

## **AUDIT PROPOSAL**

### **Department of Agriculture: Evaluating the Animal Facilities Inspections Program**

#### **SOURCE**

This audit proposal was jointly requested by Senator Marci Francisco, Senator Mary Jo Taylor, and Senator Dan Kerschen.

#### **BACKGROUND**

In 2011, Executive Order 40 reorganized the Kansas Animal Health Department as a division within the Kansas Department of Agriculture. One of the programs administered by that division is the Animal Facilities Inspections program, which regulates companion animal facilities required to be licensed under the provisions of the Kansas Pet Animal Act. The act requires licensing and inspection of the following:

- dog and cat breeders who produce, offer, or sell three or more litters during the state fiscal year
- pounds, shelters and animal rescues
- pet shops
- research facilities
- distributors (in and out-of-state)
- boarding facilities

All facilities listed above must submit a yearly veterinary care form, valid for one year from the date signed by a licensed veterinarian. The Animal Facilities Inspection field staff inspect and regulate these licensed facilities throughout the state. Office staff maintains licenses, health papers and correspondence pertaining to the program.

Our office conducted two performance audits of the Animal Facilities Inspection program prior to it being absorbed by the Department of Agriculture. These audits identified several problems with how the program was managed. Our 1990 audit found the department had not established operating procedures, had not done an adequate job of identifying which businesses to regulate, and had not adequately inspected the animal breeders and dealers it regulated. Our 2002 audit found the department had made significant improvements in regulating licensees, but noted a number of facilities had not been inspected in a timely manner and the department lacked a documented and well-defined system for sanctions.

#### **AUDIT OBJECTIVES AND TENTATIVE METHODOLOGY**

*The audit objectives listed below represent the questions that we would answer through our audit work. The proposed steps for each objective are intended to convey the type of work we would do, but are subject to change as we learn more about the audit issues and are able to refine our methodology.*

**Objective 1: Are the policies and practices of the Department of Agriculture's Animal Facilities Inspection program adequate to ensure fair and consistent inspections that help enhance animal health?** Our tentative methodology would include the following:

- Review professional literature and interview officials from the U.S. Department of Agriculture's Animal and Plant Health Inspection Service, the American Veterinary Medical Association, and other subject matter experts to identify best practices for animal facility regulatory programs.
- Interview program staff and review inspection reports to determine whether the programs policies and procedures adhere to best practice and are being followed by program staff. As part of that work, specifically evaluate whether the program's inspection reports accurately record results in a consistent and usable format to help evaluate, improve and report on the program outcomes.
- For a sample of inspections, interview program staff, individuals with business licensed through the program inspection documents to evaluate whether the inspections are being consistently performed across licensees.
- For a sample of inspections, interview program staff and review program documents to determine whether program officials take appropriate enforcement actions against facilities that have violated state laws and regulations.

**Objective 2: Is the Animal Facilities Inspection program adequately funded, managed, and staffed to efficiently and effectively carry out its responsibilities?** Our tentative methodology would include the following:

- Review professional literature and interview officials from the U.S. Department of Agriculture's Animal and Plant Health Inspection Service and other subject matter experts to identify benchmarks in areas such as staffing levels and best practices for inspection and enforcement practices.
- Compare the program's current staffing levels against relevant benchmarks to determine whether the program appears to be operated in an efficient manner.
- Interview program officials to identify the program's primary responsibilities and review relevant data to determine whether the program appears to be satisfying those responsibilities in an effective manner.
- Compare the program's current inspection and enforcement process to industry best practices to determine whether the program appears to be operated in an efficient and effective manner.

**Objective 3: To what extent have the conditions in commercial breeding operations in Kansas changed since our audit of the Animals Facilities Inspection program in 2002?** Our tentative methodology would include the following:

- Collect data snapshots from program officials and from the U.S. Department of Agriculture on the number and types of commercial breeding operation inspection results, enforcement actions, and complaints since our 2002 audit.
- Analyze that data to determine whether it appears conditions in commercial breeding operations have improved or worsened since our 2002 audit and identify any significant program changes since that time.
- Survey stakeholders of commercial breeding operations to collect their opinion of whether the program has had a positive or negative effect on the conditions in commercial breeding operations since 2002.

### **ESTIMATED RESOURCES**

We estimate this audit would require a team of **three (3) auditors** for a total of **five (5) months** (from the time the audit starts to our best estimate of when it would be ready for the committee).