



Memorandum

Oregon Department of Fish and Wildlife

Date: July 20, 2017
To: Commissioners
From: Cameron Smith, Acting Deputy Director for Administration
Subject: Financial Report

Department Financial Report

The Commission Financial Report for the 2015-17 biennium as of June 30, 2017 is provided as an attachment. These are preliminary numbers because the 2015-17 biennium won't be closed for several months. Department wide, expenditures continue to be below budgeted amounts. Hunter and angler licenses and fee revenues are a little below initial budgeted projections.

2017-19 Budget Development

The Legislature approved the Department's 2017-19 budget at roughly a Current Service Level. Some positions were eliminated while other positions were added. Changes of note are:

- 1) The Western Oregon Stream Restoration Program was reduced from 5 positions to 3 positions.
- 2) The Sage Grouse Coordinator position was continued.
- 3) A position for Ocean Acidification coordination was established, and related Services and Supplies limitation was authorized.
- 4) The Deferred Maintenance capital construction \$10 million general fund bonding was authorized.
- 5) Seventy-six long term vacant positions and their related Services and Supplies limitation were eliminated.
- 6) The \$500,000 Columbia River Reform Transition fund was eliminated for the 2017-2019 biennium. A comparison of the Department's 2015-17 and 2017-19 budget is as follows:

	2015-17 Legislatively Approved	2017-19 Current Service Level	2017-19 Legislatively Adopted
General Fund	\$31,046,604	\$30,974,904	\$28,246,594
Lottery Fund	\$4,917,581	\$5,189,892	\$5,212,514
Other Fund	\$180,243,703	\$181,617,419	\$191,354,898
Federal Fund	\$142,766,627	\$144,836,135	\$133,139,592
Total Funds	\$358,974,515	\$362,618,350	\$357,953,598
Positions	1,474	1,456	1,374
Full-time Equivalents	1,199.26	1,187.56	1,153.29

Audit Updates

The Department's internal auditor completed a risk assessment of ODFW's State P-Card of Oregon Transaction System (SPOTS) card program. The program has incorporated numerous best practices to ensure compliance, efficiency of processes, and that rebate incentives are maximized. The internal audit confirmed that ODFW's SPOTS card program is materially compliant with statewide requirements.

Opportunities for program improvement were also identified, as contained within the following Internal Audit recommendations:

1. Strengthen monitoring efforts related to price agreement compliance, departed employees, departmental card custodian tracking, and SPOTS training.
2. Improve compliance with internal SPOTS log deadlines.
3. Clarify guidance related to activity log review responsibilities.
4. Consolidate SPOTS cardholders.
5. Increase usage of Access Online capabilities.
6. Review treatment of rebates.
7. Explore opportunities to increase the rebate.

ODFW's SPOTS program appears to be functioning effectively, the majority of cardholders are satisfied with its performance, and it is materially compliant with statewide requirements. Continued program improvement efforts will help ODFW in meeting its obligation, as a steward of public resources, to deploy this important program in a responsible and effective manner.

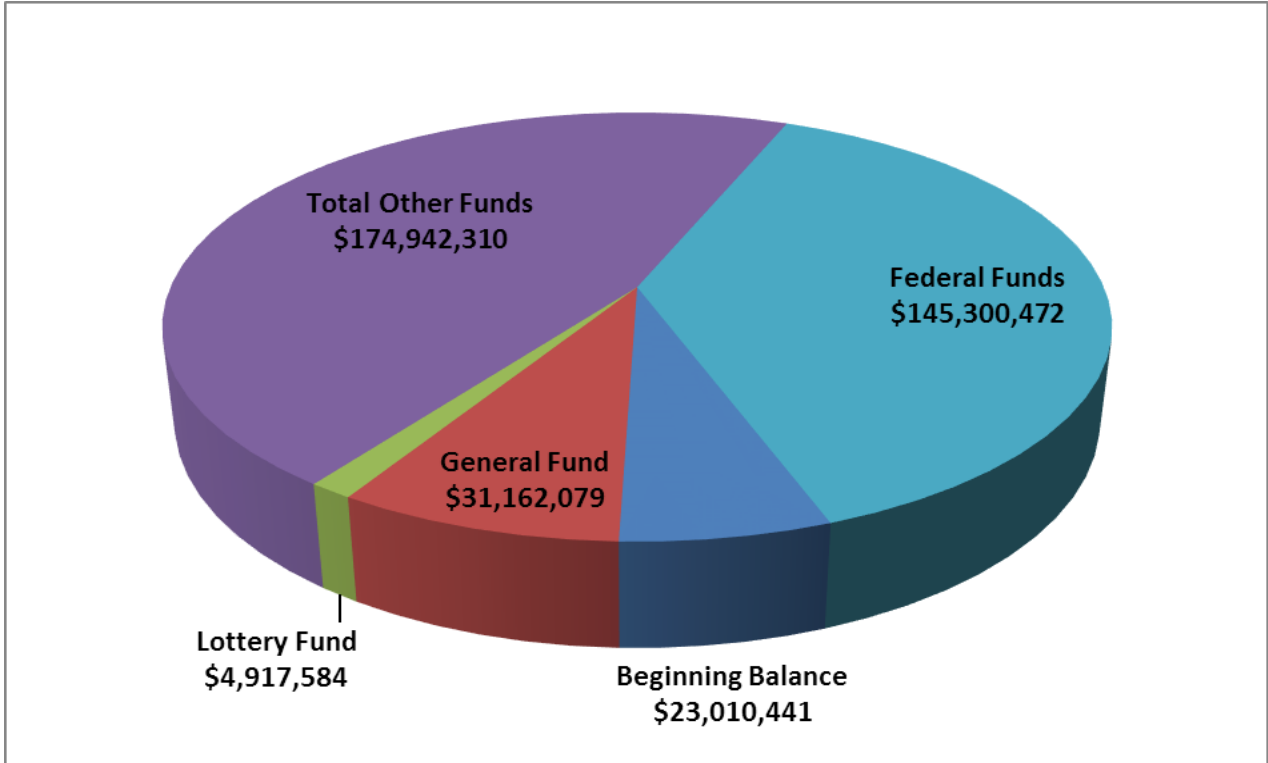
The internal audit committee has approved the following internal audits be performed in the coming fiscal year.

1. High risk inventory (firearms, ammo, pharmaceuticals); controls – testing completeness of inventory lists; inventory management.
2. Hatchery management strategic assessment (emphasis on deferred maintenance).
3. Background check sufficiency – ODFW employees and representatives (temporary, seasonal, volunteers, permanent employees, etc.).
4. Coupon book (charter operations) oversight assessment (control framework; control effectiveness) – the committee agreed that this topic will be addressed as the 4th priority as time permits.

ODFW Financial Report for 2017 Biennium
Commission Meeting
as of June 2017
(Preliminary)

	Legislatively Adopted Budget	Adjustments & E-Boards	Legislatively Approved Budget	Actuals as of 6/30/2017	% of Total Biennium Budget 100.00%
Beginning Fund Balance	23.01	-	23.01	45.72	
REVENUE					
Revenue Transactions for Prior Biennium (AY15)				6.38	
General Fund	30.08	1.08	31.16	30.32	
Lottery Fund	4.75	0.16	4.92	4.92	
Other Funds	-				
Hunter/Angler	108.17	-	108.17	102.28	
Commercial Fisheries Fund	9.95	-	9.95	10.27	
All Other Categories	50.99	5.83	56.82	45.85	
Total Other Funds	169.11	5.83	174.94	158.40	
Federal Funds	138.98	6.32	145.30	127.98	
Total Revenue	342.92	13.40	356.32	321.62	90.26%
EXPENDITURES					
Expenditure Transactions for Prior Biennium (AY15)				4.44	
Wildlife					
General Fund	4.42	0.20	4.62	4.41	
Lottery Fund	1.18	0.02	1.20	1.17	
Other Funds	36.65	0.90	37.55	29.66	
Federal Funds	29.16	0.50	29.66	22.61	
Total Wildlife Programs	71.41	1.62	73.03	57.85	79.22%
Fish					
General Fund	21.78	0.74	22.52	21.89	
Lottery Fund	3.57	0.14	3.71	3.54	
Other Funds	66.11	1.62	67.74	57.50	
Federal Funds	98.69	2.75	101.45	81.11	
Total Fish Programs	190.16	5.25	195.42	164.04	83.94%
Administration					
General Fund	3.38	0.14	3.52	3.52	
Other Funds	40.78	1.07	41.85	38.73	
Federal Funds	5.82	0.09	5.91	3.87	
Total Administration	49.97	1.31	51.28	46.12	89.94%
State Police					
Other Funds	22.80	-	22.80	20.39	
Total State Police	22.80	-	22.80	20.39	89.42%
Debt Service					
General Fund	0.35	-	0.35	0.35	
Other Funds	1.83	-	1.83	1.83	
Total Debt Service	2.19	-	2.19	2.19	100.00%
Capital Improvement					
General Fund	0.15	-	0.15	0.15	
Other Funds	6.43	0.01	6.44	5.20	
Federal Funds	-	2.98	2.98	0.36	
Total Capital Improvement	6.58	2.99	9.57	5.70	59.59%
Capital Construction					
General Funds	-	-	-		
Other Funds	-	2.23	2.23	2.07	
Federal Funds	2.77	-	2.77	1.29	
Total Capital Construction	2.77	2.23	5.00	3.36	67.27%
Agency-wide					
General Fund	30.08	1.08	31.16	30.32	97.31%
Lottery Fund	4.75	0.16	4.92	4.71	95.85%
Other Funds	174.60	5.83	180.44	155.38	86.11%
Federal Funds	136.44	6.32	142.77	109.24	76.52%
Total Expenditures	345.88	13.40	359.28	299.65	83.40%
ENDING BALANCE	20.05	-	20.05	69.63	

**Oregon Department of Fish and Wildlife
2015-17 Legislatively Approved Budget - Revenue
as of June 2017** \$ 379.33



**Oregon Department of Fish and Wildlife
2015-17 Legislatively Approved Budget - Expenditures
as of June 2017** \$ 359.29

