PERFORMANCE AUDIT

GAME AND FISH DEPARTMENT AND COMMISSION

Report to the Arizona Legislature
By the Auditor General
September 1991
91-10

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STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

September 26, 1991

Members of the Arizona Legislature

The Honorable Fife Symington, Governor

Mr Phillip Ashcroft, Chairman
Arizona Game and Fish Commission

Transmitted herewith is a report of the Auditor General, A Performance Audit of the Arizona Game and Fish Department and Commission. This report is in response to a June 14, 1989, resolution of the Joint Legislative Oversight Committee and was conducted as a part of the Sunset Review set forth in Arizona Revised Statutes §§41-2351 through 41-2379.

The report addresses the effectiveness and efficiency of the Arizona Game and Fish Department and Commission. Specifically, we found that the Department can be more effective in dealing with controversial wildlife management issues. We also found that the Department needs to step up its efforts to develop a comprehensive planning and evaluation system. Further, we found that the span of control between the Department's Regional Supervisors and the staff they supervise is excessive and should be addressed. Finally, we found that watercraft regulation should be modified to require titling, and to eliminate regulation for certain types of watercraft.

My staff and I will be pleased to discuss or clarify items in the report.

This report will be released to the public on September 27, 1991.

Sincerely,

Douglas R. Norton
Auditor General

DRN:lmn

cc: Commission Members
Duane Shroufe, Director
Arizona Game and Fish Department

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SUMMARY

The Office of the Auditor General has conducted a performance audit and Sunset Review of the Arizona Game and Fish Department and Commission, pursuant to a June 14, 1989, resolution of the Joint Legislative Oversight Committee. This performance audit was conducted as part of the Sunset Review set forth in Arizona Revised Statutes (A.R.S.) §§41-2351 through 41-2379.

The Arizona Game and Fish Department (AGFD) is responsible for administering and enforcing the game and fish laws and the boating and watercraft laws. The mission statement of the Department is to conserve, enhance, and restore Arizona's diverse wildlife resources and habitats through aggressive protection and management programs, and to provide wildlife resources and safe watercraft recreation for the enjoyment, appreciation, and use of present and future generations. The Department is overseen by the Game and Fish Commission, a five-member body whose members are appointed by the Governor for staggered five-year terms.

The Department Can Improve Its Effectiveness In Controversial Wildlife Management Issues **(See pages 5 through 11)**

The Arizona Game and Fish Department can be more effective in dealing with controversial issues it must address because of its expanded role. The Department's role has grown over the past few years. Traditionally, the Department's focus was on managing game and fish species for consumptive use (hunting and fishing) by sportsmen. However, the Department has expanded its wildlife advocacy role as a result of changes in federal law, direction from the Arizona Game and Fish Commission, and passage of the Heritage Fund Initiative last year.

With its expanded role, the Department has been involved in some controversial issues related to the use of public lands. Most of the controversy experienced by the Department has come from its involvement in issues relating to timber harvesting, cattle grazing, and threatened and endangered species such as the Mount Graham red squirrel. For example, the Department's appeals and intervention in timber sales have

been criticized by industry as being single-minded in their concern for wildlife while ignoring the economic impact on business and communities in the timber industry.

In response to criticism, the Commission has taken several steps to further improve policy development and guidance for the Department. For example, as a result of the timber-related controversies, the Commission developed and approved a process for appealing Forest Service decisions, and established a policy statement supporting the concept of multiple use management on public lands. However, the Department should consider additional actions including developing more biological information on nongame and threatened and endangered species; establishing a special team to develop, manage, and carry out Commission policy on controversial issues; and increasing its interaction with groups involved with controversial issues.

The Department Needs to Step up Its Efforts to Develop a Comprehensive Planning and Evaluation System **(See pages 13 through 18)**

The Department needs to do more to implement a comprehensive system of planning and evaluation. Because the Department is responsible for implementing a broad array of programs throughout Arizona, adoption of a comprehensive planning system would enhance the Department's ability to manage its operations. The Department initiated development of a comprehensive planning system in 1985, but the Department still does not have an overall plan to direct operations and establish clear priorities. As a result, regional personnel receive limited direction and are forced to decide Department priorities. In developing a comprehensive plan, the Department needs to focus its planning efforts, to involve more personnel departmentwide, and to establish an implementation schedule.

Significant "Span of Control" Problems Exist in the Department's Six Regional Offices **(See pages 19 through 24)**

The span of control between the Department's Regional Supervisors and the staff they supervise is excessive and should be addressed. The Regional Supervisors are responsible for administering a wide variety of

Department programs including wildlife management, habitat conservation, game and fish law enforcement, watercraft enforcement, and information and education services. However, Regional Supervisors have an average of 20 employees reporting directly to them--more than they can effectively supervise. The Department needs to add field supervisors to oversee field staff.

The Department Should Modify Its Watercraft Regulation **(See pages 25 through 30)**

Changes are needed to Arizona's watercraft regulation. First, Arizona should require titling of watercraft. Titling establishes proof of ownership, discourages boat theft, and allows liens to be recorded by financial institutions. Currently, 29 states and the District of Columbia require the issuance of a title, and the United States Coast Guard strongly endorses titling. Second, Arizona should consider eliminating regulation for certain types of watercraft. Arizona is one of only 8 states that requires all watercraft to be registered. Included in Arizona's requirements are sailboats, rowboats, canoes, kayaks, sailboards, and inflatable rafts. Federal law requires that only motorized boats be registered. Revenues lost through the elimination of regulation for these watercraft could be recovered through an increase in registration fees and taxes.

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INTRODUCTION AND BACKGROUND

The Office of the Auditor General has conducted a performance audit and Sunset review of the Arizona Game and Fish Department and Commission, pursuant to a June 14, 1989, resolution of the Joint Legislative Oversight Committee. This performance audit was conducted as part of the Sunset review set forth in Arizona Revised Statutes (A.R.S.) §§41-2351 through 41-2379. This is the first performance audit of the Arizona Game and Fish Department conducted by the Auditor General.

Background

As early as 1881, concern over the unrestricted drain on Arizona's wildlife resources led to the formation of the Arizona Fish Commission. The Arizona Game and Fish Department and Commission were established, in essentially their present form, in 1929. The Arizona Game and Fish Department (AGFD) is the State agency charged with administering and enforcing the game and fish laws and the boating and watercraft laws. The mission statement of the Department is to conserve, enhance, and restore Arizona's diverse wildlife resources and habitats through aggressive protection and management programs, and to provide wildlife resources and safe watercraft recreation for the enjoyment, appreciation, and use of present and future generations.

The Arizona Game and Fish Commission is a five-member body whose members are appointed by the Governor for staggered five-year terms (A.R.S. §17-201). The Commission appoints a Director (A.R.S. §17-211) who acts as secretary to the Commission and serves a five-year term. The Director is responsible for the supervision and control of all activities of the Department and enforces all Commission rules and orders.

Organization and Programs

AGFD is organized into four divisions: Wildlife Management, Field Operations, Special Services, and Information and Education. Each

division is comprised of specialized branches which handle the activities that fall into their categories. Some of the programs currently operated by the Department include: fisheries management, game management, nongame management, habitat management, game and fish law enforcement, information and education, research, engineering, habitat development, and watercraft--including registration and boating education and enforcement.

The Department divides Arizona into six administrative regions which function as part of the Field Operations Division. Regional headquarters are located in Pinetop, Flagstaff, Kingman, Yuma, Tucson, and Mesa. Regions are divided into districts managed by district wildlife managers who report to the regional supervisor.

Budget and Staffing

AGFD receives no State General Fund monies. The Department receives most of its operating revenue from the sale of licenses, permits, watercraft registration fees and taxes, and Federal grants. Some other sources of revenue include: donations, interest income, fines and civil penalties, and rental income.[1] A summary of AGFD expenditures for fiscal years 1988-89, 1989-90, and 1990-91 are shown in Table 1, page 3.

The Department's funding will be significantly expanded with the addition of the Heritage Fund. Title 17, Chapter 2, Arizona Revised Statutes was amended by adding Article 6 in November 1990 due to the voter-approved Proposition 200 "Arizona Heritage Fund." The Department will receive $10 million annually for purposes which include preserving, protecting, and enhancing Arizona's wildlife, wildlife habitat, endangered and threatened species, urban wildlife, and for environmental education.

For fiscal year 1990-91, AGFD had 398.8 full-time equivalent (FTE) positions, 276.0 Game and Fish funded positions and 122.8 Federal aid funded positions.

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(1) Statutes require that revenues (except Federal grants) received by the Department be transferred to the State Treasurer for deposit into special funds, such as the game and fish and the watercraft licensing funds. These funds are appropriated to the Commission for use in carrying out its duties.

TABLE 1

ARIZONA GAME AND FISH DEPARTMENT
STATEMENTS OF FTEs AND ACTUAL EXPENDITURES
FISCAL YEARS 1988-89, 1989-90, AND 1990-91
(Unaudited)

	1988-89	1989-90	1990-91
FTE positions	399.3	398.8	398.8
Personal services	$ 9,557,940	$ 9,812,241	$10,641,206
Employee related	2,795,965	2,726,626	3,160,396
Prof. & outside services	1,395,247	972,457	1,752,498
Travel, in-state	481,637	568,431	571,726
out-of-state	52,636	62,456	86,200
Capital outlay	2,745,935	3,912,057	5,487,870
Other operating	4,390,078	5,191,978	5,262,083
TOTAL	$21,419,438	$23,245,346	$26,961,979

Source: Arizona Financial Information Systems Reports for the Fiscal Years Ending June 30, 1989, 1990, and 1991. FTE information obtained from AGFD budget requests for Fiscal Years 1990-91 and 1991-92.

Audit Scope

Our audit report of the Arizona Game and Fish Department presents findings and recommendations in four areas:

- AGFD's involvement in controversial issues
- The Department's planning and evaluation process
- The span of control of Regional Supervisors
- Watercraft regulation

In addition to these audit areas, we present a section on other pertinent information which includes information regarding the recently approved Heritage funding, and Wildlife Manager salary and workload information (see pages 31 through 39). This report also contains a response to the twelve sunset factors (see pages 41 through 45).

Time constraints did not allow us to review the efficiency and effectiveness of several Department programs. Some examples of these programs include game management, fisheries, habitat, game and fish law enforcement, research, and data processing. These programs expend significant amounts of Federal and State funds and involve many Department staff.

The audit was conducted in accordance with government auditing standards.

The Auditor General and staff express appreciation to the Arizona Game and Fish Commission Chairman, Commission members, the Director of the Arizona Game and Fish Department, and staff for their cooperation and assistance throughout the audit.

FINDING I

THE DEPARTMENT CAN IMPROVE ITS EFFECTIVENESS IN CONTROVERSIAL WILDLIFE MANAGEMENT ISSUES

> "Those searching for a state agency that avoids controversy and walks the middle of the road will wish to pass the offices of the Arizona Game and Fish Department." (Arizona Republic, February 17, 1991)

As the article suggests, the Department has been involved in many controversial issues regarding wildlife management over the past few years. Several factors have mandated a more expanded wildlife management role for the Department beyond that of its traditional focus on hunting and fishing. Along with this larger and more active role managing wildlife, the Department has received criticism for its actions. Although some of the criticisms have been addressed, more can be done.

Department's Wildlife Management Role Has Expanded

The Department's role has expanded beyond its traditional focus on providing for consumptive use of wildlife. Traditionally, the Department had focused its efforts on managing game and fish species for consumptive use (hunting, fishing, and trapping) by sportsmen. Managing big game herds, setting hunting seasons, stocking fish, enforcing hunting and fishing laws, and providing hunter education were and still are major activities of the Department. The Department, however, has augmented its organization to address its expanded role. Habitat specialist positions were established in the regions in 1979. In 1983, the Department created a nongame branch to conserve and manage nongame species. In 1989, the habitat branch was organized to further emphasize habitat evaluation and conservation functions. Further, the Department has devoted considerable resources in the past three years to research of nongame species, and increased staff size in the research branch from 13 to 60 staff.

Several factors mandate a broader Department role.

- Federal requirements - Federal laws provide for a strong State Game and Fish role in the planning and management of wildlife and habitat on Federal land. This is especially critical in Arizona where one-third of the land is Federal land managed by the Forest Service and the Bureau of Land Management (BLM), and much of the wildlife habitat in the State is on this land. The National Forest Management Act (NFMA) provides for a comprehensive process to obtain input from interested parties including State Game and Fish agencies for the development and execution of management plans for the national forests. Although the Act was passed in 1976, forest plans for Arizona were not developed and completed until the late 1980s.

  Department public lands involvement includes reviews of forest and range land management plans, proposed timber sales, grazing allotments, and, in general, any proposed activity which has an impact on wildlife on Federal land. These reviews can include field studies to provide further information and to determine effects on wildlife. Department staff work with Forest Service and BLM staff on biological projects and also in developing plans.

- Direction from Commission - Arizona statutes give the Commission broad authority to manage wildlife in the State through the AGFD. The Commission establishes Department policy and gives the Department direction for its activities. In 1987, the Commission for the first time established a Department mission statement which delineates the Department's expanded role by directing the department to conserve, enhance, and restore Arizona's diverse wildlife resources and habitats through aggressive protection and management programs.

- Heritage Fund Initiative - The passage of the Heritage Fund initiative in the 1990 election will continue to expand the role of the Department. The initiative requires that the Department assess wildlife habitats statewide, provide increased environmental education and information efforts, develop urban wildlife programs, increase access to public lands, and also acquire sensitive habitat for wildlife. The initiative provides $10 million annually to carry out these duties. The Department expects to eventually add 105 staff to perform Heritage Fund duties.

Expanded Role Brings Controversy

As a result of its expanded role, the Department has been involved in controversial issues related to public land use. Public land use issues are inherently controversial due to the varied perspectives of those

entities with an interest in these issues. Some of the larger controversies the Department has participated in have been issues relating to timber harvesting, cattle grazing, and threatened and endangered species such as the Mount Graham red squirrel. These types of controversies are not unique to Arizona. Other western states' Game and Fish departments are experiencing similar controversies.

Controversy to be expected - Because of the nature of the issues, increased public concern about the environment, and the Department's mandated role, some controversy will inevitably occur over how public lands will be used. The Department's primary role is to manage, protect, and enhance wildlife. However, this may conflict with the goals of other parties under the Federal concept of managing land for multiple use. In addition to the Department, both environmental groups and various industries attempt to influence how national forests will be managed.

Overview of major controversies - Three of the larger wildlife-related controversies in which the Department participated include the following:

- Timber - Much of the controversy involving the Department over the past few years has come from its active role in issues concerning timber harvesting in the national forests in Arizona. The Department has appealed or intervened on several timber sales and forest management plan proposals. Department efforts have been criticized by industry as being single minded in their concern for wildlife while ignoring the economic impact on business and communities. Community leaders and employees also expressed concern in letters to both the Governor and the Department. In response, the Department published a "white paper" which gave its perspective of the issues. One timber company then published a counter-response to the Department's white paper and also sued the Department to gain access to information related to timber issues. The suit was recently resolved in favor of the Department and the timber company indicated they would not appeal the decision.

- Cattle - The Department has been involved in controversial issues relating to the cattle industry. Ranchers are concerned about large numbers of elk grazing on public land used for grazing cattle. The Department and the Forest Service have allowed elk populations to increase in Arizona, putting additional pressure on the habitat also used for cattle grazing. Another problem has been elk grazing and damage to private land used for cattle. The Department has responded to some concerns by building fences to keep elk out and also holding controversial special hunts to reduce elk numbers in problem areas.

Another cattle-related controversy involving the Department concerned bears and mountain lions. Ranchers were killing bears and mountain lions to minimize their attacks against cattle. In response to public concern about the number of predators taken by ranchers and the methods used, the Department worked with industry to pass legislation further regulating the taking of predators. Senate Bill 1137, passed in 1990, restricted ranchers to taking only the killer animal, restricted methods of taking, and required ranchers to report that an animal was taken. Prior to this law, ranchers could take unlimited numbers of predators and had no restrictions on methods used.

- Mount Graham Red Squirrel - The Department was also involved in the controversial issue regarding the Mount Graham red squirrel. The Department and many environmental groups were concerned that the building of a telescope site on Mount Graham would seriously threaten the habitat of the squirrel to the point of possible extinction. The issue was heated and involved several entities in addition to the Department and political and environmental groups including the Governor, the University of Arizona, and most of the congressional delegation.

Other western states experiencing similar controversies - Wildlife and habitat controversies in Arizona are not unique. Many western states have experienced similar controversies. Timber-cutting controversies have been raging in the Northwest, pitting the timber industry against wildlife departments and environmentalists over the issue of timber-cutting's impact on wildlife habitat. Further, several states reported controversies arising from cattle grazing.

Additional Measures Needed to Better Address Controversies

The Commission and the Department should both consider additional measures to better address their involvement in controversial issues. In response to criticism, the Commission has taken several steps to help ensure effective policy development and Department action in its and the Department's involvement in controversial issues. Some additional measures, however, may further improve effectiveness.

Commission has addressed criticism - In response to criticism about the Department's role in controversial issues, the Commission has taken several steps to improve policy development and guidance for the Department. Although the Commission is charged by statute to establish policy for the Department, it was at times not informed of actions being taken by the Department. However, as a result of timber-related controversies in 1990 and the resulting criticism, the Commission took

several actions to help ensure its involvement in decisions related to controversial issues. First, the Commission developed and approved a process for appealing Forest Service decisions. This process includes Department presentation of related information for review by the Commission and the State Forester. The Commission will then determine whether an appeal will be pursued. Second, the Commission also established a policy statement supporting the concept of multiple use management on public lands administered by the Forest Service and the BLM. In this policy the Commission directs the Department to continue to be an active partner with Federal land management agencies and the public in the design and application of multiple-use prescriptions for resource management. Third, the Commission has devoted time at monthly Commission meetings to obtain updates and information on public land issues.

Additional measures needed - The Commission and Department should consider additional actions to improve their handling of controversial issues on public lands. These include: (1) developing more biological information, (2) developing a special team to address, manage, and respond to controversial issues; and (3) establishing more task forces or committees to solicit input and help develop concensus on controversial issues.

Several respondents to our survey of entities that interact with the Department[1] stated that the Department needs to develop more biological information on nongame and threatened and endangered species. Information is needed on these and other species to better determine the impact public land use decision making has on these species. For example, not enough biological information has been gathered to date on the Goshawk population on the North Kaibab Ranger District on the Kaibab National Forest. Information is needed because this bird of prey has been designated as an indicator species for that forest. (An indicator species is one that is most likely to show the typical effects of forest management actions on wildlife and the ecosystem.) The North Kaibab has

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(1) We surveyed 139 individuals representing agencies and organizations that interact with the Department. Seventy-three responded to the survey which contained questions about the Department's effectiveness.

been one of the most controversial of all Arizona public land disputes, with debate focusing on whether the Goshawk will be adversely impacted by additional timber cutting proposals.

The Department until recently has devoted few resources to nongame species. However, Heritage Fund requirements will increase staff and help address the biological information need. The Heritage Fund requires that the Department address nongame habitat and species and makes funding available for biological studies. The Department's Heritage Fund program proposals call for an additional 105 staff, many of which will be habitat and research oriented.

The Department should also consider organizing a special team to develop, manage, and carry out Commission policy on controversial issues. Several entities we surveyed criticized the Department's ability to act as a coordinated unit. These entities were concerned that positions on issues vary among regions, and felt that the central office is not involved enough in the issues. New Mexico's Game & Fish Department has established a special team comprised of central office management and supervisors that meet monthly to discuss issues, reach concensus and set policies.

Another measure the Commission and Department should consider is establishing additional task forces or committees comprised of interested parties to receive input and develop consensus on controversial issues. Some efforts towards this have already begun. The Governor has recently established a public land use advisory council comprised of State agency directors with environmentally-related responsibilities. In addition, the Commission has established or has participated in working groups that include industry, environmental and other groups. Although some effort has taken place, the Commission agreed more proactive use of task forces is needed to address controversial issues. Some other western state game and fish agencies have established task forces or committees to help ensure that input is received from all parties. For example, Utah uses task forces to obtain concensus on big game management policies. Membership includes ranchers, sportsmen, legislators, Federal agency personnel, livestock association representatives and agency personnel. Washington has a standing committee to address, mitigate, negotiate and

reach agreement on controversial issues such as timber cutting. The committee is comprised of representatives of state and Federal agencies, Indian tribes, industry, land owners, sportsmen and environmental groups.

RECOMMENDATION

The Commission and Department should consider:

a. continuing to strengthen their research efforts towards nongame species so that additional biological information can be provided for public land use decision making, and

b. continuing to develop a process to better coordinate and address controversial issues.

FINDING II

THE DEPARTMENT NEEDS TO STEP UP ITS EFFORTS TO DEVELOP A COMPREHENSIVE PLANNING AND EVALUATION SYSTEM

The Arizona Game and Fish Department needs to do more to implement a comprehensive system of planning and evaluation. Although the Department started developing a comprehensive planning system in 1985, critical components of the system are not yet in place. As a result, management is limited in its ability to provide clear direction to Department staff, and priorities are often determined at the regional level. The Department should consider several measures to facilitate completion of its comprehensive planning and evaluation system.

Comprehensive Planning and Evaluation Needed

Sound planning and evaluation are needed to ensure that the AGFD operates in an effective and efficient manner. The Department is responsible for implementing a broad array of programs throughout Arizona. Adopting a comprehensive planning system could enhance the Department's ability to manage its operations.

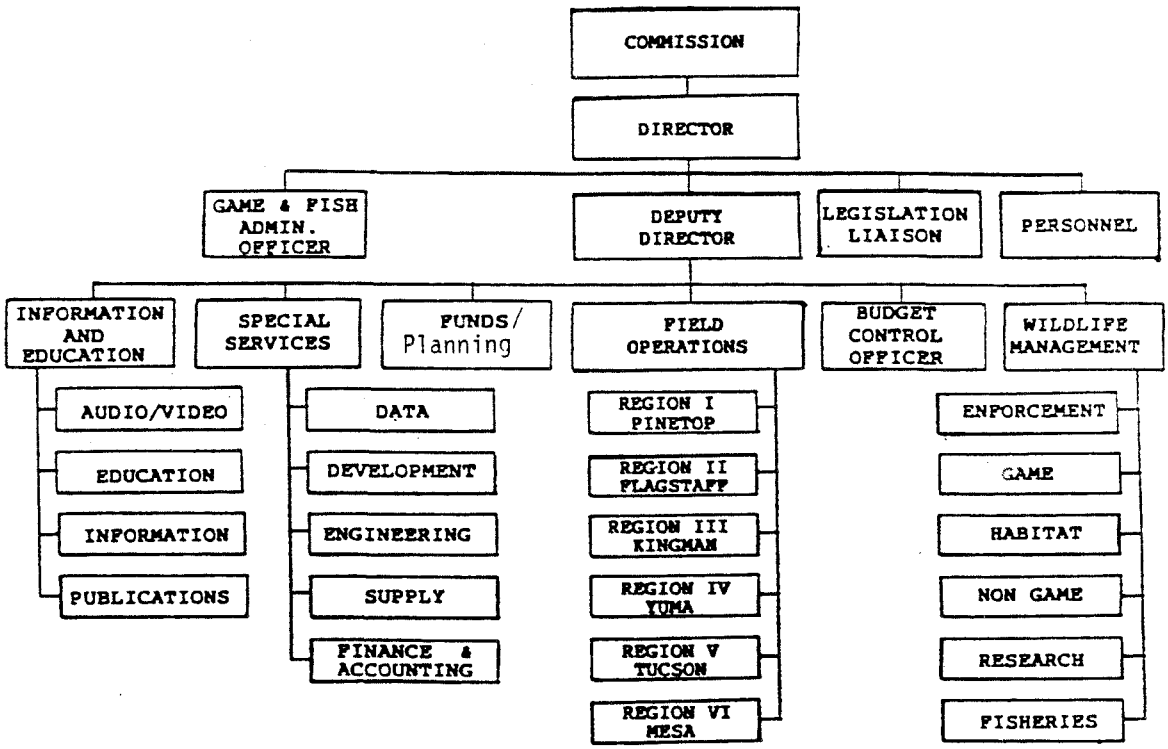
Department operations significant and widespread - The nature of AGFD's organizational structure and operations increases the need for comprehensive planning and evaluation within the Department.

- The Department operates a wide range of programs including fisheries management, game management, nongame management, habitat management, game and fish law enforcement, watercraft law enforcement, research, and information and education.
- The Department's field activities are widespread, with approximately 300 staff in six regional offices and in field assignments throughout the State. These employees are responsible for a variety of activities including enforcement, wildlife management, and research.
- AGFD's organizational structure is diffused, having a line and staff structure that separates responsibility for program planning and program implementation.

Figure 1 presents the Department's current organizational structure.

FIGURE 1

ARIZONA GAME AND FISH DEPARTMENT ORGANIZATIONAL STRUCTURE



Source: Arizona Game and Fish Department

<u>Comprehensive planning could offer several benefits to AGFD</u> - The Department could benefit from the establishment of a comprehensive planning system. As shown in Figure 2, page 15, comprehensive planning is an integrated system of management that involves ongoing evaluation of objectives and monitoring of progress. Its components include strategic planning, operational planning, implementation, and evaluation.

FIGURE 2

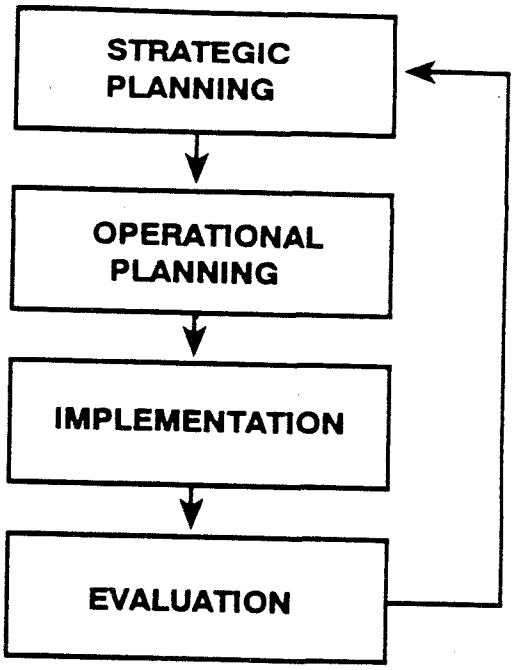
COMPREHENSIVE PLANNING AND EVALUATION SYSTEM

Strategic planning articulates the mission and goals of an organization, presents measurable objectives, and identifies general implementation strategies.

Operational planning identifies the activities and resources needed to achieve objectives, and sets overall priorities.

Implementation involves putting the plan into action, and allocating resources to priority projects and activities.

Evaluation determines how well strategies are working and whether objectives are being achieved, and provides information needed to revise plans.



Establishing a comprehensive planning and evaluation system would benefit the Department in several ways: (1) by providing an overall statement of purpose for agency operations, (2) by enabling the Department to take a more proactive approach to the management of Arizona's wildlife resources, (3) by allowing the Department to focus its resources on accomplishment of goals and objectives, (4) by allowing the Department to determine how well strategies are working and objectives are being met, and (5) by making Department performance more accountable to the Commission.

AGFD Has Initiated Development of a Comprehensive Planning System, However, Some Critical Plans Are Not Yet in Place

Despite the Department's efforts to develop a comprehensive planning system, key planning and evaluation components have yet to be developed.

AGFD has begun development of a comprehensive system - The Department began developing a comprehensive planning and evaluation system in 1985 and has made progress in several areas.

- **Strategic planning** - The Department has developed an overall mission statement, general goals and objectives, and strategic plans for its game, fisheries, and nongame programs.
- **Operational planning** - Operational plans, such as program narratives and annual work plans, have been prepared for programs and functional areas that receive Federal funding. The Department has also attempted to link objectives to activities in the planning process for Heritage funds.
- **Evaluation** - Annual progress reports are prepared for Federally funded programs. AGFD has also installed a computerized cost accounting system to track the cost of, and manhours allocated to, Department programs and functions.

Critical system components have yet to be developed - Although some progress has been made, the Department still needs to complete important tasks in each area of the comprehensive planning system. These include:

- **Strategic planning** - The Department still needs to integrate organizational goals and objectives for all programs and functional areas.
- **Operational Planning** - AGFD needs to develop department-wide objectives and translate the objectives into specific activities, resource requirements, and priorities.
- **Evaluation** - The Department needs to develop a comprehensive system to evaluate Department operations and determine whether objectives are being met.

In addition, the Department needs to adopt plans to guide several critical programs and functions. For example, although employees in the Department's Field Operations Division spend approximately 38 percent of their time performing enforcement duties, AGFD lacks a department-wide plan for its law enforcement function.

Decisions Regarding Priorities Are Often Left to the Regions

In the absence of a comprehensive planning and evaluation system, decisions concerning work priorities frequently must be made at the regional level. Four of the six Regional Supervisors we interviewed indicated that they receive little direction from management concerning overall organizational priorities. As indicated earlier, the region staff are responsible for performing work assignments in a variety of programs including fisheries management, game management, nongame management, habitat management, game and fish law enforcement, watercraft enforcement, and information and education. Regional Supervisors may receive work assignments directly from the various program staff in the Department's central office. When these work assignments from central office conflict, Regional Supervisors must either seek direction from the Associate Director for Field Operations at the central office or determine priorities themselves. As a result, regions can vary considerably in their approach and practice to various activities. For example, the Investigator is used as a uniformed officer in one region, for special projects in another, and for Operation Game Thief investigations in a third. Some regions write tickets for certain offenses, whereas others only give warnings for the same offenses. Some regions focus enforcement efforts on certain violations such as hunting from a vehicle, whereas others focus on repeat offenders. According to the Department, regions may also have to choose between hunt patrol verses watercraft patrol, hunt patrol verses State Fair duty, license issuance verses field activity and road kill response verses habitat protection.

Additional Steps Could Be Taken to Facilitate Implementation

Although the Department is making progress towards developing its planning and evaluation system, it should consider several steps to help facilitate system development and implementation.

- Focusing of planning efforts within a unit - Current plans are developed by program areas within the organization. No organizational unit has responsibility for developing and implementing the comprehensive system. The Department's Funds Coordinator has suggested establishing a unit within the director's

office that is responsible for development of overall strategic and operational plans. A group such as this could bring together plans from all functional areas and meld them into comprehensive documents. In addition, the group could also monitor and evaluate program progress. Placing the unit within the director's office would also help ensure that emphasis is placed on completing the management system.

- **Developing an implementation schedule** - Identification of the tasks that remain to be done, and the expected completion dates for these tasks, would help focus the Department's efforts to implement these components. In addition, establishment of such a schedule would allow the Commission and the public to evaluate the Department's progress in this area.

- **Involving personnel throughout the Department** - AGFD's management team, including Branch and Regional Supervisors, should be involved in the initial development, and ongoing operation of the Department's comprehensive planning process.

RECOMMENDATION

The Department should continue its efforts to develop a comprehensive planning and evaluation system. To help develop this system AGFD should take the following actions:

a. centralize responsibility for system development and implementation in the Director's office,

b. establish an implementation schedule that identifies components that remain to be developed and includes target dates for the development of these components, and

c. utilize the Department's management team, including Branch and Regional Supervisors, in the development and ongoing operation of the comprehensive planning system.

FINDING III

SIGNIFICANT "SPAN OF CONTROL" PROBLEMS EXIST IN THE DEPARTMENT'S SIX REGIONAL OFFICES

The span of control between AGFD Regional Supervisors and the staff they supervise is excessive. The Department needs to add field supervisors to oversee Wildlife Managers.

The Span of Control in the Department's Regional Offices Is Excessive

The ability of the Department's Regional Supervisors to direct employee work efforts is inhibited by the extreme span of control that exists at the regional level. Regional Supervisors must oversee a large number of employees who are dispersed throughout large geographical areas. As a result, they are unable to provide adequate supervision.

AGFD Regional Supervisors oversee too many employees - AGFD's Regional Supervisors play a key role in the Department. They are responsible for administering a wide variety of Department programs including wildlife management, habitat conservation, game and fish law enforcement, watercraft enforcement, and information and education services.

Regional Supervisors serve as direct supervisors for an average of 20 employees. As Table 2 on page 20 shows, the Department's Regional Supervisors typically are responsible for supervising a Game Specialist, a Fisheries Specialist, one or more Habitat Specialists, a Law Specialist, an Investigator, an Office Manager, and nine to fifteen district Wildlife Managers. They may also supervise a Regional Assistant and staff who are responsible for managing Department-operated wildlife areas. Figure 3 on page 21 depicts the existing span of control for an average region. The supervisory responsibilities of AGFD Regional Supervisors will increase even further with the addition of new staff needed to implement Heritage Initiative programs.

TABLE 2

ARIZONA GAME AND FISH DEPARTMENT NUMBER OF EMPLOYEES SUPERVISED BY REGIONAL SUPERVISORS

	Region						
	1	2	3	4	5	6	Average
Wildlife Managers	9	11	12	10	15	15	12.0
Regional Specialists[a]	5	5	4	4	5	4	4.5
Investigators	1	1	1	1	1	1	1.0
Office Manager	1	1	1	1	1	1	1.0
Other	1	3	1	1	1	1	1.3
Total staff supervised	17	21	19	17	23	22	19.8

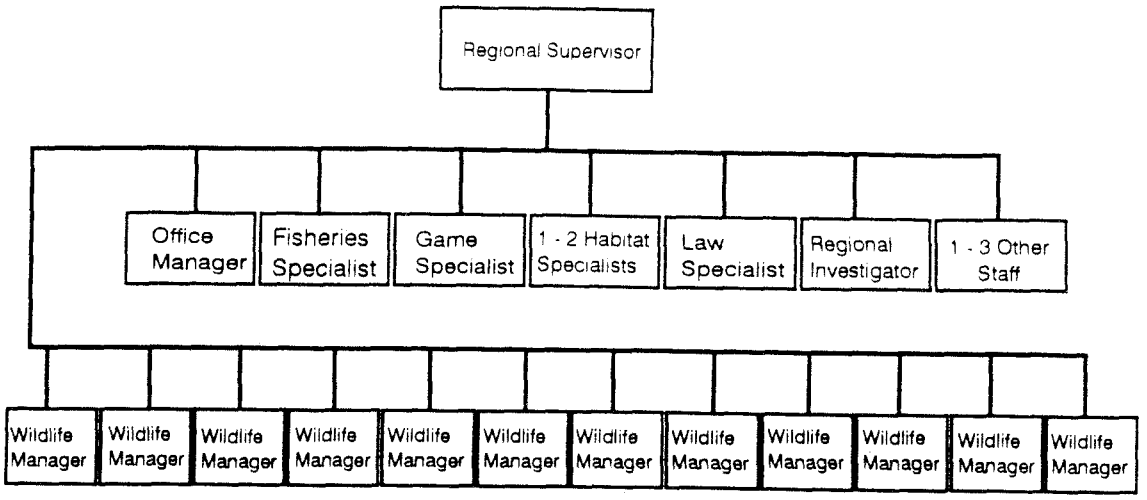
(a) Specialists assigned to each of the Department's six regions include a Game Specialist, Fisheries Specialist, Law Specialist, and one to two Habitat Specialists. In addition, an Information and Education Specialist is assigned to Region 5.

Source: AGFD personnel roster for April 1991.

The difficulties associated with supervising such a large number of employees is exacerbated by the size of AGFD regions. These regions vary in size from 10,920 to 30,788 square miles. Each region contains a number of districts that are overseen by Wildlife Managers. In some instances, it may take the Regional Supervisor several hours to reach a Wildlife Manager's district by car. For instance, the Region 2 Supervisor indicated he would need to drive 210 miles from the Flagstaff regional office to visit his Wildlife Manager assigned to Fredonia on the Arizona Strip (the Arizona lands north of the Colorado River). Similarly, the Region 5 Supervisor indicated that the Tucson regional office is approximately 170 miles from the Portal district in southeastern Arizona.

FIGURE 3

ARIZONA GAME AND FISH DEPARTMENT CURRENT STRUCTURE OF A TYPICAL REGION



Source: Prepared by Auditor General staff based on the current AGFD regional structure.

<u>The excessive span of control has resulted in limited supervision</u> - Regional Supervisors seldom see many of the employees that they are required to supervise. Although regional staff typically have quarterly meetings in the regional offices, Regional Supervisors spend little time in the field with their staff. One Regional Supervisor we interviewed said he rarely gets out to his Wildlife Managers' districts unless there is a problem or a special project. Another Regional Supervisor said that he tries to visit his Wildlife Managers on the Arizona Strip once per year, but may be unable to make the trip this year because of time constraints. Wildlife Managers we surveyed agree that their Regional Supervisors seldom visit them in their districts. Of the 67 Wildlife

Managers who responded to our survey,[1] 39 percent indicated that their Regional Supervisor visits them in their district less than once per year.

Because Regional Supervisors are unable to spend time in the field with their staff, their ability to adequately supervise and evaluate staff is adversely impacted. Regional Supervisors we interviewed indicated that they cannot provide close supervision to all of their subordinates and that it is also difficult to adequately evaluate staff performance.

Field Supervisors Needed

The supervisory responsibilities of the Department's Regional Supervisors could be reduced through the addition of field supervisors. Most other western states we contacted use mid-level supervisors to provide direct oversight of field staff. In Arizona, field supervisor positions (classification of Wildlife Manager IIIs) could be added to each region to oversee district Wildlife Managers. Figure 4 on page 23 shows what impact this would have on the typical Regional Supervisor's span of control.

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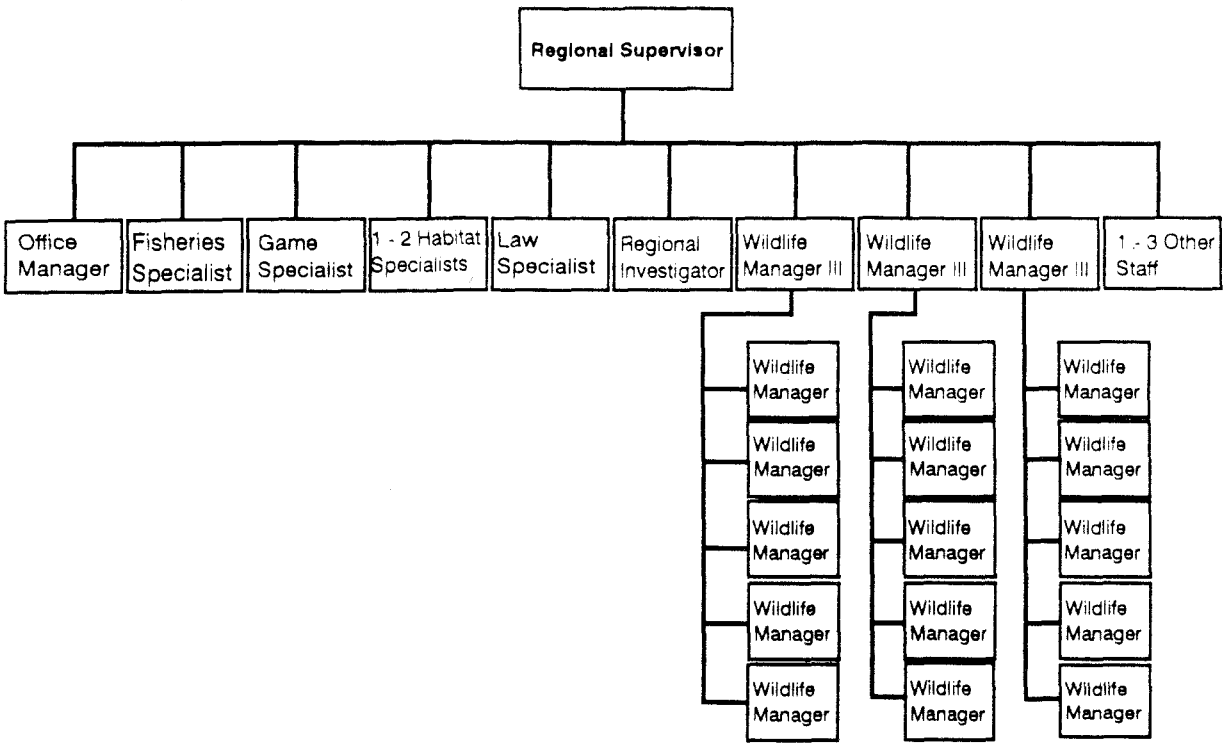
(1) All 72 district Wildlife Managers were sent a written questionnaire as part of our evaluation of the Department.

FIGURE 4

ARIZONA GAME AND FISH DEPARTMENT PROPOSED STRUCTURE OF A TYPICAL REGION



Source: Prepared by Auditor General staff based on proposed AGFD regional structure.

During the course of our audit, the Commission developed a legislative budget proposal for fiscal year 1992-93 which contains a proposal to establish 14 Wildlife Manager III positions within the Department. These Wildlife Manager IIIs would be utilized as first line, working field supervisors, and would be responsible for providing direction and support to an average of five district Wildlife Managers. The field supervisors would be involved in planning activities, directing subordinates, and monitoring and evaluating progress toward program objectives. They would also be responsible for evaluating the performance of employees under their supervision.

RECOMMENDATION

The Department should continue to pursue efforts to develop a field supervisor position to reduce the number of staff directly supervised by Regional Supervisors.

FINDING IV

THE DEPARTMENT SHOULD MODIFY ITS WATERCRAFT REGULATION

Changes are needed to improve Arizona's watercraft regulation. First, Arizona should require titling of watercraft to establish ownership and discourage theft. Second, statutes should be revised to exempt some of the types of boats currently regulated, and registration fees should be increased to recover lost revenues.

AGFD is responsible for registering watercraft. Watercraft, per A.R.S. §5-301, includes any boat designed to be propelled by machinery, oars, paddles, or wind action, or as may be defined by regulation of the Commission. Owners of watercraft requiring registration must submit a registration application to the Department. Upon registration, the Department provides the owner decals containing the owner's registration number, and a registration certificate. The owner is required to affix the decals to both sides of the watercraft prior to use. Watercraft registrations are to be renewed annually. There were 143,334 registered watercraft in Arizona during calendar year 1990.

Arizona Should Issue Titles for Regulated Watercraft

Arizona should require issuance of a title for regulated watercraft. Titling establishes ownership, discourages theft, and allows for liens to be recorded.

- A title establishes proof of ownership. In the same respect as is done for automobiles, titles would offer boat owners proof of ownership.[1] Under the current system, boat owners have only their registration as proof of ownership. However, a boat need only be registered if it is to be taken out on the water. Thus, an owner may have no current registration if the boat is not used. With a titling

(1) Boat trailers, which are often worth only a fraction of the value of a boat, are titled in Arizona.

system, all regulated boats are titled to show proof of ownership, whether or not the boat is taken out on the water. To transfer ownership, the new owner must have a signed-off title from the previous owner.

- <u>Titling discourages boat theft and laundering of stolen boats</u>. Titling could discourage the theft of boats within Arizona. Although the Department has no comprehensive figures of stolen boats, the Department's Boating Safety Coordinator estimates that the Department currently has 400 to 500 outstanding cases. Because Arizona has no titling, the boats can be taken out of state and sold. Further, titling would discourage the use of Arizona as a "laundering" state for boats stolen in other states. Lack of titling makes it relatively easy to register stolen boats. An individual could register a stolen boat in Arizona by using a "dummied up" bill of sale. The registration can then be used to obtain a title in another state.

- <u>A title allows recording of liens</u>. Titling would also benefit financial institutions by allowing liens to be recorded against boats. Currently, when an automobile is titled, financial institutions are able to record liens directly on the title. However, because boats are not titled, financial institutions are unable to do the same. Instead, they file a Uniform Commercial Code 1 (UCC1) with the Secretary of State's Office. When a financial institution is processing loan applications for used boats, they must submit a written request to the Secretary of State's Office to determine if a lien is on the boat. The request requires a processing period of 3 to 5 work days and then a written response is mailed to the requestor. If the lien were on the title, it could alert a potential purchaser that a loan may still be outstanding.

Both boat dealers and the Coast Guard support a move to titling. According to Marine Trade Association officials, dealers favor titling due to the added protection it would offer them. Currently, when trade-ins are accepted, the dealers have no immediate proof they are not taking stolen boats or boats which may still have liens against them. The Coast Guard is also encouraging states to move to titling. Currently, 29 states and the District of Columbia require the issuance of a title for regulated watercraft.

Although there is support for a move to titling, a Department official expressed concern with the cost of implementing a titling system. However, as with automobiles, any additional cost for titling could be covered through a titling fee. For example, New Mexico charges a $10 fee to title boats.

Arizona Should Discontinue Registration of Certain Boat Categories

Arizona should discontinue registering certain watercraft. Arizona requires all watercraft to be registered, however, Federal regulations do not require this, and only a few states are as strict as Arizona. Exempting some watercraft from registration requirements would result in a loss of revenues, but if necessary, lost revenues could be recovered through a fee increase for remaining boats.

Arizona's registration requirements are stricter than required - Arizona is one of only eight states which require that all watercraft be registered.(1) Included in Arizona's requirement are nonmotorized sailboats, rowboats, canoes, kayaks, sailboards, and inflatable rafts.(2) Although Arizona registers all watercraft, Federal law requires that only motorized boats be registered. Per Federal law, states must register "each vessel equipped with propulsion machinery of any type used on waters subject to the jurisdiction of the United States and on the high seas . . ." Most states (41) register only motorboats or motorboats and sailboats.

AGFD officials provided varying reasons for the need to register all watercraft. According to two officials, registering all watercraft ensures that all users of the State's lakes share in the cost of boating safety enforcement and lake improvements.(3) However, another official indicated that eliminating the nonmotorized boats and smaller sailboats would benefit the Department because: (1) registration of these watercraft tends to generate the most public complaints (e.g., why do we need to register an inflatable raft?), and (2) these watercraft tend to have documentation problems such as no bill of sale. Registering all watercraft does appear to inconvenience the public. For example, if

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(1) Three of the eight states have exceptions; for example, Iowa excludes inflatables under seven feet in length and canoes/kayaks under 13 feet in length.

(2) The Department is currently amending its rules to eliminate inflatable rafts less than 12 feet in length with no motor from registration requirements.

(3) Per A.R.S. §5-323.55 percent of license taxes collected on boat registrations are deposited by AGFD into two funds--15 percent to the State Lake Improvement Fund, and 85 percent to the Law Enforcement and Boating Safety Fund.

someone purchased an inflatable raft from a department store, the receipt alone is not adequate proof of ownership to register the raft. Instead, the owner is required to return to the store with a bill of sale form, and have the store complete the form. Further, many inexpensive boats are sold at garage sales, again making it unlikely that the new owner will have proper proof of ownership.

Elimination of some watercraft would have a financial impact - If Arizona eliminates some boats from registration requirements, revenues would be lost. The extent of impact would depend on what boats were eliminated from registering requirements. During calendar year 1990, Game and Fish registered 143,334 watercraft. As of August 1991, AGFD registered 19,636 watercraft that were not required to be registered per Federal law. The breakdown of these watercraft is shown in Table 3. If all watercraft shown in Table 3 were to be eliminated from registration, approximately $216,000 in revenues collected from registration fees and taxes would be lost.(1) In addition, the Department would lose approximately $38,000 from the Coast Guard from monies it receives based on the number of boats registered and dollars expended on boating programs.

TABLE 3

NUMBERS OF NONMOTORIZED WATERCRAFT REGISTERED IN ARIZONA AS OF AUGUST 1991

Type of watercraft	Number registered
Utility (e.g., rowboats)	5,015
Sailboats	2,041
Catamarans	1,057
Sailboards	1,584
Canoes/kayaks	6,987
Inflatables	2,650
Other boats	302
Total	19,636

Source: Arizona Game and Fish Department

(1) The revenue impact would be shared among the recipients of registration monies; the Department would lose approximately $145,500, the State Lake Improvement Fund would lose approximately $10,500, and the Law Enforcement and Boating Safety Fund would lose approximately $60,000.

As an alternative, the State may wish to continue to register some sailboats. Ten states register all motorboats, plus sailboats over certain lengths (e.g., boats over 12 feet long). Seven other states require all motorboats and sailboats to be registered. Arizona currently registers approximately 3,100 sailboats and catamarans, which generate about $38,000 in revenues.

Lost revenues could be recovered with increased fees - If it is deemed necessary to recover revenues lost through the elimination of certain watercraft from registration requirements, fees for remaining boats could be increased. In calendar year 1990, Arizona registered approximately 143,000 boats. Based on our analysis, approximately $254,000 and 20,000 boats would be eliminated through narrowing of the laws to focus on motorized watercraft. Increasing fees by $2.00 for the remaining estimated 123,000 boats should make up for the lost revenues.

An increase of $2.00 per boat should not unduly burden boat owners. According to Department officials, Arizona fees have not been raised in at least 10 years. Per A.R.S. §5-321, the current fee for Arizona residents is a $4.00 registration fee plus a license tax of 50 cents per foot up to 18 feet in length, and 75 cents per foot for each foot over 18 feet.[1] These fees are relatively low. For example, to register a 16-foot boat, regardless of value, the current fee would be $12.00. However, several other states assess a registration fee plus a property tax.

If fees are increased, both registration fees and license taxes should be increased. Currently, the Department retains all monies collected through the registration fee. However, as noted earlier, the State Lake Improvement Fund, and the County Law Enforcement and Boating Safety Fund receive a portion of the license taxes. Thus, to ensure no parties are negatively impacted, the registration fee as well as the license taxes would need to be increased.

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(1) For nonresidents, there is a registration fee of $10 plus a license tax of 65 cents per foot up to 18 feet in length, and $1.25 for each foot over 18 feet.

RECOMMENDATIONS:

1. The Legislature should consider amending A.R.S. Title 5 to require that watercraft be titled, and to establish a fee to cover the cost of titling.

2. The Legislature should consider amending A.R.S. Title 5 to reduce the scope of watercraft regulated in Arizona. Specifically, the Legislature should consider limiting registration (and titling, if implemented) to include only motorized boats, and, if desired, some or all sailboats.

3. The Department should revise its rules and regulations to coincide with any revisions to statute.

OTHER PERTINENT INFORMATION

During the audit we developed other pertinent information regarding the Department's implementation of programs funded by Heritage monies, and information regarding Wildlife Managers' salary and workload.

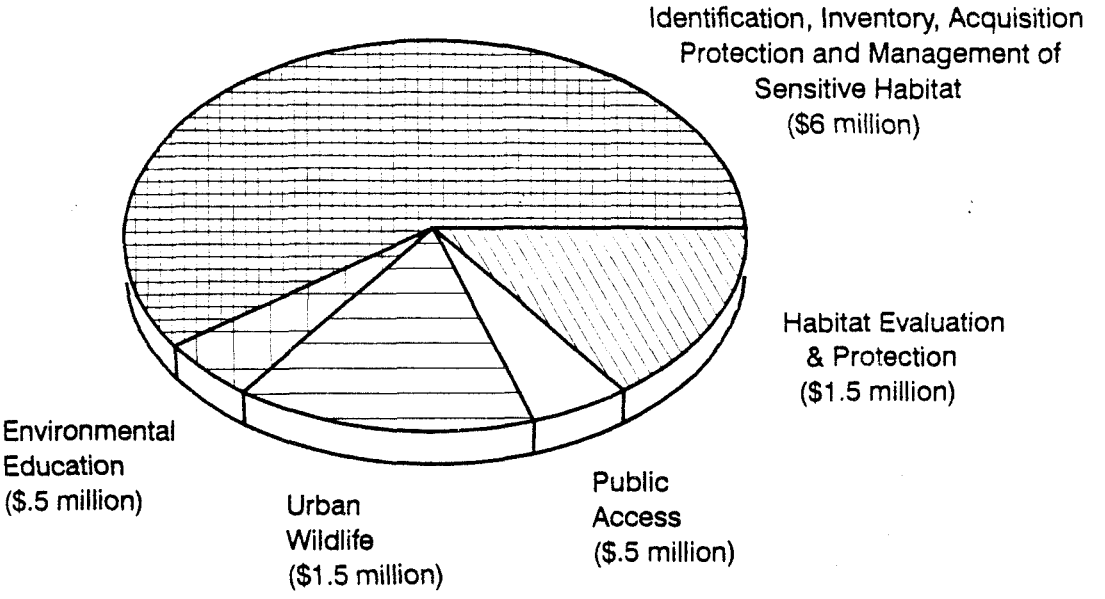
The Arizona Game and Fish Department Begins Heritage Fund Implementation

Heritage fund adds $10 million annually for wildlife programs - In November 1990, Arizona voters passed an initiative measure that provides $20 million of lottery proceeds annually to be used for preserving, protecting, and enhancing Arizona's natural and scenic environment. One-half of the funds goes to the Arizona Game and Fish Commission and the other one-half goes to the Arizona State Parks Board. In general, the State Parks portion will be used for the development of State, local, and regional parks, the development of natural areas, and State/historic preservation; while the Game and Fish funds will be used for the wildlife programs that are described in Figure 5 on page 32. Both the definition of the wildlife programs to be funded and the dollar allotment for each are specified in the initiative.

The Heritage Fund will generate changes within the budget, programs, and constituencies of the Arizona Game and Fish Department. The annual infusion of $10 million into the Department's budget represents a 33 percent increase over the Department's expenditures in fiscal year 1990-91. This funding will allow significant enhancement of a variety of programs that, according to the Department, had been severely underfunded in the past. Prior to Heritage funding, programs focusing on the protection and management of threatened and endangered wildlife and other nongame species were supported by limited dollars coming primarily from sportsmen's license fees and State income tax checkoff monies. Heritage monies will fund new and expand existing wildlife programs. Figure 5 on page 32 presents the amounts allocated by the initiative to the five program areas. A description of each program area is also provided.

FIGURE 5

HERITAGE FUND ALLOCATION TO GAME AND FISH PROGRAM AREAS



- **Identification, inventory, acquisition, protection, and management of sensitive habitat** - At least 40 percent ($2.4 million) is required to be spent on acquisition of habitat used by endangered, threatened, and candidate species. Funds efforts to prevent Arizona's loss of declining species and their habitats.

- **Habitat evaluation and protection** - Funds for the assessment of the status, condition, and ecological value of habitat and subsequent recommendations of management, conservation, or other protection or mitigation efforts. Also funds efforts to protect the quality, diversity, abundance, and serviceability of habitats for the purpose of maintaining or recovering populations of Arizona wildlife.

- **Public access** - Funds efforts to provide increased public access to publicly held lands. This could be fishing access or access for other recreational users. This might be achieved by a gate or cattle guard, a road, or purchase or lease of private property. (Eminent domain cannot be used with Heritage funds, i.e., the Department must purchase land from a willing party.)

- **Urban wildlife** - Funds for conservation, enhancement, and establishment of wildlife populations and habitat occurring within the limits of an incorporated area or in proximity to one. A goal of the Department is to increase the opportunity within the urban community for positive interaction with wildlife. Programs may include working with developers to preserve habitat, providing education, coordinating watchable wildlife sites, enforcement, etc.

- **Environmental education** - Funds for educational programs dealing with basic ecological principles and the effects of natural and man related processes on natural and urban systems and programs to enhance public awareness of the importance of safeguarding natural resources.

Source: Prepared by Auditor General staff based on Heritage initiative requirements.

Status of the Department's implementation of Heritage programs - Full implementation of the Heritage-funded programs will occur over the next two years. The Department has just recently completed the planning needed for implementation. These plans call for approximately one-third of the Heritage programs to be base programs, staffed and conducted by Department employees. During the planning efforts, the Department solicited public input, and it will be developing additional strategies for ongoing communication with the public regarding Heritage programs.

Although the initiative was passed in 1990, fiscal year 1992-93 will be the first year of full funding. The $10 million in funds was prorated for fiscal year 1990-91 and the Department received $5.9 million. Because Heritage program planning did not start until after the initiative passed and because the Department wants to have the monies in hand before any expenditure, the Department will not spend the funds received in one fiscal year until the following fiscal year (estimated to be a six-month lag time). Thus, the Department plans expenditures of $5.9 million in fiscal year 1991-92 and $10 million in fiscal year 1992-93.

In preparation for the fiscal year 1991-92 implementation schedule, the development of Heritage program plans began in January 1991 and is almost complete. Planning teams were charged with developing 5-year strategies, annual working plans, and one-year budgets for the Heritage program segments. As of August 1991, the Commission has approved all of the Heritage program pieces.

Some Heritage funds will be passed through to other groups in the form of grants and some funds will be used to acquire habitat and public access. However, approximately one-third of AGFD Heritage monies will remain within the Department to staff functions that will be conducted internally. The Department plans ultimately to fund 105 FTEs (16.75 in administrative and support and 88.25 in the program areas) with Heritage monies in fiscal year 1992-93, the first year of full funding. Almost three-fourths of the 88 program staff will be dedicated to the two program areas focusing on wildlife habitat. Examples of Heritage activities planned to begin in fiscal year 1991-92 are presented in Table 4, page 34.

TABLE 4

EXAMPLES OF HERITAGE ACTIVITIES PLANNED IN FISCAL YEAR 1991-92

Program Area[a]	Planned Heritage Activities
Identification, Inventory, Protection, Acquisition & Management of Sensitive Habitat	- Maintain Heritage data base to allow analysis of data essential to protection planning for sensitive habitat - Acquire sensitive habitat, primarily through purchase of deed restriction and easements
Habitat Evaluation and Protection	- Add Habitat Coordinators and Specialists to the regions - Add Environmental Compliance positions
Public Access	- Develop public access database - Identify access needs - Acquire new access agreements
Urban Wildlife	- Staff the two regions housing Phoenix and Tucson metro areas for urban programs (14 FTEs) - Award $349,282 of $853,600 budget in grants - Inventory and research of urban wildlife occurrence, habitat, and behavior - Provide technical assistance to developers - Develop "watchable wildlife" sites
Environmental Education	- Provide $100,000 to Department of Education to assist in implementing Environmental Education Act - Improve and develop public information projects, including production of 13-week audio visual/ television program

(a) The Department has established another program area to provide administrative and support activities to the five program areas established by the Initiative. These support activities will be funded by interest earned on Fund monies. Planned administrative activities for fiscal year 1991-92 include hiring 15.75 FTEs and purchasing approximately $80,000 in equipment.

Source: Summary of Heritage Program planning documents by Auditor General staff.

Wildlife Manager Salary and Workload Information

Currently, Arizona's Wildlife Manager salaries, when compared to others who perform similar work, are low. Further, the Wildlife Manager's responsibilities have grown to the point that Wildlife Managers must regularly work extensive overtime to complete their duties.[1] The Department is exploring measures to address these areas.

The Arizona Game and Fish Department has divided the State into six regions comprised of 72 districts. Each district is assigned a Wildlife Manager. The Wildlife Manager performs a variety of technical wildlife management field activities such as conducting game and fish surveys, making hunt recommendations, performing habitat evaluations, and game and fish enforcement. The Wildlife Manager is required to have a Bachelor's degree in wildlife science and must obtain Arizona Law Enforcement Officer Advisory Council certification as a peace officer.

Wildlife Managers receive low pay in comparison to other organizations - Wildlife Managers receive relatively low pay based on comparisons with other state and Federal agencies we surveyed. AGFD should continue to pursue increases in Wildlife Manager salaries to bring the salaries more in line with others performing similar work.

Arizona's Wildlife Managers' salaries are lower than those in most other states we surveyed. We contacted the game and fish departments in ten western states and requested salary information pertaining to positions equivalent to Arizona's Wildlife Manager I and II. For the Wildlife Manager I, Arizona's starting salary of $18,555 was $3,094 below the $21,649 average of the other western states. Further, Arizona's Wildlife Manager II salary of $21,481 was $3,929 less than the $25,410 average of other western states. Table 5, page 36, summarizes the results of our comparison.

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(1) Our review was limited to Wildlife Manager position salaries and workload only. According to Department officials, similar problems occur with other positions within the Department.

TABLE 5

SALARY INFORMATION OF OTHER WESTERN STATES FOR POSITIONS EQUIVALENT TO WILDLIFE MANAGER I AND II POSITIONS[a]

State	Wildlife Manager I	State	Wildlife Manager II
California	$ 24,372	California	$ 30,084
Idaho	23,296	Nevada	27,702
Colorado	23,148	Washington	26,484
Nevada	22,519	Colorado	26,220
Oregon	22,224	Idaho	25,688
Washington	21,972	New Mexico	25,243
New Mexico	20,550	Oregon	24,552
Utah	20,405	Wyoming	23,760
Montana	19,946	Utah	22,693
Arizona	18,555	Montana	21,674
Wyoming	18,060	**Arizona**	21,481

(a) Only two states, Colorado and New Mexico, have a Wildlife Manager who performs both biological and enforcement responsibilities as is done in **Arizona**. None of the other western states combine these responsibilities, and in these cases, we used the salary information of the biologist position for comparison purposes.

Source: Telephone survey of ten western states.

Federal agencies have a lower starting pay but salary increases are more rapid. Several Federal agencies were requested to provide salary information. As noted above, exact comparisons to Arizona's Wildlife Managers could not be made because of variations in responsibilities. However, four Federal agencies (Bureau of Land Management, National Park Service, U.S. Fish and Wildlife, and Forest Service) provided pay information for positions somewhat comparable to the Wildlife Manager position. The starting pay for all four positions is $16,973. Only the National Park Service did not require a four-year degree. While the Federal employee starting pay of $16,973 is less than the $18,555 base pay for a Wildlife Manager I, after two years of service the Federal employee can expect to receive $25,717. By comparison, AGFD'S Wildlife Manager IIs have been with the Department an average of 9.5 years with an average pay of $26,335.

Although there appears to be no comparable positions in other Arizona state agencies, a review of four positions that had some similarities was made and is compiled in Table 6, page 37. State Parks employs Park

Operations Officers who work in park settings and are responsible for enforcing park rules. The State Land Department employs Natural Resource Managers who are responsible for administering specialized land management or natural resource conservation programs. The Department of Environmental Quality's Environmental Health Specialists are responsible for scientific environmental control work which includes gathering data and conducting field samples. AGFD Wildlife Managers perform similar duties to these positions by overseeing field operations, gathering data and conducting studies for conservation programs.

TABLE 6

WILDLIFE MANAGER SALARY IN COMPARISON WITH OTHER ARIZONA STATE AGENCIES

Position	Pay grade	Base salary	4-Year degree required?
Wildlife Manager	15	$18,555	YES
Park Operations Officer	15	$18,555	NO
Environmental Health Spec.	17	$21,481	NO
Natural Resource Manager	17	$21,481	NO

Source: Auditor General compilation of information received from DEQ, State Parks, and State Land.

We also obtained salary information for Department of Public Safety (DPS) officers for comparison purposes--DPS officers' base salary is $26,391. Although the enforcement work performed by DPS officers and Wildlife Managers differs, both positions require ALEOAC certification.

On June 20, 1991, the Department submitted a letter to the Department of Administration, Personnel Division, officially requesting a Classification Maintenance Review of the Wildlife Series within AGFD which includes the Wildlife Manager. Wildlife Manager salaries have not been formally reviewed since 1984.

Wildlife Managers' increased responsibilities have contributed to additional work hours - Not only are Wildlife Managers paid relatively low wages, they also need to work extensive hours to perform their

required activities. Increases in Wildlife Managers' duties and responsibilities have resulted in these extra hours. However, the Department is considering several measures to address this issue.

Wildlife Managers work extensive hours. Department records indicate Wildlife Managers routinely work longer than the standard 40-hour work week. A survey of Wildlife Managers(1) indicates they work additional hours which are not reported on time records. Some Wildlife Managers have lost leave, both annual and holiday, because of the demands on their time.

Most Wildlife Managers find it necessary to work additional hours to perform required duties and most of these hours are not reported. Wildlife Manager time records for fiscal year 1989-90(2) indicate that they reported an average of 119 hours of overtime. However, AGFD time records do not reflect the extent of overtime worked as Wildlife Managers do not report all hours worked. All 67 Wildlife Managers responding to our survey indicated that they worked more hours during the year than they reported. Sixty-three of 67 Wildlife Managers (4 did not provide information) estimated they averaged 8.5 hours per week not officially reported on their time records. This equates to an extra 27,846 hours per year or 13 FTEs. When combined with the reported hours, total additional hours worked equate to approximately 17 FTEs.

The most frequently cited reason for not recording time worked was the lack of available overtime pay (72 percent). Wildlife Managers receive the regular hourly pay rate for the first 6 hours of overtime in a pay period (from 80 to 86 hours). They are granted compensatory time for any work over 86 hours at a rate of 1.5 hours for every hour worked. Overtime is approved <u>only</u> when funds are available; consequently, compensatory time can only be earned if there are sufficient funds

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(1) We conducted a survey of all 72 Wildlife Managers who had worked in one of the State's 72 districts. Sixty-seven Wildlife Managers responded.

(2) Sixty-five of 72 district Wildlife Managers were identified as having worked the entire fiscal year.

available to pay for the first 6 hours of overtime. According to Wildlife Managers, this curb on overtime has affected the number of hours reported.

Not only are Wildlife Managers not being compensated for hours worked, some Wildlife Managers forfeit annual leave and holiday time. A review of the Department's "year-end maximum leave adjustments" for calendar year 1990, disclosed that 37 Wildlife Managers lost a total of 1,303 hours of leave[1] (869 hours of annual leave; 434 hours of holiday leave).

The Department is taking steps to reduce the Wildlife Manager workload. These actions include:

- Increasing the number of districts - According to Department officials, the possibility of reducing district size is currently being considered. Over 60 percent of survey respondents felt that reducing the size of at least some of the districts would help reduce their workload.

- Decreasing habitat related demands - The Department is planning to use Heritage Funds to add habitat specialists to its regional offices. The addition of these specialists may reduce the workload of the current Wildlife Managers. According to survey respondents (47 percent), much of their expanding duties are a result of additional habitat work. Many of the respondents felt that habitat work could be handled more completely by personnel who specialize in the area. The Department is planning to use Heritage Funds to add habitat specialists to its regional offices. The addition of these specialists may reduce the workload of the current Wildlife Managers.

- Adding Wildlife Manager IIIs - As noted in Finding III, page 17, the Department is requesting the addition of 14 Wildlife Manager III positions to provide supervision and field support to Wildlife Managers. The addition of these positions may help reduce a portion of the Wildlife Manager's workload.

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(1) Lost leave is not unique to Wildlife Managers. The 1,303 hours of lost leave represents less than one-half of the total hours lost department-wide. However, due to time constraints, we limited our analysis to Wildlife Manager positions.

SUNSET FACTORS

In accordance with A.R.S. §41-2354, the Legislature should consider the following 12 factors in determining whether the Arizona Game and Fish Department and Commission should be continued or terminated.

1. Objective and purpose in establishing the Agency

   The Arizona Game and Fish Department and Commission were established in 1929 to oversee the management, preservation, and harvest of wildlife in Arizona. The five-member Commission is responsible for providing direction and oversight to the Department through the Department director. The Department director is charged with supervising the Department and ensuring that Commission policies are carried out. The Department carries out a wide range of programs to fulfill its wildlife management role. Major Department programs include game, fisheries, nongame, habitat, research, watercraft, information and education, and enforcement. The recently passed Heritage Fund Initiative will expand the role of the Department in five areas: public access; urban wildlife; environmental education; habitat evaluation and protection; and habitat identification, inventory, protection, acquisition, and management.

2. The effectiveness with which the Agency has met its objective and purpose and the efficiency with which the Agency has operated

   The Commission and the Department appear generally effective in meeting their objective and purpose. Our review of entities that interact with the Department found that most rate the Department "very effective" in carrying out its responsibilities.

   Our review did, however, identify several areas in which the Department could improve its efficiency and effectiveness.

   - The Department could improve its involvement in wildlife-related controversies (see Finding I, page 5).

- The Department could improve its organizational and program effectiveness through establishing a comprehensive planning and evaluation process that encompasses all Department programs (see Finding II, page 13).

- The Department could improve supervision of field staff by establishing field supervisor positions within each region (see Finding III, page 19).

- The Department could better protect boat owners through titling of boats. In addition, the Department should eliminate registration requirements for some or all nonmotorized watercraft (see Finding IV, page 25).

3. <u>The extent to which the Agency has operated within the public interest</u>

The Commission and Department have operated within the public interest by performing a variety of functions related to their mandate to manage, preserve, and harvest wildlife. The Commission and Department establish hunting and fishing seasons; determine harvest numbers; enforce hunting and fishing laws; manage boating registration and enforcement functions; manage game, nongame, and fisheries programs; manage wildlife research and habitat programs; provide wildlife information to the public; conduct public education programs; and provide wildlife management information and concerns for the public lands management planning process.

Several entities we contacted were concerned that the Department did not sufficiently take into consideration the economic impact of some of its actions relating to timber issues on the national forests.[1] We address the Department's involvement in this issue in Finding I, see page 5. In that Finding we note that (1) the Department has a legitimate role in public land management issues; (2) the Commission has taken several steps to help ensure that the Department is properly addressing public lands issues; and (3) the Commission has provided recommendations for the Department to improve its ability to manage public lands issues.

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(1) In 1991, the Legislature passed SB 1431 which states that the Department may consider the adverse and beneficial economic impact of its actions.

4. The extent to which rules and regulations promulgated by the Agency are consistent with the legislative mandate

According to the Department's Attorney General representative, rules and regulations promulgated by the Commission are consistent with legislative mandate. The Commission is empowered to promulgate rules and regulations needed to carry out Agency responsibilities. A.R.S. §41-1054 requires that all State agencies review and, if necessary, revise all rules within a five-year timeframe. As part of the rule-making process, the Department must assess the economic impact of its rule changes. The Department began comprehensive rules revision in 1987 and is now completing revision of the final section of rules (those relating to watercraft). They have also begun rules review for the next five-year cycle and are addressing hunting and fishing rules and also rules of practice before the Commission.

5. The extent to which the Agency has encouraged input from the public before promulgating its rules and regulations and the extent to which it has informed the public as to its actions and their expected impact on the public

The Commission and Department use a variety of methods to encourage input and inform the public about proposed rules and regulations. According to the Commission and Department, they inform the public of proposed rules by (1) mailing Commission meeting agenda notices to approximately 300 entities; (2) placing articles in its magazine Arizona Wildlife Views, circulation 13,500; and (3) providing news releases at least weekly to approximately 300 members of the media. At Commission meetings, time is provided for public input on proposed rules and other actions. The Commission and Department also sponsor public meetings around the State to obtain input on specific issues and programs, and also to promote communication.

6. The extent to which the Agency has been able to investigate and resolve complaints that are within its jurisdiction

We were not able to analyze the Department's complaint handling because complaints are not filed centrally, but are located with whomever responded to the complaint. Complaints are received at both

the central office and the regional offices and are assigned to the person or section within the Agency that can best respond to the particular concern. The Department does not keep a complaint log, and it does not have a system to track complaint response and resolution.

7. The extent to which the Attorney General or any other applicable Agency of State government has the authority to prosecute actions under enabling legislation

The Attorney General provides legal support for the Commission and Department and represents them in litigation concerning their affairs. County Attorneys have responsibility for prosecuting violations of statutes. A.R.S. Titles 5 and 17 provide for the resolution of criminal proceedings through prosecution by the County Attorneys. Both titles also prescribe penalties for criminal violations. As certified peace officers, Department Wildlife Managers have enforcement authority. Title 17 allows for civil proceedings and penalties to recover for losses of wildlife. The Commission is empowered to rescind license privileges and can assess fines and civil penalties for persons convicted of violating Agency statutes.

8. The extent to which the Agency has addressed deficiencies in the enabling statutes which prevent it from fulfilling its statutory mandate

The Commission over the past several years has consistently sought legislation relating to its enabling legislation. For example, in 1990 the Legislature passed legislation relating to wildlife violations, pioneer game and fish licenses, and wildlife predators. According to the Department's Attorney General representative, the Commission sufficiently addressed deficiencies in its enabling statutes through its annual legislative package.

9. The extent to which changes are necessary in the laws of the Agency to adequately comply with the factors listed in the sunset law

Based on our audit work, we recommend that the Legislature consider requiring titling of watercraft and eliminating registration of some or all nonmotorized watercraft (see Finding IV, page 25).

10. <u>The extent to which the termination of the Agency would significantly harm the public health, safety or welfare</u>

Terminating the Commission and Department could cause significant harm to the public's health and safety. The Department has primary responsibility in the State for wildlife management and watercraft regulation. Commission rules and Department programs promote and enforce safe hunting, trapping, and watercraft operation. No other public entity addresses these functions, except for some limited county watercraft enforcement. In addition, public welfare would be impacted as it pertains to the continued existence of wildlife. No other entity in the State is charged with the management, preservation, and harvest of wildlife. Through its wildlife management programs, the Department helps ensure the viability of various wildlife species whether for hunting and fishing, for nonconsumptive enjoyment by the public, or for the preservation of threatened and endangered species.

11. <u>The extent to which the level of regulation exercised by the Agency is appropriate and whether less or more stringent levels of regulation would be appropriate</u>

We recommend that the Legislature consider eliminating the requirement to register some or all nonmotorized watercraft and requiring titling of appropriate watercraft (see Finding IV, page 25).

12. <u>The extent to which the Agency used private contractors in the performance of its duties and how effective use of private contractors could be accomplished</u>

The Department contracts for a variety of services from the private sector. For example, the Department contracts for maintenance, major construction, security systems, heavy equipment repair, engineering and land surveys, temporary staff, printing and publications, mail services, fleet maintenance and repairs, and many other services.

THE STATE OF ARIZONA

GAME & FISH DEPARTMENT

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September 25, 1991

Mr. Douglas R. Norton
Auditor General
2700 North Central Avenue, Suite 700
Phoenix, Arizona 85004

Dear Mr. Norton:

The Arizona Game and Fish Commission and Department have completed review of the revised preliminary report draft of the recently completed performance audit.

The revised preliminary draft report incorporates a great many of the agreed upon changes which resulted from our meeting with your staff on September 13, 1991 in Springerville, Arizona.

The Audit Team is to be commended for their diligence and understanding in making the recommended revisions, as well as for the basic accuracy in compiling the overall preliminary draft report. Their openness and cooperation with the Commission and the Department is reflected in the revised preliminary draft report and has been greatly appreciated by all who worked with them.

In the way of a final response to the revised preliminary draft report we offer the following considerations.

The rapid urbanization of Arizona has truly expanded the Commission's and Department's roles in addressing the complex concerns relating to the interfacing of wildlife resources to Arizona's human population.

Efforts to address nontraditional nonconsumptive wildlife responsibilities as well as managing such traditional wildlife considerations as big game populations have presented challenges that did not exist in former years.

In an attempt to increase the effort to gather nongame information, the Commission, in recent years, has authorized the Department to increase the number of positions in the Research Branch from 13 to 60 through Federal Grant funding.

Additional emphasis in the area of nongame and endangered species inventory and habitat needs, have been made by the Commission, to the Department, in the authorization of approximately 88 non administrative

positions which are to be funded by the recently passed Heritage Initiative.

The Heritage Initiative provides the Department up to $10 million annually for five specific program areas identified within the Initiative.

The Department has also developed a Commission approved Crisis Management Team in its continuing efforts to be responsive to the needs of the public as it regards the public's interfacing with both rural and urban wildlife concerns.

The Commission, its members appointed by the Governor and with each member confirmed by the Senate, continues to hold open public meetings as a forum for public input into its decision making process. These meetings are normally held monthly and at various locations within the State.

While considerable resources have been expended to allow for a greater exchange of information between the public and the Commission and Department, we concur with the audit finding and recommendation.

The Commission and the Department will continue to further the effort of communications with its many diverse publics.

The Commission and Department will also continue to seek legislative assistance in this effort as exemplified in the cooperative effort with the livestock industry which saw the passage of Senate Bill 1137 in 1990. This bill helped resolve public concerns over the indiscriminate killing of various predatory animals which were negatively impacting the livestock industry. (reference to S.B. 1137 is made in Sunset Factor #8 as "wildlife predators").

The Commission and Department concur that comprehensive planning can be pursued with greater resolve and is being continued in that mode.

By policy, the Deputy Director of the Department is charged with the development and implementation of such a comprehensive plan.

Elements of the plan are in place but the entire plan has not yet been implemented. This continues to be a priority of the Deputy Director and is reflected by the contracting of a special planing consultant to bring this effort to fruition.

The Commission and Department concur with the finding regarding span of control in the Department's six Regional Offices. We ask for legislative support for the budgetary appropriations necessary to address this organizational consideration.

The Commission and Department concur with the recommendation that if legislation is introduced requiring the titling of certain watercraft; that a fee mechanism be concurrently established within that legislation to administer that program.

The Commission and Department concur with the rationale developed regarding **Wildlife Manager Salary and Workload Information.** We feel that the information presented with regard to this topic is symptomatic of a Department wide problem. At a Director's Staff briefing the Audit Team indicated that they would mention in its report that, although other series in the Department were not fully evaluated, it is probable that many work units (within the Department) suffer similar problems to those of the Wildlife Manager's (i.e. loss of annual leave, working excessive over time, unrecorded hours etc.).

We ask legislative assistance in budgeting, as well as Department of Administration (DOA), Personnel Division assistance, in the Commission's and Department's request to conduct a Department-wide Classification Maintenance Review (CMR) of all Department positions.

The topic of Commission form of Department oversight, as expressed by a few outside interests, was discussed early in the performance audit process. This topic was not mentioned in the preliminary report draft or the revised preliminary report draft.

Dialogue continues to surface regarding the possibility of a change in the Commission form of Department oversight. The implications are that the duties and responsibilities of the Commission could be reduced and the Director appointed by the Governor. The five person Commission, as appointed and confirmed within the purview of Arizona Revised Statutes, has proven to function and serve the public and the wildlife resources of Arizona very well since 1929. The Commission continues to serve Arizona well as evidenced by the response to the Sunset Factors.

One of the functions of the Commission is to hire a Department Director. This system has allowed for wildlife management through a process which has been able to maintain biological and scientific continuity over the many years of its existence.

The Audit Team had previously informed the Director's Staff that they had received considerable input to this issue from the public as well as from various organizations and interests. The Audit Team also stated that they had not had sufficient time to survey other states and their various forms of oversight.

The Commission and Department feel that even though the Audit Team did not have sufficient time to totally survey the other states, the sensitivity and importance of this issue warrants, at a minimum, the inclusion of their findings within Arizona.

At a briefing of the Department Director on May 20, 1991 the Director was told that a summary of the survey of the 139 individuals (agencies, associations) would be published as a finding in the performance audit report (see footnote (1) on page 9 of the revised preliminary report draft).) The results of this survey would be indicative of how well the Department, as overseen by the Commission, does business in North America.

Again the Commission and Department wish to express their gratitude to the Audit Team for their objective assessment of this Commission and Department in the performance audit. In their findings and informational items, they have pointed out ways to improve the operation of the Commission and Department. They have confirmed a number of this agency's own recognized needs and have provided additional reinforcement to this agency in terms of future approaches to the legislature for program and personnel relief.

We greatly appreciate the opportunity to comment on the revised preliminary report draft and to have our comments incorporated into the final performance audit report.

Sincerely,

Phil Ashcroft

Phil Ashcroft
Chairman
Arizona Game and Fish Commission

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