

POSITION DESCRIPTION

Agriculture Auditor 3 – Producer Security Section (Grain)

Division of Trade and Consumer Protection – Bureau of Business Trade Practices

Page 1 of 4

POSITION SUMMARY

This is the objective level auditor position, performing field audits and investigations of a technical nature of grain warehouse keepers and grain dealers. The purpose of these audits is to examine grain inventories and financial records of facilities that buy, sell or store grain, the to determine compliance with provisions of Wis. Stat. Chapter 126, also known as the Agricultural Producer Security Act. Many of the businesses audited are large multi-location or multi-state firms.

This position functions under general supervision and may train or guide the work of lower-level auditors. This position may also perform financial review analysis of CPA audited and reviewed financial statements filed with the Department. In case of emergency, or as workload demands, this position may be assigned other tasks of a similar nature.

GOAL AND WORKER ACTIVITIES

30% GOAL A: Measure, audit, and evaluate the physical inventory of grain held by grain warehouse keepers and grain dealers, in accordance with standards of Wis. Stat. ch. 126 and Admin. Code ch. 99.

- A.1 Measure and diagram new and existing storage facilities, to determine the storage capacity of each building, bin, hopper, dryer, etc.
- A.2 Determine grain inventory by measuring the grain in each building, bin, etc., and through the use of geometric formulas, mathematical calculations, test weights, and grain pack factors, calculate both the amount of grain per foot and the total amount of grain in holding.
- A.3 Examine the warehouse receipts to look for evidence of forwarded grain.
- A.4 Calculate total grain inventory by adding together grain inventory and forwarded grain.
- A.5 Examine warehouse receipt registers to determine what warehouse receipts are outstanding and calculate total bushels for which warehouse receipts have been issued.
- A.6 Examine individual producer settlement sheets and scale tickets to determine the amount of grain held in open storage for producers and the amount of grain being held in Grain Bank for producers.
- A.7 Examine deferred pricing and basis contracts, both purchases and sales, to:
 - Determine quantity of grain received and unpriced.
 - Determine the amount of grain sales made and shipped but unpriced.
 - Determine the portion of grain hedged on the futures market.
- A.8 Examine Daily Position Records (DPR) and reconcile these records with physical grain on hand and storage/sales records.
- A.9 Review audit reports of other auditors for completeness and accuracy.
- A.10 Train new auditors on the complex procedures of auditing grain warehouses and measuring grain inventory.

POSITION DESCRIPTION

Agriculture Auditor 3 – Producer Security Section (Grain)

Division of Trade and Consumer Protection – Bureau of Business Trade Practices

Page 2 of 4

20% GOAL B: Apply accounting principles and auditing techniques to complete grain audits.
Conduct additional research, investigation, and calculations to determine the financial health of companies and evaluate their business operations.

- B.1 Compute the checkbook balance and the margin account balance to verify the balances in these two accounts.
- B.2 Review financial statements and analyze the current ratio and debt to equity ratio.
- B.3 Examine trade accounts receivable and prepare an aging schedule to evaluate the collectability of accounts receivable.
- B.4 Examine trade accounts payable and prepare an aging schedule to determine timeliness of payments.
- B.5 Analyze insurance coverage on grain inventory, verifying that the amount of insurance is adequate to cover existing inventory, using local market prices per bushel for each type of grain.
- B.6 Spot-check incoming grain transactions by tracing a sample of scale tickets for each type of grain transaction (grain bank, warehouse receipted grain, open storage, deferred price purchase, cash purchase) from the producer settlement sheet, through the subsidiary ledger to the general ledger.
- B.7 Send verification letters to confirm open storage, grain bank, and deferred price purchases where grain has been received and to verify the company's position in the commodities futures market.
- B.8 For all companies that do not provide audited financial statements, send confirmation letters to a random sample of entities listed on the accounts receivable ledger and accounts payable ledger.
- B.9 Examine all futures purchase and sales contracts that the company has executed on the Chicago Board of Trade, or other commodity markets, to determine if the company is properly hedging or if they are in a speculative position.

20% GOAL C: Document audit findings and provide consultation, issue corrective action directives, or recommend other appropriate action.

- C.1 Alert the Department to problems of insufficient grain on hand to meet storage obligations.
- C.2 Compose audit reports and issue memorandums of adjustment, pointing out problems and making recommendations regarding corrective action to be taken.
- C.3 Hold exit conferences to discuss audit findings with company representatives, pointing out discrepancies and corrective action needed.
- C.4 Review and evaluate responses to each memorandum of adjustment issued following the audit.

POSITION DESCRIPTION

Agriculture Auditor 3 – Producer Security Section (Grain)

Division of Trade and Consumer Protection – Bureau of Business Trade Practices

Page 3 of 4

15% GOAL D: Conduct follow-up compliance enforcement activities to determine whether a warehouse keeper or grain dealer has made the necessary corrections recommended in previously issued memorandums of adjustments or whether formal action should be brought against a warehouse keeper or grain dealer.

- D.1 Conduct follow-up audits of warehouse keepers or grain dealers for compliance with Wis. Stat. Chapter 126.
- D.2 Prepare audit reports, including all necessary exhibits, and indicate if corrective action has been accomplished or whether corrective action still needs to be taken.
- D.3 Recommend any necessary enforcement action, including preparing warning letters, special orders, or assisting prosecutors with drafting legal documents.
- D.4 Testify at administrative or court proceedings relative to audit findings.

10% GOAL E: Determine whether warehouse keepers and grain dealers have financial liquidity issues, including analyzing CPA audited or reviewed financial statements, to determine whether certain financial standards have been met, and whether security filed with the Department is sufficient.

- E.1 Analyze audit findings relative to statutory standards.
- E.2 Ensure licensee is properly reporting storage and purchase amounts.
- E.3 Submit a report of findings, including items such as a quick ratio of assets to liabilities.
- E.4 In cases of noncompliance, report and recommend an appropriate course of action to Producer Security Section Chief.
- E.5 Participate with follow-up or field work as directed, to evaluate compliance regarding enforcement actions.

5% GOAL F: Conduct outreach activities regarding department policies and state statutes.

- F.1 Draft Program wide brochures and fact sheets for distribution for use at events and trade shows.
- F.2 Educate producers who also serve as contractors. Identify potential contractors through directories, newspaper ads, etc.
- F.3 Train organizations on best accounting practices and the filing of license applications or monthly reports.
- F.4 Perform other duties as assigned.

POSITION DESCRIPTION

Agriculture Auditor 3 – Producer Security Section (Grain)

Division of Trade and Consumer Protection – Bureau of Business Trade Practices

Page 4 of 4

KNOWLEDGE, SKILLS, AND ABILITIES REQUIRED BY THIS POSITION

1. Extensive knowledge of generally accepted accounting principles, and auditing methods and procedures.
2. Extensive knowledge of algebraic and geometric principles and the skill to apply these principles.
3. Extensive knowledge of Wis. Stat. Chapter 126, Agricultural Producer Security Act, and federal grain dealers and warehouse keepers grain programs.
4. Extensive knowledge relative to the commodity market, futures pricing, and hedging.
5. Skill in climbing great heights and extensive knowledge of safety factors and hazards encountered in warehouse operations.
6. Skill in communicating, both written and public speaking, with groups or on a one-to-one basis.

SPECIAL REQUIREMENTS

- A. Regular travel (75%) to audit grain facilities and warehouses is required.
- B. Must possess a valid driver's license, personal automobile insurance, and a motor vehicle for work use. Note: mileage compensation is paid to employees approved for use of personal motor vehicle for official work duties.
- C. Professional training in accounting or auditing such as that which would be acquired by earning a bachelor's degree in accounting or auditing from an accredited post secondary college/university; or commensurate work experience and training.

PHYSICAL DEMANDS

The auditor must have the physical strength to climb grain bins approx. once a week to inventory grain. Bins heights generally range between 20 – 60 feet but may be as high as 100 feet.

WORKING ENVIRONMENT

Some of the auditor's work takes place in the typical office situation, but much of the work will be done at the business location under less-than-ideal conditions. Perform work in an environment that includes such factors as foul air, grain dust, inclement weather, extreme heights and moving machinery.