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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Wildlife Resources

GREGORY J. SHEEHAN
Division Director

August 17, 2017

Mike Fowlks, Director, Division of Wildlife Resources
Kirk Woodward, Chairman, Utah Wildlife Board
Byron Bateman, Vice Chairman, Utah Wildlife Board
Utah Wildlife Board Members

RE: 2017 Expo Permit Internal Audit – Rule R657-55

Dear Director Fowlks and Wildlife Board Members,

In accordance with Rule R657-55, an audit of the Expo Permit program has been conducted. This audit is attached for your review and the results will be presented at the Utah Wildlife Board Meeting on August 31, 2017.

If you have any questions please contact me at 801-538-7437.

Sincerely,

A handwritten signature in blue ink, appearing to read "KJ", with a long horizontal flourish extending to the right.

Kenny Johnson
Administrative Services Chief
Utah Division of Wildlife Resources



Internal Audit of the 2017 Expo Permit Program

Dated August 17, 2017

Background

Since the expo permit program began in 2007, three separate expo permit contracts have been awarded to conservation organizations. The first contract went to the Foundation for North American Wild Sheep in 2007, and the second one went to the Mule Deer Foundation (MDF) in 2011. The most recent expo permit contract — which runs from 2017–2021 — was awarded to Sportsmen for Fish and Wildlife (SFW) in December 2015. During the entire length of the expo permit program, the fee assessed by the conservation organization to process expo permit applications has always been \$5 per application submitted. Since 2013, a portion of the \$5 fee has been dedicated for use on wildlife projects approved by the Utah Division of Wildlife Resources (Division).

Under the new 5-year contract beginning in 2017, expo permits are distributed at the Western Hunting and Conservation Expo by Sportsmen for Fish & Wildlife (SFW) in partnership with the Mule Deer Foundation (MDF) and Utah Foundation for North American Wild Sheep (FNAWS). (SFW and MDF are the major partners in this effort, and will sometimes collectively be referred to as the “contractor” in this audit report.) Under this new contract, the entire \$5 fee will be utilized to support wildlife conservation in Utah. Of the \$5 fee, \$1.50 will be utilized on Division-approved projects that benefit protected wildlife. The remaining \$3.50 will be used by the contractor on policies, programs, projects, and personnel that support conservation initiatives in Utah.

The Western Hunting and Conservation Expo was held in Salt Lake City from February 16-19, 2017. In accordance with Administrative Rule R657-55, an annual audit of the Expo permit program has been conducted. This audit was not performed using generally accepted auditing standards, but is an internal audit designed by the Utah Division of Wildlife Resources Administrative Services Section to ensure compliance with applicable rules and contractual obligations.

This audit report covers the 2017 Expo performance specifically, and uses historical data from the outset of the Expo permit program in 2007 through 2016 for some comparative items, as well as to ensure compliance with applicable rules and contractual terms.

Overview

The focus of this audit is to assist the Division and the Wildlife Board to ensure contract compliance. Our report focuses on verifying that data is protected and secure, and that the drawing procedure used is random for the permits being issued. Additionally, we reviewed data regarding the number of applicants, success rates, and programming code related to drawing procedures and issuance of permits. We also reviewed revenue amounts retained by the contractor for use on Division-approved projects, as well as the remainder of the revenue, which is to be used to benefit Utah conservation initiatives. In addition to verifying revenue totals, we look to verify that the funds designated for Division-approved projects, as well as the funds

designated for other conservation initiatives, are kept separate from other funds in separate insured bank accounts. Finally, we seek to verify that funds are appropriately spent on or committed to Division-approved projects, or are used to benefit Utah conservation initiatives, as required.

Review of handling personal and sensitive data

The Division monitored the processes of data collection and input, securing of personal and confidential data received, and performance of the actual draw process. Third party system scans were completed, and Payment Card Industry (PCI) assessment questionnaire was provided to the Division prior to the Expo.

The Division considers the handling of personal data and information a top priority. Because the contractor conducting the draw is allowed limited access to DWR data for populating the hunt applications, we require adherence to protocols that will safeguard this data.

The contractor has two process components regarding sensitive and confidential data from the applicants. For these purposes, sensitive and confidential data is defined as social security number, driver's license information, height, weight, gender, and hair/eye color.

The first process component is the handling of sensitive information given by applicants at the Expo to apply in the drawing manually. This is done on a paper form completed by the applicant. Once completed and submitted, these forms are cross-shredded on site. No paper applications are retained by the contractor.

The second process component is the handling of electronic data that is used in the electronic application process. Sensitive data is used during the application process for customer lookups into the Division database. This data transmission is through a secure socket layer using 128 bit encryption. Once the customer information is retrieved, no sensitive information is stored in the contractor database.

No compliance issues were identified by the Division in 2017.

Review of the drawing process

Division of Wildlife/Department of Technology Services personnel go through an extensive review of the draw processes used by GraySky Technologies, the subcontractor selected by SFW to conduct the Expo permit drawing. The Division is represented by technical experts from the Utah Department of Technology Services, who reviewed the following:

- 1) The process of the draw is reviewed for its soundness.
- 2) The database structure is reviewed to make sure that a customer can't flood a certain hunt by making multiple entries for that hunt.
- 3) A review of the code is conducted to make sure that there is no chance that a seeded record could exist in the database prior to the assignment of random numbers. This is done to ensure that the result table is empty and no records can be inserted independently of the

drawing code. This ensures that a record with an abnormally low random number isn't placed in the table thereby guaranteeing a permit to that record.

- 4) The code is reviewed to ensure that all records are treated equally in the process that assigns random numbers to the entries. Care is given to make sure that when the random numbers are being assigned, no records are identified to get a number other than a random number which is generated by the system.
- 5) The code is then reviewed for inserts that may occur after the drawing to make sure that a secured opportunity record is not placed in the result table after the assignment of random numbers takes place.

This was an exhaustive and thorough review; no compliance issues were identified by the Division in 2017.

Conducting the Draw

The actual drawing was conducted at the Division Office in Salt Lake City on February 21, 2017. Attendees included Division staff, representatives from Sportsmen for Fish and Wildlife and the Mule Deer Foundation, and the general public. The public is welcome to attend the drawing and at least 3 individuals unrelated to the Division or contractors were in attendance. The draw was then conducted by GraySky Technologies whereupon the following occurred:

- 1) An impromptu passphrase was given to the GraySky representative and was witnessed written into the code prior to beginning the draw process. Later this same passphrase was verified by all in attendance to display on the result page to ensure the code reviewed by the Division was the actual code used during the draw.
- 2) The draw was then run assigning random numbers to applicants hunt choice entries and then sorted in descending order.
- 3) The results of the draw were printed and immediately given to a Division representative to ensure that there were no edits to the results table.
- 4) This list was then given to the Division Law Enforcement and Licensing sections to validate eligibility before any results were posted.
- 5) Any applicants selected through the draw that receive multiple permits for the same species are contacted by the Division and asked to select their preferred hunt choice. The unclaimed permits are issued to alternates.

The passphrase was witnessed being added to the code, and the same passphrase was verified at the conclusion of the draw. Results were instantly printed and the process to validate began immediately.

No compliance issues were identified by the Division in 2017.

Note about Random Drawings

In any truly random drawing there always seems to be a few "lucky" individuals. Statistically when randomness is discussed it is always possible to view the final result and pick out certain trends. The key to these trends is that they cannot be predicted prior to the event or drawing.

This is the very essence of randomness. Random is not an assurance that an event will be spread evenly across a population, or distributed equally among participants.

There were no abnormalities observed in the 2017 drawing.

Draw Related Information

The Division reviewed data from the Expo regarding application numbers and success rates of the Expo. Applicant validation numbers showed that at least 10,000 individuals attended the Expo in 2017 as required by rule. 2017 was the first year that youth hunters age 12 and 13 could apply for limited entry permits. The reported number of attendees at the 2017 Expo was 46,000.

There were no attendance issues in 2017.

Applicant data for years 2007-2017 is as follows:

Year	Applicants	Applications	Resident	Nonresident	Gross Revenue@ \$5 per application
2007	10,527	205,462	163,054	42,408	\$ 1,027,310
2008	8,745	138,988	116,465	22,523	\$ 694,940
2009	9,927	169,988	139,748	29,375	\$ 845,970
2010	9,700	165,866	139,920	25,946	\$ 847,285
2011	12,154	196,360	170,539	25,821	\$ 981,800
2012	13,388	207,870	179,077	28,793	\$ 1,039,350
2013	14,043	197,312	173,192	24,120	\$ 986,560
2014	14,148	206,506	178,250	28,256	\$ 1,032,530
2015	14,910	228,530	192,420	36,110	\$ 1,142,650
2016	15,507	233,210	195,973	37,237	\$ 1,166,050
2017	16,127	247,148	204,016	43,132	\$ 1,235,740

Resident versus Nonresident Success

Data was reviewed comparing the number of resident applicants versus the nonresident applicants. In 2017: 83% of the applications were residents with 17% nonresidents. 173 permits drawn were awarded to residents, which is 86.5% of the total permits available, and 27 to nonresidents, or 13.5% of the total permits available.

There were no anomalies in this data in 2017.

Draw Application Statistics

The Expo offers a limited number of permits annually and attracts exponentially more applicants. It should be noted that this dynamic implies a statistically low probability of obtaining a permit.

While the draw odds are not a controllable variable or concern of the Division, we want to acknowledge the expediency with which this information is made available to the public. The Expo contractor publishes these statistics annually on their website prior to the next year application period.

License Sales

The Division requires that anyone applying for a permit at the Expo have a valid hunting or combination license at the time of application. To ensure this compliance, the computer programming will not allow applicants to apply without a valid license in the system. For the Expo in 2017, there were 1,225 combination and hunting licenses sold on site. The resulting license revenue generated for the Division was \$55,509.22. The entirety of these funds are owed to the Division with the same reporting stipulations as other third party license vendors; the invoice was paid in full and on time.

There were no compliance issues with license sales, reporting, or payment.

Application Revenue

For the 2017 expo permit draw, the Expo accepted applications beginning in October 2016, and continuing through the end of the Expo, which was held from February 16–19, 2017. The draw processed 247,148 applications, generating \$1,235,740.00 in gross application revenue.

Use of Application Revenue for Division-Approved Wildlife Projects

The retained portion of application revenue allowable for use on Division-approved projects is \$1.50 per application, or \$370,722.00 in 2017. This revenue was split 50/50 between SFW and MDF, with each organization receiving \$185,361.00. This initial deposit was verified in a federally insured bank account for both MDF and SFW. These funds will need to be spent on, or committed to, Division-approved projects by September 1, 2019.

Both SFW and MDF have been obligated to spend or commit a portion of expo funds to Division-approved projects since 2013. These funds must be spent or officially committed to projects by September 1st, 2 years after the year of the expo permit drawing. To verify SFW and MDF met their spending obligations from past years for Division-approved projects as of September 1, 2017, we reviewed project revenue balances from 2013 through 2015. Division-approved project invoices paid with expo dollars were then tallied to obtain the total amount of project revenue spent. In addition, total dollars officially committed to Division-approved projects, but not yet spent, were tallied.

MDF and SFW were each required to spend or commit \$585,197.25 by September 1, 2017 (see Table 1 below). Each organization easily met this obligation, with SFW having spent or committed \$925,117.87, and MDF having spent or committed \$944,747. A list of these projects can be found in Attachment 1.

Table 1 - Revenue Required to be Committed or Expended on Division-Approved Projects by September 1, 2017

Org.	Project Revenue 2013-2015	Project Revenue 2016	Project Revenue 2017	Total Project Revenue	Obligation Due Sept 1, 2017	Total Currently Committed or Spent
MDF	\$585,197.25	\$174,907.50	\$185,361.00	\$945,465.75	\$585,197.25	\$ 944,747.00
SFW	\$585,197.25	\$174,907.50	\$185,361.00	\$945,465.75	\$585,197.25	\$ 925,117.87
Total	\$1,170,394.50	\$349,815.00	\$370,722.00	\$1,890,931.50	\$1,170,394.50	\$1,869,864.87

SFW

Total Revenue for Division-Approved Projects 2013-2017	\$945,465.75
Interest (which may be removed from account)	\$17.37
Actual Project Expenditures 2013-2017	<u>(\$903,577.31)</u>
Verified Bank Statement Balance	\$41,905.81

MDF

Total Revenue for Division-Approved Projects 2013-2017	\$945,465.75
Actual Project Expenditures 2013-2017	<u>(\$768,199.50)</u>
Verified Bank Statement Balance	\$177,266.25

Issue Identified and Resolved – During the Division’s initial review of bank account records, it was found that SFW and MDF had included some additional funds in their bank accounts beyond those that were required. Co-mingling of money in expo permit fund bank accounts is not allowed. SFW and MDF have removed the excess funds from the accounts and this issue is now resolved.

Use of Application Revenue for Contractor-Approved Conservation Initiatives

New in 2017, the retained portion of application revenue allowable for support of contractor-approved policies, programs, projects, and personnel that support conservation initiatives in Utah is \$3.50 per application, or \$865,018.00. Of these funds, \$277,732.80 were spent by SFW on expenses directly related to advertising expo permits, accepting expo permit applications, and conducting the actual expo permit draw, all in concert with the Western Hunting and Conservation Expo. The remaining \$587,285.20 of these funds were split 50/50 between MDF and SFW, with each organization receiving \$293,642.60. Bank records and project expenditures were reviewed. To date, SFW has spent \$9,750.00 of these remaining funds. MDF has not spent any of these funds, but they have committed \$293,043.00 to Utah conservation initiatives. A list

of these conservation initiatives for both groups can be found in Attachment 2. The deposit and required balance were verified in a federally-insured bank account held separate from other funds for both SFW and MDF.

SFW

Total Revenue for Contractor-Approved Initiatives	\$571,375.40
Interest (which may be removed from account)	\$255.61
Actual Project Expenditures	<u>(\$287,482.60)</u>
Verified Bank Statement Balance	\$284,148.41

MDF

Total Revenue for Contractor-Approved Initiatives	\$293,642.60
Actual Project Expenditures	<u>(\$0.00)</u>
Verified Bank Statement Balance	\$293,642.60

Issue Identified for Future Resolution – The entire \$865,018.00 that is to be used on contractor-approved conservation initiatives must be held in a dedicated bank account, and all expenditures of those funds must be made from that bank account. The \$277,732.80 spent on expenses related to the expo permits were paid by SFW out of different bank account, prior to opening the new, dedicated bank account. In the future, all expenditures must be made from the bank account(s) dedicated to these funds.

Issue Identified and Resolved – During the Division’s initial review of bank account records, it was found that due to a math error, SFW and MDF each needed to deposit an additional \$133.60 into their respective accounts. Those additional deposits have been made, and this issue is now resolved.

Conclusions

Revenue from expo permit application fees has funded numerous efforts that benefit wildlife habitat, wildlife species, and sportsmen in Utah. In fact, the funding has become an important component of the conservation work that has improved our state’s wildlife populations and made Utah an outstanding place to hunt.

Project revenues were verified by bank statements, and expenses were supported with the appropriate documentation. Three minor accounting-related issues were identified during the audit; two of the issues have been resolved, and the third should be corrected in future years.

The measures in place to ensure PCI compliance and prevention of unwanted external access served this program well this year. We reiterate that with data being under constant threat, the need to create processes and systems that are up to the challenge of securing information is of utmost importance. System penetration scans and PCI assessment questionnaires greatly

relieved the fear of data becoming compromised, and served to protect this data in 2017. We believe that with the new security scans and PCI compliance procedures set in place by SFW, MDF, and GraySky, the data was properly secured, and the drawing was conducted in a random, transparent, and consistent manner.

We would like to thank Sportsmen for Fish and Wildlife and the Mule Deer Foundation for their time, prompt responses, and their willingness to provide the information requested for the preparation of the audit. Their information was clearly presented and very much appreciated. If there are questions regarding this report, please contact me at 801-550-8349.

Kenneth Johnson
Administrative Services Chief
Utah Division of Wildlife Resources

cc: Michal Fowlks, Director
Kirk Woodward, Board Chair
Bryon Bateman, Board Vice Chair
Utah Wildlife Board Members
Troy Justensen, Sportsmen for Fish and Wildlife
Miles Moretti, Mule Deer Foundation

Attachments:

1. List of Division-Approved Wildlife Projects
2. List of Contractor-Approved Efforts to Support Utah Conservation Initiatives
3. Draw Process Roll Sheet
4. Current Expo Rule R647-55

Attachment 1
List of Division-Approved Wildlife Projects

Mule Deer Foundation

Project#	Project Title	Year	Amount	Status	Funding Source
2076	Hamlin Valley Habitat Restoration Project - Sagebrush Restorat	2016	\$ 10,000.00	Paid	MDF Expo Permit
2675	McMillan Springs Phase 2	2014	\$ 21,958.02	Paid	MDF Expo Permit
2805	MDF Stewardship Position FY14	2014	\$ 30,000.00	Paid	MDF Expo Permit
2808	Stockton Shrub Planting	2014	\$ 1,740.77	Paid	MDF Expo Permit
2865	Wood Hollow Fire Bitterbrush Seeding	2014	\$ 4,591.64	Paid	MDF Expo Permit
2918	Dugout Flat Reseeding	2015	\$ 20,000.00	Paid	MDF Expo Permit
2931	Little Mountain Bullhog	2015	\$ 20,000.00	Paid	MDF Expo Permit
3019	Mill Fork Wildlife Habitat Improvement Project (Phase 2)	2016	\$ 2,500.00	Paid	MDF Expo Permit
3120	MDF Stewardship Position FY15	2015	\$ 30,000.00	Paid	MDF Expo Permit
3137	Deer Fawn/Adult Survival FY15	2015	\$ 22,400.00	Paid	MDF Expo Permit
3151	David Edwards Fencing Project	2014	\$ 48,219.60	Paid	MDF Expo Permit
3187	Left Fork Stewardship Project	2017	\$ 43,005.00	Paid	MDF Expo Permit
3234	Roughneck Vegetation Restoration (Phase II)	2016	\$ 5,000.00	Paid	MDF Expo Permit
3236	West Vernon Phase 5: Lion Hill	2016	\$ 5,000.00	Paid	MDF Expo Permit
3250	Transplant trailer for deer	2015	\$ 13,687.96	Paid	MDF Expo Permit
3263	Yellowjacket (Farm Canyon)	2016	\$ 10,000.00	Paid	MDF Expo Permit
3281	Coal Hollow, Kane County - Phase II	2016	\$ 2,500.00	Paid	MDF Expo Permit
3282	Sheep Creek Phase 3: Sheep Creek North	2016	\$ 5,000.00	Paid	MDF Expo Permit
3308	Dark Canyon Plateau Phase III	2016	\$ 5,000.00	Paid	MDF Expo Permit
3314	Cabin Cliff Water Tank	2016	\$ 2,000.00	Paid	MDF Expo Permit
3321	Crouse Canyon Brows Plots	2016	\$ 1,218.40	Paid	MDF Expo Permit
3350	McMillan Spring Phase III	2016	\$ 30,000.00	Paid	MDF Expo Permit
3370	Temple Fork Juniper Restoration	2016	\$ 4,250.00	Paid	MDF Expo Permit
3441	Park Valley Winter Range Bullhog	2016	\$ 5,000.00	Paid	MDF Expo Permit
3495	Youth Education	2015	\$ 25,000.00	Paid	MDF Expo Permit
3496	Volunteer Mileage Reimbursement for Urban Deer Transplant	2016	\$ 2,136.42	Paid	MDF Expo Permit
3497	MDF Stewardship Position FY16	2016	\$ 30,000.00	Paid	MDF Expo Permit
3498	Outdoor Adventure Days Sponsorship	2015	\$ 5,000.00	Paid	MDF Expo Permit
3500	Gordon Creek WMA Shrub Planting	2015	\$ 12,127.50	Paid	MDF Expo Permit
3505	Efficacy of Translocation as a Management Tool for Urban Mule	2016	\$ 5,940.00	Paid	MDF Expo Permit
3512	Bruce Hall Hardware Ranch	2016	\$ 21,886.23	Paid	MDF Expo Permit
3526	Advancing Hunting and Angling Sports	2015	\$ 50,000.00	Paid	MDF Expo Permit
3549	Utah Youth Hunter Education Challenge	2016	\$ 2,500.00	Paid	MDF Expo Permit
3563	Duncan Creek - Final Phase	2017	\$ 10,000.00	Paid	MDF Expo Permit
3568	Moon Ridge Chaining maintenance	2017	\$ 5,000.00	Paid	MDF Expo Permit
3599	Flaming Gorge Bighorn Sheep Habitat Lop and Scatter; Phase 1	2017	\$ 5,000.00	Paid	MDF Expo Permit
3605	Birdseye WMA Bullhog Project	2017	\$ 13,600.00	Paid	MDF Expo Permit
3606	Sheep Creek Phase 4	2017	\$ 10,000.00	Paid	MDF Expo Permit
3633	Indian Creek West Drag Chaining	2017	\$ 10,000.00	Paid	MDF Expo Permit
3642	Boulevard Ridge Pinyon and Juniper Removal Maintenance Pro	2017	\$ 5,000.00	Paid	MDF Expo Permit
3650	Warm Spring Hills Juniper removal project phase 2	2017	\$ 10,000.00	Paid	MDF Expo Permit
3659	Monroe Mountain Aspen Ecosystems Restoration Project Phas	2017	\$ 20,000.00	Paid	MDF Expo Permit
3662	Cedar Fort Chaining	2017	\$ 15,000.00	Paid	MDF Expo Permit
3673	South Bookcliffs Phase 4 (Sagers)	2017	\$ 10,000.00	Paid	MDF Expo Permit
3674	CRO Transplants	2016	\$ 1,000.00	Paid	MDF Expo Permit
3690	Went Ridge Guzzlers	2017	\$ 5,000.00	Paid	MDF Expo Permit
3701	Hardware Plateau Lop and Scatter	2017	\$ 10,000.00	Paid	MDF Expo Permit
3742	Fish Park Gunnison Sage-grouse Habitat Improvement	2017	\$ 5,000.00	Paid	MDF Expo Permit
3756	Outdoor Adventure Days Sponsorship	2016	\$ 7,500.00	Paid	MDF Expo Permit
3769	Cedar City and Summit I-15 Deer Fence and Cattle Guards	2017	\$ 29,500.00	Paid	MDF Expo Permit
3773	North Elk Ridge Aspen Restoration Phase II	2017	\$ 2,000.00	Paid	MDF Expo Permit
3774	Mormon Pasture Mountain Wildlife Habitat Improvement Phas	2017	\$ 10,000.00	Paid	MDF Expo Permit
3782	Little Davenport Slashing/Lop & Scatter	2017	\$ 5,000.00	Paid	MDF Expo Permit
3794	Paradise Valley Restoration Project	2017	\$ 3,000.00	Paid	MDF Expo Permit
3795	Spring City Fuels Reduction and Habitat Improvement	2017	\$ 2,000.00	Paid	MDF Expo Permit
3797	Willow Creek Habitat Improvement and Fuels Reduction	2017	\$ 1,000.00	Paid	MDF Expo Permit
3815	MDF Deer Transport Trailer	2016	\$ 13,033.00	Paid	MDF Expo Permit
3830	FY17 Effects of Habitat Treatments on Mule Deer	2017	\$ 21,245.00	Paid	MDF Expo Permit
3831	FY17 DeerFawn/Adult Survival	2017	\$ 15,000.00	Paid	MDF Expo Permit
3913	Box Elder SGMA Aerial Infrared Lek Searches	2017	\$ 4,000.00	Paid	MDF Expo Permit

Mule Deer Foundation

Project#	Project Title	Year	Amount	Status	Funding Source
4156	Winter Deer Feed FY17	2017	\$ 15,159.96	Paid	MDF Expo Permit
4200	Outdoor Adventure Days	2017	\$ 7,500.00	Paid	MDF Expo Permit
	TOTAL PAID		\$ 768,199.50		
3918	Little Valley North Sheeprocks PJ Removal	2018	\$ 19,000.00	Committed	MDF Expo Permit
3943	Long Hollow Sheep/Parowan Gap (Upper Long Hollow Vegetati	2018	\$ 15,000.00	Committed	MDF Expo Permit
3969	Cockey Hollow Vegetation Management Project	2018	\$ 10,000.00	Committed	MDF Expo Permit
3979	Temple Fork Juniper Restoration 3	2018	\$ 30,047.50	Committed	MDF Expo Permit
3995	Mytoge-Tidwell Sage Grouse Habitat Improvement Phase 1	2018	\$ 20,000.00	Committed	MDF Expo Permit
4036	South Horn Wildlife Habitat Improvement Project	2018	\$ 15,000.00	Committed	MDF Expo Permit
4078	Trail Mountain Wildlife Habitat Enhancement and Aspen Regen	2018	\$ 20,000.00	Committed	MDF Expo Permit
4085	Little Creek Ridge Guzzlers	2018	\$ 10,000.00	Committed	MDF Expo Permit
4089	Richfield Upland Game and Waterfowl Management Project Ph	2018	\$ 5,000.00	Committed	MDF Expo Permit
4103	La Sal/Elk Ridge Prescribed Burn Projects	2018	\$ 10,000.00	Committed	MDF Expo Permit
4104	Helicopter Lift of Remote Watering Facilities	2018	\$ 2,500.00	Committed	MDF Expo Permit
4128	Cedar City to Parowan I-15 Deer Fence and Double Cattle Guar	2018	\$ 10,000.00	Committed	MDF Expo Permit
4129	Traverse Mountain Winter Range Improvement	2018	\$ 10,000.00	Committed	MDF Expo Permit
	TOTAL COMMITTED		\$ 176,547.50		

MDF Total Committed and Paid \$ 944,747.00

Sportsman for Fish and Wildlife

Project#	Project Title	Year	Amount	Status	Funding Source
2633	Sowers Canyon SFW Property Habitat Improvement	2014	\$ 6,125.00	Paid	SFW Expo Permit
2767	South Slope Feral Horse Gather	2014	\$ 34,817.20	Paid	SFW Expo Permit
3078	Bighorn Sheep and Mountain Goat Transplant Trailer	2014	\$ 5,000.00	Paid	SFW Expo Permit
3092	Buckskin and 5 Mile Catchment Apron Repairs	2013	\$ 14,148.00	Paid	SFW Expo Permit
3095	Tarantula Pipeline Pump Replacement	2014	\$ 7,043.78	Paid	SFW Expo Permit
3146	Mule Deer Transplants FY13-14	2013	\$ 166,085.80	Paid	SFW Expo Permit
3147	Youth Recruitment and retention pheasant program	2014	\$ 78,906.45	Paid	SFW Expo Permit
3149	Black Mesa Pond Cleaning	2014	\$ 9,180.00	Paid	SFW Expo Permit
3151	David Edwards Fencing Project	2014	\$ 48,219.60	Paid	SFW Expo Permit
3161	Richfield Upland Game and Waterfowl Management Project Ph	2014	\$ 35,369.04	Paid	SFW Expo Permit
3186	Pahvant spring rehabilitation	2014	\$ 13,635.00	Paid	SFW Expo Permit
3220	Wildlife Crossing US 191 mp 66-70	2015	\$ 25,000.00	Paid	SFW Expo Permit
3236	West Vernon Phase 5: Lion Hill	2016	\$ 5,000.00	Paid	SFW Expo Permit
3246	Support for Congressional Sportsman's Foundation	2016	\$ 50,000.00	Paid	SFW Expo Permit
3397	Richfield Upland Game and Waterfowl Management Project Ph	2016	\$ 35,000.00	Paid	SFW Expo Permit
3499	South Slope Feral Horse Gather Phase II	2016	\$ 34,817.20	Paid	SFW Expo Permit
3508	Parowan Front deer translocation	2015	\$ 74,089.00	Paid	SFW Expo Permit
3589	Timpanogos Guzzler Project	2017	\$ 5,000.00	Paid	SFW Expo Permit
3662	Cedar Fort Chaining	2017	\$ 2,500.00	Paid	SFW Expo Permit
3746	Wide Canyon Water Enhancement Project	2017	\$ 45,250.00	Paid	SFW Expo Permit
3795	Spring City Fuels Reduction and Habitat Improvement	2017	\$ 2,000.00	Paid	SFW Expo Permit
3831	FY17 DeerFawn/Adult Survival	2017	\$ 5,000.00	Paid	SFW Expo Permit
3832	FY17 Determinants of Population Growth in Utah Moose	2017	\$ 5,000.00	Paid	SFW Expo Permit
3848	Richfield Pheasant Project	2016	\$ 47,440.56	Paid	SFW Expo Permit
3849	Wild Turkey Feeding SFW	2016	\$ 4,503.68	Paid	SFW Expo Permit
3913	Box Elder SGMA Aerial Infrared Lek Searches	2017	\$ 4,000.00	Paid	SFW Expo Permit
3929	Westside Northeastern Region WMA's Water Development Pro	2018	\$ 20,000.00	Paid	SFW Expo Permit
3980	Book Cliffs Lower Elevation Guzzlers phase II	2018	\$ 25,000.00	Paid	SFW Expo Permit
4089	Richfield Upland Game and Waterfowl Management Project Ph	2018	\$ 29,500.00	Paid	SFW Expo Permit
4104	Helicopter Lift of Remote Watering Facilities	2018	\$ 2,500.00	Paid	SFW Expo Permit
4180	FY18 DeerFawn/Adult Survival	2018	\$ 10,000.00	Paid	SFW Expo Permit
4182	FY18 Determinants of Population Growth in Utah Moose	2018	\$ 3,447.00	Paid	SFW Expo Permit
4188	FY18 Wildlife Migration Initiative	2018	\$ 50,000.00	Paid	SFW Expo Permit
	TOTAL PAID		\$ 903,577.31		
4156	Winter Deer Feed FY17	2017	\$ 21,540.56	Committed	SFW Expo Permit
	TOTAL COMMITTED		\$ 21,540.56		

SFW Total Committed and Paid \$ 925,117.87

Attachment 2
List of Contractor-Approved Efforts to Support Utah Conservation Initiatives

Mule Deer Foundation

Project #	Project Title	Year	Amount	Status	Funding Source
3823	MDF Stewardship Position FY17	2017	\$ 30,000.00	Committed	MDF Admin Expo Fund
3868	Pine Canyon to Koosharem Creek Wildlife Habitat Improvement	2018	\$ 5,000.00	Committed	MDF Admin Expo Fund
3917	Stansbury Mountain Catastrophic Fire Juniper Removal and Se	2018	\$ 5,000.00	Committed	MDF Admin Expo Fund
3918	Little Valley North Sheeprocks PJ Removal	2018	\$ 6,000.00	Committed	MDF Admin Expo Fund
3934	IndianPeak/Spanish George (Hamlin Valley Habitat Restoration	2018	\$ 5,000.00	Committed	MDF Admin Expo Fund
3947	Tavaputs Plateau Sagegrouse Habitat Restoration	2018	\$ 2,500.00	Committed	MDF Admin Expo Fund
3950	Swasey Wildlife Habitat Improvement and Hazardous Fuels Re	2018	\$ 5,000.00	Committed	MDF Admin Expo Fund
3961	South Bookcliffs Phase 5 (Bryson)	2018	\$ 3,000.00	Committed	MDF Admin Expo Fund
3965	Antelope-Pine Valley Hand Thinning	2018	\$ 5,000.00	Committed	MDF Admin Expo Fund
3966	Antimony (Forest Creek)	2018	\$ 5,000.00	Committed	MDF Admin Expo Fund
3980	Book Cliffs Lower Elevation Guzzlers phase II	2018	\$ 13,108.00	Committed	MDF Admin Expo Fund
4084	White Horse Pasture Habitat Improvement Project Phase I	2018	\$ 10,000.00	Committed	MDF Admin Expo Fund
4087	Stateline (Hamlin Valley) Sagebrush Habitat Restoration Proje	2018	\$ 5,000.00	Committed	MDF Admin Expo Fund
4096	Hardware Ranch Juniper Lop and Scatter II	2018	\$ 12,000.00	Committed	MDF Admin Expo Fund
4129	Traverse Mountain Winter Range Improvement	2018	\$ 3,885.00	Committed	MDF Admin Expo Fund
4149	Watts Mountain Wildlife Habitat Improvement Project	2018	\$ 13,100.00	Committed	MDF Admin Expo Fund
4180	FY18 DeerFawn/Adult Survival	2018	\$ 6,950.00	Committed	MDF Admin Expo Fund
4187	FY18 Parker Mtn Pronghorn Capture and Monitoring	2018	\$ 1,000.00	Committed	MDF Admin Expo Fund
4188	FY18 Wildlife Migration Initiative	2018	\$ 25,000.00	Committed	MDF Admin Expo Fund
4191	MDF Deer Transport Trailer	2018	\$ 24,000.00	Committed	MDF Admin Expo Fund
4195	Middle Fork WMA acquisition	2017	\$ 75,000.00	Committed	MDF Admin Expo Fund
4196	Utah Youth Hunter Education Challenge	2017	\$ 2,500.00	Committed	MDF Admin Expo Fund
4215	MDF Stewardship Position FY18	2018	\$ 30,000.00	Committed	MDF Admin Expo Fund
TOTAL COMMITTED			\$ 293,043.00		

Sportsman for Fish and Wildlife

Project #	Project Title	Year	Amount	Status	Funding Source
-	Pheasants for UDWR Youth Day -Millard County	2017	\$ 9,750.00	Paid	SFW Admin Expo Funds
-	Expo Draw Expenses in concert with WHCE	2017	\$ 277,732.80	Paid	SFW Admin Expo Funds
TOTAL PAID			\$ 287,482.80		



On Tuesday, February 21, 2017 the electronic random drawing for the 200 Expo permits will take place at the Utah Division of Wildlife Resources located at 1594 West North Temple, Salt Lake City, Utah. These permits were awarded to the Western Hunting & Conservation Expo by the Utah Wildlife Board.

The following are witnesses of the drawing and were present during the entire process. Once the successful applicants have been drawn, all names will be given to Division of Wildlife Resources Law Enforcement. The names will be checked for any compact violations and will be deemed eligible by the Division of Wildlife and the successful applicants will be notified by mail.

Start Time: ⁽²¹⁾ 10:22 a.m.

End Time: 10:44 a.m.

PASSCODE Big Buck 4x4

Print Name	Signature	Date
Lindy Varney		2/21/17
Kenny Johnson		2/21/17
Greg Evans		2/21/17
Brian Swener		2/21/17
Rob Gray		2/21/17
Debbie Marchese		2/21/17
Chris Carling		2/21/17
Troy Justensen		2/21/17
Phil Gray		2/21/17

Print Name

Signature

Date

Rick Olson

Rick Olson

2-21-17

Cory Anderson

Cory Anderson

2-21-17

Justin Tolbert

Justin Tolbert

2-21-17

Jeff Green

Jeff Green

2-21-17

Mike Canning

Mike Canning

2/21/17

Jeremy Withers

Jeremy Withers

2/21/17

Miles Morrett

Miles Morrett

2/21/17

RULES AND REGULATIONS

R657-55 – Wildlife Expo Permits

KEY: wildlife, wildlife permits

Date of Enactment or Last Substantive Amendment: November 10, 2015

Notice of Continuation: May 5, 2015

Authorizing, and Implemented or Interpreted law: 23-14-18; 23-14-19

R657-55-1. Purpose and Authority.

- (1) Under the authority of Sections 23-14-18 and 23-14-19 of the Utah Code, this rule provides the standards and requirements for issuing wildlife expo permits.
- (2) Wildlife expo permits are authorized by the Wildlife Board and issued by the division to a qualified conservation organization for purposes of generating revenue to fund wildlife conservation activities in Utah and attracting and supporting a regional or national wildlife exposition in Utah.
- (3) The selected conservation organization will conduct a random drawing at an exposition held in Utah to distribute the opportunity to receive wildlife expo permits.
- (4) This rule is intended as authorization to issue one series of wildlife expo permits per year to one qualified conservation organization.

R657-55-2. Definitions.

- (1) Terms used in this rule are defined in Section 23-13-2.
- (2) In addition:
 - (a) "Conservation organization" means a nonprofit chartered institution, corporation, foundation, or association founded for the purpose of promoting wildlife conservation.
 - (b) "Special nonresident expo permit" means one wildlife expo permit for each once-in-a-lifetime species that is only available to a nonresident hunter legally eligible to hunt in Utah.
 - (c) "Wildlife exposition" means a multi-day event held within the state of Utah that is sponsored by one or more wildlife conservation organizations as their national or regional convention or event that is open to the general public and designed to draw nationwide attendance of more than 10,000 individuals. The wildlife exposition may include wildlife conservation fund raising activities, outdoor exhibits, retail marketing of outdoor products and services, public awareness programs, and other similar activities.
 - (d) "Wildlife exposition audit" means an annual review by the division of the conservation organization's processes used to handle applications for expo permits and conduct the drawing, the protocols associated with collecting and using client data, the revenue generated from expo permit application fees, and the expenditure of designated expo permit application fee revenue on division-approved projects.
 - (e) "Wildlife expo permit" means a permit which:
 - (i) is authorized by the Wildlife Board to be issued to successful applicants through a drawing or random selection process conducted at a Utah wildlife exposition; and
 - (ii) allows the permittee to hunt the designated species on the designated unit during the respective season for each species as authorized by the Wildlife Board.
 - (f) "Wildlife expo permit series" means a single package of permits to be determined by the Wildlife Board for:

- (i) deer;
- (ii) elk;
- (iii) pronghorn;
- (iv) moose;
- (v) bison;
- (vi) rocky mountain goat;
- (vii) desert bighorn sheep;
- (viii) rocky mountain bighorn sheep;
- (ix) wild turkey;
- (x) cougar; or
- (xi) black bear.

(g) "Secured opportunity" means the opportunity to receive a specified wildlife expo permit that is secured by an eligible applicant through the exposition drawing process.

(h) "Successful applicant" means an individual selected to receive a wildlife expo permit through the drawing process.

R657-55-3. Wildlife Expo Permit Allocation.

- (1) The Wildlife Board may allocate wildlife expo permits by May 1 of the year preceding the wildlife exposition.
- (2) Wildlife expo permits shall be issued as a single series to one conservation organization.
- (3) The number of wildlife expo permits authorized by the Wildlife Board shall be based on:
 - (a) the species population trend, size, and distribution to protect the long-term health of the population;
 - (b) the hunting and viewing opportunity for the general public, both short and long term; and
 - (c) a percentage of the permits available to nonresidents in the annual big game drawings matched by a proportionate number of resident permits.
- (4) Wildlife expo permits, including special nonresident expo permits, shall not exceed 200 total permits.
- (5) Wildlife expo permits designated for the exposition each year shall be deducted from the number of public drawing permits.

R657-55-4. Obtaining Authority to Distribute Wildlife Expo Permit Series.

- (1)(a) Except as provided in Subsection (b), the wildlife expo permit series is issued for a period of five years.
- (b) For expo contracts governing the 2017 expo, and all expo contracts thereafter, the original five year term may be extended an additional period not to exceed five years, so long as:
 - (i) the division and conservation organization mutually agree in writing to an extension; and
 - (ii) the contract extension is approved by the Wildlife Board.
- (2) The wildlife expo permit series is available to eligible conservation organizations for distribution through a drawing or other random selection process held at a wildlife exposition in Utah open to the public.
- (3) Conservation organizations may apply for the wildlife expo permit series by sending an application to the division between August 1 and September 1 of the year preceding the expiration of each wildlife exposition term, as provide in R657-55-4(1).
- (4) Each application must include:
 - (a) the name, address and telephone number of the conservation organization;

- (b) a description of the conservation organization's mission statement;
 - (c) the name of the president or other individual responsible for the administrative operations of the conservation organization; and
 - (d) a detailed business plan describing how the wildlife exposition will take place and how the wildlife expo permit drawing procedures will be carried out.
- (5) An incomplete or incorrect application may be rejected.
- (6) The division shall recommend to the Wildlife Board which conservation organization may receive the wildlife expo permit series based on:
- (a) the business plan for the wildlife exposition and drawing procedures contained in the application; and
 - (b) the conservation organization's, including its constituent entities, ability, including past performance in marketing conservation permits under Rule R657-41, to effectively plan and complete the wildlife exposition.
- (7) The Wildlife Board shall make the final assignment of the wildlife expo permit series based on the:
- (a) division's recommendation;
 - (b) applicant conservation organization's commitment to use expo permit handling fee revenue to benefit protected wildlife in Utah;
 - (c) historical contribution of the applicant conservation organization, including its constituent entities, to the conservation of wildlife in Utah; and
 - (d) previous performance of the applicant conservation organization, including its constituent entities.
- (8) The conservation organization receiving the wildlife expo permit series must:
- (a) require each wildlife expo permit applicant to possess a current Utah hunting or combination license before applying for a wildlife expo permit;
 - (b) select successful applicants for wildlife convention permits by drawing or other random selection process in accordance with law, provisions of this rule, proclamation, and order of the Wildlife Board;
 - (c) allow applicants to apply for wildlife expo permits without purchasing admission to the wildlife exposition;
 - (d) notify the division of the successful applicant of each wildlife expo permit within 10 days of the applicant's selection;
 - (e) maintain records demonstrating that the drawing was conducted fairly; and
 - (f) submit to an annual wildlife exposition audit by a division appointed auditor.
- (9) The division shall issue the appropriate wildlife expo permit to the designated successful applicant after:
- (a) completion of the random selection process;
 - (b) verification of the recipient being eligible for the permit; and
 - (c) payment of the appropriate permit fee is received by the division.
- (10) The division and the conservation organization receiving the wildlife expo permit series shall enter into a contract, including the provisions outlined in this rule.
- (11) If the conservation organization awarded the wildlife expo permit series withdraws before the end of the 5 year period or any extension period under R657-55-4(1)(b), any remaining co-participant with the conservation organization may be given an opportunity to assume the contract and to distribute the expo permit series consistent with the contract and this rule for the remaining years in the applicable period, provided:
- (a) The original contracted conservation organization submits a certified letter to the division identifying that it will no longer be participating in the exposition.
 - (b) The partner or successor conservation organization files an application with the division as provided in Subsection (4) for the remaining period.
 - (c) The successor conservation organization submits its application request at least 60 days prior to the next scheduled exposition so that the Wildlife Board can evaluate the request under the criteria in this section.
 - (d) The Wildlife Board authorizes the successor conservation organization to assume the contract and complete the balance of the expo permit series period.

(12) The division may suspend or terminate the conservation organization's authority to distribute wildlife expo permits at any time during the original five year award term or any extension period for:

- (a) violating any of the requirements set forth in this rule or the contract; or
- (b) failing to bring or organize a wildlife exposition in Utah, as described in the business plan under R657-55-4(4)(d), in any given year.

R657-55-5. Wildlife Expo Permit Application Procedures.

- (1) Any person legally eligible to hunt in Utah may apply for a wildlife expo permit, except that only a nonresident of Utah may apply for a special nonresident expo permit.
- (2) The handling fee assessed by the conservation organization to process applications shall be \$5 per application submitted.
- (3)(a) Except as provided in Subsection (3)(b), applicants must validate their application in person at the wildlife exposition to be eligible to participate in the wildlife expo permit drawing.
 - (i) No person may submit an application in behalf of another.
 - (ii) A person may validate their wildlife expo permit application at the exposition without having to enter the exposition and pay the admission charge.
- (b) An applicant that is a member of the United States Armed Forces and unable to attend the wildlife exposition as a result of being deployed or mobilized in the interest of national defense or a national emergency is not required to validate their application in person; provided exposition administrators are furnished a copy of the written deployment or mobilization orders and the orders identify:
 - (i) the branch of the United States Armed forces from which the applicant is deployed or mobilized;
 - (ii) the location where the applicant is deployed or mobilized;
 - (iii) the date the applicant is required to report to duty; and
 - (iv) the nature and length of the applicant's deployment or mobilization.
- (c) The conservation organization shall maintain a record, including copies of military orders, of all applicants that are not required to validate their applications in person pursuant to Subsection (3)(b), and submit to a division audit of these records as part of its annual audit under R657-55-4(8)(f).
- (4) Applicants may apply for each individual hunt for which they are eligible.
- (5) Applicants may apply only once for each hunt, regardless of the number of permits for that hunt.
- (6) Applicants must submit an application for each desired hunt.
- (7) Applicants must possess a current Utah hunting or combination license in order to apply for a wildlife expo permit.
- (8) The conservation organization shall advertise, accept, and process applications for wildlife expo permits and conduct the drawing in compliance with this rule and all other applicable laws.

R657-55-6. Drawing Procedures.

- (1) A random drawing or selection process must be conducted for each wildlife expo permit.
- (2) Preference and bonus points are neither awarded nor applied in the drawings.
- (3) Waiting periods do not apply, except any person who obtains a wildlife expo permit for a once-in-a-lifetime species is subject to the once-in-a-lifetime restrictions applicable to obtaining a subsequent permit for the same species through a division application and drawing process, as provided in Rule R657-5 and the proclamation of the Wildlife Board for taking big game.
- (4) No predetermined quotas or restrictions shall be imposed in the application or selection process for wildlife expo permits between resident and nonresident applicants, except that special nonresident expo permits may only be awarded to a nonresident of Utah.
- (5) Drawings will be conducted within five days of the close of the exposition.
- (6) Applicants do not have to be present at the drawing to be awarded a wildlife expo permit.
- (7) The conservation organization shall identify all eligible alternates for each wildlife expo permit and provide the division with a finalized list. This list will be maintained by the conservation organization until all permits are issued.

(8) The division shall contact successful applicants by phone or mail, and the conservation organization shall post the name of all successful applicants on a designated website.

R657-55-7. Issuance of Permits.

(1) The division shall provide a wildlife expo permit to the successful applicant, as designated by the conservation organization.

(2) The division must provide a wildlife expo permit to each successful applicant, except as otherwise provided in this rule.

(3) The division shall provide each successful applicant a letter indicating the permit secured in the drawing, the appropriate fee owed the division, and the date the fee is due.

(4)(a) Successful applicants must provide the permit fee payment in full to the division.

(b) Subject to the limitation in Subsection (8), the division will issue the designated wildlife expo permit to the applicant.

(5) Residents will pay resident permit fees and nonresidents will pay nonresident permit fees.

(6) Applicants are eligible to obtain only one permit per species, except as provided in Rule R657-5, but no restrictions apply on obtaining permits for multiple species.

(7) If an applicant is selected for more than one expo permit for the same species, the division will contact the applicant to determine which permit the applicant selects.

(a) The applicant must select the permit of choice within five days of receiving notification.

(b) If the division is unable to contact the applicant within 5 days, the division will issue to the applicant the permit with the most difficult drawings odds based on drawing results from the division's big game drawing for the preceding year.

(c) Permits not issued to the applicant will go to the next person on the alternate drawing list for that permit.

(8) Any successful applicant who fails to satisfy the following requirements will be ineligible to receive the wildlife expo permit and the next drawing alternate for that permit will be selected:

(a) The applicant fails to return the appropriate permit fee in full by the date provided in Subsection (3);

(b) The applicant does not possess a valid Utah hunting or combination license at the time the expo permit application was submitted and the permit received; or

(c) The applicant is legally ineligible to possess the permit.

R657-55-8. Surrender or Transfer of Wildlife Expo Permits.

(1)(a) A person selected to receive a wildlife expo permit that is also successful in obtaining a Utah limited entry permit for the same species in the same year or successful in obtaining a general permit for a male animal of the same species in the same year, may not possess both permits and must select the permit of choice.

(b) In the event a secured opportunity is willingly surrendered before the permit is issued, the next eligible applicant on the alternate drawing list will be selected to receive the permit.

(c) In the event the wildlife expo permit is surrendered, the next eligible applicant on the alternate drawing list for that permit will be selected to receive it, and the permit fee may be refunded, as provided in Sections 23-19-38, 23-19-38.2, and R657-42-5.

(2) A person selected by a conservation organization to receive a wildlife expo permit, may not sell or transfer the permit, or any rights thereunder to another person in accordance with Section 23-19-1.

(3) If a person is successful in obtaining a wildlife expo permit but is legally ineligible to hunt in Utah, the next eligible applicant on the alternate drawing list for that permit will be selected to receive it.

R657-55-9. Using a Wildlife Expo Permit.

(1) A wildlife expo permit allows the recipient to:

(a) take only the species for which the permit is issued;

- (b) take only the species and sex printed on the permit;
- (c) take the species only in the area and during the season specified on the permit; and
- (d) take the species only with the weapon type specified on the permit.

(2) The recipient of a wildlife expo permit is subject to all of the provisions of Title 23, Wildlife Resources Code, and the rules and proclamations of the Wildlife Board for taking and pursuing wildlife.

R657-55-10. Wildlife Expo Permit — Application Fee Revenue.

(1) All wildlife expo permit application fee revenue generated by the conservation organization under R657-55-5(2) will be deposited in a separate, federally insured account to prevent commingling with any other funds.

(a) All interest earned on application fee revenue may be retained and used by the conservation organization for administrative expenses.

(2) The conservation organization may retain up to \$3.50 of each \$5.00 application fee for administrative expenses.

(3) The remaining balance of each \$5.00 application fee will be used by the conservation organization to fund projects advancing wildlife interests in the state, subject to the following:

(a) project funding will not be committed to or expended on any project without first obtaining the division director's written approval;

(b) cash donations to the Wildlife Habitat Account created under Section 23-19-43 or Division Species Enhancement Funds are authorized projects that do not require the division director's approval; and

(c) application fee revenue dedicated to funding projects must be completely expended on or committed to approved projects by September 1st, two years following the year in which the application fee revenue is collected, unless otherwise authorized in writing by the division director.

(4) All records and receipts for projects under Subsection (3) must be retained by the conservation organization for a period not less than five years, and shall be produced to the division for inspection upon request.

(5) The conservation organization shall submit a report to the division and Wildlife Board each year no later than September 1st that accounts for and documents the following:

(a) gross revenue generated from collecting \$5 wildlife expo permit application fees;

(b) total amount of application fee revenue retained for administrative expenses;

(c) total amount of application fee revenue set aside and dedicated to funding projects, including bank statements showing account balances; and

(d) description and records of each project funded with application fee revenue, including the date of funding, the amount of funding contributed, and the completion status of the project.

(6) An organization that individually receives application fee revenue from the expo permit drawing pursuant to a co-participant contract with the conservation organization, is subject to the provisions in Subsections (1) through (5).