promote or advance sheep interests shall be deducted from the total revenue collected ~~[prior to]~~ before calculating the annual budget request ~~[to]~~, which shall be made by the Division of Wildlife Resources as specified in Section 4-23-9.

(c) A sheep fee is refundable in an amount equal to that part of the fee used to promote, advance, or protect sheep interests. ~~[No claim for]~~

(d) A refund ~~[is allowed however, unless]~~ claim must be filed with the department on or before January 1 of the year immediately succeeding the year for which the fee was paid. ~~[Each]~~

(e) A refund claim ~~[for refund shall]~~ must be certified by the department to the state treasurer for payment from the Agricultural and Wildlife Damage Prevention Account created in Section 4-23-7.5.

(2) Any expense incurred by the department in administering refunds shall be paid from funds allocated for the promotion, advancement, and protection of the sheep interests of the state.

(3)(a) The books, records, and accounts of the Utah Woolgrowers Association, or any other organization which receives funds from the agricultural and wildlife damage prevention account, for the purpose of promoting, advancing, or protecting the sheep interests of the state, shall be audited at least once annually by a licensed accountant ~~[selected by the commission and approved by the state auditor].~~

(b) The results of ~~[such]~~ this audit shall be submitted to the commissioner.