

LBA Financial Audit Report Summary:

Department of Agriculture, Markets and Food Audit Report for the Eighteen Months Ended December 31, 1995

For the purpose of this audit, the reporting entity was defined as the New Hampshire Department of Agriculture, Markets and Food (Department) including the administratively attached Board of Veterinary Medicine (Board).

The Department of Agriculture was established in 1913 pursuant to RSA 425:1 to promote the agriculture of the state. Chapter 130:1 Laws of 1995, reestablished the Department, effective July 23, 1995, as the Department of Agriculture, Markets and Food. The general functions and responsibilities of the Department are outlined in RSA 425:2. RSA 435:14 directs the Commissioner of the Department to exercise general supervision over the clerical personnel of the State Board of Veterinary Medicine, who work within the Department's office.

The Department is headed by a Commissioner appointed by the governor, with the consent of the council, for a five-year term. An advisory board consults with and advises the Commissioner with respect to the policies, programs and operations of the Department.

The Department is organized into six divisions including: the Office of the Commissioner, the Division of Agricultural Development, the Division of Pesticide Control, the Division of Animal Industry, the Division of Plant Industry, and the Division of Markets and Standards. The Board of Veterinary Medicine is administratively attached to the Department.

Our report included a total of 39 observations. There was one material weakness related to inadequate documentation of the Department's agency funds. There were also 15 other reportable, internal control conditions including comments on the commingling of agency funds, expenditures charged to incorrect organization and class codes, and receipt and deposit procedures. Three of the internal control observations related to the operations of the Board.

The report also included 12 state compliance observations, two of which related to the Board, and four federal compliance observations. Compliance observations included the filing of statements of financial interests and the lack of approval for the Department's establishment of agency relationships and the opening of Department checking accounts.

There were seven management issue observations in the report including comments on strengthening the Department's accounting control structure, reorganizing the Bureau of Weights and Measures, and the use of State-owned equipment.