



OFFICE OF THE STATE AUDITOR



FOR IMMEDIATE RELEASE

Contact: Stelios Pavlou (303) 869-2833
stelios.pavlou@state.co.us

DIANNE E. RAY, CPA
STATE AUDITOR

July 14, 2015

PET ANIMAL CARE FACILITIES NOT BEING EFFECTIVELY OVERSEEN

DENVER— An audit by the Colorado Office of the State Auditor (OSA) has found that the Department of Agriculture (Department) lacks sufficient oversight of the inspection process for licensed pet care facilities and lacks effective controls to ensure their timely inspection. The audit also found that the Department lacks the effective use of enforcement authority against non-compliant facilities, and has not implemented sufficient controls to ensure that inspectors identify and disclose actual or perceived conflicts of interest. The Department's Pet Animal Care Facilities Act Program (Program) licenses and inspects facilities that care for pet animals, which includes breeders, boarders, shelters, groomers, and trainers. As of January 2015, the Program had 1,839 licensed facilities in its database. The Program has just five inspectors tasked with inspecting facilities, locating unlicensed facilities, and conducting complaint investigations across the state. The Program is funded through license fees, which are collected each year and range from \$175 to \$400, depending on the type of license issued.

However, as of January 2015, the Program had failed to conduct routine inspections within the prescribed timeframe at 357 of the 1,839 licensed facilities, which is 19 percent of facilities. Of those 357 facilities, 143 were more than a year overdue for an inspection, while one facility was more than two years overdue. In Calendar Year 2014, the Program had failed to conduct complaint investigations within the 5 day requirement for 13 of the

OFFICE OF THE STATE AUDITOR
1525 SHERMAN STREET
7TH FLOOR
DENVER, 80203
COLORADO

303.869.2800

20 complaints that the audit sampled, and one investigation did not occur until 47 days after the complaint was received by the Department.

The audit also found that the Department does not regularly or consistently enforce penalties against facilities found to be in violation of regulations. Of the 45 routine inspections sampled by the audit, inspectors identified at least one violation at 36 facilities with eight of the 36 facilities found to have five or more violations, some of which directly affected the health and welfare of the animals in their care. However, the Department did not issue civil fines, cease and desist orders, or license suspensions or revocations for any of these facilities. Additionally, the audit found that the Department lacks key controls for ensuring that inspections and enforcement actions are consistent among inspectors and that all pet care facilities are treated equitably across the state. Auditors found that inspectors did not consistently classify the severity level of violations, conduct reinspections, or fail facilities when violations were uncovered.

Separately, the audit also found that the Department lacks sufficient controls for ensuring staff identify and disclose actual and perceived conflicts of interest in order to ensure public confidence in the Program.

The OSA has made four recommendations to the Department of Agriculture. The full report is available electronically on the OSA's website, <http://www.leg.state.co.us/OSA/coauditor1.nsf/Home?openform>, via the link called "OSA Audit Reports."

Under the direction of the state auditor, the OSA is the state's nonpartisan, independent external auditor with broad authority to audit state agencies, departments, institutions of higher education, and the Judicial and Legislative Branches. The OSA's professional staff serve the people of Colorado by addressing relevant public issues through high-quality, objective audits and reviews that promote accountability and positive change in government. Performance audits address whether programs operate in compliance with laws and regulations and in a manner that accomplishes intended program goals. Financial audits include annual audits of the state's

basic financial statements and federal grants on a statewide level. IT audits review procedures and technology to ensure the confidentiality, integrity and availability of the state's critical computer systems and taxpayer data. The OSA also tracks about 4,000 Colorado local governments for compliance with the Local Government Audit Law.