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Poor Management Threatens the Success of the Pet Lover’s Specialized License Plate Program

Background

To raise money for free or low-cost animal sterilization services and help reduce the overpopulation of cats and dogs in the State, in 2010 a nonprofit organization in conjunction with the Veterinary Medical Board began promoting the sale of Pet Lover’s specialized license plates (Pet Lover’s plates). The money raised by the sales of these plates funds the administration of the program and provides funds for grants to eligible veterinary facilities throughout the State. The Veterinary Board faced a number of challenges in establishing and implementing the Pet Lover’s program, and in 2018 the Legislature transferred authority to administer the Pet Lover’s program to the California Department of Food and Agriculture (Food and Agriculture). From fiscal years 2013–14 through 2018–19, the program generated nearly \$2.2 million in revenue and had grant award agreements worth a total of \$330,000.

Key Recommendations

- The Legislature should allow a specialized license plate program to continue, despite a low number of plates, unless the Department of Motor Vehicles or the sponsoring agency determines the program is no longer financially viable or no longer supports the purposes of the program.
- Food and Agriculture should do the following:
 - » Adopt policies and procedures to verify grant applicants’ eligibility and have multiple reviewers score each application that meets minimum requirements.
 - » Begin using strategies to promote the Pet Lover’s specialized license plates, including possibly contracting with an eligible nonprofit organization to conduct promotional activities, to increase sales.

Key Findings

- Food and Agriculture used a flawed process for awarding grants in fiscal year 2018–19 and it does not have policies and procedures governing its grant selection process.
 - » Although it performed an initial review of applications, it did not verify that grant applicants were eligible—two of the 11 entities it awarded grants to were ineligible for funding.
 - » It used a single-reviewer approach to identify the most qualified grant applicants, making it susceptible to inconsistency among reviewers—some being harsher than other reviewers in scoring. In fact, we noted a significant disparity in scores between one reviewer and the others.
 - » It did not always select the highest-scoring grant applications when it made grant award decisions nor did it document why it selected those applicants, which creates questions about the fairness of its award process.
- Access to free or low-cost spay or neuter services may be significantly reduced because the number of Pet Lover’s specialized license plates has declined over the last few years.
 - » The Pet Lover’s specialized license plate program experienced an 8 percent decline in revenue in just the last year, which represents almost 500 fewer spayed or neutered animals.
 - » Food and Agriculture has inadequately promoted the Pet Lover’s program—it did not ensure the specialty license plate remained on State promotional flyers included with vehicle renewal registration packets, and it did not use social media or require grantees to promote the program.

One Reviewer’s Application Scores Were Significantly Lower, Resulting in Some Applicants Being Disadvantaged

