

Table B
Audit Objectives and the Methods Used to Address Them

AUDIT OBJECTIVE	METHOD
<p>1 Review and evaluate the laws, rules, and regulations significant to the audit objectives.</p>	<p>Reviewed and evaluated the laws, rules, and regulations significant to the audit objectives.</p>
<p>2 Evaluate whether DPR's Registration Branch is staffed and trained to carry out its duties effectively.</p>	<ul style="list-style-type: none"> • Determined the authorized positions and actual staffing levels, including vacancies, for the Registration Branch and the branches that housed the evaluation stations from 2019 through 2023. • Reviewed DPR's requests for additional funding and staffing. • Identified DPR's training requirements for staff involved in the registration process. • Determined whether supervisors ensured that a selection of recently hired staff met the requirements.
<p>3 Assess the timeliness of the pesticide registration and renewal application processes, determine whether these time frames are reasonable and predictable for registrants, and determine the following:</p> <p>a. Any differences in the timeliness of registration processes for particular categories of pesticide products, including products with intended uses important for public health or food production.</p> <p>b. If differences in the timeliness of registration processes for particular pesticide products exist, determine whether these differences have resulted in delays to the sale of the associated products.</p> <p>c. Any changes to the registration process—other than those planned under the California Pesticide Electronic Submission Tracking (CalPEST) system—that could improve the timeliness and predictability of registration time frames.</p>	<ul style="list-style-type: none"> • Used registration data from 2019 through 2023 to analyze the timeliness and predictability of registration processes overall and for different stations. • Assessed the limitations of the key sets of registration data. • Reviewed the applicability of timeliness requirements in state law and regulations. • Assessed DPR's timeliness in processing 20 selected registration applications and identified causes for the delays in processing those applications. Reviewed each of the 20 registrants' self-reported sales revenue to determine possible losses of sales because of registration delays, as well as DPR's resulting loss in mill assessment revenue. • Because of limitations with the key sets of registration data, reviewed the 20 applications by category of pesticide products. • Reviewed DPR's renewal data from 2019 through 2023, which we found to be of undetermined reliability, to analyze the timeliness and predictability of the renewal processes overall. • Conducted interviews and reviewed documentation to identify DPR's planned improvements and to identify possible ways to improve DPR's registration processes outside of what is planned under CalPEST.
<p>4 Determine whether DPR has processes for identifying and addressing delays in application processing and, if so, review and evaluate the effectiveness of those processes.</p>	<ul style="list-style-type: none"> • Reviewed DPR's annual report on registration time frames. • Reviewed DPR's process to assess staffing needs to address delays and backlogs.
<p>5 Evaluate the effectiveness of DPR's current pesticide product registration tracking system.</p>	<ul style="list-style-type: none"> • Used DPR's CalPEST feasibility study report, its budget change proposal, and interviews with staff to document DPR's reasons for developing a new product registration system. • Identified the aspects of the current registration process that are not going to change when CalPEST is implemented.
<p>6 Determine whether the CalPEST system project is on track to meet its deployment goals and be completed within the planned budget.</p>	<ul style="list-style-type: none"> • Reviewed CalPEST planning documents, including independent project oversight reports, project status reports, and the special project reports to identify the differences between the previous budgets, timelines, and goals and the current budget, timeline, and goals. • Reviewed CalPEST oversight and status reports and interviewed staff to determine whether any additional delays not included in the most recent special project report are likely.

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AUDIT OBJECTIVE	METHOD
<p>7 Determine whether DPR plans to revise its label amendment approval process. If so, determine the goals of this effort and the estimated time frame for completion.</p>	<p>Reviewed DPR's documents to determine DPR's goals and time frames for completion of its efforts to revise its label amendment approval process.</p>
<p>8 Evaluate DPR's processes for tracking pesticide sales, including whether its processes reasonably detect and prevent the nonpayment of mill assessments.</p>	<ul style="list-style-type: none"> • Documented the processes that DPR uses to track pesticide sales and to ensure the proper payment of mill assessments. • Reviewed DPR's monitoring process, including inspections, to determine whether this monitoring results in the collection of unpaid mill assessments and acts as a deterrent to nonpayment. • Reviewed DPR's audit schedule and assessed the reasonableness of its audit selection methodology. Determined whether the scope and methodology DPR used for its audits is reasonably designed to detect nonpayment of mill assessments.
<p>9 Determine whether current registration fees are sufficient to fund the pesticide registration process.</p>	<ul style="list-style-type: none"> • Interviewed fiscal services staff and performed comparative testing of DPR's accounting data with control cash receipts. We were able to validate DPR's accounting records for its program-specific expenses and revenue from fiscal years 2019–20 through 2022–23. • Determined that in fiscal year 2022–23, costs for the registration program were \$800,000 more than its revenue. • Interviewed DPR staff and reviewed documentation to identify reasons for increased costs in the registration process and DPR's plans to address deficits.
<p>10 Identify which DPR programs are funded by mill assessments. Determine the extent to which the registration branch could benefit from funding from these assessments.</p>	<p>Reviewed documentation and interviewed DPR staff to identify which DPR programs are funded by mill assessments and to determine whether the Registration Branch could benefit from additional funding from mill assessment revenue.</p>
<p>11 Review and assess any other issues that are significant to the audit.</p>	<p>None identified.</p>

Source: Audit workpapers