



REPORT HIGHLIGHTS PERFORMANCE AUDIT

Commission and Department should ensure prudent stewardship of public resources

Our Conclusion

The Arizona Game and Fish Department (Department) is responsible for administering state laws related to wildlife, watercraft, and off-highway vehicles, as directed by the Arizona Game and Fish Commission (Commission). The Commission and Department should ensure prudent stewardship of public resources by training staff about the importance of a strong control environment to avoid financial losses, establishing additional guidelines for reviewing and approving travel, enhancing and implementing its wireless device policy, and developing a policy regarding expenditures for employee recognition. The Department should also move to an all-online application system for issuing big game hunting permits, require applicants to use a single department identification (ID) number to increase efficiency and reduce errors, and increase its testing of the big game draw results to ensure it worked as intended. In addition, the Department should improve the management of its information technology (IT) systems and data.

Disregard for department procedures contributed to inappropriate expenditures—

The Commission and department management are responsible for safeguarding public resources and establishing an environment within the Department that promotes prudent stewardship of these resources. However, insufficient oversight of employees resulted in an embezzlement of \$3,000 in 2003 and unauthorized expenditures of \$15,600 in 2012.

Additional guidance needed to help ensure department travel is in State's best interest—

Although the Department has established procedures for reviewing and approving staff, management, and commissioner travel, the Department should develop and implement additional guidance for determining whether its travel is in the State's best interest. For fiscal years 2011 through 2013, the Department spent at least \$2.8 million on in- and out-of-state travel costs for the Director, staff, and commissioners, 35 percent of which was for out-of-state travel. This amount represents about 1 percent of the Department's expenditures during this period. However, in fiscal years 2012 and 2013, the Department sent between 13 to 18 representatives, often twice as many as fish and wildlife agencies from neighboring western states, to the Western Association of Fish and Wildlife Agencies conferences in Montana, California, and Hawaii. The Director also spent about one-third of his time in fiscal years 2012 and 2013 traveling to in- and out-of-state wildlife conservation and collaboration conferences, commission meetings, and diplomatic meetings in Washington, DC. Commissioners also traveled to in- and out-of-state conferences and commission meetings that are held throughout the State. The Commission and the Department reported that their travel is important for influencing national policy setting that affects Arizona land and wildlife, enhancing public trust, and developing good relationships with and generating department funding through stakeholder groups.

Department provided wireless devices and gifts without sufficient oversight—

Since at least 2008, the Department has provided cell phones and other wireless devices to its employees, but did not establish a wireless device policy until July 2013. The Department also did not support the purchase of a retirement plaque costing approximately \$300 because it lacks policies and procedures regarding employee recognition gifts to ensure that the benefit of giving a gift outweighs the cost.

Recommendations

The Department should:

- Provide additional training to staff and commissioners on their responsibilities for ensuring the proper stewardship of public monies;
- Establish additional guidelines for managerial decision-making about travel, such as how to determine which conferences or other travel are deemed essential; and
- Enhance its wireless device policy and oversight by incorporating more of the State's wireless devices policy into its own policy; adding more detailed guidance for determining when a wireless device is in the State's best interest, such as when the employee's job requires considerable time outside the office; and adding a more thorough description of appropriate business use for wireless devices.



2013

Process for issuing big game hunting permits could be improved

Big game hunting opportunities issued through the draw—To hunt big game in Arizona, a hunter must possess a hunting license and apply for and receive a big game permit (tag) through the Department's computerized selection process, known as the draw. Applicants who are not selected to receive a tag in the draw receive a bonus point that can increase the probability that he/she will be drawn in the future.

Application and post-draw processes have some weaknesses—The application process can result in some hunters' inappropriately receiving or not receiving a tag and inefficiencies for the Department. For example, because not all applications are submitted online, some errors can be made when recording the paper application information in the Department's application system because the information is illegible or entered incorrectly. In addition, the online system allows applicants to create multiple ID numbers that can result in a hunter's bonus points not being tied to his/her application. To address this, the Department spends multiple days researching and manually merging duplicate records prior to the draw. Further, although the Department conducts some testing to ensure the draw complies with statute and rule requirements and functions as intended, its testing could be enhanced. For example, the Department does not pull a sample of applicants and follow them through the draw process to ensure that their applications were successfully handled at each step of the process and that the results of whether or not these applicants were drawn for a tag were what would be expected.

Recommendations

The Department should:

- Continue its efforts to move to an all online application system, including developing a plan to help applicants who cannot apply online;
- Modify its online application system to require the use of a single department ID number; and
- Perform additional post-draw testing.

Department should improve its IT systems management processes

Department has not implemented formal processes for managing its IT systems—The Department's IT systems are critical to administering its hunting and fishing licenses and tags, and maintaining its Sportsman database, which contains confidential, personal information on all individuals who hunt in Arizona. In August 2013, the Commission simplified its license classification structure and fees, which will require the Department to modify its IT systems. However, the Department does not have formal written policies and procedures for developing and maintaining its IT systems. Specifically, at the time of our review, the Department lacked formalized processes for developing its systems, managing system changes, overseeing IT service providers and contracts, and ensuring its IT systems and data were adequately backed up and protected in the event of a system failure or disaster. Without formalized processes, the Department is not in the best position to properly maintain its systems and effectively modify its systems to support the changes to its license classification structure and fees. Additionally, unauthorized changes could be made to its systems, and data is at risk of being unrecoverable in the event of a system failure or disaster.

Recommendations

The Department should develop and implement formal policies and procedures for systems development, change management, overseeing IT service providers and contracts, and data backup and disaster recovery.