



# NORTH DAKOTA OFFICE OF THE STATE AUDITOR

State Auditor Joshua C. Gallion

## North Dakota Game and Fish Department

For the Two-Year Period Ended June 30, 2022

Client Code 720





## WHAT WE LOOKED AT AND WHY

North Dakota state law requires that our team perform an audit once every two years. This includes a review of financial transactions and determining that expenditures are correct. Our audit reports any errors, internal control weaknesses or potential violations of law identified in significant or high-risk functions of the agency.

## WHAT WE FOUND

This audit did not identify any areas of concern.

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## HAVE QUESTIONS? ASK US.

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# Introduction

## Game and Fish Department

June 5, 2023

We are pleased to submit this audit of the North Dakota Game and Fish Department for the two-year period ended June 30, 2022. This audit resulted from the statutory responsibility of the State Auditor to audit or review each state agency once every two years. The same statute gives the State Auditor the responsibility to determine the contents of these audits.

The primary consideration in determining the contents of these audits is to produce informative audits to improve government. Statutory audit requirements are an important part of these audits and are addressed by our standard audit objective. Whenever possible, additional audit objectives are included to increase responsiveness and effectiveness of state government.

Lindsey Slappy, CPA, was the audit manager. Inquiries or comments relating to this audit may be directed to the audit manager by calling (701) 328-2241. We wish to express our appreciation to North Dakota Game and Fish Department staff for the courtesy, cooperation, and assistance they provided to us during this audit.

Respectfully submitted,

/s/

**JOSHUA C. GALLION**  
**NORTH DAKOTA STATE AUDITOR**



## TERMS USED IN REPORT

**Appropriation:** An amount authorized by the North Dakota Legislative Assembly to be spent for a specific purpose.

**ConnectND:** The accounting system for North Dakota.

**Internal Control:** Policies and procedures that ensure reliable financial reporting, safeguard assets, promote accountability and efficiency, and prevent fraud.

**North Dakota Century Code (N.D.C.C.):** Collection of all the statutes passed by the North Dakota Legislative Assembly.

**Performance Audit:** Engagements that provide objective analysis, findings, and conclusions to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision-making, and contribute to public accountability.

**Private Land Open to Sportsmen (PLOTS):** An agreement between the private landowner and Game and Fish that allows walk-in public access for hunting on private land.

**Session Laws:** Published after each regular and special legislative session and contain the laws enacted during that session.



# Audit Results

## ▼ PRIMARY OBJECTIVE

Are there any errors, internal control weaknesses, or potential violations of law for significant or high-risk functions of the agency?

## CONCLUSION

No areas of concern were identified.

# Audit Procedures

## Primary Objective

### INTERNAL CONTROL

We obtained an understanding of internal control through inquiries, observations, and inspection of documentation and electronic data records. We planned our audit work to assess the design, implementation, and operating effectiveness of those internal controls that were significant to our audit objectives.

The specific internal control testing completed for this audit objective is identified below:

- Segregated preparation and approval of expenditures are tested statewide in the State of North Dakota Annual Comprehensive Financial Report.
- Selected high-risk and random samples of purchase card expenditures and ensured the purchase card statement and the related receipts were reviewed and approved by the cardholder's supervisor.
- Reviewed annual physical inventory of fixed assets for years 2021 and 2022, and ensured that the inventory was taken by two individuals independent of the record-keeping responsibilities.
- Reviewed approval of travel-related expenditures.

There were no deficiencies identified.

### SCOPE

The North Dakota Game and Fish Department has operations in the following locations. Each location was included in the audit scope:

- Bismarck office (headquarters)

- Bismarck district office and lab
- Devils Lake office
- Dickinson office
- Jamestown office
- Lonetree office
- Riverdale office
- Williston office

### METHODOLOGY

To meet this objective, we:

- Interviewed appropriate agency personnel.
- Observed the Department's processes and procedures.
- Analyzed financial data in ConnectND to determine areas of risk.
- Analyzed expenditures to determine that Game and Fish Department did not expend more than appropriated. (N.D.C.C. 54-16-03).
  - 2019 Session Laws Senate Bill 2017 Section 1.
- Identified adjustments made to the Department of Game and Fish's appropriation statement and randomly tested expenditures made against this to ensure the appropriation was used for its intended purpose. (N.D.C.C. 20.1-02-05 (17h) and N.D.C.C. 54-44.1-11).
- Reviewed non-appropriated fund activity to ensure the Game and Fish Department had legislative approval for non-appropriated expenditures. (N.D.C.C. 54-44.1-09).
- Selected a high-risk and random sample of expenditures to ensure expenditures were for lawful and official purposes and properly coded and supported. (N.D.C.C. 44-08-05.1 and N.D.C.C. 54-44.1-09).

- Selected a random sample of travel vouchers to ensure expenditures were for lawful and official purposes and properly coded and supported. (N.D.C.C. 44-08-03, N.D.C.C. 44-08-04, and N.D.C.C. 54-06-09).
- Selected a high-risk and random sample of purchasing card expenditures to ensure compliance with law and state policies. (N.D.C.C. 44-08-05.1 and OMB purchasing card manual).
- Analyzed expenditures and reviewed support to ensure no more than \$400,000 from the grants, gifts, and donations class was used on surface damage, easements, or reclamation on Game and Fish owned or managed properties as a result of mineral exploration and extraction activities through fiscal year 2021. (2019 North Dakota Session Laws Senate Bill 2017 Section 3).
- Analyzed expenditures and reviewed support to ensure no more than \$100,000 from the grants, gifts, and donations class was used on surface damage, easements, or reclamation on Game and Fish owned or managed properties as a result of mineral exploration and extraction activities through fiscal year 2022. (2021 North Dakota Session Laws House Bill 1017 Section 3).
- Analyzed expenditures from the Aquatic Nuisance Species Program fund to ensure they were used for administering aquatic nuisance species education, inspection, and monitoring programs in accordance with fund restrictions. (N.D.C.C. 20.1-17).
- Determined \$1,485,000 was spent on additional PLOTS payments as intended by one-time funding. (2021 North Dakota Session Laws House Bill 1017 Section 2).
- Analyzed expenditures to ensure \$500,000 was spent on the Red River basin wildlife and water quality program as intended by one-time funding. (2021 North Dakota Session Laws House Bill 1017 Section 2).
  - For the 2021-23 Biennium, as of June 30, 2022, approximately \$23,855 of the appropriated \$500,000 was used.
- Reviewed expenditures to ensure \$801,500 was spent on state radio equipment as intended by one-time funding. (2021 North Dakota Session Laws House Bill 1017 Section 2).
  - For the 2021-23 Biennium, as of June 30, 2022, approximately \$665,080 of the appropriated \$801,500 was used.
- Analyzed and reviewed expenditures paid out of Habitat and Depredation Fund 488 to ensure expenditures were in accordance with fund restrictions. (N.D.C.C. 20.1-03-12.1).
- Ensured compliance with fund balance investment requirements. (N.D.C.C. 20.1-02-16.1).
- Inspected annual physical inventory of fixed asset records for 2021 and 2022 to verify inventory was completed and maintained annually. (N.D.C.C. 44-04-07, OMB Policies and Guidelines Policy 205).

## **AUTHORITY AND STANDARDS**

This biennial audit of the North Dakota Game and Fish Department has been conducted by the Office of the State Auditor pursuant to authority within North Dakota Century Code Chapter 54-10.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The standards used to evaluate internal control are published in the publication Standards for Internal Control in the Federal Government issued by the Comptroller General of the United States. (Green Book, GAO-14- 704G).



# Financials

## Revenues and Expenditures

REVENUES AND OTHER SOURCES	JUNE 30, 2022	JUNE 30, 2021
Licenses and Permits (net of refunds)	\$ 18,319,938	\$ 18,853,091
Federal Revenue	19,052,769	14,779,491
Leases, Rents, and Royalties	531,394	148,684
Donations	474,371	433,624
Sale of Publications	108,507	134,088
Sale of Agriculture Products	70,169	70,419
Interest Income	45,233	76,247
Miscellaneous	240,991	69,801
Transfers In	262,890	701,163
<b>Total Revenue and Other Sources</b>	<b>\$ 39,106,262</b>	<b>\$ 35,266,608</b>

Source: ConnectND Financials

Continued on the next page

# Financials

## Revenues and Expenditures

EXPENDITURES AND OTHER USES	JUNE 30, 2022	JUNE 30, 2021
Salaries and Benefits	\$ 18,135,084	\$ 17,571,875
PLOTS payment	5,657,004	7,528,738
Grants	2,621,209	3,898,286
Operating Expenses	1,862,718	1,657,318
Travel	1,639,453	1,462,050
Repairs	1,521,731	1,002,996
Buildings and Other Capital Payments	1,324,904	1,321,311
IT Services and Supplies	1,250,429	1,242,976
Equipment	1,125,257	694,358
Building, Grounds, Vehicle Supply	917,206	1,029,841
Postage and Printing	582,328	505,581
Professional Fees and Services	535,792	908,703
Supplies	496,739	274,629
Utilities	243,117	226,982
Motor Vehicles	171,253	474,973
Rentals of Building and Equipment	65,533	57,866
Miscellaneous	216,935	151,467
Transfers Out	-	409,140
<b>Total Expenditures and Other Uses</b>	<b>\$ 38,366,692</b>	<b>\$ 40,419,090</b>

Source: ConnectND Financials

# Appropriations

## For the Year Ended June 30, 2022

	FINAL APPROPRIATION	EXPENDITURES	UNEXPENDED APPROPRIATIONS
<b>Expenditures by Line Item</b>			
Salaries and Wages	\$ 33,741,592	\$ 16,264,345	\$ 17,477,247
Operating Expenses	16,276,782	6,387,552	9,889,230
Capital Assets	7,879,270	2,246,419	5,632,851
Construction Carryover	982,796	982,772	24
Grants - Game And Fish	8,923,343	1,895,671	7,027,672
Shooting Sports Grant Program	250,000	67,708	182,292
Habitat and Deer Depredation	21,980,597	7,998,393	13,982,204
Noxious Weed Control	725,000	253,925	471,075
Missouri River Enforcement	296,999	122,299	174,700
Grant, Gift, Donation	670,133	209,985	460,148
Nongame Wildlife	100,000	20,237	79,763
Aquatic Nuisance Species	1,509,009	838,466	670,543
Lonetree Reservoir	1,818,409	828,920	989,489
Wildlife Services	500,000	250,000	250,000
<b>Totals</b>	<b>\$ 95,653,930</b>	<b>\$ 38,366,692</b>	<b>\$ 57,287,238</b>

<b>EXPENDITURES BY SOURCE</b>			
Other	\$ 95,653,930	\$ 38,366,692	\$ 57,287,238
<b>Totals</b>	<b>\$ 95,653,930</b>	<b>\$ 38,366,692</b>	<b>\$ 57,287,238</b>

Source: ConnectND Financials

# Appropriations

For the Biennium Ended June 30, 2021

	FINAL APPROPRIATION	EXPENDITURES	UNEXPENDED APPROPRIATIONS
<b>Expenditures by Line Item</b>			
Salaries and Wages	\$ 31,497,736	\$ 30,951,720	\$ 546,016
Operating Expenses	15,949,169	11,661,863	4,287,306
Capital Assets	5,917,891	3,670,324	2,247,567
Construction Carryover	893,077	893,064	13
Grants - Game And Fish	8,547,165	5,352,479	3,194,686
Shooting Sports Grant Program	250,000	207,505	42,495
Habitat and Deer Depredation	19,131,096	16,629,514	2,501,582
Noxious Weed Control	725,000	530,567	194,433
Missouri River Enforcement	288,068	264,980	23,088
Grant, Gift, Donation	533,732	414,884	118,848
Nongame Wildlife	100,000	68,217	31,783
Aquatic Nuisance Species	1,909,140	1,571,342	337,798
Lonetree Reservoir	1,834,862	1,575,646	259,216
Wildlife Services	500,000	500,000	-
<b>Totals</b>	<b>\$ 88,076,936</b>	<b>\$ 74,292,105</b>	<b>\$ 13,784,831</b>

<b>EXPENDITURES BY SOURCE</b>			
Other	\$ 88,076,936	\$ 74,292,105	\$ 13,784,831
<b>Totals</b>	<b>\$ 88,076,936</b>	<b>\$ 74,292,105</b>	<b>\$ 13,784,831</b>

Source: ConnectND Financials



Office of the  
State Auditor


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