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State Audit Finds Agriculture Department Not Inspecting All Commercial Scales

DENVER—The Office of the State Auditor (OSA) issued its performance audit of the Measurement Standards Program at the Department of Agriculture (Department) and its Inspection and Consumer Services Division (Division). Overall, auditors concluded that the Division needed to improve its inspections of scales and price verifications, enforcement when inspections identify violations, and data and complaint management.

The Division is responsible for licensing and inspecting the accuracy of devices used to weigh and measure products for retail sale, such as grocery store checkout scales, truck scales, and shipping scales. The Division also conducts inspections to ensure the accuracy of retail prices.

Auditors found the Division has not been inspecting all commercial scales, as required by law. For example, in 2023, auditors noted that the Division did not inspect at least 3,434 licensed devices across 636 businesses in the state. Auditors also determined that the Division only conducted price verification inspections on less than 1 percent of retail businesses.

When auditors visited businesses licensed by the Division, they observed a grocery scale overweighing items by 0.29 pounds, which meant that if an average of 60 customers per day purchased \$5 of weighed goods using that scale, consumers could be overcharged by more than \$31,000 in a year. "When a checkout scale at a grocery store weighs items incorrectly for every transaction, a single scale can affect a lot of people," said Laura Russell, Legislative Audit Supervisor.

The audit report also noted that Division enforcement processes needed improvement. Auditors found that the Division often did not know if scales had been repaired or replaced after inspectors identified a violation. For the majority of scales that auditors reviewed where the Division had found that the scales were not measuring accurately, the Division had no record of the scale being repaired or removed from service.

When looking at how the Division handled consumer complaints about prices and scales, auditors reported that for 7 of the 35 complaints received in 2022 and 2023, the Division did not follow up or inspect the businesses after the complaints were filed. When the Division did deal with complaints, its response was not always timely. For example, one complaint about a grocery store's inaccurate prices was not investigated for 425 days.

Lastly, auditors reported that the Division did not have accurate data needed to run the Measurement Standards Program effectively, or monitor its performance. For instance, the Division did not know how many devices needed to be inspected or how many inspections it actually conducted.

The State Auditor's report made a total of 11 recommendations to the Department's management to strengthen the Measurement Standards Program inspections, enforcement, data, and complaint management.

The full report is available @ www.colorado.gov/auditor.

About the Office of the State Auditor

Under the direction of State Auditor Kerri L. Hunter, the OSA's nonpartisan, professional staff promote government accountability by conducting independent performance, financial, and IT audits and evaluations of State departments, agencies, institutions of higher education, special purpose authorities, and tax expenditures (e.g., credits, exemptions, deductions). The OSA also tracks about 4,000 Colorado local governments for compliance with the Local Government Audit Law, and operates a statewide fraud reporting hotline.

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