December 29, 2015

John Laird, Secretary  
California Natural Resources Agency  
1416 Ninth Street, Suite 1311  
Sacramento, CA 95814

Dear Mr. Laird,

In accordance with the State Leadership Accountability Act (SLAA), the Department of Fish and Wildlife submits this report on the review of our systems of internal control and monitoring processes for the biennial period ended December 31, 2015.

Should you have any questions please contact Gabe Tiffany, Deputy Director, at (916) 653-4325, Gabe.Tiffany@wildlife.ca.gov.

BACKGROUND

Within the Natural Resources Agency, the California Department of Fish and Wildlife (department) is responsible for the administration and enforcement of the California Fish and Game Code. The department's policies are formulated in collaboration with the Fish and Game Commission. The department's Director is appointed by the Governor and confirmed by the Senate. The Director is responsible to the public, which includes a broad array of stakeholders whose activities are managed or regulated by the department.

The mission of the department is to manage California’s diverse fish, wildlife, and plant resources, and the habitats upon which they depend, for their ecological values and for their use and enjoyment by the public. To meet this challenge, the department:

- Manages land for ecological and recreational uses. The department currently owns or administers 720 properties statewide, totaling 1,135,192 acres (671,218 acres owned and 463,974 acres administered). The 720 properties include 110 wildlife areas, 130 ecological reserves, 284 undesignated lands, 139 public access areas, 20 fish hatcheries, and 37 miscellaneous lands.
- Develops and implements plans to conserve biological diversity at the ecosystem level in partnership with local, state, and federal stakeholders resulting in large reserve systems.
- Conserves and restores anadromous fisheries and watershed health. Manages sustainable recreational and commercial opportunities by providing desirable fishing, hunting, and other wildlife-related recreational programs and promoting their economic benefits to local communities. In 2014, the department produced and stocked over 40 million trout, steelhead, and salmon in lakes, rivers, and streams throughout California from its 21 fish hatchery facilities. The department also offers hunting opportunities for waterfowl, doves, pheasants, quail, turkeys, deer, wild pigs, elk, bears, big horn sheep, and small mammals.
- Serves as a lead agency for preventing, responding, and cleaning up oil spills and spills of other deleterious materials on land and water.
- Collects and analyzes scientifically based data on the distribution and abundance of fish, wildlife, and native plant species and the natural communities and habitats in which they live.
- Secures millions of dollars in federal grant funding to protect habitat, restore watersheds, assist local governments with conservation planning, restore the BayDelta ecosystem, and leverage other sources of funding for critical conservation actions.
- Conserves and recovers threatened and endangered plants and animals and the habitats upon which they depend for survival.
- Enforces laws and regulations relating to fish, wildlife, and habitat within the State and offshore waters.

This report also contains information for the California Fish and Game Commission (Commission).
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Commission was established by the California Constitution (Article IV, Section 20), and consists of five members appointed by the Governor and confirmed by the Senate. The Constitution provides that the Legislature may delegate to the Commission powers relating to the protection and propagation of fish and game. These include:

- Formulation of general policies for the conduct of the department.
- Seasons, bag limits and methods of take for game animals, sport fishing and some commercial fishing.
- Controlling non-native species importation, possession, sale.
- Establishing protected lands/waters (marine protected areas, wildlife areas and ecological reserves.)
- Regulating uses of protected areas.
- Accepting mitigation lands on behalf of the State.
- Leasing State water-bottom for shellfish cultivation.
- Leasing kelp beds for harvest.
- Assuming a quasi-judicial role in considering appeal hearings for revocation or suspension of licenses and permits.
- Prescribing terms and conditions for issuance, suspension, revocation of licenses/permits issued by the department.

RISK ASSESSMENT PROCESS

In developing this report, the department created a comprehensive risk assessment process consistent with the State Leadership Accountability Act. The risk assessment process for the department and the Commission was conducted using a diverse group of managers across all programs and administration, including information technology and legal. Collectively, this group contains expertise covering all of the department’s operations. Members of the group included branch chiefs and deputy directors. Branch chiefs are the subject matter experts in their respective area and are familiar with field operations. For example, the chief of the fisheries branch has participated to provide background knowledge related to fish hatchery operations. In addition, deputy directors have provided the overarching policy guidance needed to appropriately evaluate risks and identify controls. The department’s chief counsel contributed the legal expertise needed to analyze litigation risk.

This process was conducted through interviews with the staff noted above. Meetings and interviews were held with the purpose of: (1) identifying the risks with the greatest potential impact and likelihood of occurrence to include in this report; (2) gaining subject area expertise of program and administrative managers to be able to document the risks; and (3) providing background on program operations to document controls in place to mitigate the risks.

The department has a wide variety of responsibilities that are carried out with staff dispersed across the state. These staff conduct many different program activities that carry varying levels of risk. The department took a broad view of the organization’s operations in assessing risks to ensure that the most pressing issues are addressed in this report. In determining which risks to include in this report, programs were analyzed with consideration given to the potential impact of each risk and the likelihood of occurrence.

EVALUATION OF RISKS AND CONTROLS

Operations- External- Funding—Sources, Levels

The limited funds available to the department require a prioritization of various statutory mandates and department objectives. The department’s primary source of funding is from fishing and hunting license fees in the Fish and Game Preservation Fund (FGPF). FGPF revenues are not sufficient to carry out all the programs mandated by the Fish and Game Code. Additionally, there are numerous mandates in the code that require actions on the part of the department that are not permissible uses of the FGPF. Other funds, such as the General Fund, are often needed to meet these statutory mandates. The availability of General Fund fluctuates with economic conditions in the state. The department has had to eliminate or
reduce the scope of various programs in prior years when lower than anticipated General Fund revenues require statewide budget reductions. Increasing personnel and operating costs make it more difficult for the department to achieve its objectives within available revenues. The department also receives significant funding from bond funds, which are limited term by nature. The department is also a major recipient of federal grant funding for sport fish and wildlife restoration activities. These grants are funded by a federal excise tax on fishing and hunting gear, and are vulnerable in times of economic downturn.

The department is working closely with the Legislative Review Committee who has been charged to undertake a thorough review of the Fish and Game Code to identify and reduce redundancy. The process has been in place for two years and will continue for at least 7 more.

The department is developing a marketing strategy to increase fishing and hunting license sales, which will provide additional revenues for department programs.

In its transition plan from Proposition 84 (2006 resources bond act) to Proposition 1 (2014 resources bond act), the department is reducing the number of positions funded by bond funds.

The department is restricting the number of employees supported by federal grant funds, dedicating more grant funds to projects in the event of reduced funding availability in the future.

The department has documented unfunded mandates and tracks them annually and has begun a process for setting priorities among these mandates based on funding and other factors.

Because there are insufficient funds to carry out all departmental statutory mandates and objectives, the department documents unfunded mandates and is developing a process for setting priorities among these mandates based on funding and other factors.

The Legislative Branch keeps a spreadsheet of mandates coming from the Legislature for which no funding is included, which is updated once per year. It is provided to the Executive Team when requested. The Budget Branch then prepares BCPs to try and receive new funding from DOF. We know the costs associated with our unfunded mandates due to the fiscal function of our legislative analysis.

General Funds are often used to make up the difference in funding, but these can fluctuate widely from year to year, and are thus undependable when used to plug consistent funding gaps. The department is trying to ensure that the special fund revenues and expenditure authority are sufficient to support all its activities.

For a variety of reasons, our dependence on general fund dollars is actually increasing at present, primarily due to certain activities being inappropriate for special fund use. The percentage of general fund money to total appropriations is currently about 20%. There exists the potential for significant increase in tax revenue from the legalization of marijuana in the future.

Because federal funding is vulnerable during times of economic downturn, the department is attempting to restrict the number of employees supported by federal grant funds. Current support from the federal Sport Fish Restoration Act (SFRA) funds 69 positions. The department has a plan to reduce positions on SFRA funds 69 to 22 by 2019-20.

The department is in the process of conducting a thorough review of the Fish & Game Code for permissible uses for the Fish and Game Preservation Fund. The review is approximately 20% complete.

**Operations- Internal- Physical Resources—Maintenance, Upgrades, Replacements, Security**

The department owns or manages more than 700 properties covering over one million acres of land in California. This includes over 100 wildlife areas and 20 fish hatcheries. Most of these areas are open to
the public, some of which experience high visitation, such as fish hatcheries used by school groups for educational field trips. Many of the facilities on these properties are over 50 years old and are in varying states of repair. Employees are required to live in department housing in some cases to ensure operations of essential facilities, such as hatcheries where live fish are present. Funding has not been available to address most deferred maintenance needs. The most critical items are often repaired by field staff on an ad hoc basis as a potentially hazardous situation arises. This results in safety risks to department staff managing the properties and to members of the public using the facilities for recreation or education. Old or obsolete equipment can malfunction, impairing the department’s ability to accomplish mission critical objectives, such as fish production at hatcheries. In addition, the department has an aging vehicle fleet, which can prevent staff from accomplishing tasks that require travelling to work sites in the field.

The department’s engineering and program functions work closely on an annual basis to identify and document the highest priorities for allocation of available resources to maintenance projects that address the most urgent safety situations. More specifically for hatchery facilities, the Hathcery Operations Committee (HOC) also identifies projects that ensure proper functionality of hatchery equipment. Currently there is some ability to fund hatchery infrastructure upgrades with funding from the Hatchery and Inland Fisheries Fund.

The department has a training program for all staff working on wildlife areas, fish hatcheries and other properties, focusing on safety of employees and public visitors. The department restricts public access to any portion of a department property that may present an imminent safety risk as a result of a natural disaster or other occurrence (eg. flood, mudslide, hazardous material spill).

The department has a vehicle acquisition plan, which has been approved by the Department of General Services, to replace many of the older vehicles in the fleet as funding becomes available. New vehicles will make working in the field safer for department employees.

The department formed a new unit in 2015 to develop a new comprehensive housing policy and to provide consistency in administration of employee housing across the department. This review will inform decisions on actions needed to ensure the health and safety of employees residing in department owned housing.

For hatcheries, the Hatcheries Operations Committee identifies projects that ensure proper functionality of hatchery equipment. The department is working to identify and document the highest priorities for allocation of available resources for maintenance projects. The Budget Act of 2016 includes $15 million for deferred maintenance projects.

Staff are forced to use ad hoc repairs with limited resources which create potential hazards to both employees and the public. The department is conducting a training program for all staff working in wildlife areas, fish hatcheries and other properties focusing on safety of employees and public visitors. Some areas require restricted access to assure the safety of the public. In addition, the department's Injury and Illness Prevention Program (2007) addresses the shared roles and responsibilities that provide employees a healthy and safe workplace.

The department completed a physical inventory in 2014 which resulted in the elimination of 11,000 items worth $12 million. In the 2015-16 fiscal year (first nine months), 1025 items have been surveyed for a total value of $3,007,448. This makes our current inventory much more accurate and vastly improves our ability to identify and survey aging and obsolete equipment and supplies.

Because an aging vehicle fleet can prevent staff from accomplishing tasks that require traveling...
to work sites in the field, the department is pursuing a vehicle acquisition plan. The department has had its vehicle acquisition plans approved by the Department of General Services every year for the last three years. The department’s 2016-17 plan is currently being developed.

The Office of Training and Development (OTD) is currently implementing a new Learning Management System (LMS) which will automate the training request process, electronically route them for signatures, and provide automated notification to employees and supervisors. It will allow for identifying and tagging employees who need new training or are due for periodic training updates, and keep us more compliant and current in responding to employee training needs.

HR, Risk Management, and OTD will begin meeting to discuss a method to work with the programs to identify and tag critical safety training needs for each employee.

**Operations- Internal- Staff—Safety**

The inherent nature of the work that the department does presents risks to employee safety. Department employees are dispersed widely across the state as is required for management of the state’s fish and wildlife resources. Employees are often assigned to field work in remote locations with limited cellular phone reception and little opportunity to receive backup from other employees. Department staff often needs to traverse rugged terrain to reach work sites, either in four wheel drive vehicles or on foot. Environmental scientists and other staff face risks in dealing directly with wild animals. Department law enforcement officers face dangerous situations on a daily basis, as their mandate requires them to approach persons suspected of hunting violations. These suspects are equipped with hunting weapons, making these situations inherently dangerous. These encounters usually take place in remote settings, with rapid backup resources unavailable. Some department staff, such as tractor operators at wildlife areas, operate heavy machinery in carrying out their daily responsibilities. Fish hatchery staff come into contact with hazardous chemicals used for fish disease control. The department’s Office of Spill Prevention and Response engages in emergency response and deals with hazardous materials and challenging terrain (eg. hard-to-reach waterways).

The department has an Injury and Illness Prevention Program that identifies the various roles and responsibilities at the department level for employee safety. The department provides a variety of training programs for staff to ensure safety. Training topics include: Hazard Communication Program, Respiratory Protection Program, Hearing Conservation Program, Bloodborne Pathogen Program, Hazardous Waste Operations and Emergency Response Training, Forklift Training, First Aid/ CPR/AED Training, and Defensive Driver Training.

Department staff who will be working directly with wildlife must first take mandatory training in the safe capture, handling, and immobilization of wildlife. This training addresses techniques to capture and immobilize wildlife, precautions and disease issues, and safety for personnel as well as the wildlife.

Law enforcement officers receive POST-certified training through the department’s Fish and Wildlife Academy, followed by a rigorous field training regimen. This training prepares them for the dangerous situations that they encounter in the field.

Overall employee safety is part of new employee orientation and other routine employee training programs.

**Operations- Internal- Staff—Key Person Dependence, Succession Planning**

The department has a large number of staff in key positions, particularly managers, who are nearing retirement age. A review of selected classifications in 2014 revealed that 40 percent of managers in the environmental scientist series were at or within two years of eligible retirement age at the time. Many of these staff have specific expertise that is not widely available throughout the department, creating
operational challenges when they decide to retire. Because many employees remain with the department for many years, they develop subject matter expertise that is not easily transferred to other staff upon retirement. Budgetary limitations on funding and positions create difficulties in sharing knowledge and developing the needed expertise among employees who need to assume the duties of retirees. Relative to other, similar size departments, the Department of Fish and Wildlife lacks sufficient capacity in several key program and administrative areas.

The department has engaged middle management to include them in more decision-making processes and development of key policies and practices. One objective of this engagement is to facilitate knowledge transfer. In addition, this has exposed them to the issues that they will need to address should they be promoted to fill upper management positions vacated by retirees.

The department has an active succession planning function that operates within its Office of Training and Development that tracks succession risk and identifies succession planning needs to department leadership.

Department executive staff participate in succession planning exercises with the Department of Human Resources.

Operations- Internal- Workplace Environment

The department is decentralized, with staff dispersed widely across the state to carry out operations related to management of fish and wildlife resources. There are various types of department facilities throughout the state, including regional headquarters, field offices, wildlife areas and fish hatcheries. This decentralization and the varying nature of the work done in these locations lead to the prevalence of different workplace cultures. This can present management challenges in maintaining consistency in work products and compliance with department policies. In addition, the workplace cultures of staff far removed from the policymaking and administrative functions of the department can present challenges related to adherence to laws and policies that prohibit discrimination and harassment. Decentralization can also lead to low morale among field staff, who may feel like their needs and concerns are not being addressed by executive management in Sacramento.

The Administration Division communicates frequently with regional staff to communicate policy guidance and address employee concerns through various forums, including: [1] monthly administrative officer meetings; [2] frequent memoranda communicating policy or procedure updates for areas such as human resources, contracting and accounting; [3] executive participation in regular policy meetings with regional managers and program managers.

The department recently held sexual harassment prevention training for all rank and file staff. While this training is required for managers, the department exceeded the minimum state mandate to ensure that all staff are aware of laws and policies prohibiting harassment and discrimination.

The department recently conducted a survey of all staff to gauge employee engagement, similar to the statewide survey carried out by the Department of Human Resources and the Government Operations Agency in July 2015. The intent of the department’s survey was to give employees an anonymous forum to express their opinions to management regarding the work environment within the department. Executive management has reviewed the results of the survey and is currently assessing measures that can be taken to address the most prevalent concerns identified by staff. The survey received a substantial response rate in the department and will be conducted on a bi-annual basis to provide information to management on maintaining a positive work environment.

CDFW is a decentralized department with numerous and varied locations throughout the state. Administration communicates frequently with regional staff regarding policy guidance and to address employee concerns. Venues include monthly AO meetings, frequent memoranda,
and executive participation in regular policy meetings with regional management.

A project charter for the Administrative Operation Committee's first work plan (procurement) was finalized June 15, 2016. AOC members attended project management training June 21-22, with a second session scheduled for August 2016.

Decentralization presents management challenges in maintaining consistency of work products and compliance with policies, particularly those relating to discrimination and harassment. The department held sexual harassment prevention training for all rank and file staff, even though it is only required for managers and supervisors, exceeding the state mandate.

The department plans on putting in place a department-wide verification system that ensures that all of our policies have been read and acknowledged by every single employee (via signature).

Operations- External- Business Interruption, Safety Concerns

The department is a trustee agency, responsible for stewardship of fish and wildlife resources throughout the state. To that end, the department owns or manages over one million acres of land in California for fish and wildlife habitat. These resources are at risk of harm from natural disasters, which can hinder the department’s ability to protect affected habitat. Persistent drought has adversely affected the habitat of many fish and wildlife species. Increasing water temperatures in rivers and streams resulting from drought has damaged the habitat of fish that need cold water to live and reproduce. This has required the department to take extraordinary actions to preserve fish species, such as removing fish from rivers and holding them at fish hatcheries throughout the state. This can disrupt the normal operations of the hatcheries, which have statutory fish production goals. Other natural disasters, such as flooding and fires, can adversely affect operations at wildlife areas, which provide habitat for a wide variety waterfowl, amphibians and mammals.

The department received emergency drought response funding in 2013-14, 2014-15 and 2015-16 to allow it to respond to the highest priority areas affected by the drought. With these funds, the department, among other actions taken, has carried out fish rescues, enhanced aquatic and terrestrial species monitoring to determine which species are most vulnerable, and completed habitat restoration projects. Through these actions, the department has gained valuable experience to improve its capacity to deal with drought in the future.

Each facility (fish hatchery, wildlife area, ecological reserve) maintains an emergency plan that details steps to be taken in the event of a natural disaster such as a flood or a fire. These plans include provisions for protecting the safety of staff, the public and the animal species using these areas for habitat. The department is currently taking inventory of emergency plans for facilities statewide to determine where updates are needed, and is updating plans for continuity of operations in the case of a severe weather event or natural disaster.

Persistent drought has adversely affected habitat requiring extraordinary actions to preserve species. This has impacted the department's normal operations. The department received emergency drought response funding which allowed it to respond to highest priority drought-related threats, including fish rescues, enhanced aquatic and terrestrial species monitoring, and habitat restoration projects.

The department received about $18.8 million in drought-related funding for the 2015-16 fiscal year. This funded fish rescue, hatchery improvements, terrestrial and aquatic stressor monitoring, enhanced enforcement, human/wildlife conflict, enhanced Delta Smelt protection, and Central Valley emergency restoration. The Budget Act includes $17.7 million for continuing drought activities in 2016-17.

Operations- External- Litigation
The diversity of viewpoints throughout the state of California regarding the department’s exercise of its statutory responsibilities leads to the potential for litigation. For example, project proponents apply to the department for authorizations under the California Endangered Species Act (Fish & Game Code sections 2050 et seq.) and the Lake and Streambed Alteration Program (Fish &Game Code sections 1600 et seq.) to perform activities that impact the state’s fish and wildlife resources. The department’s issuance of permits or entitlements pursuant to those programs are potential targets for litigation either by organizations that believe the department’s decision was not sufficiently protective of the state’s fish and wildlife resources, or by the project proponent who might perceive the department’s decision to be overly protective of the state’s fish and wildlife resources. Similarly, the department owns or manages a variety of properties, and outside entities may find the department’s management of those properties to be overly, or insufficiently, protective of the fish and wildlife resources, resulting in the potential for parties to pursue litigation. Many of these actions trigger obligations under the California Environmental Quality Act, which provides an additional opportunity to bring litigation.

To reduce the frequency with which litigation is brought as well as the frequency successful challenges to department actions, the department provides extensive training to staff administering the department’s programs most at risk of litigation. Staff throughout the department’s regional offices participate in these trainings which provides subject matter expertise support to all the department’s offices, and also by the department’s Office of Training and Development as well as the Office of General Counsel.

The Office of General Counsel provides and updates templates for documents, including incidental take permits pursuant to the California Endangered Species Act, Lake and Streambed Alteration Agreements pursuant to Fish &Game Code sections 1600 et seq., California Environmental Quality Act findings and forms, as well as conservation easements. The templates, along with a department-wide signature authority matrix, set forth the protocol by which approval of the action must be obtained. Thus, for the many matters that do not require deviation from the template or present more complex legal issues, a regional office may approve the permit or other action. However, where the facts require deviation from the template, or present more complex facts, the permits must be reviewed by the Habitat Conservation and Planning Branch as well as by the Office of General Counsel.

The Office of General Counsel periodically updates the director on the status of litigation and make active decisions on strategy and course of action with respect to existing litigation.

The department has procedures administered by the department’s executive team, including approvals for accepting responsibility for regulatory processes on behalf of public process.

**Operations- External- Technology—Data Security**

The Department is constantly under attack from various people and organizations that wish to capture, steal, or destroy data. These attacks are attempted through many different attack vectors. Just to name a few, they could be a malicious website, malicious attachments in emails, or emails themselves that contain code which infect a computer. Ultimately this all boils down to the user and social engineering. The perpetrator preys on the employee by using something that is of interest to them. The more focused the attempt, the more likely an attack will be successful. For example, if an employee interacts regularly with staff at the Department of Human Resources (CalHR), they may not second guess an email from a CalHR employee that contains an attachment. Upon opening the attachment, the employee’s computer becomes infected with a virus. The impact of the virus could be as simple as an infection to the computer utilizing it as a robot to do the attacker’s bidding, or the computer could attempt to destroy data Department wide.

The Department provides many levels of security to mitigate these risks.

1. Boarder security at the State and Department level – multiple firewalls are installed both at the State and Department level. This reduces the risk of unapproved network access from outside the Department.
2. Virus scanners on the desktops – the virus scanners protect the computers at the lowest...
level by reducing the risk of virus infection and data loss to the Department.
3. Content filters to capture suspect traffic – multiple tools are used to capture unusual and known malicious network traffic. This is a proactive measure to identify issues as they arise at the network level.
4. Regular server backups – this protects the Department from data loss due to accidental deletion or from server failure.
5. Annual user cyber security training – this proactive measure raises awareness among Department users.
6. Emails are sent to users to notify them of specific risks or issues along with further instructions on how to mitigate the issue at hand.

Compliance- External- Priorities Conflicting with Laws or Regulations

This risk has been identified specifically in relation to the Fish and Game Commission (FGC). The FGC establishes regulations for hunting, sport and commercial fishing, aquaculture, exotic pets, falconry, depredation control, listing of threatened or endangered animals, marine protected areas, public use of department lands, kelp harvest, and acts as a quasi-judicial appeal body. The FGC depends upon department programs and staff to conduct the bulk of the analytical work for rulemakings and appeals. The public may petition the FGC for regulation changes pursuant to the Administrative Procedures Act. The volume of petitions can far exceed the capacity of the FGC and the department, which could result in warranted but precluded efforts to implement the petitioned requests. The public may appeal permit denials or revocations by the department to the FGC. The majority of appeals are sent through the Office of Administrative Hearings (OAH). The number of appeals can exceed the capacity of the OAH, leading to delayed adjudications.

The FGC has implemented a review process to evaluate importance and urgency of regulatory petitions. In addition, the department has created the Regulations Unit (RU) to help improve efficiency and effectiveness of regulatory efforts before the FGC. The RU also provides training and consultation to staff involved in rulemakings. The RU also has the ability to tap into other department programs and capabilities to assist in meeting regulatory objectives. In regards to appeals, the FGC does have the ability to take on some appeals through Section 746 of the Fish and Game Code. This process could speed up some of the appeals if OAH becomes backed up or is cost prohibitive.

ONGOING MONITORING

Through our ongoing monitoring processes, the Department of Fish and Wildlife reviews, evaluates, and improves our systems of internal controls and monitoring processes. The Department of Fish and Wildlife is in the process of formalizing and documenting our ongoing monitoring and as such, we have determined we partially comply with California Government Code sections 13400-13407.

Roles and Responsibilities

As the head of Department of Fish and Wildlife, Charlton Bonham, Director, is responsible for the overall establishment and maintenance of the internal control system. We have identified Lisa Gallegos, Assistant Deputy Director, Administration, Sandra Morey, Deputy Director, Ecosystem Conservation Division, as our designated agency monitor(s).

Frequency of Monitoring Activities

The department holds monthly management meetings, at which many of the risks identified in this report are discussed. Ongoing monitoring of risks will formally become a standing agenda item at these meetings beginning in 2016. The designated agency monitors attend these meetings and will receive updates from unit monitors. The department’s ongoing monitoring process will include: (1) continued monitoring of the risks identified in this report and identification of actions that can be taken to mitigate these risks to the extent possible; and (2) ongoing review of department programs in order to identify new risks that may materialize.
Reporting and Documenting Monitoring Activities

The agency head will stress the importance of ongoing monitoring to department staff and the need to build it into normal operations. After establishing a baseline of existing controls, including those identified in this report, through ongoing monitoring, department management will be able to improve on or develop new controls as needed. The designated agency monitors will be responsible for reporting monitoring activities to executive management. This will occur through quarterly updates that the agency monitors will prepare using information garnered from the unit monitors in monthly management meetings. Agency monitors will submit a memorandum to the agency head quarterly to document monitoring activities. The memorandum and background information related to the monitoring results will be saved to a department-wide shared drive. In addition, this information will be disseminated by the agency monitors and discussed with unit monitors and other program managers at the monthly management meetings.

Procedure for Addressing Identified Internal Control Deficiencies

Deficiencies identified through the ongoing monitoring process will be documented in the reports provided to the agency head by the designated agency monitor. Actions needed to remedy the deficiency will be detailed in the quarterly report. It will be the department’s goal to remedy deficiencies by the quarterly report following the report in which the deficiencies were identified. Subsequent reports to the agency head will contain information on actions taken and the status of progress in addressing deficiencies.

CONCLUSION

The Department of Fish and Wildlife strives to reduce the risks inherent in our work through ongoing monitoring. The Department of Fish and Wildlife accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies. I certify our systems of internal control and monitoring processes are adequate to identify and address material inadequacies or material weaknesses facing the organization.

Charlton Bonham, Director

cc: Department of Finance
    Legislature
    State Auditor
    State Library
    State Controller
    Secretary of Government Operations