

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT
PERFORMANCE AUDIT REPORT
JANUARY 2008**

To The Fiscal Committee Of The General Court:

We have conducted an audit of the New Hampshire Fish and Game Department (F&G) to address the recommendation made to you by the Legislative Performance Audit and Oversight Committee. We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to provide a reasonable basis for our findings and conclusions. Accordingly, we have performed such procedures as we considered necessary in the circumstances.

The purpose of the audit was to determine the efficiency and effectiveness of F&G operations. The audit period includes State fiscal years 2002 through 2007.

This report is the result of our evaluation of the information noted above and is intended solely for the information of the F&G and the Fiscal Committee of the General Court. This restriction is not intended to limit the distribution of this report, which upon acceptance by the Fiscal Committee is a matter of public record.

Office Of Legislative Budget Assistant

January 2008

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**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

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ABBREVIATIONS

CAFR	Comprehensive Annual Financial Report
CFDA	Catalog Of Federal Domestic Assistance
CO	Conservation Officer
DAS	Department Of Administrative Services
DES	Department Of Environmental Services
DOS	Department Of Safety
DRED	Department Of Resources And Economic Development
GAO	United States Government Accountability Office
GFOA	Government Finance Officers Association
LBA	Office Of Legislative Budget Assistant
LPAOC	Legislative Performance Audit And Oversight Committee
MOA	Memorandum Of Agreement
MOU	Memorandum Of Understanding
NHOC	New Hampshire Outdoors Council
F&G	New Hampshire Fish And Game Department
NOAA	National Oceanic And Atmospheric Administration
OAG	Office Of The Attorney General
OHRV	Off-Highway Recreational Vehicle
RSA	Revised Statutes Annotated
SFY	State Fiscal Year
SUV	Sport Utility Vehicle
WMA	Wildlife Management Area
USFWS	U.S. Fish And Wildlife Service

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

SUMMARY

Purpose And Scope Of Audit

This audit was performed at the request of the Fiscal Committee of the General Court consistent with the recommendation of the joint Legislative Performance Audit and Oversight Committee. It was conducted in accordance with generally accepted government auditing standards applicable to performance audits. The purpose was to assess the efficiency and effectiveness of New Hampshire Fish and Game Department (F&G) operations. To focus our efforts, we identified declining revenue streams and associated programming. Consequently, programs funded by diminishing revenue streams received the most attention during our audit.

In State fiscal year (SFY) 2007, the F&G's original budget as enacted was \$25,789,856, comprised of \$5,128,436 federal funds, \$8,590,488 other funds, and \$12,070,932 Fish and Game funds. The actual expenditures were \$23,417,263 comprised of \$5,206,943 federal funds, \$7,427,372 other funds, and \$10,782,948 Fish and Game funds.

Background

Historically, state fish and wildlife agencies depended on user fees, including state hunting and fishing licenses, as a major source of revenue. However, nationwide decreases in hunting, fishing, and trapping participation, which are attributed to demographic and social changes, combined with increased fish and wildlife agency responsibilities are straining this once successful revenue source.

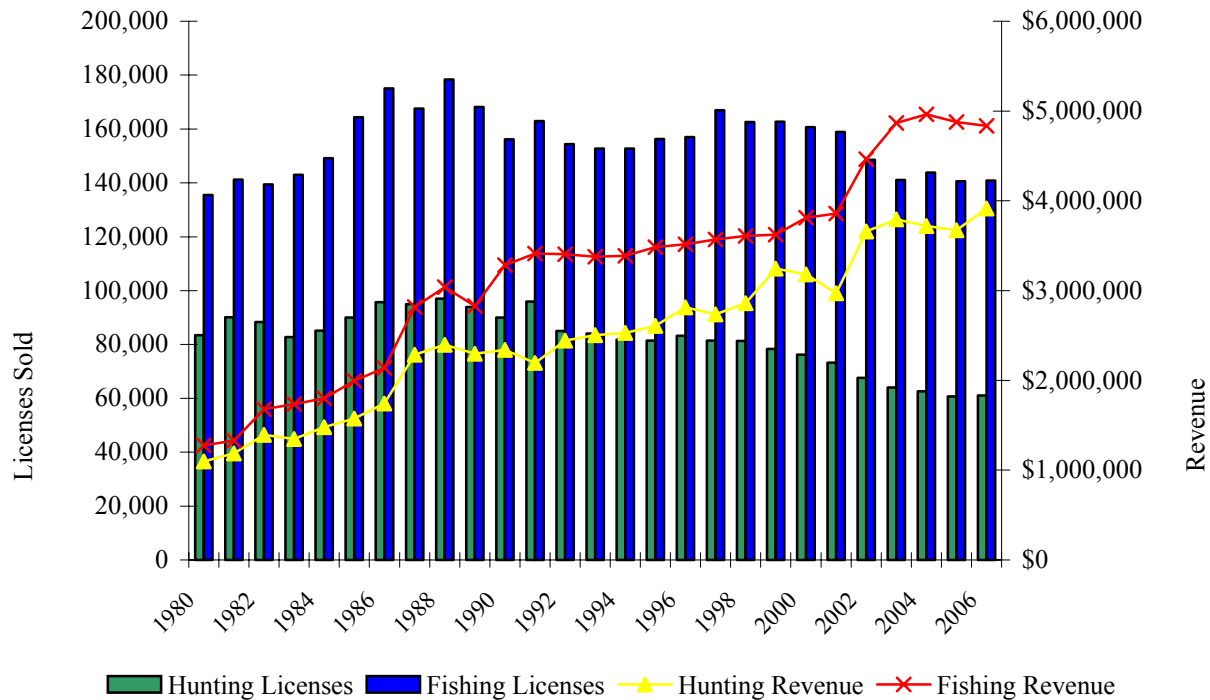
A 2006 U.S. Fish and Wildlife Service (USFWS) national survey of fishing, hunting, and wildlife associated recreation found, while the number of sportspersons is declining, millions of Americans continue to enjoy wildlife recreation. According to this national survey, 839,000 New Hampshire residents and non-residents over the age of 16 fished and hunted or watched wildlife in the State. Fourteen percent of New Hampshire residents over the age of 16 took part in hunting or fishing, while 45 percent took part in wildlife watching. The 2006 national survey also reports wildlife recreation expenditures for non-residents and residents over the age of 16 in New Hampshire totaled approximately \$560 million. Fishing and hunting expenditures accounting for \$287 million and wildlife watching \$273 million. Additionally, F&G surveys found more than 90 percent of New Hampshire residents have a medium to high interest in wildlife.

While hunting and fishing remain popular activities in New Hampshire, the number of licenses sold is declining. Department managers report hunting and fishing activities will likely continue decreasing while other outdoor activities increase in popularity. Declining numbers of hunting and fishing licenses sold is a significant concern to the Department, as license revenue accounts for a considerable portion of the agency's revenue, approximately 41 percent in SFY 2007. Figure 1 shows trends in hunting and fishing license sales from 1980 to 2006. The Department saw a surge in the number of hunting and fishing licenses sold in the mid-1980s, with a general trend downward through 2006. The figure also includes trends in hunting and fishing revenues

from 1980 to 2006. While license revenues have generally increased since 1980, primarily as a result of license fee increases, in recent years revenues have been flat.

Figure 1

Hunting And Fishing Revenues And Licenses Sold, Calendar Years 1980-2006



Note: Revenues include a one-dollar agent fee for each license sold.
 Source: LBA analysis of USFWS and F&G data.

Operating expenses increased considerably over the audit period, including information technology, retiree medical insurance, employee benefits, and utility costs. From SFY 2002 to 2007 retiree health insurance increased 109 percent from \$455,688 to \$950,371, employee benefits increased 57 percent from \$2.3 million to \$3.6 million, and utilities increased 38 percent from \$237,720 to \$327,679. Retiree health insurance is budgeted at \$1.08 million in SFY 2008 and \$1.2 million in SFY 2009. According to the Department, information technology expenses increased significantly in SFY 2005. Information technology related expenses increased 110 percent from \$314,528 in SFY 2004 to \$660,092 in SFY 2007 and are projected to increase to \$715,454 in SFY 2008 and \$731,259 in 2009, primarily as a result of shared cost allocations from the Office of Information Technology.

Historically, the Department increased hunting and fishing license fees to boost revenues. In August 2001, the Department identified an impending funding issue. While most revenue sources remained stable, license fee revenues have been flat since 2003 and have not kept pace with increasing operational expenses. The Department requested, and the Legislature passed, increased hunting and fishing license fees in 2002 and 2003. The increased license fees only generated about half the amount of revenue the F&G anticipated.

The Department reports further increases in hunting and fishing license fees is not an option for raising revenues because license fees are at threshold levels, deterring certain participants from purchasing a license, as suggested by the negative impact of 1998, 2002, and 2003 price hikes on the number of licenses sold compared to previous price hikes. Increasing license fees involves a balance between increasing revenues and losing participants. Compared to other New England states in 2007, New Hampshire had the most expensive resident fishing license, and ranks the second most expensive for most major hunting licenses. Price increases relative to major license types occurring during the audit period and calendar year 2007 are detailed in Appendix C. Fees for most major licenses increased nearly 50 percent between 1998 and 2007.

When the 2002 and 2003 license fee increases did not generate necessary revenues, Department efforts focused on various cost-saving measures intended to slow impending financial problems. Included in these efforts were deferring equipment purchases, closing the Department vehicle maintenance garage, abolishing 14 full-time positions, holding vacancies open for longer time periods, refocusing license marketing efforts, and offering on-line license sales to improve efficiency. To increase revenues, the Department also created a one-day resident fishing license, increased the black bear permit fee, and created a special fall turkey permit. During the 2006 Legislative session, the Department successfully sought legislation allowing the creation of a non-profit foundation to solicit and accept donations, in addition to legislation allowing the Department to enhance its donation program. However, significant structural changes to the funding base were not proposed until the 2007 Legislative session in conjunction with the budget session. During the 2007 session, the Department, with the support of the Fish and Game Commission, pursued the funding initiatives shown in Table 1 below.

Legislation passed in the 2007 session dedicates new revenue and redirects previously restricted revenue (in dedicated accounts) to unrestricted revenue (Fish and Game fund), which the Department may use to support general operations. Specifically, Chapter 375, Laws of 2007, provided the Department with unrefunded road tolls and in September 2007, \$705,633 was transferred to the Fish and Game Fund. Additionally, Chapter 263, Laws of 2007, requires the F&G deposit all moose, bear, turkey, and waterfowl fees from July 1, 2007 through December 31, 2008 to the Fish and Game fund. Beginning January 1, 2009, \$10 from each sale will be transferred to the Game Management account. The Department estimates \$919,857 in dedicated account revenue will be redirected as unrestricted Fish and Game fund revenue for SFY 2008 and \$587,617 for SFY 2009 from these initiatives. Chapter 263, Laws of 2007, requires a regulatory change to increase moose application and permit fees and turkey license fees, which the F&G estimates will generate an additional \$193,800 in moose related fees and \$157,895 in turkey fees. The Department also received an additional \$87,395 in General Funds for SFY 2008 and 2009 for nongame management.

Table 1

Fish And Game Proposed Funding Initiatives For The 2007 Legislative Session

Fish And Game Proposed Legislation, 2007 Session	Bill Number	Estimated Revenue	Status
Passed			
Dedicate a portion of unrefunded road tolls to the F&G	HB 498	\$645,834 ¹	Passed
Establish a game management account by combining the bear, moose, turkey, and waterfowl dedicated accounts	HB 623	None ²	Passed
Increase wild turkey hunting license fee	HB 570	\$134,470	Amended And Passed Under Chapter 263:64, Laws of 2007 ³
Did Not Pass			
General funding for the search and rescue operations	HB 433	\$200,000	Inexpedient To Legislate
A recreational saltwater license for fishing marine species	HB 527	\$1,000,000	Report Filed
Distribute certain meals and rooms tax revenue to the Fish and Game Fund	HB 376	\$4,745,000	Inexpedient To Legislate
Allowing an annual auction of moose hunting permits	HB 871	\$30,000-\$50,000	Inexpedient To Legislate
Require non-motorized vessels to display conservation decals	SB 255	\$1,575,400	Inexpedient To Legislate
Establish an apprentice hunting license	SB 175	Unknown	Inexpedient To Legislate
Increase matching General Funds for nongame species	SB 191	\$300,000	Died On The Table ⁴

Note: ¹Actual revenue received was \$705,633 in September 2007.

²Annual administrative fees reduced by \$24,266, and redirects dedicated account revenue to the Fish and Game fund.

³Amended and passed under HB 2.

⁴Chapter 262, Laws of 2007, (HB 1) included \$87,395 in additional General Funds for nongame species.

Source: LBA analysis of F&G information and legislation.

The Department reports these additional appropriations will fall short of funding program expenses in each of SFYs 2008 and 2009 by approximately \$750,000, resulting in reduced programming. The Department reports it may: not pay organizational dues, reduce out-of-state travel, reduce overtime, discontinue direct marketing campaigns, reduce advertising by 45 percent, discontinue promotional literature, discontinue the *Wildlife Journal* television show, and cancel *Wild New Hampshire Day*. Additionally, the F&G reports it will continue to defer routine maintenance and equipment replacements.

Results In Brief

Since 1935, the F&G has shifted from an agency primarily responsible for fish, game, and fur-bearing animals to one that is responsible for all wildlife, as well as public boat access, search and rescue, and off-highway recreational vehicles (OHRV) and snowmobiles. While the number of the Department's traditional constituents has been declining since the 1990s, non-traditional

users benefit from the Department's efforts to conserve and protect wildlife species and habitats. New Hampshire's situation mirrors national trends.

Our audit recommends consideration of new revenue sources, pursuit of additional federal revenues, as well as efficiencies. Specifically, we recommend the Legislature consider a recreational saltwater fishing license and a non-motorized watercraft decal as potential sources of additional revenue. We also recommend the Legislature consider a more equitable method for funding search and rescue operations by charging user groups or allocating a portion of the meals and rooms tax revenue for operations due to the number of out-of-state hikers rescued annually.

We found the F&G's federal funding is similar as a percent of revenue compared to surrounding states. However, we found the F&G Federal Aid Coordinator does not proactively seek new federal funding opportunities due to reported time constraints. We identified possible opportunities for the F&G to consider. We also found the federal aid function could benefit from better coordination and more centralization.

We found the general functions of the F&G are assigned to the agency most adequately prepared and equipped to administer them, and most areas of overlap are well coordinated through memoranda of understanding (MOU) or memoranda of agreement (MOA) with other agencies. However, we recommend better coordination with the Department of Resources and Economic Development for marketing to out-of-state residents and the State Police for dispatching services. Due to the importance of coordinating with other agencies, we recommend the F&G ensure all MOUs and MOAs receive timely Office of the Attorney General review and Governor and Council approval.

Despite the F&G's broadened focus and expanded constituent groups, we found the needs and perspectives of the expanded constituent groups are not well represented on the Fish and Game Commission or integrated into policy decisions. We found the Commission's role has diminished over time and it has inconsistent and unclear oversight authority. We recommend the Legislature redefine the Commission as an advisory body, change the name of the F&G, and broaden representation on the Commission. We also recommend establishing a study commission to review and recommend a long-term direction for the Department.

We found the F&G needs comprehensive planning. The strategic plan adopted in 1998 does not identify Department priorities; therefore, the F&G cannot ensure each Division's priorities support Department priorities. We found placing Division chiefs within the classified State service system is inconsistent with the structure of other State agencies and should be restructured to improve management cohesion. Despite its heavy reliance on unrestricted Fish and Game funds, the Public Affairs Division does not have a comprehensive written operating plan to implement Division priorities and does not collect sufficient information to determine cost effectiveness of its programs. Some Public Affairs Division efforts support dedicated account programs but related personnel expenses are not charged to those accounts.

We found some functions within the F&G should be restructured to improve efficiency. Fleet, OHRV, and snowmobile management could benefit from centralization and strengthened controls. We recommend centralizing fleet management responsibilities; implementing better

controls over vehicle repairs and maintenance; and establishing motor vehicle, OHRV, and snowmobile pools. We also recommend the Department discontinue the practice of assigning vehicles, OHRVs, and snowmobiles on a full-time basis to part-time personnel.

The Law Enforcement Division should review its management structure. We found a higher supervisory ratio compared to surrounding states. To more functionally align the Department's programming and reduce administration cost, the F&G should move OHRV and snowmobile training and education to the Public Affairs Division and assign a civilian administrator.

Our audit presents 30 observations, 17 related to management organization and controls and 13 related to revenue enhancement and efficiencies:

Management Organization And Control

- Four observations address re-organization of the Department's management structure.
- Three observations recommend the Department strengthen agency planning and prioritization.
- One observation recommends the Legislature establish a study commission to establish long-term direction for the F&G.
- Two observations recommend closer coordination with other State agencies.
- One observation recommends centralizing authority for tracking maintenance and repairs.
- Six observations recommend policies and procedures to strengthen other Department functions.

Revenue Enhancement And Efficiencies

- Three observations recommend the Legislature consider new funding sources for the Department.
- One observation recommends the F&G proactively pursue additional federal revenues.
- One observation recommends reviewing the Law Enforcement Division's structure.
- One observation recommends transferring OHRV training and education to the Public Affairs Division.
- Four observations recommend the Department assess utilization and pool or surplus excess motor vehicles, OHRVs, and snowmobiles.
- Two observations recommend strengthening controls over procurement of services for the Department's fleet.
- One observation recommends establishing a cost allocation plan for Public Affairs time spent supporting dedicated accounts.

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

RECOMMENDATION SUMMARY

Observation Number	Page	Legislative Action May Be Required	Recommendations	Agency Response
1	29	Yes	Consider establishing the F&G Commission as an advisory body by removing responsibilities for policy setting, approving financial transactions and administrative rules, and Department planning from statute. Clearly establish the advisory body's role as a liaison between the Department and its constituents in statute.	Concur In Part
2	33	Yes	Consider changing the F&G's name to the New Hampshire Fish and Wildlife Department.	Concur In Part
3	34	Yes	Consider amending RSAs 206:2, II, III, and 206:2-a, I, and broaden representation on the Fish and Game Commission.	Concur In Part
4	35	Yes	Consider appointing a study commission to review the Department's long-term direction and conduct a stakeholder analysis.	Concur In Part
5	37	Yes	Consider placing the Assistant Director and Division Chiefs in the unclassified State service system.	Concur In Part
6	39	No	Update the strategic plan to identify Department goals, objectives, and priorities. Divisions should align their priorities and programming with Department priorities, and develop and biennially review operating plans.	Concur In Part
7	42	No	The Public Affairs Division should develop programming priorities, and establish and biennially review a comprehensive operating plan.	Concur In Part
8	45	No	The Public Affairs Division, in conjunction with other Divisions, should determine and document the cost effectiveness of its programs.	Concur In Part

Recommendation Summary

Observation Number	Page	Legislative Action May Be Required	Recommendations	Agency Response
9	48	No	Explore closer coordination with the Division of Travel and Tourism Development to more effectively promote and market fishing, hunting, and wildlife watching opportunities.	Concur
10	50	No	Consider consolidating dispatching services with the State Police.	Concur In Part
11	52	No	Strengthen fleet management operations by centralizing maintenance and establishing policies and procedures over fleet management.	Concur
12	55	No	Centrally track snowmobile and OHRV usage.	Concur In Part
13	56	Yes	Consider a broader threshold for “reckless” and “intentional” for search and rescue billing and bill for all missions where the OAG concurs reckless or intentional actions created a situation requiring an emergency response.	Concur
14	59	No	Develop procedures to ensure all agreements with outside entities are formalized, reviewed timely by the OAG, and approved by the Governor and Council.	Concur
15	61	No	Centralize responsibility and oversight of the federal aid function. Ensure the Federal Aid Coordinator is responsible for all federal grant applications. Develop policies and procedures to define the roles of the Federal Aid Coordinator and Federal Aid Accountant.	Concur In Part
16	63	No	Develop, implement, and maintain comprehensive written policies and procedures addressing activities and major functions of the Federal Aid Coordinator and the Federal Aid Accountant positions.	Concur

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Observation Number	Page	Legislative Action May Be Required	Recommendations	Agency Response
17	66	No	Implement and maintain a comprehensive land management system to catalog all Department property and establish written policies and procedures for maintaining files. Assess land for intended use.	Concur
18	71	Yes	Consider establishing a fee-based decal for non-motorized watercraft.	Concur
19	74	Yes	Consider establishing a recreational saltwater fishing license.	Concur
20	76	Yes	Consider a method requiring hikers to contribute to search and rescue funding or consider designating a portion of the rooms and meals tax for search and rescue operations.	Concur
21	80	No	Increase pursuit of additional federal funds.	Concur In Part
22	85	No	Consider aligning the Law Enforcement Division's management structure with the four regional offices. Reclassify two current Lieutenant and two current Sergeant positions as those personnel retire.	Do Not Concur
23	89	No	Discontinue permanently assigning Deputy Conservation Officers a vehicle and conduct an annual utilization assessment.	Concur In Part
24	92	No	Establish a pool of motor vehicles at each regional office, reduce the number of vehicles, and conduct an annual utilization assessment.	Concur In Part
25	96	No	Determine primary use of each SUV and extended cab truck and ensure all vehicles driven less than 12,000 miles and assigned to the Department for the entire fiscal year are reported to the Fiscal Committee.	Concur In Part
26	99	No	Establish and competitively bid contracts for vehicle repair and maintenance.	Concur In Part

Recommendation Summary

Observation Number	Page	Legislative Action May Be Required	Recommendations	Agency Response
27	100	No	Obtain quotes for vehicle repairs under \$2,000 as established by the DAS in the <i>Administrative Handbook</i> .	Do Not Concur
28	101	No	Establish pools of snowmobiles and OHRVs and conduct a utilization assessment. Discontinue the practice of assigning Deputy COs OHRVs and snowmobiles.	Concur In Part
29	105	No	Place responsibility for OHRV education and training within the Public Affairs Division and assign a civilian to administer the program.	Do Not Concur
30	108	No	Establish a cost allocation plan to reimburse the Public Affairs Division for dedicated accounts program related expenses.	Concur In Part

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

OVERVIEW

In June 2006 the Fiscal Committee of the General Court adopted a recommendation by the joint Legislative Performance Audit and Oversight Committee (LPAOC) for a performance audit of the Fish and Game Department (F&G). An entrance conference with the Department was held August 9, 2006. On December 5, 2006, the LPAOC approved the scope statement.

SCOPE, OBJECTIVES, AND METHODOLOGY

This performance audit was conducted in accordance with generally accepted government auditing standards applicable to performance audits and accordingly included such procedures as we considered necessary in the circumstances.

Scope And Objectives

This audit answers the following question: **How efficient and effective were F&G operations during the audit period State fiscal years 2002 through 2007?**

To address this question, our audit efforts focused on the following four issue areas:

- Determining if Department responsibilities are efficiently and effectively assigned within the Department and within State government;
- Determining if the Department receives the optimum level of federal and non-federal grant funding available;
- Reviewing revenue sources by program and assessing the Department's pursuit of additional future revenue; and
- Summarizing the efficiency and effectiveness of Department activities as reported by external entities.

To focus our efforts, we identified declining revenue streams and associated programming. Consequently, programs funded by diminishing revenue streams received the most attention during our audit. The following summarizes the F&G's State fiscal year (SFY) 2007 financial activity.

	Original Budget			
	<u>As Enacted</u>¹	<u>Percent</u>	<u>Actual</u>	<u>Percent</u>
Expenditures	<u>\$ 25,789,856</u>	<u>100%</u>	<u>\$ 23,417,263</u> ²	<u>100%</u>
Funding				
Federal	\$ 5,128,436	20%	\$ 5,206,943	22%
Fish and Game	12,070,932	47	10,782,948	46
Other	<u>8,590,488</u>	<u>33</u>	<u>7,427,372</u>	<u>32</u>
	<u>\$ 25,789,856</u>	<u>100%</u>	<u>\$ 23,417,263</u> ²	<u>100%</u>

Notes: ¹ Budget as enacted in Chapter 176, Laws of 2005.

² Unaudited actual as reported in SFY 2007 Statement of Appropriation. Revenues and expenditures in the Statement of Appropriation are reported gross of \$966,000 of intra-Department financial activity.

³ Federal revenues do not include \$957,149 of federal funds received as recovery of indirect costs that are reported as unrestricted Fish and Game funds.

Methodology

We reviewed and analyzed various information including F&G State laws, administrative rules, policies and procedures, financial reports, and prior audit reports. We also obtained and reviewed federal grant information, external studies of national and State of New Hampshire fish and wildlife trends, recreation industry reports, audits of other states' fish and wildlife agencies, and news articles. We conducted interviews with F&G Executive Directors, Commissioners, and personnel. Other State agency and federal representatives were interviewed including the Department of Environmental Services, Department of Resources and Economic Development, and Department of Safety, and an official from the U.S. Department of the Interior.

We surveyed fish and wildlife agencies in Massachusetts, Maryland, Maine, New Jersey, Rhode Island, Vermont, Delaware, Connecticut, and West Virginia to: obtain information regarding how other states organize and assign fish and wildlife responsibilities within state government; identify their reporting structures and oversight; and determine current funding streams.

BACKGROUND

RSA 206:1 establishes the Department under the Fish and Game Commission. The Department defines its mission as the guardian of the State's fish, wildlife, and marine resources. The New Hampshire Fish and Game Department works in partnership with the public to:

- conserve, manage and protect these resources and their habitats;
- inform and educate the public about these resources; and
- provide the public with opportunities to use and appreciate these resources.

Fish And Game Commission

The Commission includes one member from each county plus one member representing the coastal area. As the State's fish, wildlife, and marine resources steward, the Commission is responsible for setting general Department policy, as well as providing approval, consent, consultation, and supervision relative to certain Department financial expenditures and management of fish, wildlife, and marine resources. The Executive Director is responsible for supervising and controlling all Department activities, functions, and employees.

Office Of The Director And Department Divisions

The Office of the Director, together with six Divisions, work to fulfill the Department's mission. The Office of the Director supports the Fish and Game Commission, oversees Department operations and administers Department legislative, federal aid coordination, budget, and human resources. During the audit period, land resource programs were also administered under the Office of the Director; however, in August of 2007 these programs were reorganized under the Support Services Division. The six Divisions under the Office of the Director include Support Services, Public Affairs, Law Enforcement, Wildlife, Inland Fisheries, and Marine Fisheries.

The Support Services Division is responsible for all Department-issued licenses, as well as off-highway recreational vehicle (OHRV) and snowmobile registrations; construction and maintenance of public access facilities; maintaining Department facilities including the hatcheries, headquarters, and the regional offices; and maintaining the Department fleet and equipment throughout the State. The Division also includes a business management section responsible for Department budgeting, financial reporting, fiscal management, and federal aid accounting.

The Public Affairs Division communicates Departmental information to the public through a variety of publications, advertising, marketing, media relations, fund raising, and educational programs. The Division produces approximately 150 publications per year including books, exhibits, and bimonthly magazines. The Division updates the Department's website and completes two to five news releases per week. The Division also provides educational broadcasts in cooperation with New Hampshire Public Television and broadcasts on 15 radio stations. Mandatory hunter, bow, and trapper education, other non-mandatory education courses, and education classes offered to teachers (kindergarten – grade 12) are coordinated and provided through the Division. The Owl Brook Hunter Education Center in Holderness hosts many of the educational courses offered by the Division.

The Law Enforcement Division is responsible for search and rescue operations; supporting wildlife management programs; nuisance wildlife mitigation; and enforcing all fish, wildlife, OHRV, and snowmobile laws and rules. Conservation officers (CO) have the statutory authority of ex-officio constables and general power to enforce criminal laws of the State, serve criminal processes, and make arrests. COs are not empowered to serve civil processes or enforce provisions under RSA Title XXI related to motor vehicles. The Law Enforcement Division is also responsible for OHRV and snowmobile education and training.

The Wildlife Division manages and maintains the State's game, nongame, and endangered wildlife species through population management, monitoring, protecting, restoring, and actively acquiring and managing public land for wildlife habitat. The Wildlife Division also provides assistance to prevent or reduce wildlife damage to private property through the wildlife abatement program.

The Inland Fisheries Division manages fish in 1,000 lakes and 10,000 miles of rivers and streams and is responsible for fish culture at the Department's six hatcheries. The Division works to maintain fish populations through a combination of management and research. Management and research has five major program areas including cold water, warm water, large lake, fisheries habitat, and fisheries conservation.

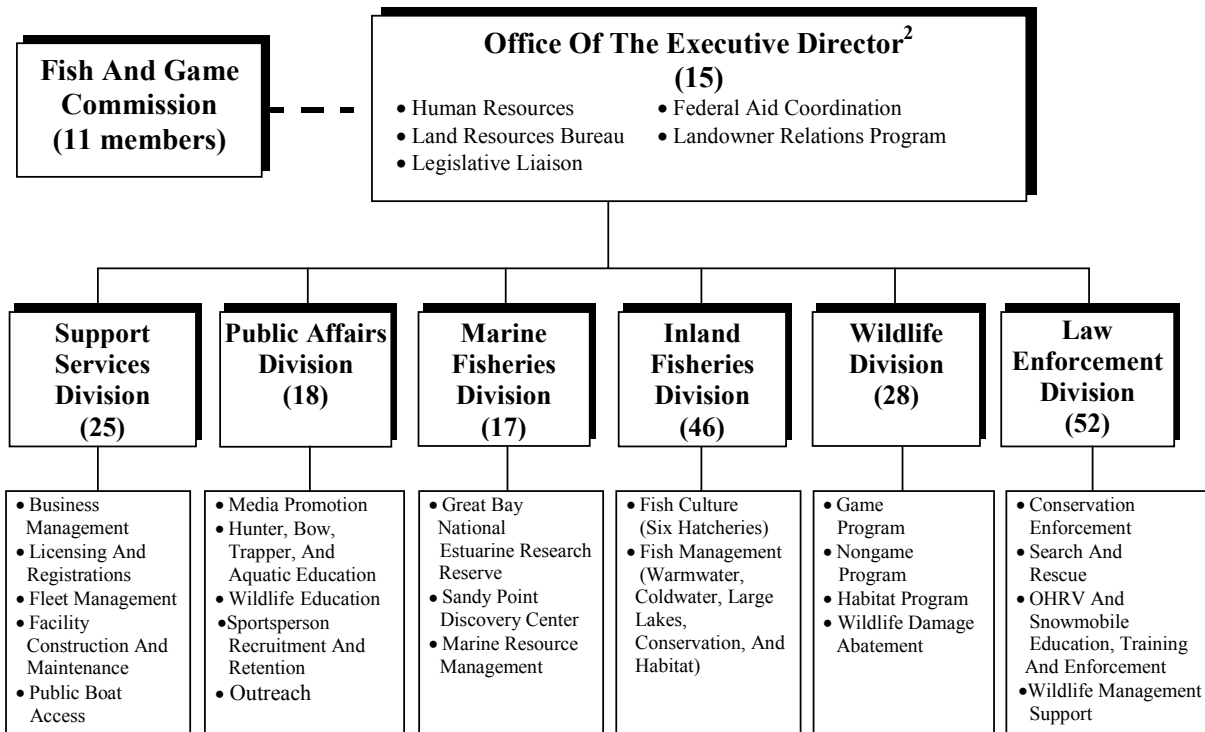
The Marine Fisheries Division works and coordinates with other states, Canada, the federal government, and within the State to manage saltwater species including fish, lobsters, clams, and oysters. Given the migratory nature of many species and the expansive regional nature of marine ecosystems, the Marine Fisheries Division is active with the New England Fisheries Management Council, Atlantic States Coastal Marine Fisheries Commission, Gulf of Maine Council, and several other organizations. The Marine Fisheries Division also manages the Great Bay National Estuarine Research Reserve in Greenland, which includes three buildings: an

office, the Hugh Gregg Conservation Center, and the Depot Street Historical site. The Hugh Gregg Conservation Center is used for education programs.

The Department operates out of headquarters in Concord, four regional offices, and maintains six hatcheries. The four regional offices include: Region I-Lancaster, Region II-New Hampton, Region III-Durham, and Region IV-Keene. Regions I, II, and IV house personnel from the Inland Fisheries, Wildlife, and Law Enforcement Divisions while Region III includes Marine Fisheries, Wildlife, and Law Enforcement Division personnel. Hatcheries are located in Berlin, New Durham, Milford, New Hampton, Whitefield (Twin Mountain), and Warren. All hatcheries are open year round and guided tours are available by reservation. Twin Mountain and Warren hatcheries have education centers while Milford and Berlin include education exhibits. The Department organization chart in Figure 2 includes a breakdown of the authorized positions within the Department as of June 30, 2007.

Figure 2

**Fish And Game Department And Authorized Positions,
As Of June 30, 2007¹**



Note: ¹Total authorized positions as of June 30, 2007 was 201. Total authorized positions as of July 1, 2007 was 195. Abolished positions include: a supervisor and an ecologist from the Land Resource Bureau; a secretarial position under Enforcement; and two mechanics and one construction technician from Support Services.

²In August 2007, three positions from the Land Resource Bureau were moved into Support Services and one was moved into the Inland Fisheries Division.

Source: LBA analysis of F&G information.

When the Department was established in 1935, efforts focused on protecting, propagating, and preserving fish, game, fur-bearing animals, and birds in the State. Department responsibilities began increasing in the 1970s and significantly increased in the 1990s. Statutory changes now require the Department to: address all fish and wildlife issues; enforce laws related to all wildlife; conserve aquatic, marine, and upland habitat for fish and wildlife species; provide conservation information and education programs to the public; administer the public water access program; conduct OHRV and snowmobile enforcement, registration, and training; and operate a search and rescue program. Appendix F summarizes the significant changes to the Department's original mission by year of implementation.

Office Of The Director And Division Expenditures By Funding Source

Table 2 below shows expenditures by funding source for the Office of the Director and the six Divisions. Appendix D shows the expenditures by funding source for the programs within each Division.

Table 2

F&G Division Expenditures By Funding Source, State Fiscal Year 2007

Division	Expenditure	Funding Sources		
		Fish & Game Funds	Federal	Agency Income ¹
Office Of The Director	\$1,615,991	\$1,431,981	\$119,841	\$64,169
Law Enforcement	7,957,041	2,640,633	361,209	4,955,199
Support Services	4,374,291	3,373,673	250,824	749,794
Public Affairs	1,622,192	997,357	479,983	144,852
Wildlife	3,128,112	577,427	1,373,339	1,177,346
Inland Fisheries	3,325,731	1,477,849	1,761,825	86,057
Marine Fisheries	1,306,995	352,003	859,922	95,070
7 Other Organization Codes ²	86,910	75,809	0	11,101
Total	\$23,417,263	\$10,926,732	\$5,206,943	\$7,283,588

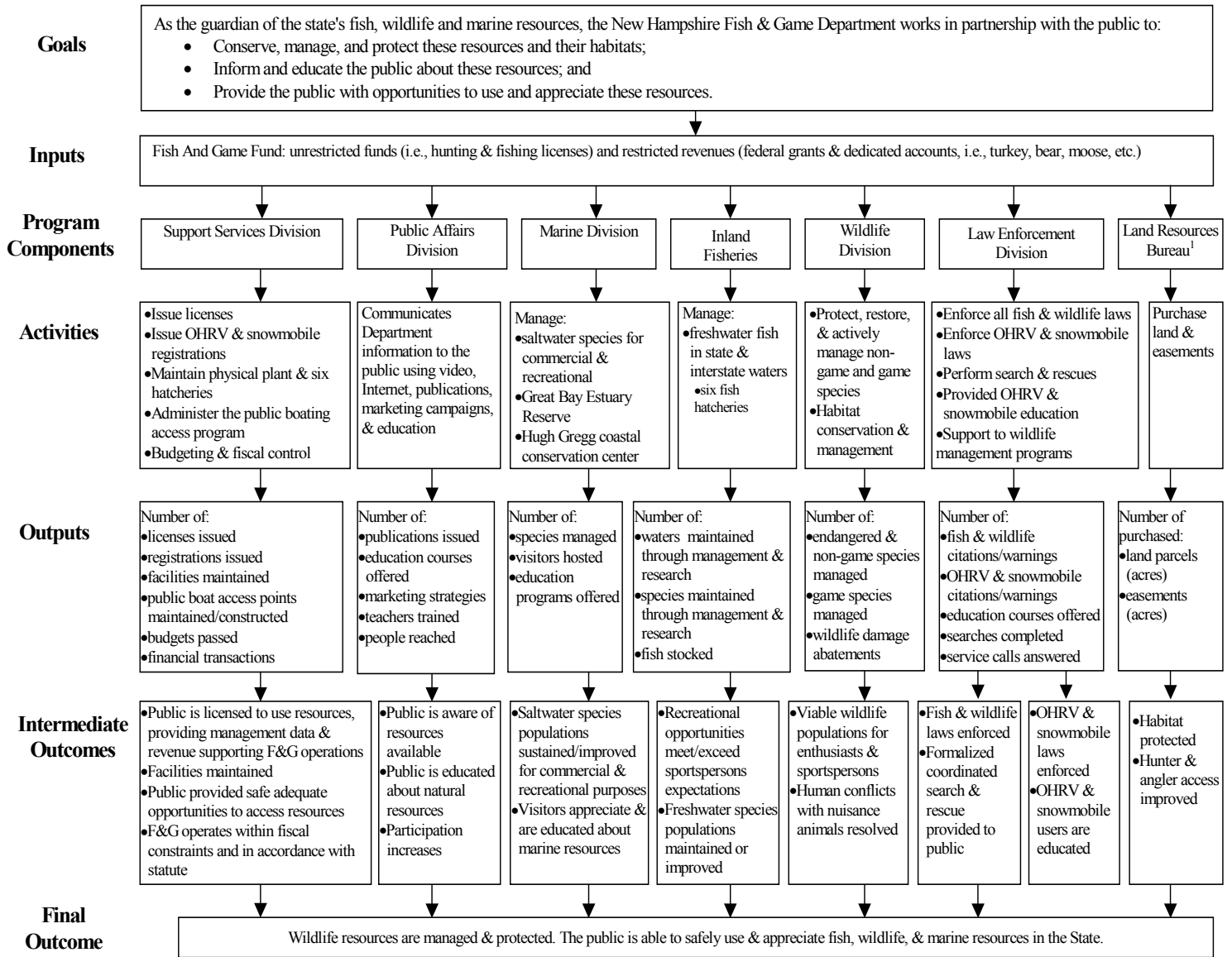
Notes: ¹Agency income does not include \$143,784 of dedicated account revenues received but not expended in SFY 2007.

² Includes the following organization codes: Fish and Game Commission, gifts and donations, wildlife legacy initiative, trapping education program, illegal take/possession enforcement, workers' compensation, and unemployment compensation.

Source: LBA analysis of SFY 2007 Statement of Appropriation.

Figure 3

Logic Model: Fish And Game Department Operations



Note: ¹ In August 2007, personnel from the Land Resources Bureau were moved into Support Services and Inland Fisheries.

Source: LBA analysis of F&G information and statutes.

Restricted Revenue

F&G financial activity is primarily accounted for in the Fish and Game Fund. Per RSA 206:34-a, “all revenues accruing from sales of licenses and permits, and any other revenue received by the department, and any money reimbursed or granted to the department by the state or federal government for fish, game, and wildlife conservation or related programs shall be used solely for conservation, restoration, management, educational benefit, recreational use, and scientific study of the fish, game, and wildlife resources of the state, including acquisition of property and general administration of RSA title XVIII. Such funds shall be used for no other purposes.” The Fish and Game Fund includes restricted and unrestricted funds: restricted funds may only be used for specific purposes, while unrestricted funds are available to fund most Department operations.

According to a survey by the Wisconsin Legislative Audit Bureau, 28 states (56 percent) provided general funds to their state’s fish and wildlife agency in fiscal year 2004-2005. Our survey of nine eastern states showed eight states (89 percent) provided general funds to support their fish and wildlife agencies in fiscal year 2006. These states received an average of 15 percent of their budget in general funding, ranging from a low of two percent to a high of 35 percent. In contrast, in SFY 2006, the F&G received 0.2 percent (\$50,000) of its funding from the State’s General Fund specifically to support the nongame program.

Dedicated Accounts

Over half the F&G’s budgeted expenditures are funded from restricted revenue. Restricted revenue is derived from federal grants and dedicated accounts. For SFY 2007, 22 dedicated accounts were included in Other funds within the Department’s operating budget. A Legislative Committee reviewing dedicated accounts in February 2006 concluded the majority of dedicated accounts are not a financial problem for the Department. Annual revenues exceed or equal expenditures in the dedicated accounts with the exception of the search and rescue fund and five largely inactive accounts, four of which have been eliminated and one contingently repealed. Chapter 220, Laws of 2007 established a game management account by combining the formerly separate accounts for moose, bear, turkey, and waterfowl stamps. Table 3 includes each dedicated account, funding source, and the account purpose as of June 30, 2007. Appendix E shows the financial activity of these accounts over the audit period.

Table 3

Dedicated Accounts Included In The Department Operating Budget, June 30, 2007

Account Title/ Statute	Funding Source	Purpose
Statewide public boat access RSA 233-A:13	Five dollar surcharge on boat registrations	Public boat access program

Account Title/ Statute	Funding Source	Purpose
<u>Fisheries habitat fee</u> RSA 214:1-g	One dollar fisheries habitat fee required with the purchase of fishing licenses	Support fisheries habitat management including the purchase of land or easements, and providing information to the public as determined by the Executive Director with the approval of the Commission
<u>Wildlife habitat stamp program</u> RSA 214:1-f	Wildlife habitat stamp or license fees	Support the wildlife habitat stamp or artwork promotion and wildlife habitat including providing information to the public and the purchase of land and easements as determined by the Executive Director with the approval of the Commission
<u>OHRV and snowmobile education and training</u> RSA 215-A:23; RSA 215-C:39	A portion of OHRV and snowmobile registration and licenses	OHRV and snowmobile enforcement, training programs, and registration; a portion of the registration fees may also be used to contract with state, county, and local law enforcement agencies to enforce all-terrain vehicle related laws
<u>Propagation of wild turkey¹</u> RSA 206:35-b	Fees collected from wild turkey licenses or permits	Restoration and management of wild turkeys as determined by the Executive Director with the approval of the Commission
<u>Waterfowl conservation account¹</u> RSA 214:1-d	Fees collected from the sale of State migratory waterfowl stamps, donations, and the sale of art created for the stamp	Migratory waterfowl habitat management and the conservation of migratory waterfowl as determined by the Executive Director with the approval of the Commission
<u>Moose management fund¹</u> RSA 208:1-a, III	Fees collected from moose licenses and applications	Comprehensive moose management program
<u>Bear management fund¹</u> RSA 208:24, IV	Fees from bear licenses and tags	Comprehensive black bear management program
<u>Pheasant management</u> RSA 206:35-a	Fees collected from pheasant stamps	Pheasant purchases or propagation as determined by the Executive Director with the approval of the Commission
<u>Gifts and donations</u> RSA 206:33-a	Proceeds from all gifts and donations, except those made to the Department in support of a specific program with a dedicated account	Continually appropriated to support Department operations
<u>Sale of specialty items</u> RSA 206:22-a	The sales of specialty items offered to the public	Producing, purchasing, or marketing specialty items
<u>Conservation plate fund</u> RSA 261:97-b	The sale of conservation license plates	Support nongame species management act and conservation of other wildlife
<u>Search and rescue fund</u> RSA 206:42	The collection of an additional one dollar fee from OHRV, snowmobile, and boat registrations	Search and rescue operations
<u>Atlantic salmon broodstock</u> RSA 214:9-e	Fees collected from the Atlantic salmon broodstock permits or stamps	Related comprehensive management programs

Account Title/ Statute	Funding Source	Purpose
<u>Super sportsman donations, wildlife</u> ² RSA 214:7-c, IV(a)	Sale of super sportsman licenses	Support wildlife management as determined by Executive Director with the approval of the Commission
<u>Operation game thief account</u> ⁴ RSA 207:62	Monies obtained by the Department, including any federal funds, and donations received	Administration and participation in the operation game thief program
<u>Restitution – illegal taking</u> ² RSA 207:55, III	Restitution received from persons convicted of illegal taking or illegal possession of game birds, animals, or fur-bearing animals	Department game management activities
<u>Super sportsman donations, fisheries</u> ³ RSA 214:7-c, IV(b)	Sale of super sportsman licenses	Support the fisheries as determined by Executive Director with the approval of the Commission
<u>Sale of fish food</u> RSA 206:35-C	Proceeds from fish hatchery vending machines	Acquisition and maintenance of fish hatchery equipment, as determined by the Executive Director with the approval of the Commission
<u>Trapping education</u> ² RSA 210:25	Seized and road-killed furbearers and coyotes acquired and the sale of any seized or confiscated property	Provide education on the practice of trapping fur-bearing animals
<u>Nongame species account</u> RSA 212-B:6	Any federal funds from the federal nongame act, any appropriated State funds, and donations	Develop and implement a comprehensive nongame species management program
<u>Wildlife Legacy Initiative</u> RSA 206:33-d, III	Gifts and donations received through the wildlife legacy initiative	Efforts supporting Department’s mission, promoting initiative benefits, and recognizing contributors
Notes: ¹ Chapter 220, Laws of 2007, combined these accounts under the game management account with a broader purpose. ² Eliminated Under Chapter 134, Laws of 2007. ³ Chapter 172, Laws of 2006, eliminated these accounts and transferred balances to the wildlife legacy initiative account effective January 1, 2007. ⁴ Chapter 107:1, Laws of 2001, eliminates account, contingent on sufficiency of funds to administer program.		
Source: LBA analysis of F&G information and statute.		

Federal Revenue

Department federal revenues are also restricted to specific programs. Department personnel characterize federal funding as reliable and stable. During the audit period, the Department received federal revenue from 21 federal grant programs for a total of approximately \$37 million.

Three federal grant programs provided more than half of the Department’s annual federal revenue: Sport Fish Restoration, Wildlife Restoration, and State Wildlife Grants from the U.S. Fish and Wildlife Service (USFWS). For the Sport Fish and Wildlife Restoration grants,

approximately 70 percent of the State match is provided in the form of labor and the remainder through unrestricted Fish and Game funds.

The Sport Fish Restoration Program, established in 1950, is the largest source of federal grant funds received by the Department. Sport Fish Restoration supports activities designed for management, conservation, and restoration of fishery resources. Grant activities include land acquisition, development (including boating access sites), research, operations and maintenance, sport fish population management, and program coordination. Prohibited activities are law enforcement and public relations. The program receives funding from an excise tax on fishing equipment and motorboat fuel sales. The State's share of the grant is based 60 percent on the number of its licensed anglers and 40 percent on its land and water area. New Hampshire receives the minimum apportionment available under this grant.

The second largest source of federal grant funds received by the Department is the Wildlife Restoration Program, established in 1937. The Wildlife Restoration Program supports efforts to restore, rehabilitate, and improve wildlife habitat; wildlife management research; and to distribute related project information. Approved activities include land acquisition, development, research, and coordination. Prohibited activities are law enforcement and public relations. Program funds are derived from a federal excise tax on sporting equipment and handguns. A formula considering the total area of the state and the number of licensed hunters determines each state's apportionment. Like the Sport Fish Restoration Program, New Hampshire receives the minimum apportionment available under this grant.

The Sport Fish and Wildlife Restoration Programs require states maintain a statute requiring fishing and hunting license fees not be diverted to any purpose other than administration of the states' fish and wildlife agencies. States with fish and wildlife programming located within a larger state agency must be cognizant of license revenue use to remain eligible for these sizable federal grant programs.

The State Wildlife Grants Program, the third largest federal grant received by the Department, was established in 2001 to prevent wildlife from becoming endangered and to conserve their habitat. Land area and population are considered in the state apportionment formula. States are required to complete a comprehensive wildlife conservation plan to remain eligible for funding. The Department received the first State Wildlife Grant in SFY 2003. The grant is designed to assist in developing and implementing programs benefiting wildlife and their habitat, other than those taken through hunting or fishing. Prior to the State Wildlife Grant, state fish and wildlife agencies were generally reactive rather than proactive in their approach to wildlife diversity management, as fish and wildlife agencies traditionally focused conservation efforts on game species. The program requires a 25 percent state match for planning grants and 50 percent for implementation grants. New guidance effective January 1, 2007 was implemented by the USFWS regarding what grant-related activities constituted planning and implementation. This increased the required state match from 25 percent to 50 percent for most activities.

During the audit period, the Department participated in 18 smaller federal grant programs. Table 4 displays each federal grant program from SFY 2002 through 2007 with the associated revenue received.

Table 4

**Federal Revenues,
State Fiscal Years 2002-2007**

Grant Program	2002	2003	2004	2005	2006	2007
Sport Fish Restoration	\$2,722,768	\$2,273,220	\$2,562,061	\$2,457,140	\$3,054,406	\$3,026,602
Wildlife Restoration	1,627,036	1,351,245	1,326,026	1,164,252	1,024,133	1,123,757
State Wildlife	N/A	734,961	309,687	1,005,070	855,499	468,810
Congressionally Identified Projects	N/A	N/A	N/A	N/A	486,706	N/A
National Estuarine Research Reserves	221,275	456,127	428,241	430,784	398,517	446,939
Habitat Conservation	N/A	57,387	48,593	204,421	310,879	33,731
Joint Enforcement Agreement	100,000	N/A	500,000	192,192	300,000	263,980
Unallied Management Projects	N/A	1,632,540	51,331	N/A	247,390	68,422
Atlantic Coastal Fisheries Cooperative Management Act	141,116	162,389	221,521	259,540	227,217	224,733
Hunter Education And Safety Program	N/A	92,658	N/A	80,000	92,805	91,025
Wildlife Services	N/A	N/A	N/A	35,000	58,669	123,161
Landowner Incentive	N/A	N/A	13,530	68,309	44,446	62,041
Cooperative Endangered Species Conservation Fund	N/A	53,215	51,048	36,739	34,061	38,000
Wildlife Conservation And Restoration	N/A	78,191	200,569	22,377	21,493	N/A
Anadromous Fish Conservation Act Program	N/A	N/A	N/A	19,256	18,520	N/A
Interjurisdictional Fisheries Act Of 1986	18,282	6,956	11,188	16,385	16,706	33,057
Wetlands Reserve Program	N/A	N/A	N/A	N/A	900	N/A
Public Safety Partnership And Community Policing	77,546	17,821	12,268	3,109	61	N/A
Unallied Science Program	47,227	38,191	30,049	20,380	N/A	13,787
Plant And Animal Disease, Pest Control, And Animal Care	N/A	N/A	31,092	N/A	N/A	N/A
Surveys, Studies, Investigations, And Special Purpose Grants	49,850	N/A	N/A	N/A	N/A	N/A
Total	\$5,005,100	\$6,954,901	\$5,797,204	\$6,014,954	\$7,192,408	\$6,018,045

Note: Not applicable (N/A) indicates revenues not received in the corresponding SFY.
Source: LBA analysis of F&G data.

Unrestricted Revenue

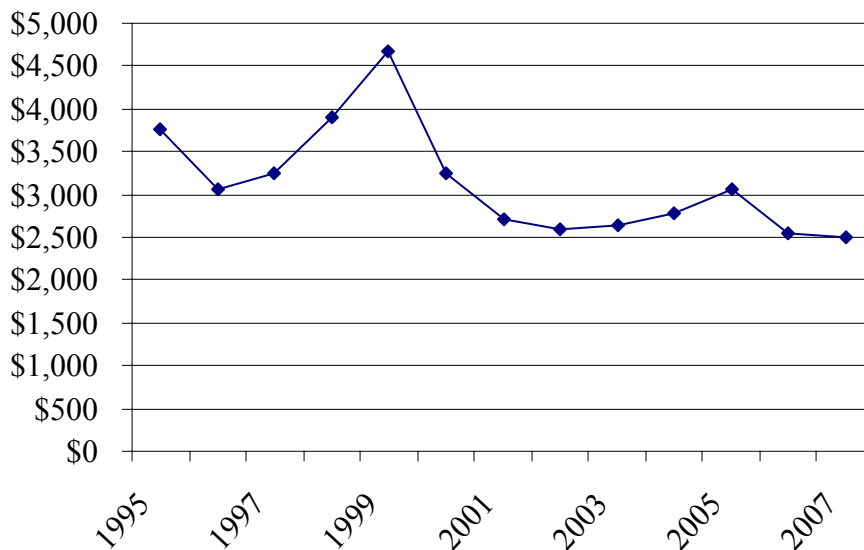
Unrestricted revenues (Fish and Game funds) include hunting and fishing license sales, unrefunded gas tax transfer, fines, interest earnings, and donations. Unrestricted revenue obtained by the Department from fishing and hunting licenses may be used to fund most Department programs. RSA 212-A:15 prohibits the use of license revenue for any species not hunted, fished, or trapped within the previous five years. Appendix C shows the major license types and price increases over a ten-year period.

The decrease in unrestricted revenues is causing financial issues for the Department given the increase in Department operational expenses reliant upon unrestricted revenues. The Department reports an unplanned increase in numerous significant operational expenses, including information technology, employee benefits, retiree medical insurance, and utilities.

While the majority of dedicated accounts are stable, the F&G's undesignated Fund balance (savings) is declining. Taking into account salary increases from the most recent collective bargaining agreement and assuming no additional expenditures are authorized and revenue projections are met, the Department estimates the SFY 2009 undesignated Fish and Game Fund year-end balance to be approximately \$1.8 million. The trend line in Figure 4 shows the undesignated fund balance peaked in 1999 and generally trends downward in the subsequent years. Annual undesignated fund activity is detailed in Table 5.

Figure 4

**Undesignated Fund Balance, Fish And Game Fund,
State Fiscal Years 1995-2007**
(Expressed In Thousands)



Source: *New Hampshire Comprehensive Annual Financial Reports*.

Table 5

**Fish And Game Undesignated Fund Balance,
State Fiscal Years 1998-2007**
(Expressed In Thousands)

State Fiscal Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Beginning Balance	\$ 4,310	\$ 5,006	\$5,464	\$ 4,277	\$ 3,599	\$ 3,324	\$ 3,616	\$ 3,763	\$4,336	\$3,639
Total Additions	8,770	8,900	8,806	9,041	9,180	9,863	9,671	10,683	10,408	11,102
Total Deductions	8,074	8,442	9,993	9,719	9,455	9,571	9,524	10,110	11,105	11,208
Balance June 30 (Budgetary Method)	5,006	5,464	4,277	3,599	3,324	3,616	3,763	4,336	3,639	3,533
GAAP Adjustments	(1,114)	(800)	(1,018)	(884)	(728)	(987)	(990)	(1,280)	(1,086)	(1,037)
Ending Balance	\$ 3,892	\$4,664	\$3,259	\$ 2,715	\$ 2,596	\$ 2,629	\$ 2,773	\$ 3,056	\$2,553	\$2,496
Source: <i>New Hampshire Comprehensive Annual Financial Reports.</i>										

Public Attitudes Towards Department Funding

In 2004, the F&G contracted with a natural resource survey research firm based in Virginia to conduct a survey of State residents. Approximately 20 percent of the survey population were hunters. The majority of respondents (63 percent) supported the idea of alternative revenue sources to help pay for Department activities, while 16 percent were opposed. A majority (60 percent) also supported using a larger percentage of the general fund to help pay for comprehensive wildlife management activities, with 25 percent opposed, while 57 percent supported a new user fee.

Fifty percent of the survey respondents supported using a dedicated percentage of an existing State tax, such as the meals and rooms tax, business profits tax, or real estate transfer tax, to help pay for comprehensive wildlife management activities, while 33 percent opposed.

Significant Achievements

Performance auditing by its nature is a critical process, designed to identify weaknesses in past and existing practices and procedures. Noteworthy management achievements related to the scope of the audit are included here to provide appropriate balance to the report. Significant achievements are considered practices, programs, or procedures that evidence indicates are performing above and beyond normal expectations.

Hatchery System Evaluation

The F&G operates and maintains six fish culture facilities in support of fisheries management programs. The major objectives of the fish culture program are to supplement fish populations in public waters where natural recruitment is low and to restore fish populations where human factors caused declines in fish abundance. From 2002-2004, the F&G contracted with FISHPRO Consulting Engineers and Scientists to perform a critical review and analysis of each fish culture facility to determine whether the facilities were functioning at optimal efficiency and production capacity.

The evaluation included a review of: water source(s), water distribution, water treatment systems, buildings, fish rearing units, effluent management, supplemental oxygenation of water supplies, pond aeration, general fish culture operations, selected improvements, and expansion potential. The fish production program was evaluated utilizing historical and current production numbers and projected future requirements. Potential solutions and possible options to fish culture facility problems and deficiencies were provided, along with construction cost estimates and projected time frame requirements for implementation.

The findings and recommendations from these evaluations are being integrated into the F&G fish culture operations.

Wildlife Action Plan

The Department's Nongame and Endangered Wildlife Program, working together with partners in the conservation community, created the State's first Wildlife Action Plan. The State Wildlife Action Plan was mandated and funded by Congress through the USFWS in the form of the State Wildlife Grants program. The 1,400-page Plan provides communities, conservation commissions, planning boards, and leaders in transportation and economic development more complete information about wildlife populations and significant habitats. As our communities grow, the Wildlife Action Plan will help guide important decisions regarding local and regional land and water use and development, so the F&G can fulfill its responsibility to safeguard wildlife and the places they live.

The State's Wildlife Action Plan addresses the current state of wildlife, location, threats to survival, conservation goals, monitoring both the wildlife and plan efforts, and identifying involvement of different levels of government and the public.

The development of the Wildlife Action Plan involved an intensive effort including two Wildlife Summits where business, community and conservation leaders from around the State came together to discuss the most pressing conservation management issues and to how best to address them.

Wildlife agencies from all 50 states and six U.S. territories submitted Wildlife Action Plans for approval by the USFWS, establishing a nationwide blueprint to conserve imperiled species so they do not become threatened or endangered. Of these 56 Wildlife Action Plans completed, New Hampshire's Wildlife Action Plan has received accolades from national conservation organizations as one of the most complete and ready to be implemented plans in the nation.

Great Bay Resource Protection Partnership Program

The partnership program's formation in 1994 originated from the approval of the North American Waterfowl Management Plan. The program consists of nine organizations including private non-profit conservation organizations, federal and State public agencies, and municipalities. The partnership has protected over 8,000 acres in the Great Bay area and the progress continues through the audit period. Funding for this effort during the audit period has included \$4.15 million in grants to the Nature Conservancy through the North American Wetlands Conservation Act, nearly \$8 million in non-federal match from private, state and local sources, and over \$30 million in National Oceanic and Atmospheric Administration grants. The Department will receive an additional \$3.5 million in SFY 2008.

Striped Bass Restoration

In the late 1970s, stocks of striped bass had completely collapsed due to over-fishing, pollution, and habitat loss. By the mid-1980s, Maryland and Virginia declared a total moratorium on all fishing for striped bass, both recreational and commercial. To address this situation, New Hampshire worked with other Atlantic coastal states to begin managing the striped bass population, aggressively implementing strict rules on both the recreational and commercial harvest. By 1995, stocks of striped bass were considered fully recovered in New Hampshire and other Atlantic coastal states, providing great fishing for saltwater anglers and restoring a valuable marine resource. Since that time, the F&G has successfully maintained this important fishery. Striped bass catches in New Hampshire waters over the past five years have averaged over 300,000 fish per year, ranging in size from small schooling fish ten to 12 inches long, to mature fish over 40 inches in length. Today, striped bass are the most sought-after fish for New Hampshire saltwater anglers.

Website Reaches Broad Audience

In SFY 2002, the Department undertook a comprehensive review and redesign of their website. Using Public Affairs Division staff as facilitators, a series of staff workshops were conducted; gathering opinions and content ideas from all corners of the agency, to determine what information constituents were looking for and how best to structure the website for ease of use. Two employees in Public Affairs took on the task of designing and populating a new site from

scratch based on the priorities and ideas generated in the meetings, and successfully launched the new site in October of 2002.

The F&G website is accessed by more than 700,000 unique users a year (2006 information) to obtain news, regulatory information, education program schedules, a kids' webpage, teacher resources, and many publications. Traffic on the F&G website increased by an average of 29 percent annually from SFY 2002 to SFY 2006, and had a 45 percent growth in visitation from SFY 2005 to SFY 2006.

The F&G uses email communication as a primary driver behind this growth. The F&G emailed news lists, including the fishing and hunting reports, have grown to include more than 10,000 individual subscribers, including hundreds of journalists who use Department materials in their reporting. The Department reports saving thousands of dollars in postage and printing costs by the use of electronic media.

Notably, the website provides license buyers with a path to the licensing site. The most recent addition to the website is streaming audio and video. Now, programming the Department distributes to many media outlets is available twenty-four hours a day, seven days a week to people who are interested in the outdoors.

Search And Rescue And Dive Teams

The Law Enforcement Division's Search and Rescue and Dive Teams conducted 688 missions during the audit period. With a dramatic increase in the number of hiker related rescues occurring within the State, the Department joined forces with the White Mountain National Forest to develop a progressive, in-depth Hiker Education Program. This program, dubbed "*hikeSafe*," was developed with the intent of increasing public awareness of the consequences of hiking when ill-prepared. Through public education, the main goal of this program is to reduce the number of people who create situations requiring search and rescue services.

By means of the *hikeSafe* informational website and other promotional materials, this innovative program has increased public safety awareness and continues to be considered as a model for use by other federal, state, and county agencies nationwide.

Making License Sales More Efficient And Effective

During the audit period, the Support Services Division undertook two initiatives to make the business of selling licenses and registrations more efficient and cost effective: online license sales and registering OHRVs in-house. In February 2002, the F&G began selling fishing and hunting licenses and permits online. In calendar year 2004, F&G collected more than \$800,000 in licenses and permits through online sales, doubling sales in 2003. In calendar years 2005 and 2006, online license sales increased to \$1,143,333 and \$1,670,272, respectively for a total of 68,362 transactions. The F&G reports selling fishing and hunting licenses and permits online has reduced administrative costs associated with the licensing program and provides more convenient customer service. Specifically, computer-generated licenses eliminate the need for preprinted forms, and associated distribution and inventory expenses. The F&G is also able to download online sales data, reducing the need for manual data entry.

In a similar effort to increase efficiency, the F&G brought the OHRV Registration Program “in-house” to strengthen internal controls over the program. The F&G reports its initiative to sell licenses online resulted in further efficiencies as the Department was able to handle the additional annual registration of 90,000 snowmobiles and all terrain vehicles with the addition of only two new staff.

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**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

MANAGEMENT ORGANIZATION AND CONTROLS

The United States General Accountability Office (GAO) states an organization's structure should reflect its functions and purpose including goals and strategies for the future. While the New Hampshire Fish and Game Department's (F&G) traditional hunting and angling constituency started declining in the 1990s, its responsibilities have increased. The F&G has evolved from an agency responsible for fish, game, and fur-bearing animals to include responsibility for all wildlife, search and rescue operations, public boat access, off-highway recreational vehicle (OHRV) and snowmobile training and enforcement, and public education. These responsibilities have increased the Department's constituency; however, we found input from these groups has not been incorporated into the Fish and Game Commission's membership or the Department's name. Additionally, while the F&G's responsibilities have increased, the Commission's role has effectively diminished and its oversight authority has become inconsistent and unclear. As the Department's constituency changes, the State should assess the Department's long-term direction and incorporate input from all stakeholders into the process.

Planning is also an important element of an organization's internal control environment. However, we found the Department's strategic plan, adopted in 1998, is not clearly linked to Department programming. We also found the Department's management structure is inconsistent with other State agencies and should be restructured to improve management cohesion. Four Divisions and the Executive Director's Office rely on unrestricted Fish and Game funds for the majority of their budgets; however, only one Division has clearly defined priorities, making it difficult for the Department to identify potential areas to reduce in times of budget shortfalls. The Public Affairs Division relies heavily on unrestricted Fish and Game funds; however, it lacks a comprehensive written operating plan to implement Division priorities and does not collect sufficient information to assess the cost effectiveness of many of its programs.

The GAO also states the control environment and control activities are integral to ensure accountability of government resources and achieve effective results. In this section, we identify areas where management should implement more effective internal controls, specifically by centralizing responsibilities for management of its fleet, OHRV, snowmobile, and federal grant operations. We also recommend management establish policies and procedures to improve land management and ensure agreements with external entities receive Governor and Council approval. To leverage compatible efforts, we recommend closer coordination with the Department of Resources and Economic Development for marketing and with the State Police for dispatching services.

Observation No. 1

Redefine The Role Of The Fish And Game Commission

RSA 206:1 establishes the F&G under the Fish and Game Commission. The Commission is comprised of 11 volunteer Commissioners appointed by the Governor and Council. One Commissioner represents each of the ten counties and one Commissioner represents the seacoast. RSA 206:4-a states the Commission is responsible for setting general policy regarding: 1)

conservation, protection, and management of wildlife populations and habitats; 2) developing, funding, and implementing a strategic plan; 3) educating the public and building support for Department programs and objectives; and 4) establishing Department positions on proposed legislation. The Commission also has statutory authority for reviewing and approving administrative rules and dedicated account expenditures, as well as nominating the Executive Director. While RSA 206:2-a requires Commissioners have extensive background and knowledge related to wildlife conservation and protection, it does not require Commissioners to have a background in finance, budgeting, accounting, or public management.

Limited Role In Department Planning

According to RSA 206:4-a, II the Commission is responsible for setting general Department policy in the “development, funding, and implementation of a long-range strategic plan to direct the operation of the fish and game department.” However, all 11 current Commissioners stated the Commission is not currently engaged in a new strategic planning process, although six of the 11 Commissioners stated the ten-year-old strategic plan should be updated. One Commissioner noted the Commission is too busy to engage in larger planning efforts.

Ten current and former Commissioners suggest the Commission has a limited role in planning and establishing Department priorities. Three Commissioners stated priorities are established external of the Commission and are only presented for Commission approval, while two Commissioners stated the Commission is unclear of its role in establishing Department-wide priorities. Another noted it can be difficult to maintain a consistent vision for the Department because each year the make-up of the Commission changes.

Limited Role In Establishing Educational Priorities

According to RSA 206:4-a, IV the Commission is responsible for setting general policy in educating the public and building support for the Department’s programs. Department staff indicated the Commission has a small role in establishing public education policies for Department implementation. Our review of Commission resolutions in effect during the audit period showed one policy regarding public education encouraging partnerships with external entities and one policy encouraging Department personnel to interact with the public through radio and television appearances. The Commission has not revisited these policies since 1995 despite changes in new statutory requirements regarding public education and communication media.

Inefficient Process For Establishing Department Positions On Proposed Legislation

According to RSA 206:4-a, V the Commission is responsible for establishing positions on proposed legislation affecting the Department. The Commission votes on Department positions at its monthly Commission meetings; however, during the Legislative session legislation may be introduced and hearings scheduled without sufficient time for the Commission to convene and vote. One Commissioner mentioned it is very difficult to arrange meetings outside the regular meeting schedule and another stated more frequent meetings were not an appropriate response. Commissioners reported conducting email and telephone votes to establish Commission positions when there was insufficient time to schedule a meeting, ratifying votes at the next monthly meeting. In May 2007, the OAG informed agencies that email and telephone votes could not be conducted because they did not provide for adequate public input.

Despite the use of email and telephone voting, Department personnel reported in some instances, the Department had been unable to inform the Legislature of an official Department position because the Commission had not yet voted.

Inconsistent Oversight Authority

Commission duties defined in RSA 206:4-a, I include setting policy for conservation, protection, and management of wildlife population and habitats. Our review of Fish and Game statutes showed of 68 statutes authorizing the F&G Executive Director to adopt rules, only 14 (21 percent) require Commission approval. Our survey of nine state fish and wildlife agencies showed five states with an oversight body, all having authority to approve agency rules.

Commissioners are also unclear on the extent of the Commission's financial oversight authority. Five Commissioners believe the Commission approves all dedicated account expenditures, one believes the Commission approves all "major" dedicated account expenditures, and one believes the Commission approves all expenditures. However, our review of Fish and Game statutes shows Commission approval was required for eight of the 20 (40 percent) dedicated accounts in effect during the audit period. Our survey of nine state fish and wildlife agencies showed of the five states with an oversight body, no oversight body had authority to approve expenditures.

Unclear Reporting Relationship Between The Commission And The Executive Director

Chapter 123:1, Laws of 1935, established the F&G under the Fish and Game Commission and authorized the Commission to "appoint the director of the fish and game department...for an indefinite term, at the pleasure of the commission." Since 1986, RSA 206:8, I has given the Commission the authority to nominate, for Governor and Council appointment, an Executive Director. Further, RSA 206:8, I, gives the Governor and Council the authority to remove the Executive Director for just cause. Our survey of nine state fish and wildlife agencies showed of the five states with an oversight body, two oversight bodies have the authority to appoint the agency director.

According to the GAO, a good control environment requires the organizational structure clearly define key areas of authority and establish appropriate lines of reporting. Ten current Commissioners, two former Commissioners, and a former Executive Director stated the reporting relationship between the Commission and the Executive Director is unclear. According to its handbook, the Commission is responsible for reviewing the Executive Director's performance; however, nine Commissioners stated the Commission has not conducted a review of the Executive Director during their tenure. Additionally, an opinion written by the OAG states the Commission has no authority to conduct a binding performance review of the Executive Director, because the Executive Director works for the Governor, not for the Commission. The former Executive Director reported being pulled in two directions because it was unclear whether the Executive Director works for the Governor or the Fish and Game Commission, especially if the Governor's priorities conflict with those of the Commission. One Commissioner stated while interviewing candidates for the currently vacant Executive Director position, the Commission was telling candidates they would be working for the Governor, not the Commission.

In a survey of the sport fish, wildlife, or marine agencies of nine regional states, five states have oversight bodies similar to New Hampshire's Fish and Game Commission. Of these states, no oversight body has the authority in all three areas of setting policy, approving financial transactions, and approving administrative rules. No state's oversight body approves financial transactions and only one state's oversight body sets agency policy. Two others have some financial oversight, but do not approve transactions. All five oversight bodies approve agency rules.

These other states reported their oversight body was necessary for the efficient and effective functioning of the agency; however, the role of oversight bodies in these states is generally that of advising, consenting, or approving rules and regulations. While the Commission plays an important role as a liaison between the Department and its constituency, it is difficult, and perhaps unrealistic, for a volunteer, part-time Commission to adequately fulfill its broad statutory responsibilities.

RECOMMENDATION:

We recommend the Legislature consider establishing the Commission as an advisory body by removing responsibilities for policy setting, approving financial transactions and proposed rules, and Department planning from statute. The Legislature may wish to consider clearly establishing the advisory body's role as a liaison between the Department and its constituents, including obtaining public input, and building support for the Department's programs.

Commission Response:

We concur in part.

We agree that some of the responsibilities of the Commission need clarification. We welcome the opportunity to work with the Legislature and the Department to define and clarify how the Commission can assist in any and all aspects of the Department's work. The Commission could take a more active role with assisting the Department in formulating strategic plans, as well as reviewing, updating, and changing such plans as needed.

The Commission recognizes the need to work with the Legislature to update and clarify possible inconsistencies that will enable the Commission to perform whatever responsibilities are described for them.

We agree that the reporting structure between the Executive Director, the Commission and the Governor is unclear. The Executive Director is nominated by the Commission and appointed by the Governor and Council. Since the Governor and Executive Council has sole authority to remove the Executive Director for "just cause", the case can be made that the Executive Director reports directly to the Governor. The Commission would like to work with the Legislature to more clearly define the roles of the Commissioners as well as the reporting structure of the Executive Director.

The Commission strongly opposes the idea that they should be restructured into an advisory body. The concern is that it may limit the voice that their constituents currently have in expressing concerns and expectations for the Department. The sporting clubs that represent hunters, anglers and trappers who primarily fund the Department and the work it does, may nominate Commissioners. The Commission feels that since the Department is primarily funded with license fees and not General Funds, therefore, we believe that the Commission should not have strictly an advisory role. The current Commissioners would be reluctant to serve if they were not afforded a real opportunity to make change for the constituents they represent.

Action to be taken:

The Department will work with the Legislature to more clearly define the duties and responsibilities of the Commission with regard to policymaking, rulemaking, strategic planning and financial oversight of the Fish and Game Department. Once this has been completed, the Department will update the Commission handbook to reflect these changes and conduct training sessions for new Commissioners as to their role and responsibilities.

Observation No. 2

Consider Changing The Name Of The F&G To Reflect Its Scope Of Responsibilities

The name “Fish and Game” no longer reflects the true scope of responsibilities of the Department. While the Department’s traditional user groups have leveled off or declined, the Department has seen an expansion in responsibilities and the emergence of new user groups. The United States Fish and Wildlife Service’s (USFWS) 2006 *National Survey of Fishing, Hunting, and Wildlife-Associated Recreation* reported 45 percent of New Hampshire residents participate in wildlife watching compared to 14 percent of residents who engage in hunting and fishing. In New Hampshire, the number of hunting and fishing licenses sold from calendar year 2002 to 2006 declined by ten and five percent, respectively. F&G management reported hunting and fishing activities will likely continue to decrease while other outdoor activities will increase in popularity due to lifestyle changes, demographics, and declining access to favorite hunting and fishing spots.

RECOMMENDATION:

We recommend the Legislature consider changing the name of the New Hampshire Fish and Game Department to the New Hampshire Fish and Wildlife Department to more accurately reflect the scope of the Department’s responsibilities.

F&G Response:

We concur in part.

The Department agrees the name “Fish and Game” no longer reflects the full scope of responsibilities and activities of the Department, and we agree that a new name would be a more accurate reflection of our mission and programs. The Department recognizes that many constituents would expect to have input in establishing a new name and therefore we are not sure

the recommended name is the most appropriate choice. As a point of reference, the definition of “wildlife” in accordance with RSA 207:1 XXXV: refers to all species of mammals, birds, fish, mollusks, crustaceans, amphibians, invertebrates, reptiles or their progeny or eggs which, whether raised in captivity or not, are normally found in a wild state.

Action to be taken:

The Department will work with the Legislature to establish a new name for the Department that more clearly reflects our mission.

Observation No. 3

Consider Broader Representation On The New Hampshire Fish And Game Commission To Include Other User Groups

The F&G constituency has changed since the Department’s 1935 establishment; however, Fish and Game Commission members remain exclusively hunters and anglers. RSA 206 establishes a Fish and Game Department under a Commission of one Commissioner from each of the ten counties and one Commissioner representing the seacoast. RSA 206:2, II allows sporting club boards to submit nominees for the Governor’s consideration, while RSA 206:2-a, II (d) requires Commissioners to be an active outdoorsman and hold a hunting or fishing license in at least five of the ten years preceding appointment. RSA 206:2, III defines a sporting club as an organization specifically interested in hunting, fishing, trapping, and wildlife and habitat conservation, which has acknowledged in its permanent bylaws the promotion and protection of hunting, fishing, or trapping and which accepts scientific wildlife management methods and tools.

As discussed in Observation No. 2, legislative mandates have broadened F&G’s focus since its creation, including many responsibilities in addition to the Department’s traditional responsibility for game animals and fish in the State. Additionally, increased popularity of other outdoor activities including canoeing, kayaking, cross-country skiing, rafting, and snowshoeing has broadened the F&G’s constituency base. While these responsibilities affect a wider range of constituent groups, many are still not represented on the Fish and Game Commission.

RECOMMENDATIONS:

Given the F&G’s expanded responsibilities since it was established, the Legislature may wish to consider broadening representation on the Fish and Game Commission to include other user groups who have a vested interest in F&G policy, by:

- **amending RSA 206:2-a, I and establishing members to represent the interest of F&G’s user groups instead of geographic regions of the State; and**
- **amending RSA 206:2, II and III to allow other organizations which do not specifically promote hunting, fishing, or trapping in their bylaws to submit nominees for the Governor’s consideration.**

F&G And Commission Response:

We concur in part.

The Department agrees its constituency has broadened since 1935. This diverse constituency includes not only hunters, anglers, trappers and wildlife viewers, but also many individuals, organizations and other municipal and governmental agencies interested in environmental conservation and or outdoor activities. Since 1989, there have been various legislative initiatives relative to the Fish and Game Commission in which there were amendments proposed relative to terms, appointments, license requirements or other qualifications for becoming a Commissioner while other legislation considered the duties and responsibilities. The Department does not feel that RSA 206:2, II and III limits nominations only to sporting clubs. The Commission believes they are interested in and have an appreciation of all user groups. Commissioners participate in many activities outside of hunting, fishing and trapping. However, this broadened constituency may not be as active in providing funding to the Fish and Game Department. The Commission is not opposed to considering additional Commissioners, preferably one that would represent an OHRV group, and one to represent a recognized conservation group.

Action to be taken:

The Department will work with the Legislature to provide broader representation of our constituency. The Department cautions on moving strictly to a user-group based Commission because it may not provide for representation from all areas of the state. The Department believes it would be helpful to clarify the process for nominating Commissioners.

Observation No. 4

Consider A Study Commission To Review The Long-Term Direction Of The F&G

The F&G's responsibilities affect a multitude of constituent groups, many of which are not represented on the Commission and are not always integrated into policy decisions. The number of constituents among the F&G's traditional user groups is small relative to the emergence of new user groups. A 2001-2002 Outdoor Industry Foundation study found participation in other forms of outdoor recreation is popular in the State. While New Hampshire was sixth in the nation for overall outdoor activity participation per capita, the State was first in canoeing, kayaking, cross-country skiing, and snowshoeing. Additionally, according to a more recent survey by the national Outdoor Industry Foundation, 22 percent of New Hampshire's population over 16 years of age participated in canoeing, kayaking, or rafting in calendar year 2006.

Despite broadened agency responsibilities resulting in an expanded constituency base, the F&G still targets traditional users and has not clearly defined the expanded constituency base or analyzed whether long-term Department direction adequately supports the needs of all its constituents. Analysis of an entity's stakeholders allows managers to incorporate the needs of those who have a vested interest in proposed policy and helps management increase support for policies or programs. In 2006, a report from the research unit of the Massachusetts Department of Natural Resources Conservation reported non-traditional constituent groups have an

increasing interest in wildlife management and hold views different from those of traditional users. This report noted a stakeholder approach would provide a way for managers to understand and accommodate these changes.

Chapter 276, Laws of 2005, established the State Park Study Commission. Comprised of Legislators, Department of Resources and Economic Development (DRED) personnel, members of the general public, and members representing various user and interest groups, the Commission was responsible for studying the long-term effectiveness of self-funding the State park system, leasing public lands, and developing a long-term capital improvement plan for the State park system. The study commission concluded, in addition to providing the traditional State park experience, the park system could also maximize and market non-traditional opportunities available in the State, specifically, emerging outdoor recreational opportunities and the State's natural and historic sites. According to the DRED Commissioner, the process was helpful in gaining a statewide perspective from all of the system's user groups and identifying the broad issues affecting the future of the State park system.

RECOMMENDATIONS:

The F&G should conduct a stakeholder analysis to identify members of its expanded constituency to consider their needs when establishing and managing its programs and priorities.

The Legislature may wish to consider establishing a study commission to determine the long-term direction of the F&G, similar to the Commission established for the State Park System in 2005. The F&G study commission should include representatives from the Legislature, F&G, hunters, anglers, and user and interest groups as identified in the stakeholder analysis. The study commission should integrate views from all constituency groups to establish a long-term future direction for the F&G.

F&G Response:

We concur in part.

The Department is planning to update the Strategic Plan in 2008 and formally tying divisional projects and activities to the plan as recommended in Observation No. 6.

During the last strategic planning process, the Department held 8 regional public meetings and work sessions with stakeholders. A broad diversity of people participated as individuals or as organized groups, and many had interests outside of traditional fishing and hunting activities, such as aquaculture, commercial harvesting, and wildlife viewing were represented in the planning process.

The Department expects to employ a similar public process in the updating of the Strategic Plan and will actively solicit participation by a broad spectrum of individuals and groups using the state's wildlife and marine resources.

The Department is not opposed to a study committee to determine the long-term direction of the Department. Department staff would be available to serve on or otherwise provide support to the study committee if it is established. However, the Department's strategic planning process may provide a more timely opportunity for the Legislature to evaluate the long term direction of the Department. Rather than establishing a study committee, it may be more advantageous to include representatives from both the House and Senate to the Department's 2008 Strategic Planning Process. This approach may be a more effective and efficient process to assist the Department in refining its strategic direction.

Action to be taken:

The Fish and Game Department will work with the Legislature to look at the strategic direction of the Department. If a study committee is not established, the Department will invite representatives from both the House and Senate in the updating of the Department's Strategic Plan.

Observation No. 5

Consider Reclassifying The Assistant Director And Division Chief Positions To Improve Management Cohesion

The F&G has 201 authorized positions and only the Executive Director is unclassified. This structure is inconsistent with the majority of New Hampshire Executive Branch Departments, where the agency's director or commissioner, assistant director or commissioner, and its division directors are in the unclassified State service system. According to the previous and current acting Executive Directors and four current Commissioners, this structure has encouraged each Division to implement its own vision and has hindered establishing a Department-wide vision and set of priorities.

In 1983, the Legislature recognized the importance of placing division directors in the unclassified system for most State agencies by implementing the Executive Branch Reorganization Act of 1983 under RSA 21-G. The Legislature declared the size and complexity of the Executive Branch, including the array of administrative terms, titles, and appointment processes, had unintentionally altered some of the constitutional checks and balances by shifting policy direction and implementation towards the independent, non-elected Executive Branch agencies. According to RSA 21-G, this shift reduced the ability of the Legislature to assert its primary role as policymaker and the Governor to manage the implementation of that policy. RSA 21-G:6 established an operational structure for Executive Branch agencies while RSA 21-G:8, II placed division directors in the unclassified system and gave the commissioner the power to nominate division directors to the Governor and Council for appointment.

We note, for example, division directors in other State departments such as DRED, Safety (DOS), and Environmental Services (DES) are unclassified positions. Additionally, the DOS Commissioner nominates the division directors, and the DES Commissioner nominates the Director of Waste Management and consults with the Water Council and Air Council in nominating Directors of the Air and Water divisions. Consistent with unclassified positions

established in other State departments, F&G Division Chiefs are senior management level positions.

Seven of the 11 current Commissioners reported general issues concerning the current division chief system. One Commissioner stated the Executive Director is at a disadvantage in disagreements with a Division Chief, because the Division Chief can, as a classified State employee, wait out the term of the Executive Director. Two other Commissioners stated there is no clear line of authority because the Executive Director does not appoint Division Chiefs, and the Executive Director cannot adequately exert control. The Acting Executive Director has noted having Division Chiefs serve at the pleasure of the Executive Director could prevent Department in-fighting and prevent Division Chiefs from seeking solutions outside the Department when they disagree with the Executive Director.

RECOMMENDATION:

The Legislature may wish to consider reclassifying the Assistant Director and Division Chief positions in the F&G from classified to unclassified positions in an effort to improve cohesion of the Department's management.

F&G Response:

We concur in part.

It is important that all Divisions within the Department work as a cohesive unit in formulating long-term initiatives and strategic plans for effective wildlife management for the State of New Hampshire. It is understood there are various opinions regarding the level of cohesiveness within the Department. Although it should be noted, as the agency's appointing authority, the Executive Director is ultimately responsible for the performance of all classified employees.

There is no disagreement within the Department that a formal analysis comparing the upper management structure of Fish and Game to other state agencies be completed. This analysis should be completed by an independent management group and should determine if there are any benefits to changing our management structure. This formal analysis should consider at a minimum, agency effectiveness and the cohesiveness of senior management working relationships at other state agencies.

Action to be taken:

The Fish and Game Department will work with the Legislature, the Division of Personnel, and an independent consulting group to complete an analysis of its senior management structure.

Observation No. 6

Establish Priorities For Department Programming

A 1981 Sunset Report of the F&G found the Department had no plan “defining its resources and priorities” and such a plan was needed to “orient the activities of its diverse divisions in a common direction and to provide a consistent basis for decision-making.” Since 1998, the F&G has had a ten-year strategic plan defining the Department’s goals, however, we found there are no clearly established priorities to ensure these goals are met or to guide Department programming. As a result, the F&G cannot ensure programs within its Wildlife, Inland Fisheries, Marine Fisheries, and Public Affairs Divisions are aligned with the Department’s goals.

In response to recommendations in a 1987 Sunset report, the Legislature passed RSA 206:9-a (effective May 1987), requiring the F&G submit a biennial report to the Legislature outlining recommendations for changes in fee structure, license fees in contiguous states, inflation rates on Department operations, previous license fee increases, budget demands, and justification for any General Fund support. F&G personnel stated the biennial report submitted for State fiscal years 2003-2005 was the first report the F&G submitted to comply with this statute. However, we found the 2003-2005 biennial report does not include analysis of any of the requirements listed above. In its 2005-2007 biennial report submitted to the Legislature in October 2007, the F&G included all statutory requirements. In the 20 years since the requirement established by the Legislature to monitor the Department’s financial situation was enacted, the F&G has fully complied with the requirement only once.

The Fish and Game Commission approved the Department’s strategic plan to identify ways to address the “challenges and opportunities [that] lie ahead” for the Department. The strategic plan outlined 17 Department goals. The F&G strategic plan will be ten years old in January 2008; however, the Department reportedly has no plan to initiate a new strategic planning process. Six current Commissioners and the Acting Executive Director acknowledged the need for a new strategic planning process to guide the Department into the future.

Four Commissioners, as well as the former and the Acting Executive Director noted each Division has its own priorities; however, we found only the Inland Fisheries Division has written priorities and an established operating plan. The Inland Fisheries Master Operational Plan identifies the Division’s priorities, program goals, program needs, expected results, and individual projects to achieve program results. Each project also includes estimated costs and a priority score.

The Wildlife Division has a ten-year (2006-2015) Big Game Plan, to address goals and objectives for managing deer, moose, black bear, and wild turkey, and a concurrent ten-year Wildlife Action Plan to address wildlife habitat needs of the State. Although both the Wildlife Action Plan and the Big Game Plan outline long-term game management goals and objectives for the Division and the Department, neither plan aligns programs with these goals and objectives. The Marine Fisheries Division and the Public Affairs Division do not have written operating plans to ensure programs are accomplishing the goals of the Department strategic plan. We address the Public Affairs Division’s need for an operating plan in Observation No.7.

Without clearly established Department priorities, the F&G cannot ensure Division programs are aligned with Department priorities or that priorities established within each Division are achieving the Department's goals. The Inland Fisheries Division Chief reported being unsure of whether Division priorities and the operating plan align with the Department's priorities. The former Executive Director also noted one Division's priorities are established independent of other Divisions and may not reflect the Department's overall goals or objectives.

During the 2007 budget session of the General Court the F&G recognized its revenue difficulties had reached a crisis and began a renewed effort in the weeks leading up to the Governor's budget hearings and the legislative session to win support for ten separate bills including those requesting general funds and other revenue enhancing measures. However, the Department did not reach agreement with the Governor's Office through the budget process; conduct comprehensive planning; or build public, Legislative, and Gubernatorial support for its initiatives. According to a study sponsored jointly by the International Association of Fish and Wildlife Agencies and the Ecosystem Management Initiative at the University of Michigan, gathering broad-based support of key decision-makers, as well as the public and outside organizations, is a shared characteristic of most successful wildlife funding campaigns. The Department pursued a campaign in the print and electronic media and, by management's own admission, presented a wide-ranging approach consisting of various legislative requests for general funds and revenue transfers, as well as establishing new fees and programs.

The Government Finance Officers Association (GFOA) recommends all government entities use strategic planning to provide long-term perspective for service delivery and budgeting. Strategic planning establishes logical links between authorized spending and broad organizational goals and includes: a mission statement explaining how customer needs will be met, a vision explicitly outlining future expectations, and key factors necessary to help achieve outcomes. The planning process should include developing clear policy direction and directives that help move the strategic plan to the operational level. Best practices suggest outcomes, key factors, and policy directives should be prioritized. Additionally, new information will require changes in the plan. The GFOA recommends conducting interim reviews of an agency's strategic plan and realigning priorities every one to three years and a more comprehensive strategic planning process every five to ten years depending on how quickly conditions change.

RECOMMENDATIONS:

The F&G should initiate a new strategic planning process to identify Department goals, objectives, and priorities. Department priorities should include statutory and federal requirements; current available resources, and future Department needs, as well as consider stakeholder concerns, needs, priorities, and national and State trends.

Based on established Department priorities, the Wildlife, Public Affairs, Inland Fisheries, Marine Fisheries, Law Enforcement, and Support Services Divisions should then establish Division priorities and align programming according to these priorities. Each Division should develop and submit a proposed operating plan for the F&G Executive Director's approval to implement these priorities. Operating plans should be reviewed and updated

biennially to coincide with the State's budget cycle and the operating plan should be used to support Departmental budget requests.

F&G Response:

We concur in part.

The Department understands the need to establish its priorities and to align its programs and services to effectively address these priorities and agrees with the recommendation.

The lack of established priorities was not the overriding factor preventing the Department from producing a budget that eliminated a need for additional revenue sources. The Department was operating under significant constraints put forth by the Governor's office. The constraints included that all obligations to other state agencies were to be honored, there would be no increase in funding and that no employees were to be laid off. Since personnel expenses (salaries and benefits) account for more than 40% of the Department's operating budget, this mandate left the agency with little leeway to make the required cuts without crippling all facets of the Department's operations. It is imperative that there is a clear understanding that the principle expenses for most of the Department's programs are related to personnel costs. To cut a program, the Department would have to eliminate full-time permanent positions, which is contrary to the directive the Department was given by the Governor.

The ten separate bills referenced in the observation resulted from collaborative work done among Department staff and our constituents, representing a broad constituency that included our conservation partners and other interested persons throughout the summer and fall of 2005. The Department held a number of public input sessions around the state in which 76 employees participated in and the Department heard from over 300 people from the public who had ideas to consider. The Fish and Game's Management Team also met regularly to develop a plan for continuing the joint effort to deal with anticipated revenue shortfalls in the future. A Comprehensive Funding Team, with broad representation from all areas of the Fish and Game Department including field staff, administrators and commissioners, was also established to evaluate the viability of each idea and develop an action plan. The result was the legislative initiatives proposed in 2007.

Significant structural changes to the funding base were not proposed during the 2006 Legislative Session because we were just about to begin the budget cycle.

Action to be taken:

As previously discussed in Observation No. 4, the Department will initiate a new strategic planning process that will update the existing strategic plan and develop Divisional operational plans to meet the goals and objectives of the strategic plan.

The observation identified a compliance issue associated with a legislatively mandated biennial report. We acknowledge there was confusion regarding the biennial reporting responsibilities of the Department as there are two separate reports referred to as a biennial report. The

Department would like to work with the legislature to possibly combine the two biennial reports pursuant to RSA 206:21 and RSA 206:9-a.

Observation No. 7

The Public Affairs Division Should Establish An Operating Plan

A 1987 Sunset Report of the F&G reported the Public Affairs Division had not created an operating plan addressing the use of funds allocated to the unit. The report found that without a clear plan, the Division's education programs may be without clear purpose or not be directed at the appropriate audience. We found the Public Affairs Division still does not have an overall operating plan to guide Division operations. The Division has five-year plans related to the Hunter Education and the Aquatic Resources Education programs, which are required by the USFWS to be eligible for federal assistance. The Division also has individual tactical plans to address its other programs. The Division also has no internal policies or procedures guiding operations in any of its four sections: Information, Media Promotion and Marketing, Wildlife Education, and Hunter and Aquatic Education.

Prior to being repealed during the 2007 legislative session, RSAs 206:35-b, III; 208:1-a, III; and 208:24, IV required the Department to establish comprehensive management programs for wild turkey, moose, and black bear, and each included an educational component, but were only considered informally in setting Division priorities. Beginning on July 1, 2007, the wild turkey, moose, and black bear accounts were combined with waterfowl (RSA 214:1-d) into the game management account (RSA 206:34-b), which also requires education and outreach.

The Chief of the Public Affairs Division reported the Department's strategic plan is used to establish direction for the Division. The Department's ten-year strategic plan, which was established in 1998, is a general outline for overall Departmental goals and is not specific to the functions of the Public Affairs Division. Also, since the ten-year strategic plan was created, additional marketing responsibilities were informally added to the Public Affairs Division's responsibilities and five statutes affecting Division programming have also been implemented including:

- RSA 214:1-g, IV (e) Fisheries Habitat Fee: the F&G may provide public information on the location of Department-managed fisheries (Chapter 209:1, Laws of 1999);
- RSA 261:97-c, II (b) Conservation Number Plate: the F&G may provide information to resource professionals, landowners, and schoolchildren to enhance awareness and promote protection of New Hampshire's wildlife (Chapter 20:2, Laws of 1998);
- RSA 212-B:5, I (a) Nongame Species Management Act, Conservation Programs: the F&G may educate the public regarding non-game resources (Chapter 244:1, Laws of 1988);
- RSA 214:1-f, VII (f) Wildlife Habitat Stamp Or License: the F&G to provide information to the public on the location of properties managed by the F&G (Chapter 241:1, Laws of 1998);

- RSA 207:60 Lead Education Program: the F&G, in partnership with the Department of Environmental Services and private entities, shall institute a lead educational program to inform the public about adverse effects of lead on wildlife, and how to reduce introduction of lead into the environment through personal action (Chapter 312:2, Laws of 1998).

The Public Affairs Division depends on unrestricted Fish and Game funds for over 60 percent of its budget. Table 6 below shows the Public Affairs Division’s expenditures by funding source in SFY 2007. As shown in Table 6, the Division expended over \$1.6 million in SFY 2007, with approximately \$997,000 coming from unrestricted Fish and Game funds. The F&G predicted a financial shortfall of nearly \$1.5 million in Fish and Game funds over the SFY 2008-2009 biennium. The Public Affairs Division needs to have clearly defined priorities to ensure its most important programs continue to operate when the funding is limited.

Table 6

Public Affairs Division Expenditures By Funding Source, SFY 2007

Funding Source	Hunter Education	Aquatic Education	Public Information And Outreach	Wildlife Conservation Education	Recruitment And Retention	Total
Federal	\$ 296,975	\$ 180,617	\$ 2,391	\$ 0	\$ 0	\$ 479,983
Other Agency Income ¹	0	0	94,352	2,500	48,000	144,852
Fish and Game Funds	8,927	5,584	666,915	250,506	65,425	997,357
Total	\$ 305,902	\$ 186,201	\$ 763,658	\$ 253,006	\$ 113,425	\$ 1,622,192

Note: ¹ Other agency income includes sale of advertising and magazine subscriptions, as well as donations.

Source: LBA analysis of F&G Statement of Appropriation, SFY 2007.

In March 2007, the Public Affairs Division solicited communication priorities from other Divisions to aid in setting its priorities. The Division Chief stated in light of the potential for a greatly reduced budget in the upcoming biennium, it would be important for the Division to conduct its work based on specific priorities.

The GFOA recommends all government entities use strategic planning to provide long-term perspective for service delivery and budgeting. Best practices suggest the Department’s strategic plan should be implemented through annual operating plans which describe services to be performed and associated costs, delegated responsibilities, priority order, and implementation time frames. Operational planning should address both the current and the near-future environment in which the Department operates in anticipation of any changes that might impact programs or resources. The operating plan should include a contingency component to minimize inconvenience to customers and clients in the event of unforeseen disruptions. Contingency plans take into consideration the Division’s greatest risks, and must be documented, and disseminated to Division personnel.

RECOMMENDATIONS:

The Public Affairs Division should develop documented priorities based on:

- **specific statutory requirements; and**
- **information, education, marketing, and promotion priorities established by the Executive Director's Office.**

Based on these priorities, the F&G Public Affairs Division should establish an operating plan approved by the Executive Director, aligned with Department priorities, and linked to the Department's strategic plan. The operating plan should be updated biennially to coincide with the State's budget cycle and it should be used to justify the Division's budget request.

F&G Response:

We concur in part.

Hunter Education, Aquatic Resources Education (ARE), Wildlife Education and Communication and Outreach are all long term, well-established programs, while the Recruitment and Retention program is relatively new (SFY 2006-2007). However, each of these programs has an adequate and appropriate written plan that guides their focus and activities. The Hunter Education and ARE 5-year plans consist of the required grant documents that are used to acquire federal funding through the Sport Fish and Wildlife Restoration programs that are administered by the U.S. Fish and Wildlife Service. The Division's Communication Plan places these individual program plans into an overall Division context, under operational goals. We concur that the activities have not been prioritized in a formal process nor has the Executive Director formally approved the plan. However, the work activities are strategic in nature and in line with the Executive Director's communicated priorities.

By its nature, public information and outreach activities are simultaneously pro-active and reactive in nature-- driven by a changing environment and public concerns. However, in 2004, the Executive Director gave the following priorities to the Public Affairs Division for its work: license sales; recruitment/retention; building support for Department endeavors; and issues management. The Division immediately incorporated this direction into our work. Later, in 2005, he added merchandising to our priorities.

To execute on the number one and two priorities relative to license sales and recruitment/retention given by the Executive Director, the Division:

- *Applied for and utilized grants that were used to increase recruitment of people into hunter education courses and to retain lapsed hunters;*
- *Used direct mail techniques supported with advertising to increase retention of lapsed anglers;*
- *Developed products for sale that reinforce the hunting and fishing seasons (calendar) and raise Department awareness (logo merchandise);*

- *Added information to the Department website on Wildlife Management Areas and other public lands open to hunting;*
- *Initiated fishing reports and fish stocking reports delivered electronically upon request;*
- *Created hunting reports delivered electronically to thousands of participants;*
- *Developed television advertisements and radio programs targeted to sportspeople; and*
- *Included appeals to buy a license into the Department's communications.*

To execute other priorities relating to building support for Department endeavors, issues management, and expansion of the merchandising effort the Division produced television series segments, news releases, placed relevant articles into its magazine (New Hampshire Wildlife Journal), conducted public participation efforts, selected a vendor to work with on merchandising expansion and many other activities on an ongoing basis in close cooperation with the Executive Director.

In Observation No. 30, the audit team agreed the Division completes work related to various dedicated account statutes. The Public Affairs Division conducts the majority of their activities in response to requests for their services from all Divisions whether related to dedicated account laws, federal aid projects, search and rescue operations or Department issues management. We have consistently provided services upon request from the Division Chiefs and senior staff, reflecting what we believe to be their Division/Department priorities. It is the Department's perspective, based on integral involvement in the development of the statutes listed, that the uses listed constitute allowable uses of the funds, rather than required expenditures.

Action to be Taken:

The Public Affairs Division will continue to execute Department priorities by addressing:

- *Information, education, marketing and promotion priorities of the Executive Director's office as those are developed and communicated;*
- *Information, education, promotion and communication needs of all Divisions on request; and*
- *Statutory requirements.*

The Public Affairs Division, along with all other Divisions, will develop operational plans based on the updated Department strategic plan. This plan will incorporate a biennial focus and be used to justify the Division's next budget request. The Division will continue to coordinate closely with the Executive Director's office to ensure the Department's priorities guide the Division's daily operations.

Observation No. 8

Determine Cost Effectiveness Of Public Affairs Program

As noted in Observation No. 7, the Public Affairs Division does not have a written operating plan to identify priorities or ensure Division programs align with Department priorities. The Division relies on unrestricted Fish and Game funds for over 60 percent of its budget; however,

it does not regularly collect salary information necessary to determine cost effectiveness of its programs. Public Affairs produces approximately 150 informational and educational products per year including books, exhibits, magazines, and television and radio programs, but does not regularly collect data necessary to determine program costs. Without information on program costs, management has insufficient data to adequately assess program performance and make informed decisions about which programs to reduce during lean budget years.

Below are the Public Affairs Division’s programs organized by units within the Division. Table 6 in Observation No.7 shows SFY 2007 expenditures for the Public Affairs Division. The Public Affairs Division used over \$997,000 in unrestricted Fish and Game funds, of which over \$917,000 went to Wildlife Conservation Education and Public Information and Outreach programs.

<i>Hunter Education</i>	<i>Aquatic Education</i>	<i>Public Information & Outreach</i>	<i>Wildlife Conservation Education</i>	<i>Recruitment And Retention</i>
<ul style="list-style-type: none"> • Owl Brook Hunter Education Center • Hunter Education • Bow Hunter Education • Trapper Education • Archery In The Schools 	<ul style="list-style-type: none"> • Watershed Ecology Institute • Let’s Go Fishing • Watershed Education 	<ul style="list-style-type: none"> • Department Website • Media Relations • Publications • Merchandising • Outdoor Almanac–Radio • My Outdoors–TV • Wildlife Journal–TV • Department-Wide Media Services 	<ul style="list-style-type: none"> • Project WILD • Wonders of Wildlife • Project HOME • Visitor Centers • Teacher & School Services • Discovery Room • Wildlife Viewing • Barry Conservation Camp • Discover Wild NH Day 	<ul style="list-style-type: none"> • Marketing, Advertising, & Promotion • Consumer Shows • Partnership/ Sponsorship Development • Becoming An Outdoors Woman

Without a system to measure cost effectiveness of Division programs, the Public Affairs Division cannot ensure its programs are the most effective use of limited unrestricted Fish and Game funds.

RECOMMENDATION:

The Public Affairs Division and Executive Director should determine the cost effectiveness of the Division’s programs and ensure these programs support Department goals and priorities. Programs not demonstrating cost effectiveness should be re-evaluated or terminated.

F&G Response:

We concur in part.

Public Affairs Division programs are aligned with Department priorities as discussed in our response to Observation No. 7. To determine the cost-effectiveness of a program, information on both the cost and the results is needed. While a comprehensive cost-accounting system is not

available to the Public Affairs Division at this time, evaluation of the cost of major projects and programs is assessed on an on-going basis. Several examples follow:

- *In 2006, the partnership between the Department and WZMY-TV produced a 4:1 rate of return on investment. For a period covering 6 months, the Department received over \$101,000 in on-air advertising and promotion. After expenses (\$20,000 in staff time), the Department received a net broadcast advertising value exceeding \$80,000.*
- *N. H. Wildlife Journal magazine is supported by subscription sales. The cost to print and distribute the magazine is \$40,000; the 2007 revenue target from the sale of subscriptions in FY 2007 was \$47,824. If we did not meet this revenue target a corrective course of action would have been discussed with the Executive Director such as reducing certain magazine costs, increasing marketing of subscriptions to the magazine or eliminating the production of the magazine.*
- *An analysis of employing in-house graphic design services vs. buying those services through the bid process at the Bureau of Graphic Services has been completed. The average hourly rate for an in-house Publications Unit employee is \$30.82 (wages and benefits) while the going rate for contracted design and project services ranges between \$35 and \$125. The assumption is made the skill levels of an in-house employee and contracted design services are comparable. This analysis determined that our current method of operation is cost-effective. Additionally, since we have a record of expense for a variety of print jobs, we can and do question bids or prices offered by the Bureau of Graphic Services, saving the Department money.*
- *Wildlife Education programs are delivered via a “train the trainer” approach. This means that rather than go into each classroom individually, staff train teachers to use curriculum materials and its science content to enable them to deliver the program material. This approach maximizes reach, while minimizing cost. One trained teacher reaches a minimum of 25 students per year throughout the career of that teacher. We maintain contact with trained teachers via ongoing training opportunities, teacher conferences and a newsletter.*

The evaluation of programs to ensure they are achieving desired outcomes (objectives) may be more important than the results of a “rate of return” analysis. We measure or evaluate our efforts in several ways including the size of the TV audience, number of magazine subscriptions, quantities of outreach products used, number of teachers taught and number of students taught. The Division submits some of its work annually to a peer-review process to ensure the stated purpose of the publication, video product, education program and or exhibit has been met and the product meets technical standards for communications work. These measures, when combined with the available cost information, indicate the programs of the Public Affairs Division are cost-effective.

Action to be Taken:

If resources are made available, the Department will develop a cost accounting system for all areas of operations. The Division will review its programs on a biennial basis with the Executive Director to determine their cost-effectiveness.

Observation No. 9

Coordinate Marketing And Promotional Activities With The Division Of Travel And Tourism Development

The F&G and the DRED's Division of Travel and Tourism Development (Travel and Tourism) have not developed a formal working relationship to ensure effective promotion of hunting, fishing, and wildlife watching activities to potential visitors to New Hampshire. A 1987 Sunset Report also noted the lack of coordination between the agencies, stating this was a significant flaw and recommending the Legislature direct the F&G to coordinate with the DRED.

Travel and Tourism works to develop and promote New Hampshire as a domestic and international travel destination and preferred location to increase visitation, expenditures, business activity, and employment throughout the State. USFWS studies indicate the State's tourism and recreational industry benefits significantly as a result of F&G activities. Specifically, the USFWS *2006 National Survey of Fishing, Hunting, and Wildlife-Associated Recreation* reported people engaged in hunting, fishing, and wildlife watching spent approximately \$560 million in New Hampshire. Approximately \$107 million of this was spent on food and lodging, resulting in approximately \$8.6 million in meals and rooms tax revenues. Given the mutually beneficial promotion and marketing efforts the F&G and Travel and Tourism perform, close coordination can work to leverage compatible efforts and minimize duplication.

While the F&G produces approximately 150 informational and educational products per year including books, exhibits, magazines, and television and radio programs, some of which are intended to reach audiences outside the State, there is minimal coordination with the State's designated travel and tourism agency. The F&G working relationship with Travel and Tourism is sporadic in nature and there is no process for sustained planning or coordination. Projects and joint efforts are generally initiated by Travel and Tourism. Public Affairs Division personnel stated the Division works with Travel and Tourism to include the F&G in tourism pamphlets and provides Travel and Tourism with content for its website. Travel and Tourism personnel reported sending the F&G flyers to potential visitors when requested and occasionally requesting the F&G to develop itineraries for wildlife viewing to place on Travel and Tourism's website. Travel and Tourism's website also includes links to the F&G website for hunting and fishing.

Travel and Tourism currently partners with the Department of Agriculture to promote Agrotourism. According to its Director, Travel and Tourism could work with the F&G to promote hunting, fishing, and wildlife watching; however, the Director noted an important aspect of a collaborative marketing and promotional effort is partnering personnel from the two agencies to ensure an equitable workload split. The Director stated with her current staffing level, Travel and Tourism has no capacity to partner with the F&G.

RECOMMENDATION:

The F&G should explore establishing a memorandum of agreement with Travel and Tourism to better coordinate the promotion and marketing of fishing, hunting, and wildlife watching opportunities in the State. This agreement should include a marketing plan that clearly defines roles and responsibilities.

F&G Response:

We concur.

The two agencies work together on projects where it serves our mutual interests and the Fish and Game Department participates fully in the state visitor guide and website which are created for the non-resident audience. We understand from conversations with the Director of the Division that Tourism's ability to partner with the Department is limited given current staffing and budget.

Action to be Taken:

Both the Department's Acting Executive Director and the DRED Commissioner support the idea of the agencies working more closely together on promotional activities. The Department will explore the potential benefits and limitations associated with establishing a more formal partnership directly with the Travel and Tourism Director.

Division Of Travel And Tourism Response:

We concur in part with the above Observation No. 9.

Under the Recommendation, it indicates that 'NHF&G should explore establishing a memorandum of agreement with Travel and Tourism to better coordinate promoting and marketing fishing, hunting and wildlife watching opportunities in the State. The NHF&G and Travel and Tourism should establish a marketing plan that clearly defines each party's role and responsibilities'.

While we support the concept of leveraging all state product marketing initiatives, particularly across agency lines, given the current staff resources at DTTD, it would create a hardship on this office to do so. A suggestion might be to provide a template for development of a marketing plan to NHF&G which could be provided to DTTD to better crystallize what research has been done, what they want to achieve, what strategies and tactics they plan to employ and how results will be measured. We certainly would be pleased to provide comments to the draft plan. With a well-articulated plan, and research that supports the rationale, DTTD can use the plan to identify opportunities to leverage their and our initiatives, much as we do on an ad hoc basis today.

Given that this office cannot dedicate the time and people resources to a true partnership agreement, it is important that DTTD not be expected to be responsible for improving the revenue results of NHF&G.

Observation No. 10

Consider Consolidating Dispatching Services With The State Police

The F&G employs one full-time dispatcher. During the hunting and snowmobile seasons, the Department also employs four part-time dispatchers. In SFY 2007, F&G dispatch logged approximately 30,000 entries including calls for service, conservation officers (CO) and dispatchers signing on and off, and other contacts between the F&G headquarters personnel and COs. The F&G expended approximately \$69,000 in salaries and benefits for its dispatchers, and paid approximately \$5,000 to the Department of Safety for a connection to the State Police Online Telecommunications System, which allows the F&G to search the State Police database for outstanding violations or criminal histories.

All COs dispatch primarily through the F&G headquarters in Concord. COs in Coos County also dispatch through State Police Troop F in Twin Mountain, while COs in the Lakes Region sign on to both the Belknap County Sheriff's Office and the F&G headquarters. COs in the remainder of the State dispatch exclusively through F&G Headquarters. During hunting season, the F&G employs seasonal dispatch personnel and, in conjunction with the full-time dispatcher, provides coverage from 7:00 AM to 7:00 PM, including weekends and holidays. During snowmobile season, the F&G dispatch provides normal weekday coverage, as well as weekend coverage from 9:00 AM to 4:00 PM. Normal weekday dispatch hours are 8:00 AM to 12:00 PM and 1:00 PM to 4:30 PM. There is no dispatch coverage from 12:00 to 1:00 PM, after-hours, or on holidays. During these times, a voicemail message instructs callers to contact the State Police in the event of an emergency. After-hours, weekends, and holidays the State Police handles dispatch for the F&G. The F&G provides the State Police with a list of COs who are on call for each district and when a call for service is received, the State Police dispatcher calls or pages the appropriate CO. Due to the fragmented dispatching methods, the F&G has no record of all service calls, as those generated by the State Police and the Sheriff's office are not reflected in the F&G dispatch log.

The State Police currently provides dispatching services on a full- and part-time basis for other State agencies, including the F&G. According to State Police personnel, the State Police is developing a central incident command center in Concord and, through attrition, will eliminate dispatch centers at all State Police barracks and provide centralized dispatching services through the central command center. According to State Police personnel, the State Police could perform dispatching for the F&G; however, it may require additional personnel. One State Police official stated the dispatch center could handle the added volume with current personnel; however, there may be some limitations. For example, during inclement weather, the State Police may receive a large number of calls reporting accidents. Inclement weather also coincides with hunting season, which is the F&G's busiest time; therefore, there may be additional pressures on dispatch services during this time. Another State Police official indicated the agency will need additional personnel and a major obstacle is its ability to recruit and retain personnel to fill those positions.

RECOMMENDATION:

The F&G should work with the State Police to consider whether dispatching services should be consolidated with the State Police. This may result in reduced costs for dispatching services including a reduction in overhead and supervisory costs.

F&G Response:

We concur in part.

The Department believes there may be some merit to working with the Department of Safety (DOS) and County Dispatch Centers to develop a system which would improve tracking of Fish and Game service calls received after Fish and Game Department (FGD) dispatch scheduled hours of operation.

The recorded number of log entries cited in Observation No. 10 do not reflect a significant number of calls for service that are routinely forwarded to other Department division personnel or State Agencies without specifically being recorded in the Dispatch Center's daily log. A review of telephone logs recorded during SFY 2007 showed over 24,000 phone calls alone. Our Dispatch Center data logs also indicate that approximately 194,000 radio transmissions were recorded during this same timeframe.

In addition, Observation No. 10 does not take into account approximately 4,500 data entries by Department dispatchers for summonses and warnings issued by Conservation Officers that are entered into a Department database annually. These database records are essential for department law enforcement and licensing purposes, as well as statistical analysis for various legislative reports. Additional functions and job duties for which Department Dispatchers are responsible are also not mentioned. Some examples include: rabies statistical information and statewide tracking; Conservation Officer day off schedule tracking; and, special operations command post dispatch services during major search and rescue events.

Outside of logging Conservation Officers' duty status and routine dispatch to complaint calls, Fish and Game Department Dispatchers perform a number of significantly different functions when compared to DOS Dispatchers. FGD Dispatchers are specifically trained and experienced in fielding and providing answers to a myriad of routine Fish and Game law enforcement and wildlife mitigation service calls. Their established working relationship with personnel from other Department divisions enables them to effectively and efficiently forward inquiries to appropriate Department staff.

From a customer service standpoint, we believe that relying on DOS Dispatchers would significantly impair the efficiency of our present services. The DOS maintains a large number of dispatchers with a significant turnover rate. They are not trained or experienced in providing responses to wildlife-related inquiries. Many routine calls for service would still require forwarding to Fish and Game for appropriate response. The additional time required to receive and then forward calls to Department staff specialists would undoubtedly negate expected cost savings and disrupt timely response to our constituents' requests for service. Presently, FGD

Dispatchers have an intimate knowledge of Department job responsibilities. Eliminating this level of knowledge has the potential of creating added workloads and a disruption of customer service.

The Department believes there are other considerations pertaining to expected costs savings as well. DOS Dispatchers are compensated at a higher salary labor grade than FGD Dispatchers. During high Fish and Game activity periods, it is unlikely that the DOS Dispatch center could effectively handle the added volume of service calls without hiring extra dispatch personnel. The DOS Dispatch Center workload would also be compounded during emergency situations when both agencies are functioning at a maximum level. One potential example would be during a concurrent Fish and Game search and rescue mission and an unrelated major weather event in the State.

Actions to be Taken:

Work with the Department of Safety and County Dispatch Centers to determine the potential for developing a system that would enable improved tracking of Fish and Game service calls received after FGD dispatch scheduled hours of operation.

State Police Response:

We concur with the finding by the LBA. As stated in the observation, the State Police through attrition will be transitioning its dispatch functions to the new Incident Management Center in Concord and the State Police in time would be able to perform dispatch functions for the Fish and Game Department. At present, the State Police does not have the manpower to accommodate and perform the dispatch functions, however, they could easily move the dispatch functions and personnel associated with Fish and Game to the new facility and eliminate the need and cost for the SPOTS interface.

Observation No. 11

Centralize Fleet Management Responsibilities And Implement Better Controls For Vehicle Maintenance And Repairs

The F&G has not established adequate controls for vehicle maintenance and repair. The Department has a fleet of 149 vehicles, including construction equipment, assigned to six Divisions; however, it has not centralized responsibility for fleet maintenance, developed a maintenance schedule for its vehicles, or established written Department-wide policies and procedures related to vehicle care and maintenance.

F&G personnel submit a State MV2 form monthly to record miles driven, gallons of gasoline used, and any maintenance and repair costs incurred for each vehicle. According to F&G personnel, personnel assigned a vehicle or Division chiefs are responsible for ensuring it is maintained according to the vehicle owner's manual and that maintenance is reported on the monthly MV2. However, there are no procedures in place to ensure this happens. Our review of the fleet tracking system and MV2s submitted during SFY 2007 showed nine vehicles driven

more than 10,000 miles did not report any oil changes. Ten other vehicles were driven over 15,000 miles, and only reported one oil change. No documents were available to identify whether this was due to failure to report oil changes or whether the vehicles received no oil changes. Additionally, our review of all MV2s submitted for August 2006 and June 2007 did not find MV2 forms for five of 149 vehicles (3 percent) in August 2006 and 19 of 149 vehicles (13 percent) in June 2007.

The current Equipment Operations Supervisor (who serves as the unofficial “fleet manager”) has been in the position since July 2007, and started instituting procedures to better track vehicle usage, including recording mileage and usage data monthly, using an electronic spreadsheet. According to the Equipment Operations Supervisor, missing MV2 reports can now be immediately identified and requests can be made to have them submitted. Additionally, maintenance information can be obtained and the F&G can identify if vehicles are receiving oil changes and other required preventive maintenance services.

According to F&G officials, personnel assigned a vehicle are responsible for approving vehicle maintenance and repairs up to \$300 without prior Department authorization. Repairs and maintenance under \$300 are recorded on the monthly MV2 form. The Equipment Supervisor, the Chief of Support Services, or the Chief of Law Enforcement must authorize work over the \$300 threshold; however, this authorization is not consistently documented.

Vendor invoices for vehicle repairs and maintenance are copied by an Administrative Secretary then submitted to the Equipment Operations Supervisor and the appropriate Division Chief. The Division Chief must sign the invoice and send it to an accounting technician before payment for the invoice is authorized. Because Division Chiefs are not responsible for initially authorizing repairs over \$300, nor did the previous Equipment Operations Supervisor consistently document authorized repairs, there is no control mechanism to ensure invoices for repairs over \$300 had actually been authorized. The current Equipment Operations Supervisor requires the vendor contact him directly to discuss repair and maintenance work to be performed; however, authorization for work and the scope of work is still not documented.

F&G personnel state there are no established procedures in place to protect the Department from making duplicate payments. While the previous Equipment Operations Supervisor reportedly checked for duplicate invoice numbers and the Account Technician also checks for duplicate invoices, F&G personnel stated some invoices have been paid more than once. Additionally, since invoices were not compared to a master list of authorized repairs, there is no way to determine if the vendor has submitted a new invoice for the same repair.

Without centralized management, policies, or procedures over fleet operations the F&G may not be maintaining its vehicles according to manufacturer specifications, which could void vehicle warranties, as well as create a safety issue for F&G personnel. Additionally, because authorization and verification of work performed are not properly controlled, the F&G has different personnel approving payments for repairs that they may have not authorized.

RECOMMENDATIONS:

The F&G should strengthen management of its fleet operations by:

- assigning responsibility to the Equipment Operations Supervisor for centralized maintenance tracking and authorizing repairs;
- establishing policies and procedures to ensure maintenance schedules are followed;
- instituting procedures to ensure all authorizations for work, as well as scope of work, are clearly and centrally documented and comply with all applicable State requirements;
- ensuring invoices are matched to the original authorization for work prior to issuing payment; and
- incorporating controls to prevent double payment of invoices.

Payment authorization should be the responsibility of a duly authorized member of F&G management.

F&G Response:

We concur.

The Department recognizes this is an area that requires improved processes. As indicated in the observation, the Department recently hired an Equipment Operations Supervisor in an effort to initiate better controls in tracking vehicle usage and maintenance; be that as it may, this is only one area of this position's responsibilities. Fleet management represents only 50% of the job responsibilities currently assigned to this position. To address this observation more fully, the Department needs to have a position established that is solely dedicated to fleet management responsibilities in order to perform all of the audit team's recommendations regarding the Department's fleet which we would if funding were available.

Vendor invoices for repairs are copied and submitted to the Equipment Operations Supervisor and the original sent to the appropriate division chief for approval. This process was originally put in place to ensure division chiefs were accountable for budget control and to apprise them of all service work performed on vehicles assigned to their division.

Every effort is taken to make sure duplicate payments are not made. However the Department processes hundreds of service repair/maintenance bills that fall under a \$300 threshold, which do not require pre-approval, and therefore would not be contained in a master list. So, although it doesn't happen very often, mistakes can occur.

Action to be Taken:

The Department has already developed a tracking system for authorizing repairs over \$300. This is accomplished by using an Excel spreadsheet with the following information: date, vehicle ID (inventory bar code number), scope of service being provided, name and address of facility providing that service, date of work completion, date of invoice receipt and date of invoice

payment including payment voucher number. All invoices over \$300 will be recommended for approval for payment by the individual originally authorizing the work, which in most cases will be the fleet manager, and signed by the Support Services Division Chief.

The Department will develop a servicing schedule to be in place by July 1, 2008, for all vehicle types.

The Department has developed and begun using an Access database to track all vehicle repairs and maintenance performed on its fleet. This information is taken from the MV-2s. This will enable the fleet manager to research any vehicle at any time for a history of repairs and service.

Observation No. 12

Track Department Snowmobile And OHRV Use In A Central Database

The F&G maintains a fleet of 79 snowmobiles and 69 OHRVs; however, it has no centralized system for tracking their use. Acquisition costs for the 148 snowmobiles and OHRVs totaled approximately \$750,000. Despite constituting a large investment for the F&G, only the Law Enforcement Division tracks use of these machines for its own purposes either by odometer reading, gas usage, or hours of operation. Law Enforcement Division COs fill out a State MV2 form monthly for the Division's 48 OHRVs and 60 snowmobiles and send the MV2 form to the Support Services Division; however, the information is stored in a box and not compiled in a central database. The Wildlife, Fisheries, and Public Affairs Divisions, which possess 21 OHRVs and 19 snowmobiles, do not track mileage, gas, or hours of operation. According to F&G personnel, the information is not tracked because the Department of Administrative Services does not require the F&G to report on snowmobile and OHRV use.

The United States General Accountability Office (GAO) has established standards for internal control in the federal government, which state an agency must "safeguard vulnerable assets." The GAO also notes managers need operational data to determine whether they are meeting their goals for efficient use of resources. According to the GAO, information should be "captured and distributed in a form and time frame that permits people to perform their duties efficiently."

The lack of centralized oversight puts snowmobiles and OHRVs at risk for loss. In one case, the location of two snowmobiles and one OHRV reported by a Division Chief differed from the location recorded in the Department's inventory. The Chief of the Support Services Division stated the Department's current list of snowmobiles and OHRVs may not be accurate because some machines may be inoperable or set aside but not surplus. In addition, one OHRV included in the Department's inventory had been reported as stolen to State and local police.

Without a centralized tracking system, the F&G has no adequate data to ensure snowmobiles and OHRVs are properly maintained, or to support decisions to purchase or surplus machines. In one instance we noted three snowmobiles were assigned to one employee, which according to the Division Chief, was the result of past staffing needs and the Division needed to review current needs and surplus unneeded equipment.

RECOMMENDATION:

We recommend the F&G create a centralized system to track snowmobile and OHRV use including mileage or hours of operation, gas, oil, repair, and miscellaneous costs. The tracking system should incorporate reviews to ensure OHRVs and snowmobiles are properly maintained and should be used to support decisions to purchase or surplus machines. The Equipment Operations Supervisor should be responsible for maintaining, and updating the database and the continuous review of snowmobile and OHRV inventory and use.

F&G Response

We concur in part.

The Department recognizes that creating a centralized system to track snowmobile and ATV use and associated costs would be beneficial to supporting its decision making process relative to purchasing and surplusing these equipment items. However, currently there is a lack of personnel resources that can be dedicated to accomplishing this task. As stated under the Department's response to Observation No. 11, there is a need to secure funding for 1 full time employee to perform the required job functions of a fleet manager.

The Department does not have personnel qualified to make technical and mechanical assessments to determine the condition of its snowmobiles and ATVs.

The observation states that in one instance, three snowmobiles were assigned to one employee. To clarify why this could occur: The Department's inventory is tracked in an Access database. When equipment is received and recorded into the database a field for who the equipment is assigned to is populated. In the case of a hatchery, for example, all of the equipment at the hatchery would be assigned to the hatchery supervisor, hence the same type of equipment being assigned to one employee.

Action to be Taken:

The Department will continue to conduct an annual inventory to determine the location and condition of all snowmobiles and ATVs. The Department will develop a centralized system to track snowmobile and ATV use if and when funding is made available for personnel.

Observation No.13

Consider Amending Statute For Search And Rescue Billing

The F&G bills some members of the public who recklessly or intentionally create a situation requiring an emergency response. RSA 153-A:24, I (c) requires a person be liable for response expenses if, in the judgment of the court, the person: “[r]ecklessly or intentionally creates a situation requiring an emergency response.” The statute sets the limit for the person’s liability at no more than \$10,000, but does not outline a specific billing or payment procedure for remitting

rescue costs, nor establish a statute of limitations on the length of time an agency has to bill persons under this statute.

When, based upon the incident report completed by the CO Lieutenant commanding the search and rescue mission, there is reason to believe a rescued person may have “recklessly or intentionally” created a situation requiring an emergency response, the F&G submits a justification report to the Office of the Attorney General (OAG). If the OAG concurs the facts show the rescued person’s reckless or intentional actions required the emergency response, the OAG sends a letter of concurrence to the F&G. The F&G may then bill the person for the cost of the mission.

The F&G does not bill in all instances where the situation requiring an emergency response was created recklessly or intentionally. According to an internal procedure established by the F&G, if a rescued person makes a direct donation to an outdoors organization such as the Appalachian Mountain Club or the New Hampshire Outdoor Council, the F&G and the OAG will review the facts of the case to determine whether the Department will still bill the rescued person for the expense of the emergency response.

Between SFYs 2002 and 2007, the F&G conducted 822 search and rescue missions, at a reported cost of \$1.5 million¹. During this time the F&G determined ten rescues (1.2 percent) were caused by reckless or intentional behavior creating a situation requiring an emergency response. All ten were sent to the OAG, which concurred in eight instances. Two cases are still awaiting response; one was sent in October 2007, and the other was sent in May 2004.

The F&G billed only five of the rescuees, recovering approximately \$7,600 from three rescued persons. The other two billed missions, costing the F&G just over \$20,000, have been sent to the OAG for collection because the rescued persons have not remitted payment. Three of the eight missions costing the Department approximately \$7,600 were not billed because the Department noted the OAG concurrence was “late.” The Department has not established a definition of “late concurrence.”

Based on information provided by the Department we could not determine the OAG response time for three cases; however, our review found in four of the ten instances where the F&G sought OAG concurrence, the response time averaged approximately two months. The response time for the three missions not billed due to “late” concurrence was almost seven months. The F&G search and rescue policy and procedure does not specify a timeline for OAG response, although the OAG requested the F&G establish a timeline for response in January 2003.

RECOMMENDATIONS:

The Legislature may wish to consider broadening the “reckless” or “intentional” threshold before billing can occur in light of the fact the F&G found only 1.2 percent of all search and rescue missions met this threshold during the audit period.

¹ Includes training, equipment, and current expenses, which are posted to the Search and Rescue account in the State accounting system.

We also recommend the F&G bill for all missions where the OAG concurs the rescued person's reckless or negligent actions created a situation requiring an emergency response.

F&G Response:

We concur.

Presently, using the "recklessly" or "intentionally" standard of culpability, RSA 153-A:24, provides authority for the Department to bill persons who:

- *Intended to create a situation from which a rescue would be required;*
- *Must have known it was "substantially certain" an emergency response would be required; or*
- *Were aware there was a substantial risk that a rescue would be required but consciously disregarded that risk.*

The Department recommends the Legislature consider developing a stand-alone statute to address the ability to bill irresponsible outdoor recreationists. In developing this statute, we recommend the Legislature consider lowering the standard of required culpability from "recklessly" to the level of "negligently". This reduced standard of required culpability would enable the Department to consider billing in cases involving people who were clearly unprepared; for example, hiking with summer clothes, no lights, little food or no emergency gear in October, but who claimed to have been unaware of the risk. This "reasonable person" standard would enable the Department to bill irresponsible outdoor recreationists, and would provide a significant level of deterrence in preventing these types of required emergency responses.

In conjunction with the language of this proposed stand-alone statute, the Department suggests the Legislature consider State sanctions against any person who was billed for a search and rescue response and subsequently failed to pay the assessed debt. These sanctions could include the revocation of state driving privileges, a person's ability to purchase all types of vehicle registrations and all Fish and Game licenses and permits.

The Department agrees with the Observation's recommendation to bill all missions where the OAG concurs that the rescued person's reckless or negligent actions created a situation requiring an emergency response.

Action to be Taken:

The Department will work with the Legislature to broaden the "reckless" or "intentional" threshold to enhance the ability to bill for search and rescue.

Observation No. 14

Ensure All Agreements With External Entities Are Formalized And Approved By The Governor And Council

The Department of Administrative Services (DAS) *Administrative Handbook* requires all personal services contracts of \$2,500 or greater be submitted to the Governor and Council for approval. The DAS *Administrative Handbook* also states any service that does not result in a tangible asset is considered a “personal service.” The F&G maintains Memoranda of Understanding (MOU) and Memoranda of Agreement (MOA) with external organizations which have not been approved by the Governor and Council. These agreements are long-term and valued at amounts greater than the limits requiring Governor and Council approval. We also found one agreement that had not been developed into a formal MOA. Our 2003 financial audit of F&G also noted four signed MOAs which had not been submitted to the Governor and Council. The four agreements below would qualify as personal services, and each has met or could meet the \$2,500 criteria.

We identified the following MOAs or MOUs that were not approved by the Governor and Council:

- An agreement between the Wildlife Division and the City of Concord for habitat management signed in November 2000. While there is a management plan, no formal MOA has been signed. The Division received \$15,254 from the City of Concord in SFY 2007 under the terms of this agreement.
- A draft MOA between the Public Affairs Division and the New Hampshire Wildlife Trust for *Project WILD*, a supplemental K-12 school curriculum. Although the MOA was drafted in 2005, the F&G and the Wildlife Trust have been in partnership for *Project WILD* since 1985. The draft MOA was submitted to the OAG for review in 2005; however, the Department reports it never received a response. According to the draft MOA, the F&G will provide 25 percent of an educator’s time to coordinate and implement the program, promote the program, coordinate the registration process, and provide “funds as available” to operate the project; F&G costs were approximately \$11,500 in SFY 2006. According to the draft MOA, the Wildlife Trust receives registration fees from *Project WILD* and school yard habitat workshops, which in SFY 2007 accounted for \$1,060 in revenues.
- An agreement between the Public Affairs Division and the New Hampshire Wildlife Federation for the *Becoming An Outdoors Woman* (BOW) program. An MOA was written in 2005, and submitted to the OAG for review; however, the F&G reported it never received a response. Participants pay up to \$275 for a BOW workshop which, according to F&G personnel, is paid directly to the Wildlife Federation. In SFY 2007, 186 women participated in two BOW sessions, accounting for approximately \$51,000 in revenue to the Wildlife Federation. According to the agreement, the F&G provides staff to coordinate program events; coordinate instructors for classes; and revise, print, and mail brochures, promotional items, and course materials. Costs to F&G for personnel time in SFY 2007 were approximately \$6,175.

- An MOA was signed by the Department and the New Hampshire Outdoor Council (NHOC) in August 2000. The MOA allows the F&G to remit expenses recovered by the F&G from individuals reimbursing search and rescue missions to the NHOC. The MOA calls for these expenses to be used by the NHOC to further search and rescue mission needs in the State, including offering grants to volunteer search and rescue organizations. According to F&G procedure, the Department will review reimbursements on a case-by-case basis to determine the level of funds to be provided to the NHOC. Over the audit period, the NHOC records show nearly \$11,000² received from the F&G. According to F&G personnel, the Department has not remitted money to the NHOC since calendar year 2004.
- Although the F&G does not have a copy of the signed agreement, prior to 1985 the Law Enforcement Division and the National Guard reached an agreement for helicopter services used for search and rescue missions. The F&G reimburses the National Guard for personnel costs from the Search and Rescue Account. In SFY 2007, the F&G paid the National Guard approximately \$360, and received a bill for an additional \$2,000 which it was unable to pay due to a negative balance in the Search and Rescue Account.

RECOMMENDATIONS:

The F&G should develop procedures ensuring all agreements with outside entities are formalized and reviewed by the OAG to ensure compliance with State and federal regulations. Formalized MOAs and MOUs will ensure all parties are aware of their responsibilities.

The F&G should work with the OAG to ensure MOAs and MOUs are reviewed timely.

The F&G should ensure all MOAs and MOUs meeting the \$2,500 threshold receive Governor and Council approval.

F&G Response:

We concur.

With regards to the observation concerning the agreements between the Department, the City of Concord, and the NHOC, it should be noted that at that point in time, the procedures were discussed and developed with the approval of the Governor's Office, Administrative Services and the OAG.

Action to be Taken:

The Fish and Game Department will work with Administrative Services to update written procedures to ensure agreements with outside entities are formalized and reviewed by the Office of the Attorney General (OAG) to ensure compliance with state and federal regulations. The Department will ensure that all MOAs/MOUs that meet, or have the potential to meet, the \$2,500 threshold will be submitted to the Governor and Council for approval.

² Includes money recovered by F&G for missions occurring prior to the SFY 2002 – 2007 audit period, however, the F&G and the NHOC's records do not agree regarding the amount actually remitted from the Department.

The Department will work with the OAG to ensure that MOAs and MOUs are reviewed in a timely manner by using a central point of contact in the Department.

MOAs/MOUs will be submitted to OAG for approval through the Support Services Division using the same process currently used for tracking Governor and Council approvals. The Department has a Request Routing Slip (F&G form #1, most recently updated 6/4/07) that has historically been used to track Governor and Council approvals that will be modified to enable us to use the same form for MOA/MOUs to ensure all parties are informed and the process is complete.

The Department will maintain a master list of all MOAs/MOUs on the Department computer network for access by all department staff. The file will contain at minimum: the parties involved, the responsible Division, approval date, expiration date, an indication of the requirement for Governor and Council approval and date of Governor and Council approval.

All Division Chiefs and Senior staff will be notified in writing of the MOA/ MOU procedure.

Observation No. 15

Centralize Federal Grant Responsibilities

The F&G inconsistently follows its procedure for responsibility and oversight of identifying, applying for, administering, or drawing down its federal grants. During the audit period, the F&G maintained 21 federal grants and eight subrecipient agreements accounting for 27 percent of its revenue in SFY 2007. Each federal grant has its own set of compliance requirements.

The F&G has two positions, the Federal Aid Coordinator and the Federal Aid Accountant, whose primary responsibilities are completing applications and managing federal grants, drawing down on federal funds, and coordinating billing for grants in which the Department is a subrecipient. The Federal Aid Coordinator usually becomes aware of new grant opportunities from federal contacts or peers in other states. If the grant is applicable to New Hampshire, the Federal Aid Coordinator will begin the process of coordinating with the appropriate division chief and applying for the federal funds.

Division chiefs may also become aware of federal funding through their peers in other states and may begin the application process on their own, leaving the Federal Aid Coordinator out of the initial planning phase. The Federal Aid Coordinator reported division chiefs occasionally apply for grants without his knowledge and he only becomes aware of them when the application deadline approaches and his assistance is requested to complete and submit the complicated forms on short notice. The Federal Aid Coordinator indicated the Department's ability to comply with federal requirements is compromised due to last minute preparations and lack of coordination during the initial planning phase and application process.

The F&G is also a subrecipient of federal funds awarded to other State or outside entities. The Federal Aid Coordinator reported having little to no involvement with subrecipient agreements

and is often unaware of them until after the Governor and Council approved the request to enter into the agreement. The Federal Aid Accountant also reported being unaware of some subrecipient agreements or the Department's billing responsibilities until the Governor and Council had already approved the request. The Federal Aid Accountant now routinely checks Governor and Council agendas to identify subrecipient agreements for which the Department must bill. In SFY 2007, the F&G's subrecipient agreements amounted to approximately \$345,000.

We made separate requests of the Federal Aid Coordinator and Federal Aid Accountant for complete lists of revenues received from other State or outside entities for which the Department was a subrecipient. The lists provided by the Federal Aid Coordinator and the Federal Aid Accountant did not match. Additionally, we asked each Division Chief to provide a list of their subrecipient agreements and found two agreements not identified by either the Federal Aid Coordinator or the Federal Aid Accountant.

Lack of consistent coordination and oversight over federal aid has resulted in the F&G's federal aid personnel being unaware of some of the Department's subrecipient agreements and responsibilities regarding billing for these agreements. Additionally, without a consistent process for applying for federal aid, resources are being inefficiently used and operations risk being disrupted should administrative requirements be faulted in a federal audit.

The Federal Aid Coordinator is located in the Director's Office and reports directly to the Executive Director, while the Federal Aid Accountant is located in the Support Services Division and reports directly to the Accountant IV. Federal internal control standards state timely communication is essential for an entity to run and control its operations and ensure its compliance under various laws and regulations. Both the Federal Aid Coordinator and the Federal Aid Accountant stated the need for close coordination in their federal grant responsibilities.

RECOMMENDATIONS:

We recommend the F&G ensure all federal aid information is available at a single point within the Department by centralizing responsibility and oversight of the federal aid function. The Federal Aid Coordinator should be responsible for all federal grant applications, as well as subrecipient agreements.

We also recommend the Department develop policies and procedures clearly defining the roles of the Federal Aid Coordinator and Federal Aid Accountant. Policies and procedures should include making the Federal Aid Accountant aware of all approved federal grants and subrecipient agreements.

F&G Response:

We concur in part.

The Department does have centralized responsibility and oversight of applying for and administering its federal grants, although it acknowledges inconsistencies in its process/approach. While Division Chiefs may learn of federal funding opportunities on their own, they do not actually apply for grants without the Federal Aid Coordinator's knowledge. They have occasionally initiated early discussions or made plans to facilitate the receipt of federal funds. If a Division does initiate pre-application discussions without the Federal Aid Coordinator's knowledge it can result in short notice to meet the final application deadlines. However, this is not a frequent occurrence, and any submission of an official Application for Federal Assistance does pass through the Federal Aid Coordinator.

The Department also wishes to clarify that the Federal Aid Coordinator is normally aware when F&G is a sub-recipient of federal funds awarded to other States or outside entities. However, we also acknowledge that the Federal Aid Coordinator's involvement with sub-recipient agreements has been inconsistent and to varying degrees.

Action to be Taken:

Policies and procedures that clearly define the roles of the Federal Aid Coordinator and the Federal Aid Accountant and the Support Services Division Chief, with regard to federal aid, will be developed, and processes will be established to ensure all Federal aid information is available from a single point within the Department.

The Department will consistently implement federal aid procedures to ensure the Federal Aid Coordinator is responsible for all federal grant applications and sub-recipient agreements. A tracking/approval sheet will be developed and implemented that is to be completed and initialed off by applicable parties within the Department and then approved by the Executive Director before initiating any new request or agreement to accept federal funds.

Observation No. 16

Establish Procedures To Ensure Continuity Of Operations For Federal Aid Positions

The F&G has two personnel working on federal grants: a Federal Aid Coordinator and a Federal Aid Accountant. There are no comprehensive written policies and procedures to govern daily activities and functions of the Federal Aid Coordinator. While the Federal Aid Accountant has drafted procedures for this function, the Support Services Division Chief has not formally approved the procedures. In SFY 2007, the Department received approximately 22 percent of its revenues from federal grants.

Developing and implementing comprehensive written policies and procedures is a basic management responsibility. Policies and procedures are an essential component of management control, help ensure mutual understanding of operations, and facilitate continuity of operations. Management controls are key to achieving an agency's mission, obtaining intended program results, ensuring effective stewardship of public resources, complying with laws and regulations, and assigning accountability.

The Department has no formal guidance for the Federal Aid Coordinator's duties and the current Federal Aid Coordinator reported transitioning into the position on a learn as you go basis. The Federal Aid Coordinator is the only person in the Department experienced in administering federal grants, including writing grant applications and monitoring federal grants. As of August 2007, no Department personnel were cross-trained to perform this function. Between SFYs 2002 and 2006, the Department received 21 federal grants. The Federal Aid Coordinator expressed concern that in his absence, there could be delays in grant submissions, which could result in lost federal funds.

Similarly, no Department personnel are cross-trained to perform the Federal Aid Accountant's duties and functions. The Federal Aid Accountant is responsible for ensuring timely drawdowns of federal funds, which in SFY 2007 amounted to approximately \$5.2 million. In SFY 2007 the Federal Aid Accountant also coordinated billing for eight grants totaling approximately \$345,000 for which the Department was a subrecipient. During SFY 2007, the Federal Aid Accountant was on leave for five weeks. During this time, the Department was unable to draw down its federal grants for two drawdown cycles. Both the Support Services Division Chief and the Federal Aid Coordinator stated they did not know how to draw down federal funds.

The Support Services Division Chief acknowledges the need to cross-train personnel to perform functions of the Federal Aid Accountant; however, the Chief reported the Division currently does not have the staff to cross-train. A proposed re-organization of the Department's Land and Resources Bureau is being considered and if approved, the Chief anticipates receiving a new position, which potentially could be cross-trained to perform certain functions currently performed by the Federal Aid Accountant.

Failure to cross-train personnel for key Departmental functions, as well as failure to develop formal and comprehensive policies and procedures, is an invitation to inefficient and ineffective operations. Without these controls in place, the Department risks disrupting its continuity of operations and its access to federal funding during periods of extended leave or personnel turnover in these two positions.

RECOMMENDATIONS:

We recommend the Department develop, formally implement, and maintain comprehensive written operating policies and procedures addressing the daily activities and major functions of the Federal Aid Coordinator and the Federal Aid Accountant positions.

We also recommend the Department cross-train personnel to perform functions related to coordinating all aspects of federal grants including cross-training Business Office personnel to perform draw downs of federal funds.

F&G Response:

We concur.

The Department concurs that there are no comprehensive written policies and procedures to govern the daily activities of the Federal Aid Coordinator. Most of the Federal Aid Coordinator's activities, however, are guided by the need to satisfy various federal requirements and standards for administration of grant programs. The United States Fish and Wildlife Service (USFWS) and the National Oceanic and Atmospheric Administration (NOAA) each offer resources and training opportunities to assist with meeting federal requirements. Both the Federal Aid Coordinator and the Federal Aid Accountant attend annual meetings and training sessions with the USFWS Divisions of Federal Assistance. However, the Department acknowledges that it has no formal guidance of its own for the Federal Aid Coordinator's duties.

While there are no comprehensive written procedures for the Federal Aid Coordinator's position, there are written procedures for the Federal Aid Accountant. They were developed several years ago as the result of an audit by the Fish and Wildlife Service. They received the approval of the Fish and Wildlife Service and Fish and Game Management at the time of adoption; the current Division Chief has previously reviewed these procedures.

While the Federal Aid Coordinator is the only person in the Department with experience in administering all facets of its federal grants, there are a number of individuals that play key roles in the grants management process by necessity. These include Project Leaders or Principle Investigators, and Division Chiefs. The Federal Aid Coordinator works with Department personnel as needed to keep them apprised of grant issues and requirements. Project staffs do prepare grant proposals and other documents related to the grants process. The Department acknowledges, however, that no personnel are cross-trained to specifically perform the Federal Aid Coordinator's duties at this time.

No Department personnel are cross-trained in the duties of the Federal Aid Accountant. This has been a continuing issue here at the Department and is the result of lack of personnel resources in the Business Office. While the Department recognizes the need to draw down federal funds in a timely manner, there is a tremendous amount of detail work that is required and is done by the Federal Aid Accountant prior to drawing down federal funds. It is unreasonable to have another position be able to perform this detailed work in such a small Business Office.

Action to be Taken:

The Department will develop, formally implement and maintain comprehensive written operating policies and procedures addressing the daily activities and major functions of the Federal Aid Coordinator. The Department will cross-train personnel to perform functions related to coordinating all aspects of federal grants.

The Division Chief will cross train business office personnel to perform drawdowns of federal funds. Beginning November 1, 2007, the Division Chief and the Senior Accounting Technician (accounts payable clerk), will train with the Federal Aid Accountant for 1 hour each day as

availability permits, to garner an overview of the federal aid accounting system in order to learn how to draw down federal funds. While this will ensure drawdowns can be done, it does not ensure the detailed information required for the drawdowns will be in the Department's federal aid accounting system.

Observation No. 17

Improve Lands Management

The F&G does not have a centralized data management system to track the over 59,000 acres of land it owns or holds in conservation easements. Additionally, the F&G does not have a comprehensive database to quickly access all landholdings within one geographic area, or basic information such as boundary lines, purchase price, intended use of the parcel, funds used to purchase the parcel, or past and present improvements. When we asked for a list of Department-owned land, F&G personnel stated the list would need to be manually compiled for us. F&G reported the list may be inaccurate and we found it to be so. Among other inaccuracies, three conservation easements listed in the 1993 final report of the New Hampshire Land Conservation Investment Program as belonging to the F&G were not included in the list provided by the Department, and the F&G does not have a complete list of its boat and shoreline access points.

The DAS *Long-Term Assets Policy and Procedures Manual* requires each State agency to systematically and accurately account for all long-term assets under its jurisdiction including real property. Agencies are also required to establish an internal control structure over long-term assets that provides reasonable assurance of effective and efficient operations, reliable financial reporting, and compliance with applicable laws and standards. According to the DAS manual, agencies must report all real property valued at \$100,000 or greater.

In its *Land Trust Standards and Practices*, the Land Trust Alliance, a national organization composed of over 1,600 land trusts throughout the United States, recommends an entity holding land in conservation perform administrative duties timely. This includes establishing policies and procedures, as well as keeping and maintaining essential records and files. According to the Land Trust Alliance, recordkeeping is essential to protect assets from legal challenges and in meeting reporting requirements. Records should include complete and accessible documentation of transactions, accurately marked boundaries, and baseline information on the condition of the landholding.

The F&G has seven different hardcopy filing systems to manage its various landholdings including: dams, roads to public waters, developed and undeveloped boat and shoreline access points, Wildlife Management Areas (WMA), hatcheries, regional buildings, and lands purchased with funds provided through the Land Conservation Investment Program. According to two F&G employees, the current system does not function well due to both a lack of funding and because F&G management has not made land management a priority.

The F&G also has an electronic list of deeds for its landholdings. F&G personnel stated the list still includes deeds for land the Department no longer owns, however. Additionally, large tracts of land comprised of small parcels obtained at different times are not compiled into total parcels.

For example, the Enfield WMA is approximately 1,000 acres made up of 20 parcels of land, each with its own deed. There is no single document describing the entire WMA's current boundaries, intended use, or improvements to the property. As a result, boundary lines may not be clear to F&G personnel or neighboring landowners. One F&G employee cited an instance when a neighboring landowner built a structure encroaching on F&G lands which was not discovered until the landowner sold the land. The F&G also has an electronic file of real property, which is reported to the DAS annually. The statement of real property includes each parcel's total acreage, purchase price, and improvements; however, two F&G employees stated the statement of real property is inaccurate.

The F&G has two land agent positions responsible for coordinating conservation projects; managing and maintaining legal documents and land holdings to represent and protect the Department's interests; interpreting proposals affecting the Department's land; and representing the Department at public hearings or court proceedings. In May 2006, an F&G employee proposed reorganizing the filing systems, estimated to cost approximately \$7,500. However, the proposed reorganization never took place.

As a result of an inadequate system for tracking F&G lands, the Department is insufficiently informed of the landholdings in its possession, cannot ensure property boundaries are being adequately maintained, and cannot accurately report reliable financial information.

Without an adequate system for tracking lands, the F&G cannot determine whether lands are being utilized as intended. For example, the Department does not have a comprehensive list of undeveloped access sites. We noted six sites on the list of total landholdings provided to us, which were acquired between 1994 and 2000 and were categorized as "Access Sites – Not Listed As Developed." However, an F&G employee reported there are more undeveloped access sites owned by the Department.

According to data from a survey by the Wisconsin Legislative Audit Bureau, fish and wildlife agencies in four New England states received timber, sand, and gravel sale revenue in 2004-2005, while one state received revenue from leasing land for agriculture or grazing rights. During the audit period, the F&G received approximately \$425,000 in revenue from timber sales; however, without an adequate system to track land use, the F&G cannot determine if other revenue generating opportunities exist on F&G lands.

RECOMMENDATIONS:

The F&G Land Resources Bureau should implement and maintain a comprehensive land management system to catalog all Department property, whether owned or held in conservation easement. The system should include at a minimum: acquisition date, acquisition price, accurate boundary lines, actual or intended use, and improvements to the land. The F&G should establish written policies and procedures for maintaining files.

The F&G should periodically review its landholdings and easements to ensure they continue to be used as intended and opportunities for revenue generation from the land are fully explored.

F&G Response:

We concur.

The Department fully recognizes the need for a functional and comprehensive state lands database. Currently there is a database that includes all the data fields listed in this observation, however, that database is not fully populated with available data and is not widely available to staff. The database was developed using Microsoft Access, and is a component of a much larger Wildlife Division database that requires reprogramming so it can be fully supported by the Office of Information Technology (OIT).

During fiscal year 2005, the Department met with the OIT several times for the purpose of exploring the development of a Department wide database that held all of our Department records, including lands. The OIT estimated it would take 144 man-months to develop a comprehensive database which ranged in cost from \$972,000 for an OIT in-house solution to \$2,160,000 for a contracted solution. Due to the lack of funds this was not pursued. We recognize OIT staff, stationed at Fish and Game, are willing and capable of addressing this issue as time allows. However, the Department remains extremely frustrated that despite tremendous increases in OIT costs assessed against the Fish and Game Fund each fiscal year, the availability of OIT to address this type of need in a timely manner is not present without the infusion of significant additional funding.

During fiscal years 2000 and 2001, the Department developed a comprehensive list of boundary line maintenance needs and a plan to address those needs over a 5 or 6 year time-span. Initially funding was made available to initiate that work, but was later redirected to other areas within the Department.

Internal boundaries of large parcels created through the acquisition of multiple smaller parcels are common on many large public and private landholdings. Those boundary lines are temporary in nature as they are not maintained. The existing state lands database does compile those parcels under a single WMA name, although we admit some inaccuracies do exist. From a historical perspective, it is important to retain deeds of all parcels acquired by the Department. Also, there will always exist the possibility for neighboring landowners to build structures, harvest timber or extract resources from state lands without permission. When those activities are discovered they are addressed through the appropriate administrative or legal channels.

The Fish and Game Department does not purchase or hold lands for the purpose of revenue generation. We hold lands to conserve wildlife resources and to provide access for the public to enjoy those resources. Timber harvesting activities are conducted to implement habitat management plans, with revenue generation as a secondary benefit.

The Lands Bureau has been chronically understaffed since 1999. Changes in supervisors, staff and structure of the Bureau has resulted in significant obstacles to efficient and effective operations. The Department is in the process of reevaluating reorganizations of the Bureau that occurred in July 2004 and August of 2007.

Action to be Taken:

The Department will seek the resources necessary to develop a comprehensive state lands database that can be supported by OIT and available to multiple staff within the Department.

The Department will continue with the process of reevaluating the organizational structure to allow for improved functionality and management of the Lands Bureau.

The Department is currently in the process of reorganizing the Land files. A procedure has already been developed and tested for the closing of a land file (i.e. conducting a systematic review of all necessary steps in the acquisition and cataloguing process).

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**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

REVENUE ENHANCEMENT AND EFFICIENCIES

Four Divisions and the Executive Director's Office are highly dependent on unrestricted Fish and Game funds generated primarily by sales of hunting and fishing licenses. Despite expansion in the Department's responsibilities and an expanded constituency, the Fish and Game Department's (F&G) funding streams do not include some of those benefiting from Department activities. To alleviate pressures on unrestricted Fish and Game funds we recommend consideration of additional revenue streams to capture revenue from constituency groups already benefiting from the Department's activities such as paddlers, hikers, and saltwater anglers. We also found the F&G Federal Aid Coordinator does not proactively pursue additional federal revenues, due to reported time constraints, and we identify some additional federal revenues for the Department's consideration.

In this section, we also identify some functions within the F&G which should be restructured to improve efficiency. We found some fleet functions could generate cost savings by establishing and periodically bidding contracts for vehicle repairs and maintenance; pooling vehicles, off-highway recreational vehicles (OHRV), and snowmobiles; reassessing the Department's vehicle, OHRV, and snowmobile needs and sending the excess to State surplus; and discontinuing the practice of permanently assigning part-time personnel vehicles, OHRVs, and snowmobiles.

Reviewing the Law Enforcement Division structure and practices could also generate cost savings. Specifically, bringing supervisory levels more in line with those of surrounding states and the New Hampshire State Police and reclassifying those positions to increase the number of officers with an assigned patrol area could generate cost savings in salaries and reduce the need for, and cost of, overtime. Additionally, by transferring administration for OHRV and snowmobile training and education from the Law Enforcement Division, where it is administered by a high-ranking law enforcement individual, to a civilian administrator in the Public Affairs Division, the F&G could generate cost savings.

Finally, the F&G could alleviate some demands on unrestricted Fish and Game funds if the Public Affairs Division established a cost allocation plan to charge the dedicated accounts for personnel expenses related to dedicated account programming.

Observation No. 18

Consider Paddlers' Decal To Support Wildlife Programs

According to a survey by the national Outdoor Industry Foundation, 22 percent of the New Hampshire population over 16 years of age participated in canoeing, kayaking, or rafting in calendar year 2006. Canoe and kayak enthusiasts, collectively known as "paddlers," share in the benefits of the F&G nongame, wildlife, and habitat programs, but this particular recreational activity does not directly share in the cost of providing these programs. For example, the Nongame Species Account, which is funded by federal and State matching funds and donations, has at times been insufficient to cover the costs of the nongame program.

Since its creation in 1935, the F&G’s wildlife responsibilities have increased significantly. These increased responsibilities include management for both game and nongame species. In the 1988 Nongame Species Management Act (RSA 212-B), the Legislature found and declared nongame species constitute a large portion of the State’s wildlife and native wildlife constitutes an invaluable natural resource to be maintained and managed for future generations. The Nongame Species Management Act directs the F&G to develop and implement a comprehensive nongame species management program, including acquisition of land or aquatic habitat.

To help fund these initiatives, the Legislature established the Nongame Species Account, as shown in Table 7. However, the F&G’s nongame responsibilities also increase administrative overhead costs, which are funded by unrestricted Fish and Game revenue, including support activities performed by personnel in the Director’s Office, the Public Affairs Division, the Enforcement Division, and the Support Services Division.

Table 7

**Nongame Species Account,
State Fiscal Years 2002-2007**

SFY	Beginning Balance	Revenues ¹	Expenditures	Net Transfers	Ending Balance
2002	\$ 55,174	\$ 271,240	\$ 297,316	\$ 0	\$ 29,098
2003	29,098	482,880	442,659	2,602	71,921
2004	71,921	763,473	643,472	4,517	196,439
2005	196,439	1,063,255	965,619	0	294,075
2006	294,075	818,754	784,831	(65,518)	262,480
2007	\$ 262,480	\$ 754,477	\$ 715,109	\$ (12,861)	\$ 288,987

Notes:¹ Revenue includes federal grants; donations; \$50,000 in general funds; revenue transferred from the F&G Conservation License account; sale of merchandise; and contracts for habitat management.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

In addition to the Nongame Species Account above, the F&G receives funds from the State Conservation Number Plate Trust Fund (RSA 261:97-b) administered by the State Treasurer, which contributes to both F&G wildlife and nongame programs. Approximately \$195,000 was expended from the account in State fiscal year (SFY) 2007 for activities supporting the Wildlife Action Plan.

In the SFY 2008-2009 biennium, the Legislature appropriated \$25,000 in unrestricted Fish and Game funds for the first time and increased general funds for nongame species management from \$50,000 to approximately \$137,000. These increases contribute to the Department’s efforts to meet new federal match requirements. The State Wildlife Grant, which served as a primary funding source for the nongame program, received 25 percent State matching funds during the planning phase of the Wildlife Action Plan, which began in 2003. When new federal guidance changed grant related activities from the planning to implementation phase in January 2007, the State matching requirement increased to 50 percent. Despite the increases in general funds and

the unrestricted Fish and Game funds appropriation to the nongame species account, the F&G was eligible for approximately \$124,000 in additional federal funds in SFY 2008.

State and national paddling clubs report nature and wildlife viewing are integral to the paddling experience. During the 2007 Legislative session, three citizens testified in favor of the proposed conservation decal for non-motorized vessels at a Senate Wildlife, Fish, and Game Committee hearing on March 14, 2007, stating it was a double standard for only motorized boats and hunters to contribute to the F&G. It should be noted, five people spoke against the bill, including two private citizens owning several non-motorized watercraft, two owners of canoe and kayak rental companies, and one campground owner who also rents non-motorized watercraft.

At the time of the proposal, the Department estimated 200,000 decals would be sold based on the number of participants reported by the Outdoor Industry Foundation, while incorporating some expectations of non-compliance. By comparison, over 104,000 motorized boats were registered by the Department of Safety each year during the audit period. Excluding a one-dollar agent's fee and administrative overhead, the decal program was expected to net the F&G approximately \$1.8 million in revenue per fiscal year, based on a cost of \$10 per decal.

While none of the New England states have a requirement to register non-motorized watercraft, ten other states require some form of registration for non-motorized watercraft, with fees for the registration ranging from \$5 to \$24. Illinois, Ohio, and Oklahoma require registration of all non-motorized watercraft, while South Dakota, Iowa, and Minnesota exempt non-motorized watercraft under certain lengths. Alaska, Michigan, and Alabama only register non-motorized watercraft owned by fishing guides or rental establishments. Alaska and South Dakota deposit all revenues into the general fund, while Ohio, Oklahoma, and Minnesota distribute some portion to conservation purposes. Michigan also has a separate conservation decal, with two-thirds of the revenue being deposited into a conservation fund. Pennsylvania offers the option of registration or a "use permit" for non-motorized watercraft used at Fish and Boat Commission access areas or lakes, or at state park lakes.

When judging proposals for non-motorized vessel registration, which it generally opposes, the *American Canoe Association* also considers whether:

- merits outweigh the bureaucratic and financial burden to paddlers;
- the proposal receives widespread support from State paddlers and paddling clubs;
- fee structures give consideration to the lower impact of canoes and kayaks on enforcement, access, and pollution compared to motorized vessels;
- registration is convenient and affordable for paddlers with multiple canoes and kayaks; and
- funds derived from registration will be used to effectively serve the needs and interests of the paddling community.

RECOMMENDATION:

The Legislature may wish to consider statutorily establishing a fee-based decal for non-motorized watercraft. Recognizing paddlers benefit from wildlife conservation activities of

the F&G, the Legislature may wish to direct portions of the revenue from the non-motorized watercraft decal to the Nongame Species Account and to the Fish and Game fund to support wildlife activities.

F&G Response:

We concur.

During the 2007 Legislative session, the Department requested legislation that would have required non-motorized vessels to display two conservation decals and revenues were to support the work of the Fish and Game Department. The idea was to issue annual decals similar to how a stamp program works in the Department. It was not intended to be a registration, so no personal information was to be collected.

The observation discusses the work of the Department that benefits paddlers -- benefits for which they are not providing financial support. In addition to the benefits discussed in the observation there are others relating to access, search and rescue, maintaining free flowing rivers, the purchase of conservation lands as well as providing public information.

The Fish and Game Department maintains 138 access sites state wide including 50 car-top/remote sites and 75 trailer sites the majority of which are also open for car-top users. In FY 2006, there were 7 canoe-kayak search and rescue incidents. Currently, registered boaters are contributing \$1.00 to search and rescue through their registrations (RSA 206:42; RSA 270-E:5, II(b)) which doesn't collect money from canoe/kayak owners. In addition, the activities of the department work to maintain and create free flowing rivers through our efforts related to removing dams on streams and rivers to benefit fish habitat as well as our involvement in the FERC process for maintaining in stream flow on hydro projects. Other activities include outright purchase of conservation lands or in partnerships with other agencies and organizations, many of which protect wetlands and water quality as well as technical assistance to landowners and conservation commissions to provide for high quality wildlife, including fisheries, habitat and water quality protection. We provide information to the public through various media such as written materials, television, radio and our website.

Action to be Taken:

The Department would work with the Legislature to garner support for a conservation decal for non-motorized watercraft to support all Department programs and services.

Observation No. 19

Consider A Recreational Marine Fishing License

The federal Magnuson-Stevens Fishery Conservation And Management Reauthorization Act Of 2006 (Magnuson-Stevens Act), as amended, mandates the Secretary of Commerce establish regional recreational angler registries by January 2009, to improve information used by fishery

managers. The Magnuson-Stevens Act also allows the Secretary to charge marine recreational anglers and charter fishing vessels a registration fee starting in 2011, unless the state qualifies for an exemption. A National Oceanic and Atmospheric Administration (NOAA) official leading the registry effort stated in October 2007, the Secretary intends to charge a fee to register effective 2011.

The Secretary will exempt anglers and chartered vessels if they are state-licensed and the state information meets the Secretary's needs, or if the information is used to assist in completing marine recreational statistical surveys, or evaluating the effects of proposed conservation and management measures. According to the F&G Marine Fisheries Division Chief, New Hampshire does not currently collect information necessary to qualify for an exemption; however, the State would be exempt if a saltwater license was established.

All states south of and including Virginia have recreational saltwater licenses. Maryland has a saltwater license for Chesapeake Bay only. While Delaware passed a recreation saltwater license in 2007, states without a license include Maine, Massachusetts, Rhode Island, Connecticut, New Jersey, and New York. The New Hampshire Legislature considered a recreational saltwater license during the 2007 Legislative session (House Bill 527). The bill was retained by the House Fish and Game Committee to be reconsidered in the 2008 session.

Implementing a State recreational saltwater license in New Hampshire would allow license proceeds to stay in the State, providing F&G revenue for State-directed conservation, management, enforcement, and education efforts. The F&G estimates the license would generate approximately \$1 million in unrestricted revenue. In addition to increasing revenues for the F&G, it may also save saltwater anglers money, as the Department estimates a saltwater recreational individual license would be \$15 while a NOAA official leading the registry effort estimates the registry fee will be \$25 – \$30.

RECOMMENDATION:

We recommend the Legislature consider implementing a recreational marine fishing license, particularly in light of the Magnuson-Stevens Act.

F&G Response:

We concur.

The audit observation clearly describes the need and potential advantages of a recreational saltwater license.

All recreational saltwater anglers will be required to pay a fee in the near future. The fee will be paid to the federal government unless the State has a licensing system in place which will obtain the federally mandated information.

The results of the Department's public meetings in 2006 and early 2007 on a recreational saltwater license reaffirmed the need to proceed on a regional basis so that all states and the

federal government are implementing a license on a similar timeline. Also, where possible, the state's license should provide reciprocity to minimize the impact to the anglers.

Action to be taken:

The Fish and Game Department will work with the Legislature to implement a recreational saltwater fishing license, which should be enacted in concert with neighboring states and the federal government.

Observation No. 20

Establish A More Equitable Method Of Funding Search And Rescue Operations

RSA 206:26 XII authorizes the Executive Director (if a certified police officer) and each Conservation Officer of the F&G to conduct search and rescue missions in the State's woodlands and inland waters. To fund search and rescue operations, RSA 206:42 establishes a search and rescue fund from a one-dollar surcharge on all boat, OHRV, and snowmobile registrations.

Between SFY 2002 and 2007, the F&G conducted 822 search and rescue missions. The F&G Law Enforcement Division records search and rescue missions as one of twelve activity types, including "unknown." Table 8 below shows total search and rescue missions by activity type, as reported by the F&G from fiscal years 2002 to 2007. While search and rescue is funded by OHRV, snowmobile, and boat registrations, persons engaged in these activities comprised only ten percent of search and rescue activity during the time period, accounting for approximately ten percent of total mission costs. Almost half of all search and rescue missions during the time period involved persons engaged in hiking, accounting for approximately 46 percent of all mission costs from SFYs 2002 to 2007. Hunters and anglers combined comprise approximately four percent of all search and rescue missions and accounted for approximately five percent of total search and rescue costs.

Table 8

**Search And Rescue Missions And Costs By Activity Type,
State Fiscal Years 2002-2007**

Activity Type	Number Of Missions	Percent Of Mission Activity	Costs ¹	Percent Of Total Costs
Hiking	396	48.2%	\$398,512	46.1%
Other ²	41	5.0	175,182	20.3
Walk-Away ³	37	4.5	64,436	7.5
Boating	16	1.9	58,639	6.8
Swimming	52	6.3	42,015	4.9
Walking	35	4.3	37,403	4.3
Hunting	6	0.8	24,504	2.8
OHRV	65	7.9	23,351	2.7
Climbing	71	8.6	15,436	1.8
Fishing	23	2.8	15,840	1.8
Unknown ⁴	70	8.5	4,272	0.5
CC Skiing	10	1.2	4,242	0.5
Total	822	100%	\$ 863,832	100%

Notes:¹ Costs are primarily for personnel and do not include training, equipment, or current expenses. Total cost for the period were \$1.5 million.

² Other activity describes missions which do not fall into any of the listed activity types.

³ Walk-away activity describes missions in which a dependent person (e.g., child or mentally ill) “walks away” from a care person or care facility.

⁴ Unknown activity describes missions with no activity type recorded.

Source: LBA analysis of F&G search and rescue activity reports.

Table 9 below shows the Search and Rescue Account balance from SFYs 2002 to 2007. The ending balance in the Search and Rescue Account at the end of each fiscal year has been decreasing. During this period, revenues have averaged 84 percent of expenditures. At the end of SFY 2007, the balance in the Search and Rescue Account was -\$1,212. As a result of the negative balance, search and rescue mission costs were expended from unrestricted Fish and Game funds. The Legislature appropriated \$127,235 of unrestricted Fish and Game funds for search and rescue in each year of the 2008-2009 biennium.

Table 9

**Search and Rescue Fund Account Balance,
State Fiscal Years 2002-2007**

SFY	Beginning Balance	Revenue	Expenditure	Ending Balance
2002	\$247,267	\$187,261	\$200,930	\$233,598
2003	233,598	198,505	205,820	226,283
2004	226,283	209,312	263,979	171,616
2005	171,616	231,354	254,500	148,470
2006	148,470	204,503	284,898	68,075
2007	\$68,075	\$188,372	\$257,659	\$(1,212)

Source: LBA analysis of F&G Statements of Appropriation.

Table 10 below shows the cost of search and rescue missions by residency status. Non-residents constitute approximately 46 percent of all mission costs between SFYs 2002 and 2007. According to the Institute for New Hampshire Studies at Plymouth State University, out-of-State tourists contribute an estimated \$3.7 billion to the State's economy annually. The Institute for New Hampshire Studies estimates out-of-State tourists accounted for \$114 million of the \$181.5 million (63 percent) collected in rooms and meals tax in SFY 2006.

Table 10

**Residency Status Of Search And Rescue Missions,
State Fiscal Years 2002-2007**

Status	Cost ¹	Percent
NH Resident	\$458,311	53%
Non-Resident	401,249	46
Unknown²	4,272	1
Total	\$863,832	100%

Note:¹Costs are primarily for personnel and do not include training, equipment, or current expenses. Total costs for the period were \$1.5 million.
²Unknown are missions where the residency was not captured.

Source: LBA analysis of F&G search and rescue data.

Other states fund search and rescue through various methods. In Maine, search and rescue is the responsibility of the Department of Inland Fisheries and Wildlife. State statute allows the Department to recover all search and rescue related costs directly from the rescued person. In Vermont, search and rescue is the responsibility of the State Police and is funded through general

fund appropriations; however, the State Police have authority to charge out-of-bound skiers when a search and rescue mission is caused by their negligent actions.

Although search and rescue is the responsibility of local emergency responders, the state governments in Colorado, Wyoming, and Montana have search and rescue funds to help defray the cost of search and rescue missions. Local responders send applications for reimbursement to the state and the expenses are dispersed from the fund, with some limitations.

In 2002, Colorado began offering hikers, backpackers, mountain and trail bikers, cross-country skiers, and others a voluntary three-dollar "Colorado Outdoor Recreation Search And Rescue Card." In addition to a twenty-five cent surcharge on hunting and fishing licenses, boats, snowmobiles, and OHRVs, two dollars from the sale of the card is deposited into the search and rescue fund. The state sells the card online, as well as at over 375 vendor locations statewide including at state parks, local colleges, outdoor guide and recreation establishments, and outdoor equipment vendors. In fiscal year 2006, the card contributed 14 percent of the state search and rescue revenue.

Wyoming has established a voluntary \$1 fee that is deposited into the search and rescue account. Local responders apply for reimbursement from the fund. In Montana, the state's search and rescue fund is supported by a surcharge on state fees and licenses for hunting, fishing, boating, OHRV, and on fines for violations of state fish and game laws. In addition, Montana's Gallatin County offsets local search and rescue costs through donations, a general tax on county residents, and a resort tax on the county's biggest resort.

RECOMMENDATIONS:

The Legislature may wish to consider expanding fees for funding search and rescue by requiring more user groups to pay into the search and rescue fund. Since hikers account for almost half of all search and rescue missions and costs, the Legislature may wish to consider a method requiring hikers to contribute to search and rescue funding.

Additionally, since out-of-state residents constitute almost half of the cost of search and rescue missions, the Legislature may wish to consider designating a portion of, or assessing a surcharge on, the rooms and meals tax for search and rescue operations.

The Legislature may wish to study alternate search and rescue funding sources in other states when making its decision.

F&G Response:

We concur.

As mandated in RSA 206:26 XII, the Department supports any appropriate funding source required in order to continue with our ability to provide professional and capable search and rescue response services. In addition to the Legislative proposals discussed in Observation No.

20, we would encourage the Legislature to consider a General Fund appropriation as another potential funding source to help augment the Department's Search and Rescue Account.

Action to be taken:

Provide support and required assistance to the New Hampshire Legislature in identifying and pursuing future Legislative initiatives that will provide an adequate level of funding to support all Department programs and services, including search and rescue.

Observation No. 21

Improve Pursuit Of Federal Funding

The Federal Aid Coordinator does not proactively seek additional federal funding opportunities. F&G personnel stated the Department could do a better job searching for additional federal aid; however, due to reported time constraints, it does not actively seek new funding opportunities. The Federal Aid Coordinator may become aware of new grant opportunities through federal contacts or peers in other states. Additionally, a division chief may also become aware of a new funding source through peers, begin preparing the application, and forward the application to the Federal Aid Coordinator for review. Occasionally, the Department will seek funding opportunities for a specific project; however, F&G personnel stated the Department is reactive rather than proactive in its search for additional federal aid.

Department staff noted the F&G should not always apply for a new funding source because the grant's intended use may be inconsistent with the Department's priorities or the amount received in federal funds may not justify the work required. Additionally, the Department has limited funds and staff time available to match federal grants. Finally, federal assistance is usually associated with a specific program; therefore, the Department may have to develop additional programming to receive the funds.

Our review and comparison of nine states' schedule of expenditures of federal awards revealed 16 additional grant programs received by other states for which the F&G could possibly be eligible. The Federal Aid Coordinator stated the F&G could be eligible for the eight grants shown in Table 11.

Table 11

Potential F&G Federal Funding Sources

CFDA	Grant	Allowable Uses	Range	Average	Match
10.652	Forestry Research	Research wildlife habitat management, forest recreation, forest insect and disease protection and control, and forest surveys.	\$2,000 - \$300,000	\$35,000	Negotiable
11.433	Marine Fisheries Initiative	Research and development projects that will provide information for the enhancement of fishery resources. Funds can be used to develop harvest methods, economic analyses of fisheries, fish stock assessment, and fish stock enhancement.	\$21,185 - \$374,372	\$64,282	No statutory formula match established
11.452	Unallied Industry Projects	Research and management for high-priority marine and estuarine resources, especially for species and their habitat currently under, or proposed for future, federal inter-jurisdictional management.	\$50,000 to \$150,000	\$100,000	No statutory formula match established
11.473	Coastal Services Center	Projects aimed at developing a science-based, multi-dimensional approach for maintaining or improving environmental quality at coastal centers while at the same time allowing for economic growth.	Competitive: \$55,000 - \$378,000 Congressionally-directed: \$380,000 - \$2.8 M	Unavailable	No statutory formula match established
15.608	Fish And Wildlife Management Assistance	Technical information, advice, and assistance on conservation and management of fish and wildlife resources. F&G Inland Fisheries Division is applying for \$28,000 to conduct a study and \$42,000 to replace culverts on the Nash Stream.	Unavailable	Unavailable	No statutory formula match established
15.623	North American Wetlands Conservation Fund	Wetlands conservation; can be used to acquire property interest in lands or water bodies; restore, manage, and enhance wetland ecosystems and other habitat for fish, wildlife, and migratory birds.	Small grant: \$75,000 Standard grant: \$75,000 - \$1,000,000	Small: \$42,000 Standard: \$710,000	50 percent
15.916	Outdoor Recreation Acquisition, Development, And Planning	Wide range of outdoor recreation projects including boat launch ramps. The grant requires sites acquired or developed with program funds must be open to the general public, remain available and accessible for public recreation in perpetuity.	\$150 - \$5,450,000	\$68,178	No more than 50 percent of project cost
66.456	National Estuary Program	Projects to implement a comprehensive conservation and management plan for estuaries of national significance, including New Hampshire estuaries. The program attempts to characterize the problems in the estuary, determine the relationship between pollutants and impact on living resources, recommends solutions, and implements action addressing priority problems.	Unavailable	Federal fiscal year 2006 base funding: \$492,600	Development funded at 75 percent; implementation funded at 50 percent.

Source: LBA analysis of each catalog of federal domestic assistance (CFDA) program information.

In addition to the grants shown above, the F&G could also be eligible for a portion of the Recreational Trails Program grant (CFDA 20.219) as a subrecipient through the Department of Resources and Economic Development (DRED). The grant allows funds to be used for operating educational programs to promote safety on recreational trails. According to the Chief of the New Hampshire Bureau of Trails (Bureau) at the DRED, the F&G would be a viable candidate for the training and educational aspect of the grant if the F&G's program includes safety or environmental education which is directly tied to recreational trails. The F&G offers two snowmobile and OHRV courses including the basic rider safety education course and the responsible riders course for those convicted of violating OHRV and snowmobile laws. According to the F&G, the Department was denied funding through the grant ten years ago and has not submitted a grant application since.

During SFY 2001 through 2004, the DRED reserved \$5,000 for safety education and training; however, only two organizations have applied for the funds during that timeframe. During SFY 2005, the Bureau set aside \$30,000 for education and training; however, no organization applied for the grant. As a result, the Bureau did not set aside funding for sub-awards in SFY 2006. The Bureau chief stated if an agency or organization shows interest in submitting an application for funding, the Bureau would meet with the agency to determine applicability and funding level. The Bureau's maximum award is \$5,000 unless there is demonstrated statewide impact. The largest grant the Bureau has ever granted was \$10,000.

RECOMMENDATIONS:

We recommend the F&G increase active pursuit of additional federal funds. The Federal Aid Coordinator, in conjunction with Division Chiefs, should periodically analyze existing functions and programs and the Federal Aid Coordinator should periodically analyze whether specific federal funding sources are available or have been created to support those functions.

The F&G should also work with the DRED's Trails Bureau to determine how it may access Recreational Trails Program grant funds.

F&G Response:

We concur in part.

The Department concurs that it should continue to improve its active pursuit of additional federal funds where possible and appropriate. However, it is important to point out that we feel the Department does an outstanding job in identifying and securing federal funds in support of Department programs.

Two federal agencies are the primary sources of federal assistance coming to the Department. These are the United States Fish and Wildlife Service (USFWS) and the National Oceanic and Atmospheric Administration (NOAA). Additional funding has come from the Department of Agriculture, through the Animal and Plant Health Inspection Service (APHIS) and the Natural Resource Conservation Service (NRCS), as well as other agencies. All of these agencies have

wildlife and resource conservation responsibilities in common with New Hampshire Fish and Game, and the Department maintains close working relationships with these federal agencies.

Through these contacts, Department staff is often apprised of new or additional federal funding opportunities. In addition, the Department is a member of the Association of Fish and Wildlife Agencies (AFWA), which advocates for the interests of state fish and wildlife departments, including the pursuit of additional federal funding opportunities. The AFWA plays a key role in alerting the Department to new and changing grant programs that help fund our work. Department staff members also regularly participate in efforts such as “Teaming With Wildlife” that seek to raise awareness and expand funding for wildlife and conservation programs nationally. State Wildlife Grants and the Landowner Incentive Program are examples of new grant programs that now fund Department programs that were the result of successful national initiatives in which the Department participated.

The Department has also secured additional federal funding, both directly and as a sub-grantee, through efforts such as its Joint Enforcement Agreement with NOAA, homeland security initiatives, surveillance programs for wildlife diseases through APHIS, and marine fisheries research funded through the Atlantic States Marine Fisheries Commission. The chart below illustrates that since fiscal year 2000 the Department’s annual federal revenue has increased significantly. Although federal funding of such specific efforts as facility construction, land acquisition, capital improvement, or dam removal can create spikes and subsequent fall-backs in federal revenue, the Department has realized an overall increase in its annual federal revenue of approximately 35% in recent years.

Schedule of Expenditures of Federal Awards

Fiscal Year	Federal Revenue	+/- Change from Previous FY
FY 2000	4,447,914.80	
FY 2001	4,508,141.93	60,227.13
FY 2002	4,923,664.13	415,522.20
FY 2003	6,954,899.97	2,031,235.84
FY 2004	5,797,204.32	(1,157,695.65)
FY 2005	6,014,953.72	217,749.40
FY 2006	7,192,506.44	1,177,552.72
FY 2007	6,018,044.67	(1,174,461.77)
Overall increase from 2000-2007:		1,570,129.87

Federal funds now reimburse over 40% of all Department salary and benefit costs. In addition, most grants also require a non-federal share ranging from 25 – 50% of the total cost. It is also important to note that federal funds help to significantly offset state expenditures; however, they may have limited applicability to state programs depending on the source and allowable uses of the federal funds, and whether they align with Department strategic priorities. Federal funds are often competitive in nature, resulting in inconsistent funding and time consuming application and performance reporting processes. Finally, not all Department programs and services are eligible for federal funding.

The Department agrees the grant programs cited in the observation may provide opportunities for additional funding and should be researched further. In fact, the Department has received funding from some of these programs. In addition to the new awards identified under Fish and Wildlife Management Assistance, the Department also routinely receives pass-through funding from the National Estuary Program to monitor oyster diseases. The Department also works with partners on initiatives that utilize North American Wetlands Conservation Funds, and would consider applying directly for this funding for appropriate projects.

Due to time constraints involved with administering the grant programs and federal assistance funds that already comprise nearly a third of the budget, the Federal Aid Coordinator and the Department must be “reactive” to ensure that funds from established and currently available sources are fully utilized. As a result, the Federal Aid Coordinator has not focused on searching for new sources of federal funds.

The Recreational Trails Program (RTP) grant funds represent one of many sources of pass-through federal funds the Department uses when they are available and pertinent to Department programs. Specific to that program, the Department is currently working with the Chief of the Trails Bureau to develop a proposal that would utilize a portion of these funds. When the Department had applied to the Trails Bureau in the past it was made clear to us that the funds would be used on trails education programs only. The Department was able to take advantage of these funds indirectly, however, by cooperating with various trail-oriented organizations. The OHRV program administrator worked with both the snowmobile and wheeled vehicle associations to develop safety education initiatives that were driven by their respective associations, but would benefit Fish and Game programs. When brochures or other printed materials were needed to support common educational and safety interests these organizations have applied for and received grants. Consequently, they were able to provide this material to the Department for distribution through its education programs, thus saving the Department the cost of printing. Now, with a current change in philosophy at the Trails Bureau regarding eligible uses for these funds, we are again pursuing the option of receiving some of the available funds directly.

Action to be Taken:

During the Department’s strategic planning process in 2008, and in the development of each biennial budget, the Federal Aid Coordinator, in conjunction with Division Chiefs, will analyze existing functions and programs to determine if additional federal funding sources are available or have been created to support these functions.

The Department will work with all state agencies to identify and utilize pass-through federal funds, including the example of the Recreational Trails Program given in the Observation when they are available and support Department priorities.

Observation No. 22***Review Law Enforcement Division Structure***

In 1987, the Sunset Commission reported the F&G's Law Enforcement Division had a higher supervisory ratio when compared with the conservation law enforcement sections of surrounding states. At the time, 14 of the Department's 43 Conservation Officers (CO) were sergeants or senior officers, resulting in 33 percent of the New Hampshire force serving in a supervisory capacity compared to an average of 24 percent at the time in Connecticut, Maine, Massachusetts, Rhode Island, and Vermont. Although the Division has added three conservation officer positions since the 1987 report, one Colonel and one Administrative Lieutenant have also been added, so the 2007 percentage of supervisory to non-supervisory positions remains the same rate as 1987.

For law enforcement purposes, the State is divided into six districts. Table 12 below shows the number of full-time law enforcement personnel at each district location. Each district is supervised by a District Lieutenant and Sergeant, and staffed with a varying number of COs. District Lieutenants are primarily administrative personnel. The Law Enforcement Division is directed from the Concord Headquarters by a Colonel, Major, and Captain and is supported by an Administrative Lieutenant and three full-time and one part-time civilian support staff. According to Law Enforcement Division personnel, the current six-district concept was established more than 30 years ago and may have been a result of differing demographic, supervisory, and search and rescue needs of the State. The system has remained in place despite the establishment of four regional offices across the State, used by other F&G divisions. The 1987 Sunset report noted the six-district concept was established in the mid-1970s to provide upward mobility for the force. Also, at the time of the Sunset report, the Division was considering a reorganization to coincide with the Department's four regional offices.

Table 12

**Authorized Full-Time Law Enforcement Division Personnel By District,
State Fiscal Years 2004-2007**

Rank	HQ	District 1 Lancaster	District 2 New Hampton	District 3 New Hampton	District 4 Keene	District 5 Concord	District 6 Durham	TOTAL
Colonel	1							1
Major	1							1
Captain	1							1
Lieutenant	1	1	1	1	1	1	1	7
Sergeant		1	1	1	1	1	1	6
CO		6	6	7	5	5	3	32
Total	4	8	8	9	7	7	5	48

Source: LBA analysis of F&G Law Enforcement Division data.

F&G Law Enforcement officials stated COs’ responsibilities have risen exponentially with the addition of the OHRV program in 1971 and increase in the State’s population, and reported the F&G does not have enough COs to patrol the State. One current Commissioner stated constituents are concerned about inadequate enforcement coverage.

The F&G Law Enforcement Division is responsible for enforcing all laws, rules, and regulations relating to fish, wildlife and OHRV, and performs search and rescue in the State of New Hampshire. Law enforcement sections in other New England states are charged with varying fish and wildlife responsibilities. Vermont’s game wardens are charged with enforcing fish, game, and OHRV laws, as well as providing some search and rescue services. As shown in Table 13 below, law enforcement in other New England states have an average of 26 percent supervisory to non-supervisory personnel, compared to 33 percent in New Hampshire. Within New Hampshire, the State Police has a 27 percent supervisory rate.

Table 13

Other States’ Supervisory Personnel And Field Staff

State	Supervisory Personnel ¹	Field Officers	Total Personnel	Percent of Supervisory Personnel
Connecticut	15	41	56	27
Maine	22	101	123	18
Massachusetts ^{2,3}	49	85	134	37
Rhode Island	10	35	45	22
Vermont	10	30	40	25
Average Supervisory Ratio				26
<i>New Hampshire</i>	16	32	48	33
Notes: ¹ Supervisory personnel includes Colonel, Lieutenant Colonel, Major, Captain, Lieutenant, Sergeant, and civilian supervisors. ² State has a civilian division chief or deputy chief, which is included as supervisory personnel. ³ Massachusetts is currently re-organizing to reduce the number of supervisory personnel.				
Source: LBA analysis of other states’ conservation law enforcement staffing.				

Environmental Law Enforcement in Massachusetts is currently undergoing reorganization to combine districts into larger regions, each of which will be headed by a lieutenant and two sergeants. The reorganization is intended to reduce the number of regions by almost half and eliminate corresponding lieutenant positions, while increasing the number of sergeants in each region.

As shown in Table 14 below, 76 percent of expenditures from the Conservation Law Enforcement Account are funded with unrestricted Fish and Game funds. The F&G has predicted a shortfall of nearly \$1.5 million in unrestricted Fish and Game funds for the 2008-2009 biennium. Because of its heavy reliance on unrestricted Fish and Game revenues, the F&G

should consider whether its Law Enforcement Division organizational structure is designed to meet the needs of the Department.

Table 14

Conservation Law Enforcement Account Expenditures By Funding Source, State Fiscal Year 2007

Funding Source	Amount	Percent
Fish and Game Revenues	\$2,609,668	76%
Federal	361,208	11
OHRV Dedicated Account ¹	349,310	10
Moose Dedicated Account	38,031	1
Bear Dedicated Account	34,417	1
Agency Income ²	32,250	1
Total³	\$3,424,884	100%
Notes: ¹ Expenditures do not include overtime worked on OHRV details, which is reflected in the OHRV education, training, and enforcement account (organization code 1183). ² Agency income is revenue from the DRED based on a memorandum of understanding for habitat management. ³ Total does not include expenditures for search and rescue, which are reflected in the Search and Rescue account (organization code 2112). Source: LBA analysis of F&G SFY 2007 Statement of Appropriation (organization code 1180) and revenue report.		

Reducing the Division to four regional offices and reclassifying two Lieutenant and two Sergeant positions to CO positions would drop the supervisory ratio to 25 percent. Also, it would increase the number of COs on patrol and, based on average salaries in SFY 2007, the reclassification could eventually save the Division more than \$49,000 each fiscal year.

RECOMMENDATION:

The F&G should consider aligning the Law Enforcement Division’s management structure with the four regional offices established for other Department Divisions and reduce the number of districts from six to four. The F&G should consider reclassification of two current Lieutenant and two current Sergeant positions as those personnel retire and increase the number of conservation officers assigned a patrol area.

F&G Response:

We do not concur.

Presently, there are 48 authorized Conservation Officer positions in the Law Enforcement Division. Conservation Officers are responsible for search and rescue operations and enforcing all fish, wildlife, OHRV and snowmobile laws and rules. They also play an important role in a wide array of wildlife management programs and initiatives relating to nuisance wildlife

mitigation. These responsibilities include Fish and Game patrol coverage of 8,926 square land miles and 227,600 acres of state waters.

Of the 48 Conservation Officer positions, there are 38 Field Officers assigned to specific patrol areas that are geographically divided into 6 districts. District boundaries have been historically established based on considerations related to geography, population density, number of constituents' requests for service, and search and rescue responsibilities within the state. Each district has one primary supervisor at the level of Conservation Officer Lieutenant. Conservation Officer Sergeant's primary function is to patrol their assigned area, and secondarily maintain district inventory, develop District training agendas and perform supervisory functions in the absence of their District Lieutenant. Although Lieutenants are not assigned specific patrol areas, a significant portion of their time is spent working in the field with Conservation Officers and providing law enforcement coverage for open/vacant patrol areas. On any given day, one to four Field Lieutenants may be unavailable due to regular days off, other scheduled leave or administrative duties that would otherwise restrict a Lieutenants' availability within their district. Coordination of major search and rescue events require the level of experience, training and decision making authority that is consistent with a District Lieutenant's position.

In conducting a comparative analysis of other wildlife enforcement agencies, there are a number of factors not considered in Observation No. 22. Of particular note, for the states referenced in this observation, only the States of Maine and New Hampshire have primary responsibility for search and rescue operations. There are also significant differences in the rank structure and responsibilities of supervisory positions within the different states referenced.

In conducting our own review of supervisor to staff ratios recommended in law enforcement and emergency management training curriculums, our present field supervisory ratio falls within accepted norms. For example, the Taylor Group Command Staff Certification Training Program states, "In general, the span of control of any individual with emergency management responsibility should range from three to ten subordinates, with the optimal number being five." This 1:5 ratio is also reiterated in the Critical Incident Management training course provided by the New Hampshire Police Standards and Training Council developed in conjunction with Homeland Security protocols.

Over the past 30 + years, the population of New Hampshire has dramatically increased. This has resulted in a significant number of additional job responsibilities and dramatic increases in wildlife-related service calls. Despite these additional obligations, Fish and Game's Conservation Officer Field Force has not increased in size during the same time period. We believe that consideration should be made for increasing the size of the field force assigned to patrol areas, while keeping the current supervisory structure in place.

Action to be taken:

Since Conservation Officer Sergeants have limited supervisory responsibilities, the current ratio of supervisors to staff is appropriate according to documented professional standards.

Observation No. 23

Discontinue Assigning Vehicles To Part-Time Conservation Officers

The F&G permanently assigns vehicles to certain deputy law enforcement personnel working part-time. Deputy COs who work regularly are assigned equipment, including in some cases, vehicles. Of the nine Deputy COs who worked in SFY 2007, six had permanently assigned vehicles. Permanent assignment means the vehicle is assigned exclusively and is garaged at the Deputy CO's residence year-round. Deputy COs who are assigned vehicles patrol independently while Deputy COs not assigned vehicles ride with full-time COs. Full-time COs may also use a Deputy CO's vehicle as a spare when the CO's vehicle is being repaired or use one of the eight spare law enforcement vehicles located in Concord.

Our analysis of the total hours worked by six Deputy COs permanently assigned vehicles shows the Deputy COs worked, on average, the equivalent of 14 weeks per year, ranging from the equivalent of 6.5 weeks to 29 weeks. Table 15 below shows the number of hours worked by Deputy COs assigned a vehicle, the district to which Deputy COs are assigned, the distribution of their hours, and the miles driven during SFY 2007.

As shown in Table 15, our analysis of the number of miles driven by Deputy COs permanently assigned vehicles shows they drove an average of 6,662 miles in SFY 2007, while working an average of 560 hours. The vehicle with the highest mileage in SFY 2007 is garaged at the Deputy CO's residence and is used primarily to commute to the Concord Headquarters when the Deputy CO is scheduled to work. Over 90 percent of the hours this Deputy worked during SFY 2007 were administrative.

Given the hours most Deputy COs work and the number of miles they drive, permanently assigning these employees vehicles is an inefficient use of F&G resources.

Table 15

**Deputy COs Assigned A Vehicle,
State Fiscal Year 2007**

	Hours Worked¹	Weekly Equivalent²	Search And Rescue	F&G Activities³	Admin. Time⁴	Volunteer	Miles Driven	District Assigned
Deputy 1	1,165	29.1	Less Than 1%	Less Than 1%	92%	8%	13,778	Concord HQ
Deputy 2	485	12.1	0%	75%	13%	12%	6,024	Lancaster/ New Hampton ⁵
Deputy 3	531	13.3	0%	70%	12%	18%	4,047	Lancaster
Deputy 4	259	6.5	24%	32%	15%	28%	1,420	New Hampton
Deputy 5	526	13.2	2%	67%	15%	16%	6,527	Keene
Deputy 6	394	9.9	0%	90%	4%	6%	8,173	Durham
Average	560	14					6,662	

Notes:¹Hours Worked includes a total of 407.5 volunteer hours.

²Weekly Equivalent is determined by dividing hours worked by 40 hours per week.

³F&G Activities includes patrol time, enforcement time, stocking, and other related activities.

⁴Administrative Time includes training, equipment maintenance, reports, and NHFG-designated administrative.

⁵This Deputy CO is assigned to both district offices and works depending on the districts' needs.

Source: LBA analysis of F&G Deputy CO time and activity information.

RECOMMENDATIONS:

The F&G should discontinue permanently assigning Department-owned vehicles to Deputy COs.

We also recommend the F&G conduct an annual utilization assessment of all vehicles, including law enforcement vehicles, to determine the appropriate size of its fleet going forward. A utilization assessment will create an accurate snapshot of the current state of the fleet and will help the fleet manager identify opportunities to further streamline fleet size and composition. The annual assessment will also lend support to the F&G when presenting its budget request.

F&G Response:

We concur in part.

With respect to the observation that recommends discontinuing the permanent assignment of Department vehicles to Deputy COs, we believe that assignment of the six vehicles referenced provides for improved operational efficiency and represents a significant cost saving measure.

Currently six Deputy Conservation Officers (Deputy COs) who are located throughout the state are assigned vehicles. The benefits of these vehicle assignments are as follows:

- Coverage of existing vacant patrol areas, (presently there are six full-time CO vacancies throughout the state.)
- Augmented coverage of district patrol areas during periods of time when full-time Conservation Officers are on days off, vacation, on sick leave or other approved leave.
- Cost savings (time and mileage) and efficiency for responding to emergency calls to service such as injured wildlife and search and rescue (Deputy COs when called out will be paid at a straight hourly rate of \$15.04, whereas a full-time Conservation Officer I is paid at a minimum 4-hour call out rate at time and half, \$143.96.)
- Deputy COs who are assigned vehicles are responsible for insuring all routine maintenance is properly performed and that the vehicles are operational at all times to be available as a back up spare for full-time COs.
- Presently, vehicles assigned to Deputy COs are typically high mileage vehicles that are routinely maintained as backup spares or sent to surplus. The value of the vehicles as used in the Deputy Program outweighs income typically received through State Surplus. The average income to the department from a vehicle auctioned at State Surplus was \$3,000.

By contrast, discontinuing the permanent assignment of department owned vehicles to Deputy COs has the potential to negatively impact the program as follows:

- Deputy COs are not compensated for time and expense in acquiring Police Certification and the purchase of firearms and other miscellaneous equipment. Given an hourly wage of \$15.04 per hour, as compared to detail pay available through local police agencies of \$25.00 to \$35.00 per hour, recruitment and retention of quality Deputy CO candidates is presently a difficult hurdle to overcome. By statute, Deputy COs are mandated to volunteer 8 hours of time per month (RSA 207:27-h). Requiring a Deputy CO to incur the added time and personal expense of commuting to pick up a department vehicle at a central location would provide another roadblock for recruitment and retention of quality candidates.
- Department owned vehicles stored at central locations will require full-time personnel to oversee the maintenance schedule.
- Efficiency and effectiveness of response to emergencies and constituent complaints will potentially be significantly impacted.
- Presently some Deputy COs will have to travel an average of 45 minutes to an hour to pick up their vehicle at central locations, only to travel back by their residence in responding to the emergency/complaint/patrol area.

Action to be taken:

For the above stated reasons we believe it is in the best interest of the Department, our constituents and the State of New Hampshire to continue with the appropriate and justified assignment of Department owned vehicles to strategically located Deputy COs.

With respect to the recommendation that the Fish and Game Department conduct an annual utilization assessment of all vehicles, including law enforcement vehicles, the Department concurs with this recommendation. Observation No. 24 contains the Department's response related to this recommendation. The Law Enforcement Division Command Staff is committed to working with other Department Division Chiefs and Senior Staff to conduct an annual vehicle utilization and allotment assessment. Time frame for the completion of this initiative has been addressed in Observation No. 24.

Observation No. 24

Establish Regional Office Motor Pools For Non-Law Enforcement Vehicles

Most F&G Divisions have under-utilized passenger vehicles and light trucks. In SFY 2007, the Support Services (including Access and Engineering), Wildlife, Inland Fisheries, and Public Affairs Divisions had a total of 57 passenger vehicles and light trucks. That year, 76 percent (41 of 54) of the Department's non-law enforcement passenger vehicles and light trucks were driven less than 12,000 miles. SFYs 2006, 2005, and 2004 showed similar patterns with 62 percent (38 of 61), 70 percent (40 of 57), and 67 percent (38 of 57), respectively, driven less than 12,000 miles.

Chapter 568:11, Laws of 1981, requires agencies to transfer all vehicles assigned to the agency for the entire fiscal year that are driven less than 12,000 in the fiscal year to the DAS' Division of Plant and Property Management for surplus or reassignment. The agency may submit to the Legislative Fiscal Committee a request to retain the vehicle if it presents a "clear and convincing case for continued assignment of the vehicle." According to F&G Division Chiefs, passenger vehicles and light trucks assigned to their Division are used to transport personnel and equipment to job sites and meetings around the State. The F&G has submitted the required requests to the Fiscal Committee during the audit period.

Currently, each Division has its own pool of passenger vehicles and light trucks. In SFY 2007 the various Divisions had a total of 24 vehicles garaged at the Concord headquarters, 71 percent (17 of 24) of which were driven less than 12,000 miles. Table 16 below shows the number of vehicles garaged in Concord assigned to each Division for SFYs 2004-2007.

We found similar patterns of low-mileage vehicles assigned to regional offices located in Durham, Keene, Lancaster, and New Hampton. In SFY 2007, the Department had a total of 23 vehicles garaged at the four regional offices. Vehicles in each regional office are split between two different Divisions. Table 17 below shows the number of passenger vehicles and light trucks assigned to each regional office, the number and percentage of vehicles driven less than 12,000 miles, and the average number of miles driven per vehicle at each regional office location. As shown below, during SFY 2007, 65 percent (15 of 23) of vehicles located at these regional offices were driven less than 12,000 miles. All vehicles at the Keene and New Hampton regional offices were driven less than 12,000 miles in SFY 2007.

Table 16

**Non-Law Enforcement Vehicles Garaged In Concord By Division,
State Fiscal Years 2004-2007**

DIVISION	2004	2005	2006	2007
Inland Fisheries	6	5	4	4
Public Affairs	3	3	4	3
Support Services ¹	9	10	11	12
Wildlife	7	7	7	5
Total	25	25	26	24
Vehicles Driven Less Than 12,000 Miles	16	18	20	17
Percent	64%	72%	77%	71%
Average Miles Driven ²	8,139	7,880	7,688	8,591

Notes: ¹Support Services includes the Access and Engineering Section.

²Average miles driven only includes vehicles driven less than 12,000 Miles.

Source: LBA Analysis of F&G motor vehicle reports.

The F&G's fleet consists of 149 vehicles including passenger vehicles, light trucks, medium trucks, heavy trucks, extra heavy trucks, and moveable equipment. The F&G has not conducted a review of its fleet requirements at least since the late 1990s. According to the Chief of the Support Services Division, the Department has not conducted a utilization assessment or an assessment of the feasibility of establishing a Department-wide motor vehicle pool.

Table 17

**Non-Law Enforcement Vehicles Assigned To Regional Offices,
State Fiscal Years 2004-2007**

Location	2004	2005	2006	2007
Durham¹	8	8	8	8
Number Driven Less Than 12,000 Miles	5	5	4	3
Percent	63%	63%	50%	38%
Average Miles Driven ³	9,036	10,684	8,183	9,527
Keene²	3	3	3	4
Number Driven Less Than 12,000 Miles	3	1	2	4
Percent	100%	33%	67%	100%
Average Miles Driven ³	8,882	7,800	7,604	7,905
Lancaster²	4	5	4	6
Number Driven Less Than 12,000 Miles	0	1	2	3
Percent	0%	20%	50%	50%
Average Miles Driven ³	NA	10,067	10,309	8,355
New Hampton²	7	6	5	5
Number Driven Less Than 12,000 Miles	5	5	5	5
Percent	71%	83%	100%	100%
Average Miles Driven ³	7,215	6,651	6,718	6,909
Total	22	22	20	23
Number Less Than 12,000 miles	13	12	13	15
% Less Than 12,000 Miles	59%	55%	65%	65%
Average Miles Driven ³	8,300	8,863	8,033	8,084
Notes: ¹ Vehicles are assigned to the Wildlife and Marine Fisheries Divisions.				
² Vehicles are assigned to the Inland Fisheries and Wildlife Divisions.				
³ Average Miles Driven only includes vehicles driven less than 12,000 miles.				
Source: LBA analysis of F&G motor vehicle reports.				

RECOMMENDATIONS:

We recommend the F&G eliminate the practice of assigning non-law enforcement motor vehicles to each Division and establish a pool of motor vehicles at each regional office.

We also recommend the Department reduce the number of vehicles assigned to the regional offices to ensure better utilization of Department-owned motor vehicles. For example, by eliminating 16 of the Department's low-mileage non-law enforcement vehicles, the Department could eliminate approximately \$300,000 in future replacement costs and save

approximately \$20,000 annually on insurance³, fuel⁴, and maintenance costs⁵ for the vehicles. Additionally, the Department will receive proceeds from the sale of the vehicles.

Further, we also recommend the F&G conduct an annual utilization assessment of all vehicles, including law enforcement vehicles, to determine the appropriate size of its fleet going forward. A utilization assessment will create an accurate snapshot of the current state of the fleet and will help the fleet manager identify opportunities to further streamline fleet size and composition. The annual assessment will also lend support to the F&G when presenting its budget request.

F&G Response:

We concur in part.

The Department is currently using a vehicle pooling method in some regard but not completely. We have conducted an assessment of fiscal year 2007 daily usage of vehicles at our Region 1 (Lancaster), Region 2 (New Hampton) and Region 4 (Keene) facilities. Upon completion of this assessment, it may be possible to reduce the number of vehicles assigned to Region 2 and Region 4, by one vehicle per facility, if it can be determined logistically that the field staff can get to their varying work sites without jeopardizing productivity. Additionally, the use of the vehicles assigned to regional offices is primarily for work completed under federal grants for which the mileage is eligible for reimbursement at a rate of \$0.34-\$0.37 per mile.

The Department is not concurring with the listed number of vehicles assigned to regional offices as depicted in Table 17 of the observation because the motor vehicle report has not been reconciled to the Department's inventory system and the Department recognizes the need to do so.

As stated under the Department's response to Observation No. 11, there is a need to secure funding for 1 full-time employee to perform the required job functions of a fleet manager.

Action to be Taken:

The Department will continue the utilization assessment and determine if pooling of vehicles is an effective strategy and take additional steps to reduce the vehicle fleet where it is warranted. This assessment will be conducted annually. The Department will take steps to reconcile the motor vehicle report to the Department's inventory system as resources become available.

³ Insurance savings are based on the average cost of insurance per vehicle obtained from the F&G fleet information.

⁴ Fuel savings are based on AAA-reported average regular unleaded price in NH of \$2.66 (January – October 18, 2007) minus \$0.36 per gallon, which was reported by DOT personnel as the average savings per gallon compared to retail.

⁵ Maintenance savings are based on the average price of \$29.00 for an oil change at every 5,000 miles and the average price of \$49.00 for tire rotation and balance at every 10,000 miles.

Observation No. 25

All Passenger Vehicles Driven Less Than 12,000 Miles Should Be Included In The Annual Submission To The Fiscal Committee

The F&G does not report all passenger vehicles driven less than 12,000 miles to the Fiscal Committee as required by Chapter 568:11, Laws of 1981. Chapter 568:11 requires agencies transfer all vehicles assigned to the agency for the entire fiscal year and driven less than 12,000 miles to the Division of Plant and Property Management or present a “clear and convincing case” to the Fiscal Committee to retain the vehicle.

According to the DAS *Annual Closing Review*, all vehicles with a rear seat used primarily for passenger transportation should be categorized as a passenger vehicle, including SUV and small vans, unless the SUV or van is primarily used for transporting cargo. Two DAS personnel suggest agencies do not have written or solid guidance to help them make a determination of whether a vehicle should be classified a passenger vehicle. However, DAS personnel state a vehicle should be considered a passenger vehicle for the purpose of reporting to the Fiscal Committee based on use or “if it has the capacity to transport passengers.”

According to F&G personnel, the DAS requires the Department to classify vehicles as “passenger vehicle,” “light truck,” “medium truck,” or “heavy truck” based on weight for purchase and inventory purposes. The F&G only considers sedans and small vans to be passenger vehicles and only reports those driven less than 12,000 miles to the Fiscal Committee. In SFY 2004 and SFY 2005, the F&G requested Fiscal Committee approval to retain nine vehicles; in SFY 2006, it requested approval to retain seven vehicles; and in SFY 2007, it requested approval to retain ten vehicles.

In SFY 2006, the F&G also had 24 SUVs, which have the capacity to transport passengers. Of 24 SUVs, we found 12 were classified as passenger vehicles, while 12 were classified as light trucks. In SFY 2006, the F&G requested Fiscal Committee approval to retain two SUVs driven less than 12,000 miles, although one other SUV not classified as a passenger vehicle was only driven 5,754 miles during the fiscal year.

DAS personnel also state a pickup truck is considered a passenger vehicle if it has an extended cab and the agency states it is used to transport passengers. The F&G does not consider its 47 extended cab trucks to be passenger vehicles; therefore it has not included them in its request to the Fiscal Committee. According to F&G Division Chiefs, vehicles including pick-up trucks are used to transport personnel and equipment to job sites and meetings around the State.

Table 18 below shows the number of vehicles the F&G requested Fiscal Committee approval to retain and the actual number of vehicles, including extended cab pick-up trucks and SUVs, driven less than 12,000 miles between SFYs 2004 and 2007.

Table 18

**F&G-Reported Vehicles Driven Less Than 12,000 Miles,
State Fiscal Years 2004-2007**

	2004	2005	2006	2007
Number Reported By F&G	9	9	7	10
Actual Vehicles Driven Less Than 12,000 Miles ¹	12	23	22	23
Notes: ¹ Includes all sedans, small vans, extended cab trucks, and SUVs from all divisions.				
Source: LBA analysis of F&G motor vehicle reports.				

We also noted the following in the F&G's Fiscal Committee requests from SFY 2004-2007:

- In SFY 2005, two additional vehicles classified by the F&G as passenger vehicles driven less than 12,000 miles were not included in the Department's request to the Fiscal Committee.
- One vehicle not included in the request in SFY 2005 was also not included in SFY 2006, although it had been driven less than 12,000 miles.
- In SFY 2005, five law enforcement vehicles were included in the Department's request to the Fiscal Committee, three of which were driven 225 miles, 3,477 miles, and 5,706 miles, during the fiscal year. In its request the Department stated these vehicles were used primarily as "spare vehicle[s] for the field officers when their regularly assigned vehicle is out of service..." All three vehicles were garaged in Concord, which had five other unassigned vehicles at the end of SFY 2005. The other two law enforcement vehicles included in the request were assigned to a part-time Deputy CO and a part-time regional OHRV coordinator.
- In SFY 2006, the F&G requested to retain a passenger vehicle located in Concord, which was driven 7,912 miles and "used as a pool vehicle by staff to travel to department facilities, meetings and public events throughout the State." The Division making the request had six other vehicles in Concord at the end of SFY 2006. The cost to reimburse employees for private vehicle use for SFY 2006 at the reimbursement rate of \$0.445 per mile, would have been \$3,520, while the Department-reported cost to maintain the vehicle (including gas, oil, insurance, repairs, and miscellaneous costs) for SFY 2006 was \$4,446 plus the annual depreciation cost of \$1,630, based on a ten-year replacement cycle. The Department also requested to retain this vehicle in SFY 2007.
- In SFY 2007, the F&G requested Fiscal Committee approval to retain three station wagons and three vans, all garaged in Concord, used by staff to "travel to department facilities, meetings, and public events throughout the State." The average mileage of the six vehicles was 9,294. There were four other pooled vehicles (two sedans and two SUVs) garaged in Concord at the end of SFY 2007.

The cost to the F&G to purchase and maintain vehicles compared to the cost to reimburse employees for use of their personal vehicle may not justify keeping them. Our analysis shows a total of 48 passenger vehicles and light trucks were driven less than 12,000 in SFY 2007 for a total of approximately 337,000 miles driven. This would have cost the Department \$163,000 to reimburse employees at the State reimbursement rate of \$0.485 per mile. Total depreciation costs, insurance, gas, and maintenance costs of the vehicles (assuming vehicles are replaced after ten years) were approximately \$170,000, resulting in potential savings of \$7,000 for the Department in SFY 2007.

RECOMMENDATIONS:

The F&G should determine the primary use of each SUV and extended cab truck for the purpose of preparing its Fiscal Committee request to retain vehicles driven less than 12,000 miles. Using this determination, the F&G should ensure all vehicles assigned to the Department for the entire fiscal year and driven less than 12,000 miles are reported to the Fiscal Committee.

The F&G should also assess whether it is more cost effective to reimburse employees for the use of their personal vehicle or to maintain a Department-owned vehicle for use by its employees.

The F&G should work with the DAS to clarify the definition of “passenger vehicle” for the purpose of the motor vehicle inventory and for the purpose of reporting passenger vehicles to the Fiscal Committee.

F&G Response:

We concur in part.

The primary use of each of the Department’s SUV and extended cab trucks, not currently classified as passenger vehicles, is to transport equipment associated with personnel performing their duties. The Department does not use these specific vehicles for transporting passengers.

The Department abides by The New Hampshire Code of Administrative Rule Adm308.02 (d) which states, “Privately owned motor vehicles shall not be used whenever state owned vehicles are assignable.”

We concur that the Department of Administrative Services should be the agency responsible for establishing a policy that clarifies the definition of “passenger vehicle” for the purpose of the motor vehicle inventory and for proper reporting of passenger vehicles to the Fiscal Committee that applies to all state agencies, not solely to the Fish and Game Department. This would alleviate discrepancies that may exist among state agencies relative to making this determination within their respective vehicle fleets. The Department will comply with all reporting requirements set forth by DAS.

Action to be Taken:

Await definition of passenger vehicle from DAS.

DAS Response:

We concur that clarity in the definition of "passenger vehicle" for the purpose of the motor vehicle inventory and for the purpose of reporting passenger vehicles to the Fiscal Committee will be addressed with the Department of Administrative Services and New Hampshire Fish and Game. Currently, Administrative Procedures Adm. 305 State-Owned Motor Vehicles-Adm. 305.06 (d) is the guide that DAS uses to classify the type of vehicle when purchased, this procedure is in the process of being updated to provide updated and accurate use and classification of state-owned vehicles.

Observation No. 26

Contract For Vehicle Repairs And Maintenance

In SFY 2007, the F&G expended approximately \$169,000 on vehicle repairs and maintenance for its fleet of 149 vehicles. Although the majority of individual expenses were less than \$2,000, the F&G paid 11 vendors between \$5,000 and \$10,000 for vehicle repairs and maintenance. However, it has not established contracts with these vendors or sought competitive bids for the work. According to F&G personnel, the Department has not established contracts with vendors for vehicle repairs and maintenance because the DAS does not require it.

The F&G must make efficient use of its resources and ensure it is getting the best value for services. Competition is usually the most effective means of obtaining goods and services at a fair and reasonable price and is in the public interest. We note states such as Texas, Delaware, and New York, as well as municipalities, require competitive bidding for procuring vehicle repair and maintenance contracts.

RECOMMENDATION:

The F&G should establish contracts with vendors for vehicle repair and maintenance and competitively bid them to ensure the Department is obtaining the best possible value.

F&G Response:

We concur in part.

The Department agrees it must make best use of its financial resources.

If contracting through competitive bidding is the most effective means of obtaining the best vendor pricing for vehicle repair and maintenance we feel it should be done for all state agency vehicles that require vendor services. Since the Department of Administrative Services Bureau of Purchase and Property is already responsible for establishing state contracts for other goods

and services it would appear establishing these types of vendor contracts for vehicles could be handled more efficiently within this agency's bureau, rather than on an individual agency by agency basis, thereby providing a cost savings benefit to all state agencies.

Since the Department's fleet vehicles are located throughout the state; a large number of contracts would be required to cover all of the needs. Administratively, the Department does not currently have the personnel resources required to process all of the RFPs and contracts that would be necessary if this function was to be done at the agency level rather than at the state level.

As stated under the Department's response to Observation No. 28, there is a need to secure funding for 1 full-time employee to perform the required job functions of a fleet manager.

Action to be Taken:

We will continue to comply with all of the Department of Administrative Services requirements.

Observation No. 27

Follow State Procurement Procedures For Vehicle Repairs Under \$2,000

The F&G does not follow procedures established by the DAS for procuring repair services under \$2,000. The DAS *Administrative Handbook* requires agencies to obtain three telephone quotes for procuring services up to \$999 and three written quotes for services between \$1,000 and \$1,999. Agencies are required to submit requisition forms for services totaling \$2,000 or more to the DAS Bureau of Purchase and Property for competitive bidding. Services under \$2,000 do not require DAS authorization or competitive bidding; however, according to DAS personnel, the agency's purchasing agent must obtain written quotes from a vendor for services between \$500 to \$1,999.

According to F&G officials, personnel assigned a vehicle are responsible for approving vehicle maintenance and repairs up to \$300 without prior Department authorization. Repairs between \$300 and \$1,999 require prior approval from the Equipment Operations Supervisor, the Support Services Division Chief, or the Law Enforcement Division Chief; however, the Department does not require three written or telephone quotes prior to authorizing these repairs.

RECOMMENDATIONS:

The F&G should require telephone quotes and written quotes for vehicle repairs under \$2,000 as established by the DAS in the *Administrative Handbook*. Obtaining quotes will help ensure the F&G is receiving the best value for services. The F&G could also seek to establish larger contracts with vendors for fleet repair and maintenance as addressed in Observation No. 26.

F&G Response:

We do not concur.

The DAS Administrative Handbook does not require telephone or written quotes for vehicle repairs under \$2,000 because they are not contracted services.

The Department does comply with Adm 608.01 Repairs to Motor Vehicles, paragraph (a)

(a) Repairs to motor vehicles for amounts equal to or less than the amount established by RSA 21-I:11, IV {\$2,000 as cited below} may be accomplished by the agency without processing through the division (of Purchase and Property).

RSA 21-I:11, IV Except where competitive bidding has been employed, no purchase involving an expenditure of more than \$2,000 or purchase in an approved class may be made by the director of plant and property management without the written approval of the commissioner. In requesting such approval, the director shall first state in writing his reasons for not employing competitive bidding.

The DAS Administrative Handbook instructions are for contracted services and we are not contracting with vendors to provide service to our fleet. The procurement of tangible items is handled through the Division of Purchase and Property and according to Adm 607.01 Types of Requisition Forms and Additional Approvals Required for Information Technology Purchases, paragraph (c).

(c) Agencies shall requisition commodities valued at a total cost of over \$500 which are not covered by a preexisting state contract, as well as commodities valued at a total cost of \$500 or under for which no field purchase order authorization has been given, by fully executing and submitting to the division the form describe at Adm 607.05 below.

The Department contacted the fleet manager at another state agency to inquire as to their procedure for vehicle maintenance. They follow the same guidelines as Fish and Game and do not contract for any type of vehicle repairs less than \$2,000 and they utilize many vendors throughout the state.

Action to be Taken:

We will continue to comply with all of the Department of Administrative Services requirements.

Observation No. 28

Establish Regional Office Pools Of OHRVs And Snowmobiles And Reassess Department Needs

The F&G maintains a fleet of 79 snowmobiles and 69 OHRVs, which could be pooled among Divisions at regional offices. The Wildlife, Public Affairs, and Inland Fisheries Divisions have 21 OHRVs and 19 snowmobiles at the Concord headquarters and regional offices throughout the State. Thirty-six Law Enforcement OHRVs and 36 snowmobiles are assigned to individual COs.

The Law Enforcement Division also has 12 OHRVs and 24 snowmobiles as spares. Of the 12 spare OHRVs, seven are kept at regional offices, an additional three are kept at CO homes, and two are assigned to Deputy COs and are garaged at their residences year round. Of the 24 spare snowmobiles, 17 are kept at regional offices, an additional five are kept at CO homes, and two are assigned to Deputy COs. In SFY 2007, these Deputy COs worked a total of 342 and 83 hours (the equivalent of 8.5 and two weeks, respectively) on combined OHRV and snowmobile duty. In SFY 2007, the four divisions had a total of 33 pooled or spare OHRVs and 43 snowmobiles.

Currently, each Division has its own pool of OHRVs and snowmobiles at each regional office. According to F&G Division Chiefs, OHRVs and snowmobiles are used for various purposes depending upon Division objectives. The Wildlife Division uses OHRVs and snowmobiles to complete wildlife surveys; the Inland Fisheries Division uses them to feed or net fish, clean pools, or clear fallen tree limbs; and the Public Affairs Division uses them for federally-funded education programs (i.e. Hunter Education and Aquatic Resources Education), and to get to remote locations to shoot footage for the Department’s television programs.

Table 19 below shows the number of OHRVs by location in SFY 2007. As shown in the table the Lancaster regional office had five OHRVs within two divisions. Additionally, the New Hampton, Warren, and Berlin hatcheries have five, four, and three snowmobiles, respectively. According to the Inland Fisheries Chief, the OHRVs at the two hatcheries are used instead of 4-wheel drive vehicles to access feeding pools or clear fallen tree limbs.

Table 19

**OHRVs By Location,
As Of October 2007**

Office	Wildlife	Public Affairs	Inland Fisheries	Law Enforcement¹	Total
New Hampton Regional Office				4	4
New Hampton Hatchery			5		5
Lancaster Regional Office	3			2	5
Concord Headquarters	2			3	5
Warren Hatchery			4		4
Berlin Hatchery			3		3
Durham Regional Office	1			2	3
Keene Regional Office				1	1
Powder Mill Hatchery			1		1
Milford Hatchery			1		1
Owl Brook Hunter Education Center		1			1
Total	6	1	14	12	33

Note: ¹Includes all spare and unassigned OHRVs at CO homes and district offices.

Source: LBA analysis of F&G OHRV inventory as of October 2007.

Table 20 shows the number of pooled snowmobiles by location in SFY 2007. There were ten pooled snowmobiles located at the Concord headquarters within three Divisions, 12 at the Lancaster regional office, 11 at the New Hampton regional office, six at the Durham regional office, and four at the Keene regional office. While use by hours or mileage is not tracked, one Division Chief indicated the Division’s machines are not always used to maximum capacity and noted assigning three machines to one person in one regional office was based on “past staffing” and did not reflect current division needs.

Table 20

**Snowmobiles By Location,
As Of October 2007**

Office	Wildlife	Public Affairs	Inland Fisheries	Law Enforcement ¹	Total
Lancaster Regional Office	5		1	6	12
New Hampton Regional Office	1		2	8	11
Concord Headquarters	3	2		5	10
Durham Regional Office	2			4	6
Keene Regional Office	2		1	1	4
Total	13	2	4	24	43

Note: Includes all spare and unassigned snowmobiles at CO homes and district offices.
Source: LBA analysis of F&G snowmobile inventory as of October 2007.

RECOMMENDATIONS:

The F&G should discontinue the practice of assigning OHRVs and snowmobiles to each Division and establish pools at each regional office for Department use.

The F&G should track OHRV and snowmobile use in a central database as we recommend in Observation No. 25.

The F&G should conduct an annual utilization assessment of all OHRVs and snowmobiles to determine the appropriate number of OHRVs and snowmobiles in the Department’s fleet.

The F&G should use the annual assessment to determine if the number of OHRVs, and snowmobiles could be reduced. By reducing the number of OHRVs and snowmobiles, the F&G could eliminate future replacement costs by approximately \$4,600 per OHRV and \$5,500 per snowmobile,⁶ as well as gas, repairs, and maintenance costs.

The F&G should also discontinue the practice of assigning Deputy COs OHRVs and snowmobiles.

⁶ Based on the acquisition costs of OHRVs and snowmobiles currently owned by the F&G.

F&G Response:

We concur in part.

The tables used in this observation contain information that is significantly different when compared to the Department's current inventory accounting. In Table 19 and Table 20, the Department inventory as of January 2008 indicates the Law Enforcement Division as having the following number of unassigned (OHRV and snowmobiles not assigned due to vacant patrols) and spare (OHRV and snowmobiles considered in addition to assigned CO patrol areas) OHRV and snowmobiles at each location.

	OHRV	Snowmobile
<i>Lancaster Regional Office:</i>		
<i>Law Enforcement District 1</i>		
<i>Unassigned</i>	<i>1</i>	<i>1</i>
<i>Spare</i>	<i>1</i>	<i>4</i>
<i>New Hampton Regional Office:</i>		
<i>Law Enforcement Districts 2 & 3</i>		
<i>Unassigned</i>	<i>3</i>	<i>3</i>
<i>Spare</i>	<i>0</i>	<i>3</i>
<i>Concord HQ:</i>		
<i>Law Enforcement District 5 & HQ Command Staff</i>		
<i>Unassigned</i>	<i>1</i>	<i>1</i>
<i>Spare</i>	<i>1</i>	<i>3</i>
<i>Durham Regional Office:</i>		
<i>Law Enforcement District 6</i>		
<i>Unassigned</i>	<i>1</i>	<i>1</i>
<i>Spare</i>	<i>1</i>	<i>3</i>
<i>Keene Regional Office:</i>		
<i>Law Enforcement District 4</i>		
<i>Unassigned</i>	<i>1</i>	<i>1</i>
<i>Spare</i>	<i>0</i>	<i>0</i>

Table 19 indicates 5 OHRVs at New Hampton. The Department is in the process of surplussing 3 of these machines and will do so by December 31, 2007. Table 19 indicates 4 OHRVs at the Warren Hatchery; 1 of the OHRVs will be surplus by December 31, 2007 and 1 OHRV is being transferred for use at the Twin Mountain Hatchery.

The Department recognizes the need to use a central database to track machine use and costs as well as to conduct an annual assessment, however due to the lack of personnel resources (a dedicated 100% full time fleet manager) this task is unattainable at this time. As stated under the Department's response to Observation No. 11, there is a need to secure funding for 1 full time employee to perform the required job functions of a fleet manager.

Action to be Taken:

The F&G will continue to assign OHRVs and snowmobiles to the Law Enforcement Division as their needs differ from that of the other divisions. The Department will take steps to assess the ability to pool appropriate OHRVs and snowmobiles at regional offices. Many of these machines are of various sizes and types purchased for specific various activities.

The Department will discontinue the practice of assigning Deputy COs OHRVs and snowmobiles and they will use pooled machines.

Observation No. 29

The Public Affairs Division Should Be Responsible For OHRV And Snowmobile Education

The F&G Public Affairs Division is responsible for administering the Department's informational and educational programs; however the OHRV and snowmobile training and education programs are administered by a Major in the Law Enforcement Division. Functionally, the OHRV and snowmobile training and education programs are more closely aligned with the responsibilities of the Public Affairs Division than with those of the Law Enforcement Division. A 1987 Sunset Commission Report also noted this inconsistency, specifically noting the assignment of a Lieutenant to OHRV education was inappropriate, and recommending the Legislature direct the F&G to move OHRV education to the division responsible for information and education with a civilian administrator. In 1992, a civilian Safety Education Coordinator in the Law Enforcement Division administered the education program, while a CO coordinated OHRV enforcement. However, in 1999 the responsibility for OHRV education was transferred to a CO when the Safety Education Coordinator left the Division.

OHRV and snowmobile training, education, and enforcement is funded through OHRV and snowmobile registrations. The Law Enforcement Division offers three courses as part of the OHRV and snowmobile training and education programs:

- RSA 215-A:29, VI and 215-C:49, VII, require the F&G provide a basic training course for OHRV, trail bike, and snowmobile riders over the age of 12 who do not possess a driver's license. The course is taught by volunteer OHRV and snowmobile instructors or part-time OHRV coordinators. In SFY 2007, 1,650 students attended the course.
- RSA 215-A:19, IX and 215-C:34, VIII require persons convicted of violating OHRV or snowmobile laws complete an OHRV or snowmobile training program at the person's expense. The F&G charges attendees \$25 for the course, which is taught exclusively by either the Major or a Lieutenant. During SFY 2007, 123 attendees took the course, generating \$3,075 in revenue for the program.
- The third course, taught only by the Major, trains volunteers to provide the basic OHRV and snowmobile education course required by RSAs 215-A:29,

VI and 215-C:49, VII. In SFY 2006 and 2007, a total of 30 instructors received training.

Within the Public Affairs Division, the Hunter Education Coordinator administers Hunter, Bow Hunter, and Trapper Safety education programs, which are taught by certified volunteer instructors. According to Department personnel, COs briefly attend Hunter, Bow Hunter, and Trapper Safety Education courses to promote compliance from the users and to answer students' law-related questions. The Public Affairs Division also conducts a course to certify volunteers as hunter education instructors, which is taught by the Hunter Education Coordinator.

According to Law Enforcement Division personnel, the Division administers the OHRV and snowmobile training and education programs because there is a need for close coordination of engineering (i.e. trail development), education, and enforcement. Additionally, the Division reports it can quickly adjust training curriculum in response to issues identified on the trails. We note the DRED's Bureau of Trails is responsible for trail maintenance. While OHRV education courses must be adjusted timely to respond to safety issues identified during the season, the same can be said for hunter safety courses coordinated by the Public Affairs Division.

The Law Enforcement Division could not provide a breakdown of hours or percentage of time spent administering OHRV and snowmobile training and education compared to coordinating enforcement. However, the OHRV administrator reported when education was administered by a civilian, coordinating enforcement encompassed approximately half of a full-time position. When comparing the pay scales of the Hunter Education Coordinator and the current OHRV administrator, the Department could save approximately \$13.75 per hour on administration and instructor training time if the program was administered by someone in the same pay grade as the Public Affairs Division's Hunter Education Coordinator. Assuming OHRV education and training is 50 percent of the OHRV coordinator's workload, the F&G could save approximately \$13,000 per year.

RECOMMENDATIONS:

The F&G should functionally align its programming by placing responsibility for coordinating OHRV and snowmobile education and training within the Public Affairs Division. The F&G should assign a civilian to administer the program.

To be consistent with Hunter, Bow Hunter, and Trapper education courses, the F&G should assign the civilian OHRV training and education coordinator the responsibility of teaching the course to certify new OHRV instructors, while volunteer instructors should teach the course for those violating OHRV or snowmobile laws.

To ensure a continued timely response to safety issues identified during the season, COs should attend OHRV safety courses, and coordinate with the Public Affairs Division in creating and implementing the OHRV curriculum.

F&G Response:

Do not concur.

The Department disagrees with the following comments and offers these explanations:

- A 1987 Sunset Report recommended that the Safety Education Program be transferred to the Information and Education Division and be administered by a civilian. In response to the Sunset reports, the Department created the civilian position, but a decision was made to have the Program and the civilian position remain within Law Enforcement.
- The program is administered by a Major. Even though the program is administered by the Major it was not established as the OHRV Program Coordinator. It is a long established position within the Law Enforcement Command structure. Due to a series of circumstances that included a dramatic expansion of the program, the responsibilities remained with the individual who currently holds the position of Major. The first Program Coordinator held the rank of Sergeant. Due to a variety of other Fish and Game responsibilities the position was reclassified to an Administrative Lieutenant. In 1999 the positions of Law Enforcement Coordinator and Civilian Safety Education Coordinator were combined. With this transition the Law Enforcement Command Staff reorganized and the Administrative Lieutenant's position was reclassified to a Captain. In 2003 the Acting Executive Director, due to the complexity of the OHRV responsibilities, promoted the Captain to Major and authorized the OHRV duties to transfer to the Major. The Supplemental Job Descriptions for the Captain and Major were not modified to reflect this change.
- The classes taught by the Major could be taught by a civilian; new volunteer instructors, Adult Ethics and Responsible Riders class and the Student Certification class. See Table 1 for a breakdown of the types of classes and the number of participants over the Audit period, and not for just one year. Many new Volunteer Instructors are recruited and trained by other Volunteer Instructors and the Part Time Regional Coordinators. A field Lieutenant and two Conservation Officers were trained to conduct the Responsible Riders Class. The Part-Time Regional Coordinators and Volunteer Instructors were asked to observe and conduct the Responsible Riders Class. Due to the types of questions and the attitude of the participants all Instructors felt the classes were best taught by a uniformed Conservation Officer. It is the Department's opinion that new staff positions would have to be created if the OHRV Safety Education Program is transferred to Public Affairs. These new staff positions would eliminate any potential cost savings suggested in the Observation.

Table 1 Summary of Safety Education Metrics

	YOUTH	NEW INSTRUCTORS	ETHICS CLASS	NO. OF SPEED SUMMONES **
FY 2003	2,376	40	72*	415
FY 2004	2,564	55	277	456
FY 2005	2,523	33	173	158
FY 2006	2,264	24	100	122
FY 2007	1,676	5	123	166
TOTAL	11403	157	745	1317
* Partial Year effective with 2002 Legislation. ** Speed is one of seven violations that trigger the Ethics and Responsibility Class requirement, but is the most commonly committed violation				

- *It was estimated that the Major spends approximately 50% of his time with Safety Education. While a time estimate comparing Safety Education and Law Enforcement could not be provided, 50% is too high. An appropriate estimate is closer to 30%. The Executive Secretary's position within Law Enforcement was reclassified to Program Assistant II to assist the Program Coordinator. The Program Assistant II is responsible for the daily operations, while the Program Coordinator is responsible for coordination and oversight of the OHRV Law Enforcement and Safety Education Programs.*
- *Functionally, the OHRV and snowmobile training and education programs are more closely aligned with the responsibilities of the Public Affairs Division than with those of the Law Enforcement Division. The Department disagrees and suggests common practice indicates the program is more closely aligned with Law Enforcement, as shown in Table 2. A review of Program Coordinators' responsibilities in most of the 26 snow-belt states demonstrates that Law Enforcement Agencies administer Safety Education Programs. Each state aligns these responsibilities because of the overlapping responsibilities between Law Enforcement and Safety Education.*

Agency responsible for conducting Safety Education Programs

<i>STATE</i>	<i>ADMINISTRATING AGENCY</i>
<i>Maine</i>	<i>Inland Fisheries and Wildlife, Warden Service</i>
<i>Vermont</i>	<i>State Police</i>
<i>Massachusetts</i>	<i>Environmental Police</i>
<i>Wisconsin</i>	<i>DNR*, Bureau of Law Enforcement</i>
<i>Michigan</i>	<i>DNR, Bureau of Law Enforcement</i>
<i>Minnesota</i>	<i>DNR, Bureau of Law Enforcement</i>
<i>* DNR is the Department of Natural Resources</i>	

Action to be Taken:

The Department will continue to periodically review the OHRV and Snowmobile Education Program responsibilities and make changes as appropriate.

Observation No. 30

Establish A Cost Allocation Plan For Public Affairs Work Benefiting The Dedicated Accounts

Thirteen of the F&G 21 programs funded by dedicated accounts in effect from SFY 2002 through 2007 allow the F&G to use funds for educating, promoting, producing, or providing information to the public. The F&G's Public Affairs Division performs all of these functions; however, the Division does not charge personnel time spent working on related projects to any of the dedicated accounts and the Division only charges two dedicated accounts for the cost of training materials.

Table 21 below shows the 13 dedicated accounts and the statutory language authorizing education, promotion, or providing information to the public as an allowable use of funds. The Public Affairs Division generally supports programs funded by the dedicated accounts through:

- providing information to the public through press releases, news articles, the F&G website, brochures, publications such as the Hunting and Fishing Digests, and direct mail campaigns;
- promoting the State's resources through segments on the Department's Wildlife Journal television program, Outdoor Almanac radio show, and F&G magazines;
- promoting and advertising activities and fundraising campaigns; and
- educating the public about wildlife resources by providing curricula for school teachers, coordinating special events, and conducting workshops and training.

The Public Affairs Division relies on unrestricted Fish and Game funds for over 60 percent of its budget. The F&G has predicted a shortfall of nearly \$1.5 million in unrestricted Fish and Game funds for the 2008-2009 biennium. However, 11 of the 13 dedicated accounts allowing the Department to use funds for education, information, promotion, or publication had an average ending balance of \$277,000 in SFY 2007.

Prior to SFY 2004, the Public Affairs Division charged some dedicated accounts for the cost of materials and personnel time for producing these materials. In the fall of 2003, a member of the public questioned the Division's use of dedicated funds for a particular project, and after a review of statutorily authorized use of dedicated funds the former Executive Director determined the Division would no longer charge program expenses against dedicated accounts. Public Affairs Division officials estimate non-federally funded staff spend between 50 and 60 percent of their time on projects directly related to the dedicated accounts. However, staff also clarify this percentage is of questionable accuracy because the Division does not track staff by time spent on dedicated account-related projects. If the percentage were accurate, spending in the unrestricted Fish and Game fund could have been reduced by over \$290,000 by charging staff time directly to dedicated accounts in SFY 2007.

Table 21

Dedicated Accounts Statutorily Authorized Use Of Funds

RSA	Statutorily Authorized Use Of Funds	Account Name
206:22-a, I	"...shall be used for the purpose of producing, purchasing or marketing publications and specialty items..."	Sale of Specialty Items
206:33-d, I	"...gifts and donations to support...conservation education activities, and opportunities to use, access, and appreciate these public resources by promoting the benefits of the initiative..."	Wildlife Legacy Account (Effective July, 2006)
206:35-b	"The money in said account shall be...used exclusively for the implementation of a comprehensive wild turkey management program, including education..." (repealed effective July 1, 2007.)	Propagation of Wild Turkey
208:1-a, III	"The moneys in this account shall be used exclusively for the implementation of a comprehensive moose management program, including education..." (repealed effective July 1, 2007.)	Moose Management
208:24, IV	"The moneys in this account shall be used exclusively for the implementation of a comprehensive black bear management program, including education..." (repealed effective July 1, 2007.)	Black Bear Conservation
210:25	"...a program to provide education to the citizens of the state of New Hampshire on the practice of trapping fur-bearing animals..."	Trapper Education
212-B:5, I (a)	"...shall develop and implement a comprehensive nongame species management program that may include...(a) Education of the public regarding New Hampshire's nongame resources..."	Nongame Species Management
214:1-d, II (c)	"...shall be used exclusively...for the following purposes...(c) Up to 25 percent shall be expended for the promotion of the state migratory waterfowl stamp and print." (amended, account removed effective July 1, 2007. Further repealed and reenacted effective January 1, 2008)	Waterfowl Conservation
214:1-f,VII (e) & (f)	"...may only be used for the following purposes...(e) The promotion and production of the wildlife habitat stamp and artwork; and (f) Providing information to the public on the location of properties managed by the fish and game department."	Wildlife Habitat Stamp Program
214:1-g, IV	"The fisheries habitat account...may only be used for the following purposes...(e) Providing information to the public on the location of fisheries managed..."	Fisheries Habitat Fee
214:9-e, IV	"shall be used...exclusively for the implementation of a comprehensive management program, including education..."	Atlantic Salmon Broodstock (Established under RSA 214:9)
215-A:23, VIII (b)	"...shall be used for...(b) Establishment of snowmobile and OHRV training programs..."	OHRV Education And Training
261:97-c, II (b)	"...shall be used to support the New Hampshire nongame species management act...includ[ing]...(b) Provid[ing] information to resource professionals, landowners, and school children to enhance awareness and promote protection of New Hampshire's wildlife."	Conservation License Plate

Source: LBA analysis of statutes.

RECOMMENDATIONS:

The F&G should establish a cost allocation plan to allow Public Affairs Division expenditures to be reimbursed from the dedicated accounts, including personnel time and associated benefits, while working on related projects. The F&G should document all policies and procedures related to the cost allocation plan.

Public Affairs Division projects affecting dedicated accounts should be initiated by the responsible Division Chief, tied into the initiating Division's programs and priorities, and be approved by the Executive Director.

F&G Response:

We concur in part.

The Department concurs that adequate resources should be available to cover salaries and benefits of Department employees. We do not believe that a cost allocation system should be developed to share dedicated account revenues for any one Division, however. RSA 206:35 clearly states that the salaries and expenses of all employees of the Fish and Game Department "shall be charged to and paid out of said fish and game fund." While the purposes of each dedicated account varies, it is the Department's general understanding that the intent of the legislature when creating the various dedicated accounts was to provide program funds for various specialty, unfunded or under-funded programs.

The development of an accurate and comprehensive cost allocation system to recover the actual salary and benefit costs of all staff from dedicated accounts would be extremely cumbersome, time consuming and expensive, and would be in conflict with the RSA 206:35. The current practice of charging dedicated accounts "reimbursement fees" to recover a portion of salary and benefit costs of some staff and "administrative fees" to recover administrative costs as well as salary and benefits of other staff, is an expected outcome of a self funded agency when revenues to support salaries becomes limited and additional administrative costs are added to already stretched budgets. Under these circumstances the agency is under extreme pressure to generate revenue from whatever sources are available.

A more efficient and consistent approach for dealing with this issue would be to conduct a comprehensive review of the number and function of all the dedicated accounts, resulting in fewer accounts with clearly stated allowable and non-allowable uses of the funds, and a consistent process for approving expenditures. As a component of that review process, an appropriate allocation of revenue could be assessed each dedicated account to offset the cost of staff and administrative overhead. In this way staff and administrative costs are covered without the need to develop and operate a cumbersome and complicated system of charging a myriad of accounts based on daily activities of multiple staff. The process would be consistent with RSA 206:35 as staff and expenses would be paid out of the Fish and Game Fund, and dollars deposited in the dedicated accounts would be available to cover the legislatively established purposes.

In response to the recommendation that all projects affecting dedicated accounts be initiated by the responsible Division Chief, tied to the Division's programs and priorities, and approved by the Executive Director and/or the Commission, the Department feels this already occurs through a variety of internal mechanisms. These include the Director providing limited power of attorney for signing Field Purchase Orders, Requisitions and Agency Purchase Orders, Commission Approval of program expenditures and delegation of authority by Division Chiefs to program supervisors. All Bureau of Graphic Services request forms are initialed by the initiating Division Chief, and invoices are reviewed and coded for federal aid reimbursement. As such, adequate program review and oversight is exercised.

Action to be Taken:

The Fish and Game Department will work with the legislature to determine the appropriate number and purpose of dedicated accounts, and the proper allocation of dedicated account revenue to be directed to the Fish and Game Fund to be used to support department staff and administration.

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

OTHER ISSUES AND CONCERNS

In this section, we present issues not developed into formal observations, but we consider noteworthy. The New Hampshire Fish and Game Department (F&G) and the Legislature may consider these issues and concerns deserving of further study or action.

Analyze Overlapping F&G And DRED Responsibilities For Improved Efficiency And Effectiveness

In the Executive Branch Reorganization Act of 1983 (RSA 21-G), the Legislature found the State structure was confusing, resulting in a lack of policy coordination, overlapping agency jurisdictions, duplication, and an ineffective use of the State's limited financial resources. It declared the goal of reorganization was to improve public understanding of government programs and policies by clearly defining jurisdictions and to improve the relationships between citizens and administrative agencies through coordination of related programs in function-oriented Departments. RSA 21-G:4 requires the number of State entities be reduced and functionally consolidated to facilitate program coordination and comprehensive planning. It also states structural reorganization should be continual through careful review and coordination of existing programs in response to changing public needs. In 2003, the Governor and Legislature appointed a commission to identify opportunities for restructuring State government to: promote efficiency, encourage cost savings, enhance accountability and control, improve coordination, reduce redundancy in State government, and provide better government for the taxpayer's dollar.

As the guardian of the State's fish, wildlife, and marine resources, the F&G works to conserve, manage, and protect these resources and their habitats; inform and educate the public about these resources; and provide the public with opportunities to use and appreciate these resources. These activities are similar to those performed by various Divisions within the Department of Resources and Economic Development (DRED). Specifically, the Division of Forests and Lands is responsible for protecting and promoting the values provided by forests through responsible management of resources; providing resource information and education to the public; and protecting these resources for the benefit of the State's citizens, visitors, and forest industry. The Division of Parks and Recreation maintains, protects, and preserves State parks to ensure accessibility for recreational, educational, and other uses, as well as manages motorized and non-motorized trails for snowmobiles and Off Highway Recreational Vehicles (OHRV), hiking, bicycling, cross country skiing, and other uses. The Division of Travel and Tourism Development is responsible for developing and promoting the State as a travel destination to increase visitation, expenditures, business activity, and employment throughout the State.

In our survey of nine eastern states, eight states' fish and wildlife agencies are located within a larger natural resource agency. While the F&G primarily targets hunters and anglers, national studies show a decline in these activities and increasing popularity in other outdoor recreation. F&G management stated the trend will likely continue due to lifestyle changes, demographics, and declining access to hunting and fishing spots. These factors do not appear likely to reverse themselves in the future. As other constituent groups become a larger portion of those benefiting from F&G activities and as the F&G's constituency and focus becomes more aligned with the

DRED, the State should reassess the administration of the F&G's programs, incorporating input from all stakeholders, and determine whether they should continue to be exclusively managed by the F&G.

F&G Response:

We agree that some of the functions and regulated activities carried out by DRED and the Fish and Game Department can be generically classified as natural resource-based responsibilities. However, the focus of our responsibilities is distinctly different in most cases.

The comments made on this issue state that eight of nine eastern states surveyed had fish and wildlife agencies located within a larger natural resource agency. Our collective opinion in working with those agencies over many years is that a natural resource agency structure tends to increase levels of administration and bureaucracy. This may result in increased costs, while reducing the responsiveness and efficiency of the fish and wildlife agency.

The Fish and Game Department also has responsibilities similar to several other agencies within state government beyond just DRED, the Department of Environmental Services and the Dept. of Agriculture are examples of two others. In those instances where cooperation on addressing overlapping issues is appropriate, good working relationships and coordination of actions exist both formally (MOUs and MOAs) and informally. In fact the performance Audit Report (page 5 paragraph 3) specifically states "We found the general functions of the F&G are assigned to the agency most adequately prepared and equipped to administer them, and most areas of overlap are well coordinated through memoranda of understanding (MOU) or memoranda of agreement (MOA) with other agencies."

The comments also make the case that participation in hunting, fishing and trapping is declining, and that the trend is likely to continue in the future. While this may be true, the comments seem to indicate it's anticipated this type of outdoor participation will continue to drop to a point (theoretically to zero) where Fish and Game's constituency and focus will become more aligned with that of DREDs. We do not agree the missions and focus of the two agencies will become so similar that a single agency would be a more effective way to respond to the Department's constituency base.

While hunting and fishing participation has declined collectively ~26% between 1991 and 2006, the number of days of hunting and fishing in New Hampshire declined by less than 6% during this same time frame (Source: 1991 and 2006 National Survey of Fishing, Hunting, and Wildlife Associated Recreation produced jointly by the US Department of Interior and the US Department of Commerce). This difference in the rate of decline between these two measures provides strong evidence that it's primarily the casual hunting and fishing participants who have dropped out of these recreation activities rather than the more avid participants, who have always been at the core of our agency's constituency base. Based on this information it is our belief that hunting, fishing and trapping will always be an important part of New Hampshire's cultural heritage, with its own specialized needs. The audit team itself has expressed the importance of maintaining the provisions of RSA 206:2-a, II (d) which requires Fish and Game

Commissioners to be active outdoorsmen and hold a hunting or fishing license in at least five of the ten years preceding appointment (Observation No. 3).

We believe that hunting, fishing and trapping will always be a major component of our Department's focus, and that those interests are most effectively served by a strong, independent Fish and Game Department.

Remove Facility Construction And Maintenance From The Support Services Division

In 2004, the F&G eliminated its Access and Engineering Division, transferring the Facilities Construction and Maintenance section and Equipment Maintenance and Motor Pool section to the Support Services Division and reorganizing them as the Facilities Construction and Maintenance and Fleet Management sections. In August 2007, the Executive Director transferred Land Resources Bureau personnel responsible for land acquisition to the Facility Construction and Maintenance section.

The Support Services Division has historically been responsible for budgeting and fiscal control. The Chief of the Support Services Division is not sufficiently qualified to provide appropriate oversight and direction to construction, grounds keeping, and engineering. A vacant supervisor position within the Facilities Construction and Maintenance section has required the Support Services Division Chief to assume direct supervision over grounds, engineering, and construction personnel, requiring the Chief to operate outside her scope of expertise. Both the Support Services Division Chief and the Acting Executive Director reported the Division Chief's strengths are not in engineering and it is not in the best interest of the Department to keep engineering functions in the Support Services Division.

The Department's control environment and control activities are integral to ensure accountability of government resources and achieve effective results. Management's commitment to ensuring personnel possess a level of competence that allows them to accomplish their duties and identifying each position's appropriate knowledge and skills is an important internal control factor. Without supervisory personnel qualified to oversee the work of the Facilities Construction and Maintenance section, the section lacks adequate internal controls. The F&G should remove the Facility Construction and Maintenance section from the Support Services Division and establish a new division with a management structure that has the skills, knowledge, and abilities to adequately supervise the Division.

F&G Response:

The Department strongly concurs with the above recommendation in the report's Other Issues and Concerns section. The Department fully recognizes the fact the Chief of Support Services' expertise is with budgeting, fiscal control and other business functions of the Department.

The Department has already begun the process of reorganizing the Support Services Division by removing Facility Construction and Maintenance and the Lands Bureau and creating another division entitled Facility Construction/Maintenance and Lands. A new organizational structure has been developed and a Division Chief (Public Works Project Manager IV), which will require

a Professional Engineer (PE) license, will supervise the Division. Currently, the position is a Supervisor VI but included with the reorganization request will be a request to reclassify the position to Division Chief. A current Biologist II position is being requested to be reclassified into a Program Planner and will supervise the Land's Bureau, under the Division Chief, which currently consists of two Land Agents and a part-time Ecologist.

The request for reorganization is currently being drafted and will be sent to the Division of Personnel for approval and subsequent approval by the Governor and Executive Council. Once approved, the Department will recruit for the new Division Chief's position as engineering oversight is crucial to the Department's operations for facility construction including, but not limited to, the building of public boat access sites and the various construction projects that occur at our hatcheries.

This reorganization can and will be accomplished within our current budget and with no new additional staff.

Ensure Statements Of Financial Interest Are Filed Timely

RSA 15-A states any person appointed by the Governor or the Governor and Council to any board or commission, or any person not employed or contracted by the State, working on behalf of the Governor or agency while engaged in State business shall file a statement of financial interest by the third Friday in January or within 14 days of assuming office. According to RSA 15-A:7, any person who knowingly fails to comply shall be guilty of a misdemeanor. However, we did not find statements of financial interest for two of the 11 Commissioners at the Secretary of State's Office for SFY 2007. While F&G personnel provide Commissioners with statement of financial interest forms and remind them to file before the deadline, the Department does not ensure all statements are filed with the Secretary of State by the deadline. Some Commissioners reported sending the statement directly to the Secretary of State, while others reported giving the statement to F&G personnel for delivery to the Secretary of State's Office.

The F&G reports some volunteers have reacted negatively to the requirement. The F&G uses volunteer hours to match federal grants; therefore, the requirement may negatively impact the F&G's ability to meet federal match requirements if volunteers refusing to complete the statement also stopped volunteering. In the 2007 Legislative session, the Department supported legislation to exempt volunteers serving in a non-policy making capacity from filing the statement; however, the bill was laid on the table. In the 2008 Legislative session the F&G made a similar request through House Bill 1219.

We recommend the F&G establish procedures to assist all Commissioners submit statements of financial interest timely. The Legislature may also wish to consider the impact of requiring volunteers to sign statements of financial interest.

F&G Response:

RSA 15-A:3 requires certain persons to file a statement of financial interests. RSA 15-A:3 III requires "Every person appointed by the governor, governor and council, president of the

senate, or the speaker of the house of representatives to any board, commission, committee, board of directors, authority, or equivalent state entity whether regulatory, advisory or administrative in nature.” This would include the Commissioners. This statement of financial interests is filed by the individual with the Secretary of State. These statements include nonpublic information as well as public information that the Secretary of State is required to make available.

The Department will continue to provide the forms and the reminder to each Commissioner of their responsibility to file with the Secretary of State. We do not feel that the Department should retain these documents for Department use nor should the Department be responsible for the individual’s compliance with the law.

Establish Controls Over Money Collected By Hunter Education Instructors

F&G administrative rules FIS 1201.07 and FIS 1202.06 allow volunteer hunter education instructors to charge each student up to five dollars to attend mandatory hunter and bow hunter education classes. Administrative rules allow instructors to use the money for incidentals; however they prohibit instructors from collecting money in excess of the cost of running the class. Between SFY 2002-2007, 19,083 students attended hunter, bow hunter, and trapper education classes. The F&G does not require instructors to account for the money collected or remit receipts for items purchased; therefore it does not know whether volunteer instructors are in compliance with administrative rules.

According to F&G personnel, the Department does not require volunteer instructors to account for money collected because the fees collected are lower than the cost instructors incur to teach a course. In 2006, the Department increased the fee from two dollars to five dollars because, according to F&G personnel, some instructors mail course materials to students prior to the beginning of class and the cost of postage alone is more than the two-dollar fee. However, without requiring instructors to account for money collected or submit receipts, the F&G does not have adequate information to ensure instructors are not collecting more than the cost of teaching the course. The F&G should require volunteer instructors to account for money collected and submit receipts for incidental expenses.

F&G Response:

The Department promulgated rule Fis 1201.07 to effectively cap the amount of money Hunter Education Instruction Teams could charge for incidental costs and materials not covered by the Department. This might include refreshments, facility costs, equipment rental or purchase, other training aids or team shirts to identify the instructors. This is handled in accordance with federal regulations that describe program income and was again sanctioned during a Performance Review conducted by the Northeast Region Federal Aid Coordinator for the US Fish and Wildlife Service as recently as 2005.

The Department will review the situation and examine the feasibility of asking Chief Instructors to answer two questions: whether or not a fee was collected and what the fee was used for, in

reports they already submit to the Department. This will provide more information on the number of teams who collect fees and how those fees are expended.

Improve OHRV Contracting Practices

RSA 215-A:23, VIII(f) authorizes the F&G to contract with local law enforcement agencies to enforce OHRV laws. The F&G contracted with 73 police localities for OHRV patrol in 2007 at a cost of \$307,370. According to a Department official, each year a list with all interested police localities, a sample contract, and the aggregate amount of requested funding is sent to the Governor and Council for approval. Completed contracts with Office of the Attorney General (OAG) approval are not submitted to the Governor and Council for approval.

The Department of Administrative Services *Administrative Handbook* requires personal service contracts totaling \$2,500 and above receive Governor and Council approval. Additionally, prior to submitting the contract to the Governor and Council, an OAG signature is required.

Current procedures reduce assurances State interests are protected. The F&G should establish formal policies and procedures for its local enforcement agency OHRV patrol contracts and ensure they comply with established State contracting requirements.

F&G Response:

Throughout the history of this program, the Department has always prepared a Governor and Executive Council request to approve funding for all enforcement agencies for the purpose of providing OHRV Wheeled Vehicle Enforcement. The request lists the agencies and amount recommended by the Executive Director and a copy of a blank contract for form and substance. In this process the Governor and Executive Council does approve each request with the condition that the contract will not be valid until approved by the Office of the Attorney General. The Office of the Attorney General has approved all contracts when all the requirements are completed.

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

CONCLUSION

For State fiscal years 2008 and 2009, the New Hampshire Fish and Game Department (F&G) will no longer be able to rely solely on traditional revenue sources to meet F&G operational expenses. During the 2007 session, the Legislature allocated additional revenue, directed previously restricted revenue to the unrestricted Fish and Game fund, and increased some license fees. The Department also received additional State general funds to support the nongame program. Despite these measures, the Department estimates a \$1.5 million shortfall over the biennium.

We found opportunities to improve efficiency within the F&G including strengthening controls over fleet and other Department assets, and reorganizing and reviewing certain functions within the Law Enforcement and Public Affairs Divisions. Additionally, we identified new federal funding opportunities and revenue streams for the Legislature to consider, given increased F&G responsibilities and change in constituency. We found responsibilities are generally efficiently and effectively assigned within the F&G. Most areas of overlap between the F&G and other State agencies are well coordinated through memoranda of understanding or memoranda of agreement. However, we recommend better coordination with the Department of Resources and Economic Development and the State Police.

In 1935, the F&G's powers and duties included protecting, propagating, and preserving fish, game, and fur-bearing animals. Legislative mandates since 1935 have broadened the F&G focus to include responsibility for all wildlife, as well as public boat access, search and rescue, and off-highway recreational vehicles and snowmobiles. However, the Commission continues to primarily represent hunter and angler interests. The Department's traditional constituents declined in the 1990s; other groups, outnumbering hunters and anglers by almost three to one, continue to benefit from Department efforts while often not directly contributing through user fees. F&G management reported hunting and fishing activities will likely continue to decrease while other outdoor activities will increase in popularity due to lifestyle changes, demographics, and declining access to favorite hunting and fishing spots.

External entities report tourism, outdoor recreation, and other activities supported by F&G programs contribute significantly to the State. The Institute for New Hampshire Studies at Plymouth State University calculates out-of-state tourists contribute an estimated \$3.7 billion to the State's economy annually. Additionally, the U.S. Fish and Wildlife Service reported people engaged in hunting, fishing, and wildlife watching spent approximately \$560 million in New Hampshire in 2006, approximately \$107 million of which was spent on food and lodging.

As costs continue to increase and the Department's traditional funding base continues to shrink, mirroring national trends, the State needs to reassess the Department's programs and its funding sources. The recommendations in this report are intended to assist the F&G and the Legislature to begin that effort.

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**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

APPENDIX A

DEPARTMENT RESPONSE TO AUDIT



Donald S. Clarke,
Acting Executive
Director

**New Hampshire
Fish and Game Department**

11 Hazen Drive, Concord, NH 03301-6500
Headquarters: (603) 271-3421
Web site: www.WildNH.com

TDD Access: Relay NH 1-800-735-2964
FAX (603) 271-1438
E-mail: info@wildlife.nh.gov

January 2, 2008

The Honorable Marjorie K. Smith, Chair
Fiscal Committee
Legislative Office Building, Room 202
Concord, NH 03301

Re: State of New Hampshire Fish and Game Department Performance Audit Report, January 2008.

Dear Chairman Smith:

Thank you for the opportunity to comment on the "Fish and Game Department Performance Audit Report, January 2008" (Audit Report) written by the Legislative Budget Assistant's Audit Division (LBA – Audit Division).

On behalf of the Fish and Game Department I wish to thank the Performance Audit Team led by Steve Fox, Audit Supervisor and Vilay Diccico, Audit Manager. They completed their job in a most cordial, respectful, cooperative and professional manner. Thanks also to the Fish and Game Department senior staff for their thoroughness, thoughtfulness and extra effort during the holiday season.

The purpose and scope of this audit was to "assess the efficiency and effectiveness" of the N.H. Fish and Game Department. The emphasis, in our view, was on the efficiency, which may be appropriate considering the budgetary issues we are facing. However, we should not lose sight of the importance of effectiveness and the ultimate results we achieve – healthy wildlife populations and habitats, wildlife-associated recreation opportunities and conservation information and education programming.

Although we did not concur with all of the observations contained in this report, we found the self-examination required to respond to the Audit Report to be very helpful.

Our plan to implement the recommendations we did concur with is as follows:

- We will prepare a matrix that details timelines, responsible staff members with the course of action to be taken clearly spelled out for each recommendation. To the extent resources are available, our priorities will include:
 - Revising the Department strategic plan and developing operational plans for the Divisions
 - Conducting a vehicle utilization review
 - Working closely with the OIT to improve data management through various databases
 - Developing cost-accounting systems for the use of all Divisions
- We will work closely and cooperatively with the N.H. Legislature on recommendations that require changes to existing laws or new legislation.

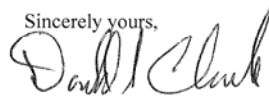
The Honorable Marjorie K. Smith
Chair, Fiscal Committee
January 2, 2008

In summary, we were pleased the Audit Report found:

- State responsibilities are generally efficiently and effectively assigned within the Fish and Game Department;
- External sources reported that tourism, outdoor recreation and other areas supported by the Department contribute significantly to the state; and
- Suggested new revenue streams to fund the Department's work into the coming years, which the Legislature may wish to examine further.

The opportunity for continuing to improve New Hampshire's wildlife agency is welcomed by all of us. We appreciate the good work completed by the LBA-Audit Division. If you have any questions regarding our response to the Audit Report, please feel free to contact me at 271-3511 or by e-mail at director@wildlife.nh.gov noting "performance audit" in the subject line

Sincerely yours,



Donald S. Clarke
Acting Executive Director

cc: Michael L. Buckley, Legislative Budget Assistant

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

APPENDIX B

LBA STATE FISH AND WILDLIFE AGENCY SURVEY AGGREGATED RESULTS

Notes:

- *Responses are in bold.*
- *Totals may not add up to 100 percent due to rounding.*
- *Ten surveys were mailed and nine (90 percent) were returned.*
- *We used the number of respondents as our denominator.*

Purpose: The primary purpose of this survey is to obtain information for comparing other states' fish and wildlife agencies' organization, responsibilities, and funding structures with the New Hampshire Fish and Game Department. Survey responses will enable us to efficiently collect this information, therefore, your responses are important to our audit.

Question Format: This survey includes questions in three sections: 1) Organization, 2) Responsibilities, and 3) Funding. Space is provided at the end of the survey to add additional information and comments.

Answering Questions: Please answer the survey as accurately as possible based upon your direct experience or the direct experience of other personnel at your agency. Select the best answer and completely darken the corresponding circle. Some questions may allow you to provide multiple answers by asking you to mark all that apply. Please fill in circles completely as shown below.

Correct ●
Incorrect ⊗

1. So we may track the receipt of surveys and follow-up if necessary, please provide the following:

Name: _____

Title: _____

State: _____

Email: _____

Telephone Number: _____

Part 1- Marine and Sportfish and Wildlife Agency Organization

2. Does your state fish and wildlife (marine if applicable) agency receive direction from an oversight body (e.g., commission, board, council, etc.) with statutory authority to govern one or more agency functions?

Nine respondents provided nine answers to question 2.

Ⓐ	A Commission	1	(11%)
Ⓑ	A Board	2	(22%)
Ⓒ	A Council	2	(22%)
Ⓓ	Other (<i>Specify</i>):	0	(0%)
Ⓔ	None	4	(44%)

One state provided one comment to Question 2D:

- Regulations only

3. How are oversight body members selected?

Five respondents provided five answers to question 3.

Ⓐ	Governor Appointment	5	(100%)
Ⓑ	Legislative Appointment	0	(0%)
Ⓒ	Other (<i>Specify</i>):	0	(0%)

4. What qualifications are required of oversight body members? (*Mark all that apply*)

Five respondents provided 17 answers to question 4.

Ⓐ	Resident of a designated area of the state	5	(100%)
Ⓑ	Active outdoor person (holding a fishing or hunting license)	4	(80%)
Ⓒ	Well-informed on fish and wildlife conservation and recreation	4	(80%)
Ⓓ	Experience or knowledge in certain fish and wildlife agency-related activities	3	(60%)
Ⓔ	Member of a political party	0	(0%)
Ⓕ	Member of a conservation organization	0	(0%)
Ⓖ	Other (<i>Specify</i>):	1	(20%)

One state provided one comment to Question 4G:

- Sportsman or farmer: Council has six sportsmen, three farmers, Chair of Endangered and Non-game Species Program Advisory committee, and one person knowledgeable about land/soils management.

5. What are the responsibilities of the oversight body? *(Mark all that apply)*

Five respondents provided 10 answers to question 5.

(A) Set agency policy	1	(20%)
(B) Financial oversight (approval of transactions <u>not</u> required)	2	(40%)
(C) Financial oversight (approval of transactions required)	0	(0%)
(D) Rulemaking oversight (approval of rules <u>not</u> required)	0	(0%)
(E) Rulemaking oversight (approval of rules required)	3	(60%)
(F) Appoint/hire head of fish and wildlife agency	2	(40%)
(G) Nominate head of fish and wildlife agency	0	(0%)
(H) Other <i>(Specify)</i> :	2	(40%)

Two states provided two comments to Question 5H:

- Advise and consent on regulations
- Approve recommended hunting and fishing regulations

6. How many members serve on the oversight body?

Five respondents provided five answers to Question 6. The average is 11.2.

7. To whom does the oversight body report? *(Mark all that apply)*

Five respondents provided five answers to Question 7.

(A) Oversight body reports to the Governor	3	(60%)
(B) Oversight body reports to the Legislature	0	(0%)
(C) Other <i>(Specify)</i> :	2	(40%)

Two states provided two comments to Question 7C:

- No one
- Department Commissioner

8. We would like your opinion regarding the efficiency and effectiveness of the oversight body. How strongly do you agree or disagree with the following statement: The oversight body is fundamental to the efficiency and effectiveness of state fish and wildlife (marine if applicable) agency operation.

Five respondents provided five answers to Question 8.

(A) Strongly Agree	2	(40%)
(B) Agree	2	(40%)
(C) Neither agree nor disagree	1	(20%)
(D) Disagree	0	(0%)
(E) Strongly Disagree	0	(0%)

9. Does your state fish and wildlife (marine if applicable) agency operate under a larger natural resource or conservation agency?

Nine respondents provided nine answers to Question 9.

Ⓐ Yes	8	(89%)
Ⓑ No	1	(11%)
Ⓒ Other (<i>Specify</i>):	0	(0%)

10. Is locating the fish and wildlife (marine if applicable) agency within a larger natural resource or conservation agency: (*Mark all that apply*)

Eight respondents provided 12 answers to Question 10:

Ⓐ Beneficial because it improves coordination between related agency responsibilities, which improves effectiveness	6	(75%)
Ⓑ Beneficial because combining administrative responsibilities minimizes certain administrative costs, which improves effectiveness	4	(50%)
Ⓒ Beneficial for another reason (<i>Specify</i>):	0	(0%)
Ⓓ Not beneficial (<i>Specify</i>):	1	(13%)
Ⓔ Other (<i>Specify</i>):	1	(13%)

One state provided one comment to Question 10B:

- Legal, licensing, procurement, payroll, enforcement

One state provided one comment to Question 10E:

- In some cases larger agencies do not understand various constituent groups we deal with

11. What is the reporting relationship between the head of the fish and wildlife (marine if applicable) agency and the Governor?

Nine respondents provided ten answers to Question 11.

Ⓐ Head of fish and wildlife agency reports directly to the Governor	1	(11%)
Ⓑ Head of fish and wildlife agency reports to a larger agency head who reports to the Governor	8	(89%)
Ⓒ Head of fish and wildlife agency reports to an oversight body (i.e., commission, board, council etc.), which reports to the Governor	1	(11%)
Ⓓ Other (<i>Specify</i>):	0	(0%)

Part 2- Marine and Sportfish and Wildlife Agency Responsibilities

12. What are your state's fish and wildlife (marine if applicable) agency responsibilities?
(Mark all that apply)

Nine respondents provided 94 answers to Question 12.

Ⓐ Issue hunting and fishing licenses	7	(78%)
Ⓑ Issue off-highway recreational vehicle registration	0	(0%)
Ⓒ Issue snowmobile registrations	0	(0%)
Ⓓ Provide educational sports person courses (e.g., hunting, fishing)	6	(67%)
Ⓔ Provide wildlife education to the public	8	(89%)
Ⓕ Provide off-highway recreational vehicle and/or snowmobile education	0	(0%)
Ⓖ Promote or market agency programs and objectives	7	(78%)
Ⓗ Coordinate with state tourism efforts	5	(56%)
Ⓘ Manage fish hatcheries	7	(78%)
Ⓙ Protect and manage freshwater species	8	(89%)
Ⓚ Protect and manage non-game species	8	(89%)
Ⓛ Protect and manage game species	8	(89%)
Ⓜ Protect and manage saltwater species	7	(78%)
Ⓝ Enforce marine laws and regulations	3	(33%)
Ⓞ Enforce Sportfish and wildlife laws and regulations	3	(33%)
Ⓟ Enforce off-highway recreational vehicle and/or snowmobile laws and regulations	1	(11%)
Ⓠ Administer public boating access program	4	(44%)
Ⓡ Perform search and rescues	2	(22%)
Ⓢ Habitat protection	8	(89%)
Ⓣ Provide dam maintenance	2	(22%)
Ⓤ Other (<i>Specify</i>):	0	(0%)

One state provided one additional comment:

- The above includes only fish and wildlife units and does not include the larger agency

13. Have there been significant changes in your fish and wildlife (marine if applicable) agency responsibilities within the last ten years?

Nine respondents provided nine answers to Question 13.

Ⓐ Yes	3	(33%)
Ⓑ No	6	(67%)
Ⓒ Other (<i>Specify</i>):	0	(0%)

Three states provided three comments to Question 13A:

- Broader scope of work, ecosystem management, more federal regulations, more, greater law enforcement responsibilities
- Enforcement of OHRV and Snowmobile regulations
- More people (public) oriented

14. Within the last ten years have there been any recent audits, evaluations, or reviews of the fish and wildlife (marine if applicable) agency?

Seven respondents provided seven answers to Question 14.

Ⓐ Yes	7	(100%)
Ⓑ No	0	(0%)

Five states provided five additional comments to Question 14A:

- Federal Audits of wildlife and Sportfish restoration programs
- US Fish and Wildlife and DNR office
- Legislative oversight- contact state legislature, Committee on Marine Resource
- US Fish and Wildlife Region 5
- US Fish and Wildlife

15. Has your fish and wildlife (marine if applicable) agency implemented new methods of generating revenue within the last ten years?

Nine respondents provided nine answers to Question 15.

Ⓐ Yes	5	(56%)
Ⓑ No	4	(44%)

16. Please identify any new methods for generating revenue your state fish and wildlife (marine if applicable) agency implemented in the last ten years. *(Mark all that apply)*

Five respondents provided 13 answers to Question 16.

Ⓐ New Tax (<i>Specify</i>)	0	(0%)
Ⓑ Reallocation of tax (<i>Specify</i>)	2	(40%)
Ⓒ New license type (<i>Specify</i>)	2	(40%)
Ⓓ New federal grant (<i>Specify</i>)	2	(40%)
Ⓔ New lottery revenues	0	(0%)
Ⓕ New publications(s)	1	(20%)
Ⓖ New license plate revenue	3	(60%)
Ⓗ Foundations (Agency Partnership)	2	(40%)
Ⓘ Other (<i>Specify</i>)	1	(20%)

Two respondents specified 16B:

- Reallocation of un-refunded motorboat tax from DOT to Conservation Fund
- General Fund

Two respondents specified 16C:

- Land Conservation Stamp (\$5/license)
- Lobster Trap Tag Fees

Two respondents specified 16D:

- State wildlife grants
- Three grants from the US Fish and Wildlife Service: LIP (Landowner Incentive Program), WHIP (Wildlife Habitat Incentive Program), and Clean Vessel

One respondent specified 16G:

- Lobster license program

Two respondents specified 16I:

- Increase fees on current licenses
- Revenue fees under the Endangered Species Act

17. Please indicate the source of your fish and wildlife (marine if applicable) agency revenues from the following list for state fiscal year 2006: *(Mark all that apply)*

Nine respondents provided 62 answers to Question 17.

			Average Revenue
Ⓐ	User fees (e.g., fishing licenses, hunting licenses, stamps, tags, etc.)	9 (100%)	\$7,211,796
Ⓑ	State's general fund	8 (89%)	\$ 2,808,940
Ⓒ	Federal grant(s)	9 (100%)	\$ 5,406,770
Ⓓ	Real estate transfer tax	0 (0%)	\$ 0
Ⓔ	Vehicle license plates	4 (44%)	\$ 170,331
Ⓕ	Tax check-off	7 (78%)	\$ 179,556
Ⓖ	State lottery	0 (0%)	\$ 0
Ⓗ	Gas tax	5 (56%)	\$ 1,567,249
Ⓘ	Lodging tax	0 (0%)	\$ 0
Ⓙ	Resource sales (e.g., timber, grain, lease grazing rights, etc.)	4 (44%)	\$ 84,758
Ⓚ	Magazines or publications	0 (0%)	\$ 0
Ⓛ	Private donations or grants	4 (44%)	\$ 266,956
Ⓜ	Fines and penalties	3 (33%)	\$ 140,498
Ⓝ	Interest on trusts or endowments	3 (33%)	\$ 181,164
Ⓖ	Boat registrations	3 (33%)	\$ 737,397
Ⓧ	Education fees (hunter, wildlife, habitat, etc.)	1 (11%)	\$ 124, 470
Ⓒ	Other (<i>Specify</i>)	2 (22%)	\$ 265,718

18. Which federal grants did your agency receive to support fish and wildlife (marine if applicable) related activities in state fiscal year 2006? *(Mark all that apply)*

Nine respondents provided 92 answers to Question 18.

Ⓐ	Sportfish Restoration	9 (100%)
Ⓑ	Wildlife Restoration (i.e., Pittman-Robertson)	8 (89%)
Ⓒ	State Wildlife Grant	8 (89%)
Ⓓ	Congressionally Identified Project	6 (67%)
Ⓔ	Plant & Animal Disease, Pest Control, Animal Care	5 (56%)
Ⓕ	Anadromous Fish Conservation Act Program	5 (56%)
Ⓖ	Interjurisdictional Fisheries Act of 1986	6 (67%)
Ⓗ	Habitat Conservation	1 (11%)
Ⓘ	Unallied Management Projects	0 (0%)

ⓐ	Atlantic Coastal Fisheries Cooperative Management Act	6	(67%)
ⓑ	Outdoor Recreation, Acquisition, Development, & Planning	0	(0%)
ⓒ	Landowner Incentive	7	(78%)
ⓓ	Cooperative Endangered Species Conservation Fund	4	(44%)
ⓔ	Wildlife Conservation & Restoration	1	(11%)
ⓕ	Joint Enforcement	2	(22%)
ⓖ	Wetlands Reserve Program	3	(33%)
ⓗ	National Estuarine Research Reserves	0	(0%)
ⓘ	Hunter Education & Safety Program	6	(67%)
ⓙ	Wildlife Services	1	(11%)
ⓚ	Cooperative Forestry Assistance	1	(11%)
ⓛ	Public Safety Partnership & Community Policing	1	(11%)
ⓜ	Unallied Science Program	1	(11%)
ⓝ	Surveys, Studies, Investigations & Special Purpose Grants	0	(0%)
ⓞ	Forestry Research	0	(0%)
ⓟ	Coastal Services Center	0	(0%)
ⓠ	Coastal Zone Management Administrative Awards	1	(11%)
ⓡ	Marine Mammal Data Program	3	(33%)
ⓢ	Cooperative Fishery Statistics	1	(11%)
ⓣ	Water Pollution Control, State, Interstate, & Tribal Program Support	0	(0%)
ⓤ	Coastal Wetlands Planning, Protection, & Restoration Act	1	(11%)
ⓖ	North American Wetlands Conservation Fund	1	(11%)
ⓗ	Marine Fisheries Initiative	0	(0%)
ⓘ	National Estuary Program	0	(0%)
ⓙ	Fisheries Development & Utilization Research & Development Grants & Cooperative Agreements Program	0	(0%)
ⓚ	Fish & Wildlife Management Assistance	0	(0%)
ⓛ	Partners For Fish & Wildlife	0	(0%)
ⓜ	Wildlife Habitat Incentive Program	4	(44%)
ⓞ	Unallied Industry Projects	0	(0%)
ⓞ	Other (<i>Specify</i>):	0	(0%)

Additional Comments:

19. Do you have any additional comments at this time?
No respondents provided answers to Question 19.

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

APPENDIX C

MAJOR FISHING AND HUNTING LICENSES

Hunting and fishing licenses and stamps are required of persons 16 years of age and older, with some exceptions. Some Department-issued licenses require an additional license to be valid. These licenses are listed in Table 22.

Table 22

**Requirements For Department-Issued Licenses,
As Of January 2007**

License	Required License
Atlantic Brood Salmon	Fishing License
Special Deer Archery	Archery (must be purchased at same time)
Pheasant	Hunting, Combination, Small Game, or Archery
Bear	Hunting, Combination, or Archery
Wild Turkey	Archery, Hunting, or Combination
Muzzleloader	Hunting or Combination
Waterfowl	Hunting, Combination, or Small Game ¹
Wild Turkey Fall Shotgun	Turkey Permit and Hunting or Combination
Moose	Hunting, Combination, or Archery

Note: ¹In addition to one of these permits, a Federal Waterfowl Stamp must also be purchased (available at the Post Office), and a Harvest Information Survey permit number.

Source: LBA analysis of F&G information.

The Department sells 109 different license types; Table 23 lists major license types sold by 250 license agents throughout the State, the Department headquarters, as well as the Department's Internet site. Licenses not listed in here are available only at Department headquarters.

Effective January 1, 1999, RSA 214:1-f requires hunters pay a wildlife habitat fee in addition to other required hunting licenses or a combination license. RSA 214:9, XV sets the wildlife habitat fee at \$2.50. Additionally, effective January 1, 2000, RSA 214:1-g requires anglers pay a one dollar fisheries habitat fee when purchasing each fishing or combination license.

Table 23

**Major Hunting And Fishing License
Price Increases For Calendar Years 1998, 2002, 2003, 2006, And 2008**

License Type	RSA/Administrative Rule Price Source	1998	2002	2003	2006	2008	Percent Increase 1998-2008
RESIDENT							
Fishing	RSA 214:9, II	\$22.25	\$29.00	\$ 33.00	\$33.00	\$33.00	48%
Fishing One Day ¹	RSA 214:9, II-b	N/A	N/A	N/A	8.00	8.00	0
Combination Hunt/Fish	RSA 214:9, III	29.50	39.00	44.00	44.00	44.00	49
Hunting	RSA 214:9, I	14.50	19.00	21.00	21.00	21.00	45
Archery	RSA 208:5, I	14.50	19.00	21.00	21.00	21.00	45
Special Archery Permit	RSA 208:5-b, Fis 301.031 (e)	10.00	13.00	15.00	15.00	15.00	50
Muzzleloader	RSA 208:5-a	10.00	13.00	15.00	15.00	15.00	50
Clam	RSA 211:64-b	20.00	26.00	29.00	29.00	29.00	45
Oyster	RSA 211:62-a	20.00	26.00	29.00	29.00	29.00	45
Atlantic Brood Salmon	RSA 214:9-e, Fis 411.02 (b)	10.00	10.00	10.00	10.00	10.00	0
Pheasant	RSA 214:1-b; RSA 214:9, X (b); Fis 1101.01 (d)	15.00	15.00	15.00	15.00	15.00	0
Bear	RSA 208:24, II	2.00	4.00	4.00	15.00	15.00	650
Turkey	RSA 214:1-c, RSA 214:9, XI	5.00	5.00	5.00	5.00	15.00	200
Waterfowl Stamp	RSA 214:9, XII	3.50	3.50	3.50	3.50	4.00	14
Moose lottery ²	RSA 208:1-a, II; Fis 301.09 (c);	10.00	10.00	10.00	10.00	15.00	50
NONRESIDENT							
Fishing	RSA 214:9, VIII	34.50	45.00	51.00	51.00	51.00	48
Fishing 1 Day	RSA 214:9, VIII (e)	N/A	13.00	13.00	13.00	13.00	0
Fishing 3 Day	RSA 214:9, VIII (c)	17.50	23.00	26.00	26.00	26	49
Fishing 7 Day	RSA 214:9, VIII (b)	22.50	30.00	33.00	33.00	33.00	47
Hunting	RSA 214:9, VI	69.50	91.00	102.00	102.00	102.00	47
Combination Hunt/Fish	RSA 214:9, VI-a	95.00	125.00	139.00	139.00	139.00	46
Archery	RSA 208:5, I	49.00	64.00	72.00	72.00	72.00	47
Special Archery Permit	RSA 208:5-b, Fis 301.031(e)	10.00	13.00	15.00	15.00	15.00	50
Muzzleloader	RSA 208:5-a	27.00	35.00	40.00	40.00	40.00	48
Small Game	RSA 214:9, VII-a	35.50	46.00	52.00	52.00	52.00	46
Small Game 3 Day	RSA 214:9, VII-b	16.50	22.00	24.00	24.00	24.00	45
Pheasant	RSA 214:1-b; RSA 214:9, X(b); Fis 1101.01 (d)	15.00	15.00	15.00	15.00	15.00	0
Bear	RSA 208:24, II	2.00	4.00	4.00	47.00	47.00	2,250
Turkey	RSA 214:1-c, RSA 214:9, XI	5.00	5.00	5.00	5.00	30	500
Waterfowl Stamp	RSA 214:9, XII	3.50	3.50	3.50	3.50	4.00	14
Moose Lottery ²	RSA 208:1-a, II; Fis 301.09 (c)	10.00	10.00	10.00	10.00	25.00	150
Atlantic Brood Salmon	RSA 214:9-e, Fis 411.02 (b)	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	0%

Notes: ¹Not applicable (N/A) indicates permit not available.

²Lottery winners pay \$100 for resident moose permits and \$300 for non-resident, Fis 1102.09(a). Beginning calendar year 2008, resident lottery winners pay \$150 and non-residents pay \$500.

Source: LBA analysis statute and administrative rules.

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

APPENDIX D

**DIVISION PROGRAM EXPENDITURES BY FUNDING SOURCE,
STATE FISCAL YEAR 2006**

The following tables present individual Division and the Office of the Director's expenditures by funding source for State fiscal year 2006.

Table 24

**Inland Fisheries Program Expenditures By Funding Source,
State Fiscal Year 2006**

Program	Expenditure	Funding Sources		
		Fish And Game Funds	Federal	Agency Income
Fish Culture/Hatcheries	\$2,585,619	\$947,772	\$1,600,763	\$37,084 ¹
Warmwater Program	64,293	24,573	39,720	0
Coldwater Program	70,627	27,270	43,357	0
Large Lakes Fisheries	77,408	34,576	42,832	0
Fisheries Conservation	99,740	4,106	90,588	5,046 ²
Fisheries Habitat	245,290	69,738	132,851	42,701 ³
Angler Surveys	12,078	3,154	8,924	0
Public Outreach	66,743	28,962	37,781	0
Professional Training	22,141	8,907	13,234	0
Administration And Coordination	77,693	30,377	47,316	0
Total	\$3,321,632	\$1,179,435	\$2,057,366	\$84,831
Notes: ¹ Sale of fish food dedicated account and supersport donations fisheries dedicated account.				
² Atlantic salmon broodstock dedicated account.				
³ Fisheries habitat dedicated account.				
Source: F&G data unaudited.				

Table 25

**Support Services Program Expenditures By Funding Source,
State Fiscal Year 2006**

Program	Expenditures	Funding Sources		
		Fish And Game Funds	Federal	Agency Income
Business Management ¹	\$1,786,795	\$1,759,117	\$15,544	\$12,134 ³
Licensing & Registrations	500,591	331,432	0	169,159 ⁴
Fleet Management	725,065	606,736	116,878	1,451 ⁵
Facility Construction	379,238	207,473	137,211	34,554 ⁵
Facility Maintenance ²	336,993	267,497	69,496	0
Public Boat Access	875,359	0	179,450	695,909 ⁵
Total	\$4,604,041	\$3,172,255	\$518,579	\$913,207

Notes: ¹Includes retiree health insurance, statewide cost allocation plan, and debt service.
²Includes facility maintenance at four regional offices.
³Publications, specialty items, and fund raising revolving fund.
⁴OHRV education and training dedicated account.
⁵Statewide public boat access dedicated account.

Source: F&G data unaudited.

Table 26

**Wildlife Division Program Expenditures By Funding Source,
State Fiscal Year 2006**

Program	Expenditures	Funding Sources		
		Fish And Game Funds	Federal	Agency Income
Game Programs	\$ 883,855	\$ 0	\$ 345,130	\$ 538,725 ¹
Habitat Programs	645,633	55,783	341,442	248,408 ²
Nongame Programs	958,353	0	567,113	391,240 ³
Animal Damage Control	134,385	134,385	0	0
Administrative	252,218	251,358	0	860 ⁴
Total	\$ 2,874,444	\$ 441,526	\$ 1,253,685	\$ 1,179,233

Notes: ¹Includes waterfowl, moose, bear, wild turkey, and pheasant dedicated account; also includes timber sales revenue.
²Includes waterfowl and wildlife habitat dedicated accounts; also include timber sales revenue.
³Includes donations, conservation license plate funds, State general funds, and contracts for habitat maintenance.
⁴Super Sportsman donations, wildlife.

Source: F&G data unaudited.

Table 27

**Marine Fisheries Program Expenditures By Funding Source,
State Fiscal Year 2006**

Program	Expenditures	Funding Sources		
		Fish And Game Funds	Federal	Agency Income
Anadromous Fish Investigations And Recreation Fisheries Evaluations	\$405,339	\$89,196	\$268,839	\$47,304 ¹
Port And Sea Sampling	47,304	0	47,304	0
Atlantic Coastal Cooperative Statistical Program	66,182	4,824	61,358	0
Atlantic Coast Fisheries Cooperative Management Program	71,447	14,426	24,125	32,896
Interjurisdictional Fisheries	25,738	6,580	19,158	0
Great Bay National Estuarine Research Reserve Operations	485,302	148,759	335,369	1,174
Hugh Gregg Center (Research Reserve)	514,607	0	514,607	0
Commercial Fisheries Emergency Relief Program	315,812	0	315,812	0
Administration	180,794	180,794		
Total	\$2,112,525	\$444,579	\$1,586,572	\$81,374
Notes: ¹ Volunteer match.				
² Sub-contract from private company to conduct coastal recreational survey.				
Source: F&G data unaudited.				

Table 28

**Office Of The Director Program Expenditures By Funding Source,
State Fiscal Year 2006**

Program	Expenditures	Funding Sources		
		Fish And Game Funds	Federal	Agency Income
Federal Aid Coordination	\$71,609	\$42,548	\$29,061	\$0
Administration	318,782	318,782	0	0
Human Resources Administration	128,183	128,183	0	0
Landowner Relation Program	71,207	71,207	0	0
Land Resources- Real Property And Compliance	298,784	183,979	89,331	25,474 ¹
Land Resources- Land Acquisition	367,710	0	187,710	180,000 ¹
Total	\$1,256,275	\$744,699	\$306,102	\$205,474

Notes: ¹Statewide public boat access dedicated account.
Source: F&G data unaudited.

Table 29

**Law Enforcement Program Expenditures By Funding Source,
State Fiscal Year 2006**

Program	Expenditures	Funding Sources		
		Fish And Game Funds	Federal	Agency Income
Conservation Law Enforcement	\$1,747,553	\$1,613,233	\$37,835 ¹	\$96,485
Search And Rescue	284,898	0	0	284,898
OHRV ³	3,970,022	0	0	3,970,022
Joint Enforcement Agreement	65,210	0	65,210	0
Atlantic States Marine Fisheries Contract	45,145	5,555	39,590	0
Fish Stocking	63,198	37,438	25,760	0
Equipment Maintenance	116,397	116,397	0	0
Administrative	799,225	697,553	0	101,672
Total	\$7,091,648	\$2,470,176	\$168,395	\$4,453,077

Notes: ¹Includes approximately \$13,000 of Joint Enforcement Agreement for law enforcement overtime.
²With the exception of search and rescue and OHRV, only personnel costs, based on federal reimbursement average conservation officer pay of \$37.68 per hour, with benefits are included. Overtime average is \$37.92 per hour. Deputy average is \$13.66 per hour.
³Includes \$2,731,451 transfer to the Department of Resources and Economic Development.
Source: F&G data unaudited.

**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

APPENDIX E

**DEDICATED ACCOUNT FUND BALANCES,
STATE FISCAL YEARS 2002-2007**

The New Hampshire Fish and Game Department receives funds for dedicated purposes as establish by statute (see Table 3, page 17). The funds are accounted for in 23 individual organizational codes in the State accounting system. The following tables show the financial activity of the accounts over the audit period.

Statewide Public Boat Access; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 1,931,579	\$ 787,586	\$ 734,024	\$ 0	\$1,985,141
2003	1,985,141	601,586	805,583	0	1,781,144
2004	1,781,144	670,187	569,565	0	1,881,766
2005	1,881,766	594,623	577,902	0	1,898,487
2006	1,898,487	710,295	875,360	0	1,733,422
2007	\$ 1,733,422	\$ 640,932	\$ 685,550	\$ 0	\$ 1,688,804

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Nongame Species Management; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 55,174	\$ 271,240	\$ 297,316	\$ 0	\$ 29,098
2003	29,098	482,880	442,659	2,602	71,921
2004	71,921	763,473	643,472	4,517	196,439
2005	196,439	1,063,255	965,619	0	294,075
2006	294,075	818,754	784,831	(65,518)	262,480
2007	\$ 262,480	\$ 754,477	\$ 715,109	\$ (12,861)	\$ 288,987

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Wildlife Habitat Stamp Program; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 272,062	\$ 165,507	\$ 111,012	\$ 0	\$ 326,557
2003	326,557	880,686	815,498	0	391,745
2004	391,745	197,340	147,045	0	442,040
2005	442,040	429,784	417,321	0	454,503
2006	454,503	202,441	137,969	0	518,975
2007	\$ 518,975	\$ 166,276	\$ 143,692	\$ 0	\$ 541,559

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Operation Game Thief Account; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 0	\$ 18,158	\$ 0	\$ 0	\$ 18,158
2003	18,158	0	0	0	18,158
2004	18,158	0	0	0	18,158
2005	18,158	0	0	0	18,158
2006	18,158	0	0	0	18,158
2007	\$ 18,158	\$ 565	\$ 369	\$ 0	\$ 18,354

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Small Gifts And Donations; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 3,042	\$ 1,114	\$ 554	\$ 0	\$ 3,602
2003	3,602	10,611	1,195	99,605	112,623
2004	112,623	10,222	29,093	0	93,752
2005	93,752	13,208	4,343	0	102,617
2006	102,617	20,305	18,011	0	104,911
2007	\$ 104,911	\$ 24,016	\$ 4,290	\$ 0	\$ 124,637

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Propagation Of Wild Turkey; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 129,291	\$ 63,000	\$ 69,175	\$ 0	\$ 123,116
2003	123,116	99,575	58,945	0	163,746
2004	163,746	103,460	17,416	0	249,790
2005	249,790	50,865	28,347	0	272,308
2006	272,308	138,380	37,308	0	373,380
2007	\$ 373,380	\$ 64,226	\$ 59,412	\$ 0	\$ 378,194

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Waterfowl Conservation; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 249,960	\$ 30,808	\$ 88,188	\$ 0	\$ 192,580
2003	192,580	33,646	71,040	0	155,186
2004	155,186	43,862	39,921	269,289	428,416
2005	428,416	32,678	45,894	0	415,200
2006	415,200	34,657	97,704	0	352,153
2007	\$ 352,153	\$ 37,448	\$ 80,512	\$ 0	\$ 309,089

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Pheasant Management; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 135,229	\$ 95,370	\$ 96,070	\$ 0	\$ 134,529
2003	134,529	108,405	97,370	0	145,564
2004	145,564	100,035	100,620	0	144,979
2005	144,979	78,135	100,620	0	122,494
2006	122,494	121,650	106,515	0	137,629
2007	\$ 137,629	\$ 78,891	\$ 108,000	\$ 0	\$ 108,520

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Moose Management; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 424,361	\$ 256,712	\$ 351,374	\$ 0	\$ 329,699
2003	329,699	206,265	305,762	0	230,202
2004	230,202	233,980	259,784	0	204,398
2005	204,398	241,696	220,379	0	225,715
2006	225,715	226,995	173,425	0	279,285
2007	\$ 279,285	\$ 258,191	\$ 130,949	\$ 0	\$ 406,527

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Super Sportsman Donations, Wildlife; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 36,111	\$ 3,101	\$ 33,284	\$ 0	\$ 5,928
2003	5,928	4,119	380	0	9,667
2004	9,667	4,298	280	0	13,685
2005	13,685	2,558	280	0	15,963
2006	15,963	7,880	860	0	22,983
2007	\$ 22,983	\$ 0	\$ 0	\$ (22,983) ¹	\$ 0

Note: ¹ Chapter 172, Laws of 2006, eliminated the Super Sportsman Wildlife account and transferred the remaining balance to the Wildlife Legacy Initiative Account effective January 1, 2007.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Super Sportsman Donations, Fisheries; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 18,756	\$ 3,038	\$ 8,876	\$ 0	\$ 12,918
2003	12,918	4,294	395	0	16,817
2004	16,817	4,858	300	0	21,375
2005	21,375	2,265	300	0	23,340
2006	23,340	10,062	24,350	0	9,052
2007	\$ 9,052	\$ 0	\$ 0	\$ (9,052) ¹	\$ 0

Note: ¹ Chapter 172, Laws of 2006, eliminated the Super Sportsman Fisheries account and transferred the remaining balance to the Wildlife Legacy Initiative Account effective January 1, 2007.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Atlantic Salmon Broodstock; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 30,327	\$ 17,276	\$ 19,087	\$ 0	\$ 28,516
2003	28,516	15,855	15,421	0	28,950
2004	28,950	14,270	13,336	0	29,884
2005	29,884	11,257	13,124	0	28,017
2006	28,017	22,279	5,046	0	45,250
2007	\$ 45,250	\$ 5,921	\$ 5,539	\$ 0	\$ 45,632

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Restitution/Illegal Taking; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 8,035	\$ 1,600	\$ 3,873	\$ 0	\$ 5,762
2003	5,762	1,888	175	0	7,475
2004	7,475	510	0	0	7,985
2005	7,985	2,948	0	0	10,933
2006	10,933	952	0	0	11,885
2007	\$ 11,885	\$ 2,280	\$ 3,936	\$ (10,229) ¹	\$ 0

Notes: ¹ Chapter 134, Laws of 2007, repealed RSA 207:55, III establishing the Trapping Education account, and the remaining \$10,229 in the account lapsed into the Fish and Game Fund.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Black Bear Conservation; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 85,538	\$ 60,920	\$ 57,047	\$ 0	\$ 89,411
2003	89,411	71,324	53,433	0	107,302
2004	107,302	77,676	75,770	0	109,208
2005	109,208	53,536	53,716	0	109,028
2006	109,028	134,187	71,279	0	171,936
2007	\$ 171,936	\$ 163,011	\$ 101,989	\$ 0	\$ 232,958

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Sale Of Fish Food; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 4,189	\$ 2,301	\$ 1,433	\$ 0	\$ 5,057
2003	5,057	2,195	932	0	6,320
2004	6,320	5,708	250	0	11,778
2005	11,778	4,693	830	0	15,641
2006	15,641	4,654	12,734	0	7,561
2007	\$ 7,561	\$ 4,517	\$ 200	\$ 0	\$ 11,878

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Fisheries Habitat Fee; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 153,687	\$ 145,039	\$ 71,152	\$ 0	\$ 227,574
2003	227,574	239,343	100,990	0	365,927
2004	365,927	137,526	109,504	0	393,949
2005	393,949	142,617	112,590	0	423,976
2006	423,976	198,048	42,701	0	579,323
2007	\$ 579,323	\$ 107,981	\$ 80,317	\$ 0	\$ 606,987

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Wildlife Legacy Initiative; SFY 2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2007	\$ 0	\$ 8,629	\$ 0	\$ 32,035	\$ 40,664

Note: RSA 206:33-d, III established the Wildlife Legacy Initiative effective July 2006.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Trapper Education; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 5,304	\$ 50	\$ 5	\$ 0	\$ 5,349
2003	5,349	0	0	20	5,369
2004	5,369	0	0	0	5,369
2005	5,369	0	0	0	5,369
2006	5,369	0	102	0	5,267
2007	\$ 5,267	\$ 0	\$ 2,875	\$ (2,392) ¹	\$ 0

Note: ¹Chapter 134, Laws of 2007, repealed 210:25 establishing the Trapping Education account, and the remaining \$2,392 in the account lapsed into the Fish and Game Fund.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

OHRV Enforcement; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures¹	Net Transfers	Ending Balance
2002	\$ 1,492,269	\$ 3,766,894	\$ 3,434,470	(\$ 338,399)	\$ 1,486,294
2003	1,486,294	5,046,869	3,727,353	(\$ 186,378)	2,619,432
2004	2,619,432	4,648,421	7,267,853	0	0
2005	0	4,741,646	4,658,106	0	83,540
2006	\$ 83,540	\$ 0	\$ 74,962	\$ (8,578) ²	\$ 0
2007					

Note: ¹Includes transfers to the DRED in the amounts of \$2,847,004 in SFY 2002; \$2,912,733 in SFY 2003; \$5,432,287 in SFY 2004; and \$3,511,766 in SFY 2005.

²In SFY 2006 the OHRV Enforcement Account was closed, and the balance moved into the OHRV Education and Training account.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

OHRV Education & Training; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures¹	Net Transfers	Ending Balance
2002	\$ 143,921	\$ 138,220	\$ 417,142	\$ 323,399	\$ 188,398
2003	188,398	257,051	478,192	186,378	153,635
2004	153,635	1,296,350	586,963	0	863,022
2005	863,022	680,336	646,557	0	896,801
2006	896,801	3,780,444	3,895,059	78	782,264
2007	\$ 782,264	\$ 4,152,295	\$ 4,244,375	\$ (10,000)	\$ 680,184

Note: ¹Includes transfers to the DRED in the amounts of \$2,731,451 in SFY 2006; and \$3,022,855 in SFY 2007.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Conservation License Plate Fund; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002 ¹	\$ (46,600)	\$ 97,526	\$ 44,095	\$ 0	\$ 46,534
2003 ¹	46,534	167,654	118,520	0	94,025
2004 ¹	94,025	193,196	147,127	0	88,094
2005 ¹	88,094	218,022	166,039	0	128,076
2006	128,076	290,089	173,958	25,814	171,322
2007	\$ 171,322	\$ 301,988	\$ 257,608	\$ 0	\$ 215,701

Notes: ¹ From SFYs 2002 to 2005 Conservation License Plate funds were accounted for in the nongame organization code. As of SFY 2006, the Conservation License Plate Account was established separate of the nongame account. SFYs 2002 to 2006 do not cross-foot due to Department closing action.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Sale Of Specialty Items¹; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 39,511	\$ 38,092	\$ 31,986	\$ 0	\$ 45,370
2003	45,370	33,176	26,243	0	51,730
2004	51,730	16,577	3,458	0	64,849
2005	64,849	14,826	4,714	0	74,961
2006	74,961	12,134	6,577	0	80,518
2007	\$ 80,518	\$ 37,918	\$ 36,929	\$ 0	\$ 81,507

Notes: ¹ This dedicated account is established as a revolving fund in the Business Management organization code. SFYs 2002 and 2003 do not cross-foot due to Department closing action.

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

Search And Rescue; SFYs 2002-2007

	Beginning Balance	Revenues	Expenditures	Net Transfers	Ending Balance
2002	\$ 247,267	\$ 187,261	\$200,930	\$ 0	\$ 233,598
2003	233,598	198,505	205,820	0	226,283
2004	226,283	209,312	263,979	0	171,616
2005	171,616	231,354	254,500	0	148,470
2006	148,470	204,503	284,898	0	68,075
2007	\$ 68,075	\$ 188,372	\$ 257,659	\$ 0	\$ (1,212)

Source: LBA analysis of F&G Statements of Appropriation, SFYs 2002-2007.

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**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

APPENDIX F

**SIGNIFICANT CHANGES TO FISH AND GAME DEPARTMENT MISSION
SINCE 1935**

Since its creation in 1935, the New Hampshire Fish and Game Department's (F&G) mission has changed from an agency responsible for fish, game, and fur bearing animals. The following table highlights significant changes to the F&G's original mission as outlined in Chapter Law 123 and 124 of 1935.

Table 30

Mission Changes Since 1935

Year	RSA	Responsibility/Funding Source
<i>Off-Highway Recreational Vehicle And Snowmobile</i>		
1971	206:26, XI	Required the F&G conservation officers to enforce laws related to snowmobiles and all terrain vehicles. (RSA 269:C1, VI in 1973 re-defined OHRV to include snowmobiles and all terrain vehicles.)
1973	269:C-18 (repealed) ¹	Required the F&G to establish OHRV and snowmobile training programs.
1981	215-A:23, IV (b)(5)	Required the F&G to administer OHRV registration. Prior to 1981, the Department of Safety was responsible for OHRV registration.
1981	215-A:23, I-V, VIII ²	Appropriated funds to the F&G from OHRV and snowmobile registration and established a non-lapsing account to be used for enforcement, training, and registration.
<i>Search And Rescue</i>		
1971	206:26, XII	Required the F&G to conduct search and rescue operations in woodlands and inland waters.
1989	206:42 ²	Established a search and rescue fund from \$1 surcharge on boat registration, OHRV, and snowmobile registration.
<i>Statewide Public Boat Access</i>		
1992	233:A-4	Designates the F&G as the agency to carry out the statewide public boat access program including establishing priorities for development of boat access sites, setting standards for design and maintenance, and coordinating State activities in developing access.
1992	233:A-8	Required the F&G to supervise the construction, refurbishment, or expansion of public boat access programs.
1992	233:A-9	Required the F&G to continually maintain and operate public boat access areas, roads, and related facilities.
1992	233:A-13 ²	Established a non-lapsing statewide public boat access fund from a \$5 boat registration surcharge.

Year	RSA	Responsibility/Funding Source
<i>Wildlife Responsibilities</i>		
1941	206:10, I	Required the F&G to protect, propagate, and preserve wildlife in addition to fish, game, and fur-bearing animals. Required the F&G to adequately and effectively control, manage, restore, conserve, and regulate fish, game, bird and wildlife resources.
1975	206:8, I	Required the F&G to enforce all laws related to wildlife resources and marine species.
1975	206:23	Added marine species to the F&G's existing authority to cooperate with other entities to protect, propagate, preserve, and conduct a biological survey of the state.
1979	212-A	Enacted the Endangered Species Conservation Act requiring the F&G to conduct investigations of wildlife species and collect information for determining conservation measures for their continued success. Required the F&G to develop rules, conservation programs, and investigate endangered or threatened species; and establish a program for acquiring land or aquatic habitat to conserve endangered or threatened species.
1988	212-B	Enacted the Nongame Species Management Act requiring the F&G to implement a comprehensive nongame species management program, including research to determine population, distribution, future trends, needs of nongame species, and management measures to maintain and promote the health of nongame populations.
1988	212-B:6 ²	Established a non-lapsing account for developing and implementing a comprehensive nongame species management program. Established up to and including \$50,000 in general funds to match donations to the program each fiscal year.
1993	212:8	Amended the F&G's land acquisition authority to include land for protecting, regulating, and managing wildlife resources.
1995	206:23	Replaced all wildlife for the F&G's existing authority to cooperate with other entities to protect, propagate, preserve, and conduct a biological survey of the state.
1995	206:26	Amended conservation officers' and Executive Director's powers and duties to include all wildlife.
1998	261:97-b,c ²	Established the conservation number plate trust fund and appropriated a portion to the F&G to support nongame and other wildlife.
1998	214:1-f ²	Established the wildlife habitat account for developing, managing, preserving, conserving, restoring, and maintaining wildlife habitat.
2001	207:58	An amendment stating the General Court finds it is in the best interest of the State and its citizens that the F&G recognize, preserve, and promote our heritage of hunting, fishing, trapping, and wildlife viewing by providing opportunities to hunt, fish, trap, and view wildlife.
2003	206:10, I	Authorized the F&G to establish rules to prohibit or regulate non-agricultural activities, which may cause the introduction or spread of infectious disease in wildlife resources.

Year	RSA	Responsibility/Funding Source
<i>Providing Conservation Information And Education</i>		
1961	214:23-a	Required certain minors between age 16 and 19 complete a hunter education course to obtain a license.
1961	214:23-b	Authorized the F&G to establish a program for training persons in safe handling of firearms.
1977	214:23-a	Amended RSA 214:23-a enacted in 1961, requiring residents and non-residents complete a hunter education course to obtain a license.
1981	210:25	Required the F&G to establish a trapper education program. (Chapter 217, Laws of 1985, established a trapper education ³ account.)
1985	208:1-a, IV	Required the F&G to educate the public on the biological status and management needs of moose. (Chapter 371, Laws of 1985, established a moose management account to be used for implementing a moose management program. ³)
1988	212-B:5 , I(a)	Required the F&G to educate the public regarding nongame resources. (Chapter 244:1, Laws of 1988, established a nongame account to implement a nongame management program. ³)
1992	206:22-a	Authorized the F&G to promote, market, and engage in fund raising activities for any special account intended to educate, protect, restore, enhance, or promote department responsibilities.
1996	214:23-a	Required all residents and nonresidents complete a course to obtain an archery license.
1996	214:23-b	Authorized the F&G to establish a bow and arrow training program when they are used for hunting.
1998	214:1-f, VII (f) ²	Established an account to be used for providing information to the public on the location of properties managed by F&G.
1998	207:60	Required the F&G to establish a lead education program to inform the public about the adverse affects of lead on wildlife.
1999	214:1-g, IV (e) ²	Established a fisheries habitat account with a \$1 surcharge on fishing licenses, a portion of which may be used to provide public education on the location of fisheries managed by the F&G.
2005	208:24	Required the F&G to implement a comprehensive black bear management program including education (Chapter 178:1, Laws of 1990, established a black bear management account for management, research, and protection. ³).
2005	206:35-b	Required the F&G implement a comprehensive wild turkey management program including education. (Chapter 143, Laws of 2005, amended the wild turkey account to be used for education, research, protection, and management of wild turkeys. ³)
<p>Note: ¹Renacted as RSA 215-A:29, VI; RSA 215-A:19, IX; RSA 215-C:34, VIII; and RSA 215-C:49, III.</p> <p>²Funding established for specific responsibility.</p> <p>³Funding established for a comprehensive management program with information and education as an allowable use.</p> <p>Source: LBA analysis of statutes related to F&G responsibilities.</p>		

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**STATE OF NEW HAMPSHIRE
FISH AND GAME DEPARTMENT**

APPENDIX G

CURRENT STATUS OF PRIOR AUDIT FINDINGS

The following is a summary of the status of observations applicable to this performance audit found in the *Fish and Game Fund Financial and Compliance Audit Report for the Fiscal Year Ended June 30, 2003*. A copy of the prior audit can be obtained from the Office of Legislative Budget Assistant, Audit Division, 107 North Main Street, State House Room 102, Concord, NH 03301-4906.

<u>No.</u>	<u>Title</u>	<u>Status</u>
3.	Policies And Procedures Should Be Established Requiring Formal Reviews Of Division Accounting Reports	○ ○ ○
7.	Significant Memorandums Of Agreement Should Be Subject To Governor And Council Approval (See Observation No. 14)	● ○ ○
17.	Accounting For OHRV Transactions Should Be Simplified	● ○ ○
21.	Policies And Procedures Addressing Required Approvals For The Expenditure Of Dedicated Accounts Should Be Established	○ ○ ○
23.	Administrative Cost Plan Should Be Reviewed And Revised	● ● ●
27.	Segregation Of Duties Over The Federal Accounting System Should Be Improved (See Observation No. 16)	○ ○ ○
43.	Timekeeping System Should Be Made More Efficient And Effective	○ ○ ○

Status Key

Fully Resolved	● ● ●
Substantially Resolved	● ● ○
Partially Resolved	● ○ ○
Unresolved	○ ○ ○

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