



CORRECTIVE ACTION PLAN

FOR

STATE OF ALASKA
DEPARTMENT OF FISH AND GAME

***Subject Audit Report:* COSTS CLAIMED BY THE STATE OF ALASKA, DEPARTMENT OF FISH AND GAME UNDER THE WILDLIFE AND SPORT FISH RESTORATION PROGRAM GRANTS FROM THE U.S. FISH AND WILDLIFE SERVICE FROM JULY 1, 2009 THROUGH JUNE 30, 2011.
(Report No. R-GR-FWS-0013-2012)**

A. Potential Diversion of License Revenue

Deposit of Shooting Range Revenues into the General Fund rather than the Fish and Game Fund which may be used only for fish and wildlife purposes.

The Alaska Department of Fish and Game (ADF&G) uses license revenue to operate State shooting ranges. In FY11, in compliance with a change in budgetary funding source designations from the Alaska Legislature, \$336,078 in shooting range fees were deposited in the General Fund instead of in the restricted Fish and Game Fund, as they had been done through FY10. The State Legislature limited spending authority to the appropriated amount of \$284,800, leaving \$51,525 in FY11 excess shooting range revenue that reverted to the General Fund. Since the General Fund can be used for purposes other than fish and wildlife, this resulted in a potential diversion and was in direct violation of 50 CFR § 80.4.

The OIG recommends that FWS

1. Ensure resolution of the potential diversion of \$336,078; and
2. Work with ADF&G to ensure the State Legislature enacts budgetary provisions that require shooting range fees to be deposited in the restricted Fish and Game Fund.

Service Determination

The Service concurs with the finding and recommendations.

Corrective Actions

A.1. The Service has reviewed and accepted the FY11 and FY12 accounting information provided by ADF&G that documents the transfer of \$336,325 from General Fund to pay for the shooting range facility expenditures. The Service considers the potential diversion of \$336,078 resolved and the recommendation for this finding implemented.

ADF&G compiled a list of \$51,525 in additional FY11 expenditures related to the operations and maintenance of the shooting range facilities that were paid from General Fund appropriations. These additional General Fund shooting range expenditures brought the expenditure total to equal the total FY11 shooting range revenues deposited in the General Fund, thereby resolving the discrepancy. ADF&G provided information from their accounting system as documentation of the General Fund-funded shooting range facility expenditures. This support documentation was compiled and submitted to the Service for review and acceptance by David Thomson, Administrative Operations Manager, ADF&G Division of Wildlife Conservation (DWC).

When DWC became aware of the potential diversion during the OIG audit in May 2012, they set up a separate code in the General Fund as a cost collector to account for FY12 expenditures for the operations and maintenance of the shooting range facilities paid from other General Fund appropriations. The total of these separately tracked FY12 shooting range expenditures exceeded the \$79,979 balance of FY12 shooting range fees that DWC was not able to spend directly from their General Fund Public Shooting Ranges

appropriation. ADF&G provided information from their accounting system as documentation of the General Fund-funded shooting range facility expenditures. This support documentation was compiled and submitted to the U.S. Fish and Wildlife Service for review and acceptance by David Thomson, Administrative Operations Manager, ADF&G Division of Wildlife Conservation.

A.2. ADF&G will request legislative changes retroactively effective to FY13 to appropriate shooting range fees revenue to the restricted Fish and Game Fund instead of as General Fund receipts. Kevin Brooks, Director, ADF&G Division of Administrative Services, will be responsible for requesting the legislative change. Documentation that the legislative change is enacted will be provided to the Service by July 1, 2013.

The next legislative session convenes in January 2013, and during that session, appropriation provisions can be introduced for both the FY13 and FY14 budgets. ADF&G plans to request annual appropriation language that would appropriate shooting range fees to the Fish and Game Fund as had been done prior to FY11. The request for the next legislative session will include appropriation language to make the change retroactively effective in FY13 and effective for FY14.

Legislative sessions typically end in April, and legislation is not effective until after the Governor signs the bills. Accordingly, the legislative changes that will fully resolve the audit finding should be implemented by July 1, 2013. Steven Klein, WSFR Chief, U.S. Fish and Wildlife Service, will work with Mr. Brooks, Director, ADF&G Division of Administrative Services, to ensure resolution and will provide documentation of the change in legislation to the Office of the Inspector General.

Service Resolution

A.1. The Service considers this finding resolved and implemented.

A.2. We consider this finding resolved but not yet implemented. Upon receipt, review, and acceptance of documentation that the legislative changes have been made, the Service will consider this finding resolved and implemented.