



U.S. Department of Agriculture
Office of Inspector General



IMPORTANT NOTICE

This audit report contains sensitive information that has been redacted for public release due to privacy concerns.

Animal Care Program Oversight of Dog Breeder Inspections

Audit Report 33601-0001-22

OIG assessed whether dog breeders corrected previous noncompliances and whether APHIS carried out enforcement actions for substantiated AWA violations.

OBJECTIVE

Our objectives were to determine: (1) whether selected dog breeders corrected AWA noncompliances previously identified by the agency; and (2) whether the agency carried out enforcement actions on dog breeders with substantiated AWA violations during our scope period.

REVIEWED

We reviewed activities for dog breeders between [REDACTED] and [REDACTED]. Additionally, we reviewed applicable laws, regulations, and APHIS' AC policies, procedures, and inspection reports. We also accompanied APHIS inspectors at dog breeder facilities and reviewed APHIS' enforcement actions on substantiated AWA violations.

RECOMMENDS

We recommend that APHIS: (1) strengthen its inspection process to ensure inspection due dates are properly calculated; (2) provide additional training on dog breeder inspections and ensure consistency; (3) establish a process to ensure complaints are closed timely; and (4) perform a risk assessment of the complaint process.

WHAT OIG FOUND

The U.S. Department of Agriculture Animal and Plant Health Inspection Service (APHIS) is responsible for upholding the Animal Welfare Act (AWA), and APHIS' Animal Care (AC) unit is responsible for AWA oversight and enforcement. The AWA requires that all facilities, including dog breeder facilities, that conduct regulated activities under the Act obtain a license or registration with APHIS. After a facility obtains a license or registration, APHIS determines its ongoing compliance by conducting unannounced inspections. APHIS also performs inspections in response to complaints from the public or other Government entities against facilities regarding regulated activity.

We found that [REDACTED] of the [REDACTED] (80 percent) dog breeders we visited had not fully corrected AWA noncompliances. Additionally, we found that APHIS did not timely address complaints received. While we acknowledge that licensed dog breeders have the responsibility to comply with AWA and correct identified noncompliances, we determined that APHIS' inconsistent and untimely inspections may have also contributed to the dog breeders' continued violation of AWA requirements. As a result, continued noncompliance with AWA requirements poses a threat to the safety and well-being of the animals.

Finally, we determined that APHIS followed its process for carrying out enforcement action for breeders with substantiated AWA violations.

APHIS agreed with our findings and recommendations, and we accepted management decision on all recommendations.



OFFICE OF INSPECTOR GENERAL

United States Department of Agriculture



DATE: February 3, 2025

AUDIT

NUMBER: 33601-0001-22

TO: Michael T. Watson, Ph.D.
Administrator
Animal and Plant Health Inspection Service

ATTN: Melissa Tharp
Deputy Administrator
Marketing and Regulatory Program Business Services

FROM: Steve Rickrode
Acting Assistant Inspector General for Audit

SUBJECT: Animal Care Program Oversight of Dog Breeder Inspections

This report presents the results of our audit of the Animal Care Program Oversight of Dog Breeder Inspections. Your written response to the official draft is included in its entirety at the end of the report. Based on your written response, we are accepting management decision for all five recommendations in the report, and no further response to this office is necessary.

In accordance with Departmental Regulation 1720-1, final action needs to be taken within 1 year of the date of each management decision. Please follow your internal agency procedures in forwarding final action correspondence to the Office of the Chief Financial Officer.

We appreciate the courtesies and cooperation extended to us by members of your staff during our fieldwork and subsequent discussions. This report contains publicly available information and only publicly available information will be posted to our website (<https://usdaoig.oversight.gov>) in the near future.

Table of Contents

| | |
|---|-----------|
| Background and Objectives..... | 1 |
| Section 1: AWA Compliance of Sampled Dog Breeders..... | 3 |
| Finding 1: Dog Breeders Remain Noncompliant With AWA Requirements | 3 |
| Recommendation 1 | 6 |
| Recommendation 2 | 6 |
| Recommendation 3 | 7 |
| Finding 2: APHIS Did Not Timely Address Dog Breeder Complaints | 8 |
| Recommendation 4 | 9 |
| Recommendation 5 | 9 |
| Section 2: Enforcement Actions for Sampled Dog Breeders | 11 |
| Scope and Methodology..... | 12 |
| Abbreviations | 14 |
| Agency’s Response..... | 15 |

Background and Objectives

Background

The Animal Welfare Act (AWA) sets forth Federal standards for the humane care and treatment that must be provided for certain animals that are bred for commercial sale, sold sight unseen, exhibited to the public, used in biomedical research, or transported commercially.¹ Congress assigned the U.S. Department of Agriculture (USDA) the responsibility for enforcing and administering the AWA. The AWA gives USDA authority to set and enforce standards and ensure the care and humane treatment of covered animals, including developing and enforcing regulations, issuing licenses, conducting inspections and investigations, and overseeing administrative law cases, such as assessing fines and suspending or revoking licenses.

USDA Animal and Plant Health Inspection Service's (APHIS) Animal Care (AC) unit is responsible for administering the AWA to ensure the humane care and treatment of certain animals as required by the AWA. In carrying out its responsibility, APHIS updates AWA regulations; licenses and registers entities subject to the AWA; inspects the premises of licensed and registered entities; investigates potential violations; and enforces AWA provisions. APHIS Investigative and Enforcement Services (IES) is a component of APHIS responsible for the investigation and enforcement of alleged violations relating to animal and plant issues under APHIS' jurisdiction.

The AWA requires all facilities that use animals regulated under the Act to obtain a license or registration with APHIS. Facilities must provide their animals with adequate housing, sanitation, nutrition, water, veterinary care, and protection from extreme weather and temperatures. Before issuing a license, APHIS conducts a pre-license inspection and works closely with potential licensees to ensure they understand the requirements of the AWA. APHIS' AC inspectors conduct unannounced inspections of licensed facilities to ensure ongoing compliance with AWA regulations. During these inspections, inspectors examine and inspect the animals, premises, facilities, husbandry practices, veterinary care, records, and animal handling procedures. In addition to conducting unannounced inspections, AC may perform inspections in response to public concerns.

Following an inspection, the inspector completes an inspection report in eFile.² If a facility is found out of compliance with any section of the AWA, the inspector will document the issue as a Noncompliant Item (NCI) in the inspection report. Depending on the circumstances, failure to correct deficiencies identified during inspections can result in warnings, animal confiscation, fines, cease-and-desist orders, license suspension, and license revocation.

¹ Act of August 24, 1966, Pub. L. 89-544, 80 Stat. 350. In 1970, the Act was amended and is referred to as the "Animal Welfare Act of 1970."

² eFile is APHIS' information technology system. According to APHIS, eFile is used by AC program staff to process licenses and registrations, document inspections and noncompliances, track complaints made against licensed/registered persons, and perform searches for unlicensed activity. AC also uses eFile to track information such as annual reports, appeals, enforcement actions, etc.

In 2023, APHIS oversaw more than 16,000 licensees and registrants, including nearly 3,000 new registrants, and conducted over 10,000 site inspections to assess the health and care of animals covered under the AWA. To support animal welfare, in fiscal year (FY) 2023, APHIS' IES personnel initiated the following actions displayed in Figure 1.



Figure 1: FY 2023 AWA enforcement actions taken by APHIS. Figure by Office of Inspector General (OIG).

Prior Audit

In a letter dated December 11, 2017, OIG received a Congressional inquiry requesting an audit of AC's enforcement of the AWA for commercial dog breeders.³ In response, we conducted an audit to evaluate the adequacy of APHIS' controls to ensure breeder compliance with the AWA.⁴ We found data reliability issues with reports generated from the database APHIS used at the time of our audit. We also found that APHIS did not consistently address complaints it received or adequately document the results of its follow up. In part, we recommended that APHIS ensure the issues found with its database do not persist in eFile; and implement guidance, policies, and procedures to ensure a consistent response to and documentation of complaints received. APHIS agreed with our recommendations. In FY 2023, APHIS obtained closure from the Office of the Chief Financial Officer for all recommendations.

In addition, our prior audit report disclosed that onsite observations of APHIS' inspections were not performed due to health and safety concerns related to the coronavirus disease 2019 pandemic.

This audit was initiated to observe APHIS' AWA inspections of licensed dog breeders and to assess the agency's enforcement actions on dog breeders with violations.

Objectives

Our objectives were to determine: (1) whether selected dog breeders corrected AWA noncompliances previously identified by the agency; and (2) whether the agency carried out enforcement actions on dog breeders with substantiated AWA violations during our scope period.

³ Pocan, The Honorable Mark and The Honorable Brian Fitzpatrick, Letter to The Honorable Phyllis K. Fong (Dec. 11, 2017).

⁴ Audit Report 33601-0002-31, *Animal Care Program Oversight of Dog Breeders*, June 2021.

Section 1: AWA Compliance of Sampled Dog Breeders

Finding 1: Dog Breeders Remain Noncompliant With AWA Requirements

We found that [REDACTED] of the [REDACTED] (80 percent) dog breeders we visited continued to have at least 1 AWA noncompliance. Collectively, during these visits APHIS identified [REDACTED] NCIs, including [REDACTED] repeat NCIs.⁵ We acknowledge that licensed dog breeders have the responsibility to comply with the AWA and correct identified noncompliances; however, APHIS' inconsistent and untimely inspections may have also contributed to the dog breeders' continued violation of AWA requirements. As a result, the licensed dog breeders' pattern of continued noncompliance with AWA requirements poses a threat to the well-being and safety of their dogs, leaving them vulnerable to neglect, mistreatment, and suffering.

The AWA outlines several standards for the treatment of dogs, including minimum requirements for their shelter, feeding, watering, sanitization, exercise, and veterinarian care. Licensees must comply with the provisions and standards of the AWA. Moreover, APHIS is charged with enforcing these standards for the humane care and treatment of animals that are bred for sale.

Noncompliance of Sampled Breeders

During our observations at the [REDACTED] selected sites, APHIS inspectors identified [REDACTED] NCIs, including [REDACTED] repeat and [REDACTED] direct NCIs.⁶ As a result of these breeders' continued noncompliance, the health and safety of the dogs at these facilities remain at risk.

Below are examples for some of the NCIs noted:

| Examples | |
|--|---|
| <ul style="list-style-type: none">Excessive feces and flies | <ul style="list-style-type: none">No water provided |
| <ul style="list-style-type: none">Lack of adequate bedding in outdoor shelter | <ul style="list-style-type: none">Matted hair |
| <ul style="list-style-type: none">Untreated active eye problem | <ul style="list-style-type: none">Lack of exercise plans or medical records |
| <ul style="list-style-type: none">Expired medications | <ul style="list-style-type: none">Untreated dental disease |
| <ul style="list-style-type: none">Various dog enclosures (e.g., sharp edges, gaps in fencing, damaged flooring/siding, etc.) | <ul style="list-style-type: none">Contaminated dog food and inadequate food storage |
| | <ul style="list-style-type: none">Unable to perform an inspection because the breeder was unavailable |

Figure 2: Examples of noncompliances identified by APHIS inspectors during OIG's site visits. Figure by OIG.

⁵ APHIS defines a repeat NCI as an NCI cited in the same section and subsection as on the last inspection or cited at least three times within the past 3 years.

⁶ A direct NCI is a noncompliance that is currently (at the time of the inspection) having a serious or severe adverse effect on the health and well-being of the animal.

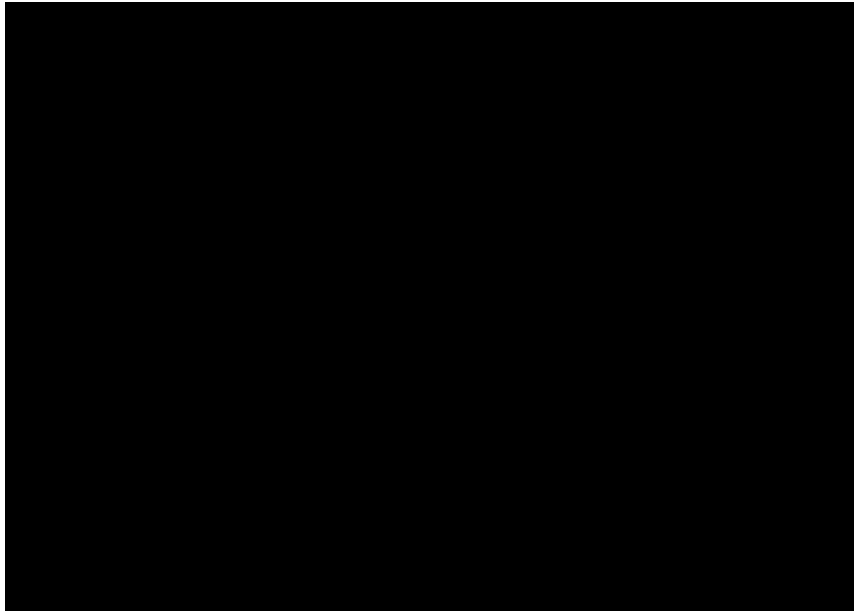


Figure 3: Excessive feces found in the dog enclosures. Photo taken by OIG during a site visit.



Figure 4: Untreated eye condition. Photo taken by APHIS inspector during an OIG site visit.

Dog Breeder Inspections Were Not Conducted Timely

We found that for █ of the █ (95 percent) dog breeders selected for review, APHIS inspectors did not comply with the established Risk-Based Inspection System (RBIS) inspection frequency guidelines. Overall, █ of the █ (29 percent) inspections conducted during our scope period were considered late according to RBIS guidelines.

APHIS uses RBIS to determine the minimum inspection frequency at each facility, with an increased frequency of inspections at licensed facilities with a higher risk of animal welfare concerns. Per an APHIS official, RBIS uses an algorithm within eFile to determine the inspection due date for breeders using several objective criteria, including past compliance history.

According to APHIS officials, the algorithm used to schedule dog breeder inspections in eFile did not always calculate the correct inspection due date. For example, we determined inspections for three dog breeders occurred more than a year beyond the required RBIS frequency guidelines. When asked about the timeliness of inspections, several inspectors noted the lack of sufficient staffing as a contributing factor to the difficulty in completing all assigned inspections timely. Additionally, since the inspection due dates in eFile are unreliable, APHIS officials indicated that inspectors have to verify the inspection frequency for breeders by manually calculating the inspection due dates. As a result, APHIS has not been able to ensure all inspections are conducted within its inspection frequency guidelines.

Dog Breeder Inspections Were Not Performed Consistently

We found APHIS inspectors did not always review the entirety of the dog breeder's operation. During our site visits, we observed that some inspectors did not inspect the following: (1) medications, (2) food storage, (3) all enclosures onsite, (4) vaccination records, (5) exercise plans, or (6) physically handling and examining the required number of dogs based on total count. In total, ■ of the ■ (57 percent) routine inspections that we observed were missing at least 1 of these elements.

In addition, inspectors did not consistently report NCIs in accordance with guidance documented in APHIS' Inspection Guide and the AWA.⁷

| Unreported Noncompliance | Applicable Guidance |
|--|---|
| A dog breeder was not cited for one of its dogs dying from a fight with a cage mate prior to our inspection. | APHIS' Inspection Guide states that prior to the inspection, incompatible dogs that were housed together resulting in serious injury or death to one or more of the dogs, should be cited as a critical NCI. ⁸ |
| During the inspection, two inspectors did not identify the lack of water available to the dogs onsite. When brought to the inspectors' attention at the end of the review, they confirmed that the availability of water was required. However, only one of the inspectors included this issue as an NCI in the final inspection report. | Section §3.10(a) of the Animal Welfare Regulations requires dogs to always have continuous access to potable water. In addition, APHIS' Inspection Guide instructs inspectors to document these instances as an NCI. |
| A breeder was not cited for dogs with loose stools. | APHIS' Inspection Guide states an NCI should be recorded if there are mild to moderate loose stools with no explanation provided by the licensee, or if the licensee states that the loose stools have occurred for greater than 2-days without intervention. |
| A breeder was not cited for having food bags stored without adequate spacing from the wall. | Section §3.1(e) of the Animal Welfare Regulations requires that food be stored off the floor and away from the wall to allow for cleaning underneath and around the supplies. |

⁷ The NCIs documented in the chart above are based on our observations and discussions with APHIS inspectors during our site visits.

⁸ A critical NCI is an NCI that had a serious or severe adverse effect on the health and well-being of the animal.

Compliance with AWA minimum requirements can help protect the safety and well-being of the animals. While dog breeders are ultimately responsible for ensuring compliance with AWA requirements, improvements to the timeliness and consistency of APHIS' inspections can better hold breeders accountable and help prevent continued noncompliance.

APHIS officials generally agreed with our finding and conclusions and stated that APHIS is in the process of working with a contractor to identify and resolve the RBIS inspection due date miscalculations. APHIS officials also stated that although there is a shortage of veterinarians nationally, USDA has formed a task force to develop strategies for attracting and retaining veterinarians.

Recommendation 1

We recommend that APHIS identify and correct the RBIS algorithm to ensure inspection due dates are properly calculated and recorded in eFile.

Agency Response

APHIS agrees with this recommendation. APHIS' Animal Care Program has included reviewing and monitoring the RBIS among the Program's Priority Goals and Objectives for FY 2025. This goal includes deliverables such as: (1) conducting regular reviews of RBIS to identify capability gaps and areas of improvement; (2) based on the review, develop inspection metrics to align with the current and projected regulatory mission; (3) implement inspection frequency criteria with minimal disruptions to stakeholders; and (4) develop and provide training material ensuring uniform understanding and application of inspection standards.

APHIS provided an estimated completion date of November 30, 2025.

OIG Position

We accept management decision on this recommendation.

Recommendation 2

We recommend that APHIS establish and provide additional training on dog breeder inspections to inspectors and supervisors, to include proper classification of NCIs and required inspection procedures for dog breeders.

Agency Response

APHIS agrees with this recommendation. APHIS will establish a working group to evaluate the current inspector training program and resources specific to dog breeders and make enhancements to provide in-depth instruction specific to these entities, including required procedures and proper classification of NCIs. The training will be multi-faceted and may utilize webinars along with written materials, such as an inspection checklist, to

ensure completeness and promote consistency among inspectors. The Program will record webinars and make them available in AgLearn for periodic review by current inspectors and a required module for new hires.

APHIS provided an estimated completion date of November 30, 2025.

OIG Position

We accept management decision on this recommendation.

Recommendation 3

We recommend that APHIS develop and implement a process to ensure that inspectors are consistent throughout their inspection of the dog breeder's facility to reduce the occurrence of missed items for review.

Agency Response

APHIS agrees with this recommendation. APHIS will develop and implement enhanced training specific to dog breeders and implement an inspection process to ensure inspectors are consistent throughout their inspection of dog breeders' facilities to reduce the occurrence of missed items for review.

APHIS provided an estimated completion date of November 30, 2025.

OIG Position

We accept management decision on this recommendation.

Finding 2: APHIS Did Not Timely Address Dog Breeder Complaints

We found that APHIS did not close █ of the █ (69 percent) complaints involving the █ dog breeders in our sample within the established time frames. This occurred because APHIS' process did not include adequate policies and procedures to effectively monitor open complaints to ensure closure prior to the deadline. Further, APHIS officials stated a lower priority was placed on allocating staff to address incoming complaints when compared to other mission activities. As a result, if complaints are not closed timely, APHIS reduces its oversight of dog breeder facilities and cannot ensure that complaints for dog breeders not operating in accordance with regulatory requirements are properly addressed.

APHIS' policies and procedures require that complaints received prior to April 2023 are closed within 30-days of being entered into eFile. Similarly, complaints received since April 2023 are required to be closed within 45-days from the date the complaint is entered into eFile.⁹

To assess APHIS' current complaint process, we requested a list of open complaints by dog breeder. However, an APHIS official stated that the agency could not generate a report to include all open complaints specific to dog breeders because its eFile system was unable to accommodate the request. Thus, we reviewed documentation within eFile for the █ dog breeders sampled to determine: (1) whether a complaint was filed; and (2) APHIS' handling and disposition of those complaints. We found that █ complaints were made against █ of the █ (27 percent) dog breeders selected for review.¹⁰

Additionally, we found that █ of the █ complaints were not closed timely and ranged from █ to █ days past the required deadline.¹¹ Further, for █ of the █ complaints, we found that APHIS miscalculated the response due date, which was beyond the required timeframe. Since APHIS officials received this complaint prior to April 2023, the response due date should have been calculated based on a 30-day deadline from the time the complaint was entered into eFile. However, APHIS calculated the closure date for this complaint based on the 45-day deadline. For another complaint, the closure date was not entered into eFile; however, we determined that the inspector submitted the inspection report for supervisory review █ days after the required deadline. We did not identify any documented reasons in eFile to explain why the remaining complaints were late. As a result, we concluded that APHIS did not always follow its process to close all complaints timely or establish adequate procedures to effectively monitor complaint closures.

According to APHIS officials, AC staff adheres to and follows the related standard operating procedure for the complaint process.¹² APHIS officials also stated that, due to budgetary constraints and human capital resource limitations, delays can occur due to staffing shortages and the overwhelming workload, particularly of the Supervisory AC Specialist and Program Support

⁹ █

¹⁰ For █ of the █ (25 percent) complaints, APHIS identified noncompliances during their review of the filed complaints.

¹¹ Of the █ complaints not closed timely, █ complaints were not closed by the 30-day deadline, and the remaining █ complaints were not closed by the 45-day deadline.

¹² █

staff. APHIS officials added that given the resource limitations, the agency prioritized and triaged its mission activities and determined that the complaint process is generally lower on the list of priorities. Additionally, although all complaints are investigated, those indicating a more immediate, serious threat to animal welfare are prioritized.

Although APHIS faces budgetary and staffing limitations that may impact how it manages its workload, APHIS should establish a formal process to track and review open complaints to ensure all complaints are closed prior to the established deadlines. By having a clear process for closing complaints, and documenting reasons for extending the deadline for specific complaints, APHIS can allocate staff to incoming complaints and meet its goal of closing complaints within the deadline. Further, although APHIS officials stated that the complaint process is generally lower on the list of priorities, performing a risk assessment would support APHIS management officials' determination that they have correctly prioritized resources and allow officials to implement additional processes as necessary to ensure adequate coverage.

Recommendation 4

We recommend that APHIS establish a formal process to track and review open complaints to ensure all complaints are closed prior to the established deadlines. If the complaint is not closed by the deadline, APHIS should ensure reasons are documented in eFile.

Agency Response

APHIS agrees with this recommendation. APHIS will establish a formal process to track and review open complaints to ensure complaints are closed prior to the established deadlines or reasons are documented in eFile for them to remain open. Standard operating procedures for handling complaints for the Animal Welfare Program's operations and program support units will be reviewed and revised as needed to improve the effectiveness of the process, with specific focus on tracking and monitoring the status of complaints and the assignment of responsible personnel.

APHIS provided an estimated completion date of November 30, 2025.

OIG Position

We accept management decision on this recommendation.

Recommendation 5

We recommend that APHIS perform a risk assessment of the complaint process to evaluate and determine whether APHIS has correctly prioritized resources to manage the identified risks. We also recommend APHIS implement additional processes as necessary to ensure adequate coverage.

Agency Response

APHIS agrees with this recommendation. APHIS will perform a risk assessment of the complaint process to evaluate and determine whether APHIS has correctly prioritized resources to manage identified risks. The assessment will follow a standardized process to include identification of potential hazards, evaluation of hazards' risks, determination of control measures, documentation of findings, and implementation of control measures. APHIS will perform periodic reviews of the assessments and update control measures as needed.

APHIS provided an estimated completion date of November 30, 2025.

OIG Position

We accept management decision on this recommendation.

Section 2: Enforcement Actions for Sampled Dog Breeders

We determined that APHIS carried out enforcement actions on dog breeders with substantiated AWA violations.

APHIS' AC and IES staff both have a role in the enforcement of the AWA for dog breeders. AC generally ensures regulatory compliance with AWA primarily by conducting unannounced visits to licensed or registered facilities where they review all areas of care and treatment. Further, IES personnel investigate alleged violations when licensees or registrants have not taken corrective measures to comply with AWA requirements; individuals and/or businesses conduct regulated activity without a license or without being registered with USDA; or the noncompliance presents (or presented) a direct risk to the health and well-being of the animals involved. IES investigations may lead to the issuance of a regulatory compliance or enforcement action.

According to an APHIS official, each case submitted for enforcement is reviewed and evaluated on a case-by-case basis because of the unique circumstances that may not apply to all. Each enforcement case is different and may vary in scope, complexity, and time required for review. As such, all direct and critical NCIs cited in an inspection report automatically trigger a compliance referral. APHIS reviews the compliance referral along with the dog breeder's inspection and enforcement history to determine the potential enforcement action. APHIS has several options available to resolve a case in which the evidence substantiates that an alleged violation has occurred. These options include issuing regulatory correspondence (such as an official warning)¹³ to the individuals or businesses involved in the alleged violations; offering to resolve the case through a stipulated penalty; and referring the case to the USDA Office of the General Counsel for formal administrative action before the USDA Office of Administrative Law Judges or referral to the United States Department of Justice.¹⁴

To determine whether APHIS carried out enforcement action on dog breeders with substantiated AWA violations, we reviewed the inspection history for the [REDACTED] dog breeders selected for review. For each dog breeder, we identified the AWA violation(s) and the total and type of NCIs cited during our scope period. Through a complete review of the inspection file for each dog breeder selected, we assessed whether APHIS consistently applied its process for carrying out enforcement actions. Overall, we determined that APHIS consistently followed its process for carrying out enforcement action against dog breeders with substantiated AWA violations and such process is prescribed in their standard operating procedure for initiating enforcement action.

¹³ An official warning letter is not a penalty, nor is it an enforcement action. Rather, the purpose of the official warning is to provide notice of the legal requirements and information to promote compliance with the law. Generally, a breeder receives an official warning letter when they are cited with a direct or critical violation for the first time.

¹⁴ Settlement agreements and formal administrative actions can result in monetary penalties.

Scope and Methodology

We conducted our audit to determine whether selected dog breeders corrected previously identified AWA noncompliances, and whether APHIS carried out enforcement actions on dog breeders with substantiated AWA violations. Our scope period covered a review of dog breeder activities from [REDACTED], through [REDACTED]. We performed our audit fieldwork from [REDACTED] through [REDACTED]. We conducted fieldwork at APHIS Headquarters in Riverdale, MD, and at [REDACTED] dog breeder facilities. In addition, we conducted some audit work remotely using digital files and eFile¹⁵ access obtained from APHIS. We discussed the results of our audit with agency officials on [REDACTED], and included their comments, as appropriate.

We non-statistically selected [REDACTED] of the [REDACTED] active licensed dog breeders and dealers to determine whether noncompliances previously identified by APHIS inspectors were corrected.¹⁶ Our sample selection was based on various factors including the number of NCIs and breeders whose last date of inspection was prior to [REDACTED]. For the selected dog breeders, we accompanied APHIS inspectors during onsite inspections of the dog breeder's facilities. We visited dog breeders located in [REDACTED].

Additionally, we non-statistically selected [REDACTED] of the [REDACTED] active licensed dog breeders and dealers that [REDACTED] of NCIs during our scope period. We reviewed related complaints and enforcement actions for these breeders to determine if APHIS carried out enforcement actions for dog breeders with substantiated AWA violations. The selected [REDACTED] dog breeders were issued a combined [REDACTED] and were located in the states of [REDACTED].

To accomplish our audit objectives, we:



Reviewed applicable laws and regulations related to APHIS oversight of dog breeders.



Assessed APHIS' process to track and resolve complaints of potential AWA violations and noncompliances.



Interviewed APHIS AC program officials and inspectors regarding APHIS' oversight of dog breeder facilities.



Reviewed prior inspection reports for the [REDACTED] sampled dog breeders selected in our sample and accompanied APHIS inspectors to document their review of dog breeder facilities.



Gained an understanding of APHIS' enforcement process and assessed the actions taken for the [REDACTED] dog breeders selected in our sample.

¹⁵ eFile is APHIS' information technology system. According to APHIS, efile is used by AC program staff to process licenses and registrations, document inspections and noncompliances, track complaints made against licensed/registered persons, and perform searches for unlicensed activity. AC also uses eFile to track information such as annual reports, appeals, enforcement actions, etc.

¹⁶ [REDACTED]

To verify the reliability of the data universe of dog breeders, we were granted read-only access to eFile by APHIS. We manually searched eFile for breeders listed in our data universe and verified the number and type of NCIs and enforcement actions taken. We make no representation regarding the adequacy of any agency computer systems, or the information generated from them because we did not assess the reliability of information systems as it was not related to our audit objectives.

We assessed internal controls significant to the audit objectives. In particular, we assessed:

| Component | Principle |
|---------------------|--|
| Control Environment | Management should evaluate performance and hold individuals accountable for their internal control responsibilities. |
| Risk Assessment | Management should define objectives clearly to enable the identification of risks and define risk tolerances. |
| Control Activities | Management should implement control activities through policies. |
| Monitoring | Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results. |
| Monitoring | Management should remediate identified internal control deficiencies on a timely basis. |

Because our review was limited to these internal control components and underlying principles, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Abbreviations

| | |
|-------------|--|
| AC | Animal Care |
| APHIS | Animal and Plant Health Inspection Service |
| AWA | Animal Welfare Act |
| FY | fiscal year |
| IES | Investigative and Enforcement Services |
| NCI | Noncompliant Item |
| OIG | Office of Inspector General |
| RBIS | Risk-Based Inspection System |
| USDA | U.S. Department of Agriculture |

**Animal and Plant Health Inspection Service
Response to Audit Report**



United States
Department of
Agriculture

Marketing and
Regulatory
Programs

Washington, DC
20250

TO: Dedra Chandler
Director, Work Unit 22
Office of Inspector General

FROM: Michael T. Watson, Ph.D.
Administrator /S/
Animal and Plant Health Inspection Service

SUBJECT: APHIS Response and Request for Management Decisions on OIG
Report, Animal Care Program Oversight of Dog Breeder Inspections
(33601-0001-22)

Thank you for the opportunity for Animal and Plant Health Inspection Service (APHIS) to provide comments on this report. APHIS agrees with OIG recommendations (#1 through #5) and will initiate the steps outlined below to implement the necessary program changes.

Audit Objectives:

- To determine whether selected dog breeders corrected Animal Welfare Act (AWA) noncompliances previously identified by the agency; and
- To determine whether the agency carried out enforcement actions on dog breeders with substantiated AWA violations during our scope period; and
- To assess the security posture of USDA's internal control structure (ICS) to determine whether proper controls were implemented to minimize the risk of compromise.

Finding 1: Dog Breeders Remain Noncompliant with AWA Requirements

OIG found that ■ of the ■ dog breeders (80 percent) OIG visited continued to have at least 1 AWA noncompliance. Collectively, during these visits APHIS identified ■ non-compliant items (NCIs), including ■ repeat NCIs. OIG acknowledges licensed dog breeders have the responsibility to comply with the AWA and correct identified noncompliances; however, APHIS' inconsistent and untimely inspections may have also contributed to the dog breeders' continued violation of AWA requirements. As a result, the licensed dog breeders' pattern of continued noncompliance with AWA requirements poses a threat to the well-being and safety of their dogs, leaving them vulnerable to neglect, mistreatment, and suffering.

Recommendation 1: OIG recommends APHIS identify and correct the Risk Based Inspection System (RBIS) algorithm to ensure inspection due dates are properly calculated and recorded in eFile.

APHIS Response: APHIS agrees with this recommendation.

Corrective Actions:

APHIS recognizes the shortcomings of the RBIS algorithm. The APHIS Animal Care Program has included reviewing and monitoring the RBIS among the program's Priority Goals and Objectives for Fiscal Year 2025. The stated objective of this goal is to develop a comprehensive inspection strategy to be implemented efficiently and maximize available resources in support of animal welfare. An outline of the deliverables is as follows: 1) conducting regular reviews of RBIS to identify capability gaps and areas of improvement to align with the Agency's strategic efforts; 2) based on the review, develop inspection metrics to align with the current and projected regulatory mission while maximizing efficiency and resources; 3) implement inspection frequency criteria with minimal disruptions to stakeholders and the regulated community; and 4) develop and provide training material ensuring uniform understanding and application of inspection standards.

Estimated Completion Date: November 30, 2025.

Recommendation 2: OIG recommends APHIS establish and provide additional training on dog breeder inspections to inspectors and supervisors, to include proper classification of NCIs and required inspection procedures for dog breeders.

APHIS Response: APHIS agrees with this recommendation.

Corrective Actions:

APHIS will establish a working group of subject matter experts from Animal Care's Animal Welfare Operations, National Policy Staff, Center for Animal Welfare, Compliance and Assurance Staff, and Program Support units. The working group will evaluate the current inspector training program and resources specific to commercial dog breeders and make enhancements to provide more focused and in-depth instruction specific to these entities, including required procedures and proper classification of NCIs. The training will be multi-faceted and may utilize webinars along with written materials, such as an inspection checklist to ensure completeness and promote consistency among inspectors. The Program will record webinars and make them available in AgLearn for periodic review by current inspectors and a required module for new hires.

Estimated Completion Date: November 30, 2025

Recommendation 3: OIG recommends APHIS develop and implement a process to ensure inspectors are consistent throughout their inspection of dog breeder facilities to reduce the occurrence of missed items for review.

APHIS Response: APHIS agrees with this recommendation.

Corrective Actions:

As noted above, APHIS will develop and implement enhanced training resources specific to dog breeders and implement an inspection process to ensure inspectors are consistent throughout their inspection of dog breeders' facilities to reduce the occurrence of missed items for review. Concurrently, training will be monitored and updated as needed to ensure inconsistencies or deficiencies are identified.

Estimated Completion Date: November 30, 2025

Finding 2: APHIS Did Not Timely Address Dog Breeder Complaints.

OIG found APHIS did not close ■ of the ■ (69 percent) complaints involving the ■ dog breeders in their sample within the established timeframes. This occurred because APHIS' process did not include adequate policies and procedures to effectively monitor open complaints to ensure closure prior to the deadline. Further, APHIS officials stated a lower priority was placed on allocating staff to address incoming complaints when compared to other mission activities. As a result, if complaints are not closed timely, APHIS reduces their oversight of dog breeder facilities and cannot ensure that complaints for dog breeders not operating in accordance with regulatory requirements are properly addressed.

Recommendation 4: OIG recommends APHIS establish a formal process to track and review open complaints to ensure all complaints are closed prior to the established deadlines. If the complaint is not closed by the deadline, APHIS should ensure reasons are documented in eFile.

APHIS Response: APHIS agrees with this recommendation.

Corrective Actions:

APHIS will establish a formal process to track and review open complaints to ensure complaints are closed prior to the established deadlines or reasons are documented in eFile for them to remain open. Standard operating procedures for handling complaints for the Animal Welfare Program's operations and program support units will be reviewed and revised as needed to improve the effectiveness of the process, with specific focus on tracking and monitoring the status of complaints and the assignment of responsible personnel.

Estimated Completion Date: November 30, 2025

Recommendation 5: OIG recommends APHIS perform a risk assessment of the complaint process to evaluate and determine whether APHIS has correctly prioritized resources to manage the identified risks. OIG also recommends APHIS implement additional processes as necessary to ensure adequate coverage.

APHIS Response: APHIS agrees with this recommendation.

Corrective Actions:

APHIS will perform a risk assessment of the complaint process to evaluate and determine whether APHIS has correctly prioritized resources to manage identified risks. The assessment will follow a standardized process to include identification of potential hazards, evaluation of hazards' risks, determination of control measures, documentation of findings, and implementation of control measures. APHIS will perform periodic reviews of the assessments and update control measures as needed.

Estimated Completion Date: November 30, 2025

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