

## POSITION DESCRIPTION

Agriculture Auditor (Grain) – Producer Security Section

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

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## POSITION SUMMARY

This is an entry level position, performing field audits and inspections 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 to determine compliance with provisions of Wis. Stat. chapter 126, also known as the Agricultural Producer Security Act.

This position functions under close progressing to limited supervision. This position will diagram and measure grain inventory; examine receipts, settlement sheets, scale tickets, Daily Position Records and related documentation for accuracy and completeness; conduct a full financial audit of accounts, checkbook balances and insurance coverage; and examine all contracts executed to assess proper hedging. Audits are restricted to small, routine or less complex entities, but may also assist other auditors in performing larger or more complex audits. This position may be assigned other tasks of a similar nature.

## GOAL AND WORKER ACTIVITIES

**50% 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. chapter 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 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 producer and the amount of grain being held in Grain Bank for producers.
- A.7 Examine Daily Position Records (DPR) and reconcile these records with physical grain on hand and storage/sales records.
- A.8 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.9 Assist higher level auditors in conducting large or complex audits/investigations.

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**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 Examine trade accounts receivable and prepare an aging schedule to evaluate the collectability of accounts.
- B.2 Examine trade accounts payable and prepare an aging schedule to determine timeliness of payments.
- B.3 Compute the checkbook balance and the margin account balance to verify the balances in these two accounts.
- B.4 Review financial statements and analyze the current ratio and debt to equity ratio.
- 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, and evaluate responses.

- 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.

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**10% GOAL D:** Conduct follow-up compliance enforcement activities to determine whether a warehouse keeper or grain dealer has made the necessary corrections recommended in the memorandum 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.
- D.4 Testify at administrative or court proceedings relative to audit findings.

## 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 mathematics including algebra and geometry, and the ability to accurately apply the formulas.
- 3. Extensive knowledge of Wis. Stat. Chapter 126, Agricultural Producer Security Act, and familiarity with federal warehouse keepers grain program.
- 4. Extensive knowledge relative to the grain industry, commodity market, futures pricing, and hedging.
- 5. Ability to climb great heights and accurately measure grain in storage units.
- 6. Knowledge of grain warehouse and dealer facilities and operations, including potential hazards and safety precautions.
- 7. Skill in communicating, both written and public speaking, with groups or on a one-to-one basis.

## SPECIAL REQUIREMENTS

- A. 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.
- B. Regular travel to spend about 75% of the time to audit facilities is required.
- C. Possession of, or ability to obtain a valid driver's license, or the ability to provide one's own transportation for work assignments is required, including personal automobile insurance and a motor vehicle for work use.

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## **PHYSICAL DEMANDS**

This position requires that an auditor must have the physical strength to climb grain bins approximately once a week to inventory grain. Bin heights generally range from 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.

Updated 2/28/2024 RG