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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Wildlife Resources

MICHAEL D. FOWLKS
Division Director

August 15, 2018

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 30, 2018.

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

Sincerely,

Kenny Johnson
Administrative Services Chief
Utah Division of Wildlife Resources

Internal Audit of the 2018 Expo Permit Program

Dated August 15, 2018

Background

The Western Hunting and Conservation Expo was held in Salt Lake City from February 8 – 11, 2018. 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 2018 Expo performance specifically, and uses historical data from the outset of the Expo permit program in 2007 for some comparative items, as well as to ensure compliance with applicable rules and contractual terms.

Overview

As has been the case each year, 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 reviewed revenue amounts retained by the contractor for use on Division-approved projects. We also reviewed 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 Federally insured bank accounts. Finally, we seek to verify that funds are appropriately spent on Division-approved projects, or are used to benefit Utah conservation initiatives, as required.

Review of handling personal and sensitive data

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. Certain data elements are 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.

The Division monitored the processes of data collection and input, securing of personal and confidential data received, and performance of the actual draw process. The contractor completed a third party system scan prior to the application period going live, and has provided a current Payment Card Industry (PCI) self-assessment questionnaire and attestation.

No compliance issues were identified by the Division in 2018 for securing personal data. One issue was recognized in the timing of signing and submitting a PCI self-assessment attestation. The Division would like this signed and submitted prior to the application opening each fall.

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 2018.

Conducting the Draw

The actual drawing was conducted at the Division Office in Salt Lake City on February 13, 2018. Attendees included Division and Department staff, representatives from Sportsmen for Fish and Wildlife, the Mule Deer Foundation, and the general public. The public is welcome to attend the drawing and at least 4 individuals unrelated to the Division or contractors were in attendance. The draw was then conducted by GraySky Technologies where the following occurred:

- 1) An impromptu passphrase was given to the GraySky representative and was witnessed as typed 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.

New for 2019 will be verification that applicants selected for more than one permit for any species will need to select a single permit.

No compliance issues were identified by the Division in 2018.

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 results 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 2018 drawing.

Draw Related Information

The Division reviewed data from the Expo regarding attendance, application numbers, and success rates. Applicant validation numbers showed that at least 10,000 individuals attended the Expo in 2018 as required by rule. The reported number of attendees at the 2018 Expo was 50,641, with a verified 17,399 unique applicants.

There were no attendance issues in 2018.

Applicant data for years 2007-2017 is as follows:

Year	Applicants	Applications	Resident	Nonresident	Gross Revenue@ \$5 per app
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
2018	17,399	280,472	230,155	50,317	\$ 1,402,360

Resident versus Nonresident Success

Data was reviewed comparing the number of resident applications to nonresident applications. In 2018: 82% of the applications were Utah residents who drew 160 permits or 80% of the total. 18% of applications were nonresidents who drew 40 permits or 20% of the total.

There were no anomalies in this data in 2018.

Draw Probability Statistics

The Expo offers a limited number of permits annually and attracts exponentially more applicants who compete for them through a secure and random draw process. 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 compliance, the computer programming will not allow applicants to apply without a valid license in the system. For the Expo in 2018, there were 1,022 combination and hunting licenses sold on site. The resulting license revenue generated for the Division was \$45,355.26. 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 promptly and in full.

There were no compliance issues with license sales, reporting, or payment in 2018.

Application Revenue

For the 2018 expo permit draw, the Expo accepted applications beginning in November 2017, and continuing through the end of the Expo, which was held from February 8 – 11, 2018. The draw processed 280,472 applications, generating \$1,402,360.00 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 \$420,708.00 in 2018. This revenue was split 50/50 between SFW and MDF, with each organization receiving \$210,354.00. This initial deposit was verified in a federally insured bank account for both MDF and SFW. These funds will need to be spent on Division-approved projects, or transferred to the Division by August 1, 2020.

Beginning in 2018 the annual audit will not include tracking and reporting funds that are committed to projects. Rather, we will be tracking and reporting only those funds spent on Division-approved projects or transferred to the Division. This allows the Division to report hard figures each year. To meet the contractual obligation in 2018 all project revenue collected in 2016 must be spent or committed before September 1, 2018. The 2016 and 2017 funds have been spent entirely as shown in the table below, with more detail in attachment 1.

Table 1 - Revenue and Expenditures Division-Approved Projects

Org	Carry Over Project Revenue	New Project Revenue 2018	Interest	Total Project Revenue Available	Project Expenditures During Current Audit Year	Remaining Funds Verified Bank Balance
MDF	\$177,266.25	\$210,354.00	No Interest	\$387,620.25	\$237,612.50	\$150,007.75
SFW	\$41,905.81	\$210,354.00	\$194.36	\$252,454.17	\$252,274.03	\$180.14
<i>Total</i>	<i>\$219,172.06</i>	<i>\$420,708.00</i>	<i>\$194.36</i>	<i>\$640,074.42</i>	<i>\$489,886.53</i>	<i>\$150,187.89</i>

SFW

Carry Over Project Revenue	\$41,905.81
New Project Revenue for Division-Approved Projects 2018	\$210,354.00
Interest	\$194.36
Project Expenditures During Current Audit Year	<u>(\$252,274.03)</u>
Remaining Funds Verified Bank Statement Balance	\$180.14

MDF

Carry Over Project Revenue	\$177,266.25
New Project Revenue for Division-Approved Projects	\$210,354.00
Project Expenditures During Current Audit Year	<u>(\$237,612.50)</u>
Remaining Funds Verified Bank Statement Balance	\$150,007.75

Use of Application Revenue for Contractor-Approved Conservation Initiatives

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 \$981,652.00. Of these funds, \$292,717.00 were spent by SFW on expenses directly related to advertising expo permits, accepting expo permit applications, credit card fees, and conducting the actual expo permit draw, all in concert with the Western Hunting and Conservation Expo. The remaining \$688,935.00 of these funds were split 50/50 between MDF and SFW, with each organization receiving \$344,467.50. Bank records and project expenditures were reviewed. To date, SFW has spent all of their 2017 project revenue on Utah conservation initiatives, they have \$108,631.70 remaining of 2018 revenue. MDF has spent all 2017 project revenue on Utah conservation initiatives, and has \$304,607.16 remaining of 2018 revenue. 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. See attachment 2 for additional expenditure detail.

Table 2 - Revenue and Expenditures Contractor-Approved Projects

Org	Carry Over Project Revenue	New Project Revenue 2018	Interest	Total Project Revenue Available	Project Expenditures During Current Audit Year	Remaining Funds Verified Bank Balance
MDF	\$293,642.60	\$344,467.50	No Interest	\$638,110.10	\$333,502.94	\$304,607.16
SFW	\$284,148.41	\$344,467.50	\$496.65	\$629,112.56	\$520,480.86	\$108,631.70
<i>Total</i>	<i>\$577,791.01</i>	<i>\$688,935.00</i>	<i>\$496.65</i>	<i>\$1,267,222.66</i>	<i>\$853,983.80</i>	<i>\$413,238.86</i>

SFW

Carry Over Revenue for Contractor-Approved Initiatives	\$284,148.41
New Revenue for Contractor-Approved Initiatives 2018	\$344,467.50
Interest	\$496.65
Project Expenditures During Current Audit Year	<u>(\$520,480.86)</u>
Remaining Funds Verified Bank Statement Balance	\$108,631.70

MDF

Carry Over Revenue for Contractor-Approved Initiatives	\$293,642.60
New Revenue for Contractor-Approved Initiatives 2018	\$344,467.50
Project Expenditures During Current Audit Year	<u>(\$333,502.94)</u>
Remaining Funds Verified Bank Statement Balance	\$304,607.16

Conclusions

The measures in place to ensure that data is secure and that any unauthorized external access is prevented served to safeguard information once again in 2018. 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 critical. Third party system penetration scans and current PCI assessment questionnaires greatly relieve the fear of data becoming compromised. We believe that the measures set in place by SFW, MDF, and GraySky, ensured data was properly secured. Our review of the programming code satisfied the Division that the drawing was conducted in a random, transparent, and consistent manner. PCI self-assessments should be signed prior to the application system going live.

Additional oversight and program requirements in recent years have bolstered the Expo's impact on the ground statewide. Project revenues for both Division-approved projects and contractor approved projects were verified by bank statements, and expenses were supported with the appropriate documentation. New requirements for paying invoices, due dates, and revenue handling have been identified and communicated to the contractor for future audits.

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

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. How Revenue has been spent Division-Approved Projects
2. How Revenue has been spent Contractor-Approved Projects
3. Draw Process Roll Sheet
4. Current Expo Rule R647-55

Attachment 1

How revenue from each year has been spent

Division Approved Projects Mule Deer Foundation

2016 Revenue \$ 174,907.50

Project Expenses with 2016 Funds

3650 Warm Spring Hills Juniper removal project phase 2	2017	\$	2,597.29
3659 Monroe Mountain Aspen Ecosystems Restoration Project Phase 1	2017	\$	20,000.00
3662 Cedar Fort Chaining	2017	\$	15,000.00
3673 South Bookcliffs Phase 4 (Sagers)	2017	\$	10,000.00
3690 Went Ridge Guzzlers	2017	\$	5,000.00
3701 Hardware Plateau Lop and Scatter	2017	\$	10,000.00
3742 Fish Park Gunnison Sage-grouse Habitat Improvement	2017	\$	5,000.00
3769 Cedar City and Summit I-15 Deer Fence and Cattle Guards	2017	\$	29,500.00
3773 North Elk Ridge Aspen Restoration Phase II	2017	\$	2,000.00
3774 Mormon Pasture Mountain Wildlife Habitat Improvement Phase I	2017	\$	10,000.00
3782 Little Davenport Slashing/Lop & Scatter	2017	\$	5,000.00
3794 Paradise Valley Restoration Project	2017	\$	3,000.00
3795 Spring City Fuels Reduction and Habitat Improvement	2017	\$	2,000.00
3797 Willow Creek Habitat Improvement and Fuels Reduction	2017	\$	1,000.00
3830 FY17 Effects of Habitat Treatments on Mule Deer	2017	\$	21,245.00
3831 FY17 DeerFawn/Adult Survival	2017	\$	15,000.00
3913 Box Elder SGMA Aerial Infrared Lek Searches	2017	\$	4,000.00
4156 Winter Deer Feed FY17	2017	\$	14,565.21
	TOTAL		\$ 174,907.50

All 2016 Funds Expended

2017 Revenue \$ 185,361.00

Project Expenses with 2017 Funds

4156 Winter Deer Feed FY17	2017	\$	594.75
4200 Outdoor Adventure Days	2017	\$	7,500.00
3823 MDF Stewardship Position FY17	2018	\$	30,000.00
3918 Little Valley North Sheeprocks PJ Removal	2018	\$	19,000.00
3943 Long Hollow Sheep/Parowan Gap (Upper Long Hollow Vegetation Treatment)	2018	\$	15,000.00
3969 Cockey Hollow Vegetation Management Project	2018	\$	10,000.00
3979 Temple Fork Juniper Restoration 3	2018	\$	30,047.50
3995 Mytoge-Tidwell Sage Grouse Habitat Improvement Phase 1	2018	\$	20,000.00
4036 South Horn Wildlife Habitat Improvement Project	2018	\$	15,000.00
4078 Trail Mountain Wildlife Habitat Enhancement and Aspen Regeneration Project	2018	\$	20,000.00
4085 Little Creek Ridge Guzzlers	2018	\$	10,000.00
4089 Richfield Upland Game and Waterfowl Management Project Phase IV	2018	\$	5,000.00
4103 La Sal/Elk Ridge Prescribed Burn Projects	2018	\$	3,218.75
			\$ 185,361.00

All 2017 Funds Expended

2018 Revenue \$ 210,354.00

Project Expenses with 2018 Funds

4103 La Sal/Elk Ridge Prescribed Burn Projects	2018	\$	6,111.25
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4128 Cedar City to Parowan I-15 Deer Fence and Double Cattle Guards Ph 2	2018	\$	10,000.00
4129 Traverse Mountain Winter Range Improvement	2018	\$	13,885.00
4202 Blue Peak Chain Harrow-PJ Chain Re-treat and Guzzler Install	2019	\$	5,350.00
4705 Utah Migration Initiative	2019	\$	25,000.00
			<u>\$ 60,346.25</u>
Remaining Balance			\$ 150,007.75

How revenue from each year has been spent

Division Approved Projects Sportsmen for Fish and Wildlife

2016 Revenue \$ 174,907.50

Project Expenses with 2016 Funds

3397 Richfield Upland Game and Waterfowl Management Project Phase II	2016	\$	17,221.45
3499 South Slope Feral Horse Gather Phase II	2016	\$	40,000.00
3848 Richfield Pheasant Project	2016	\$	47,440.56
3849 Wild Turkey Feeding SFW	2016	\$	4,503.68
3589 Timpanogos Guzzler Project	2017	\$	5,000.00
3662 Cedar Fort Chaining	2017	\$	2,500.00
3746 Wide Canyon Water Enhancement Project	2017	\$	45,250.00
3795 Spring City Fuels Reduction and Habitat Improvement	2017	\$	2,000.00
3831 FY17 DeerFawn/Adult Survival	2017	\$	5,000.00
3832 FY17 Determinants of Population Growth in Utah Moose	2017	\$	5,000.00
3913 Box Elder SGMA Aerial Infrared Lek Searches	2017	\$	991.81
	TOTAL		<u>\$ 174,907.50</u>

All 2016 Funds Expended

2017 Revenue \$ 185,361.00

2017 Interest Revenue \$ 14.33

Total \$ 185,375.33

Project Expenses with 2017 Funds

3913 Box Elder SGMA Aerial Infrared Lek Searches	2017	\$	3,008.19
3929 Westside Northeastern Region WMA's Water Development Project	2018	\$	20,000.00
3980 Book Cliffs Lower Elevation Guzzlers phase II	2018	\$	25,000.00
4089 Richfield Upland Game and Waterfowl Management Project Phase IV	2018	\$	29,500.00
4104 Helicopter Lift of Remote Watering Facilities	2018	\$	2,500.00
4180 FY18 DeerFawn/Adult Survival	2018	\$	10,000.00
4182 FY18 Determinants of Population Growth in Utah Moose	2018	\$	3,447.00
4188 FY18 Wildlife Migration Initiative	2018	\$	50,000.00
4156 Winter Deer Feed FY17	2018	\$	20,786.24
4344 SFW Pheasant Projects	2018	\$	21,133.79
4564 Waterfowl Management Areas rotenone project	2019	\$	0.11
			<u>\$ 185,375.33</u>

All 2017 Funds Expended

2018 Revenue	\$	210,354.00
2018 interest Revenue	\$	<u>180.03</u>
Total	\$	210,534.03

Project Expenses with 2018 Funds

4564 Waterfowl Management Areas rotenone project	2019	\$	5,414.80
4565 Ogden Bay WMA Upland habitat shrub complex II	2019	\$	17,000.00
4566 Harold Crane WMA South pond project	2019	\$	112,500.00
4611 Richfield Upland Game and Waterfowl Management Project Phase V	2019	\$	25,439.09
4623 Ogden Bay WMA water control structures installation	2019	\$	<u>50,000.00</u>
		\$	210,353.89

Remaining Balance	\$	180.14
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Attachment 2

How revenue from each year has been spent

Contractor Approved Projects Mule Deer Foundation

2017 Revenue \$ 293,642.60

Project Expenses with 2017 Funds

3868 Pine Canyon to Koosharem Creek Wildlife Habitat Improvement Project - Phase I	2018	\$	5,000.00
3917 Stansbury Mountain Catastrophic Fire Juniper Removal and Seeding	2018	\$	5,000.00
3918 Little Valley North Sheeprocks PJ Removal	2018	\$	6,000.00
3934 IndianPeak/Spanish George (Hamlin Valley Habitat Restoration Project - Sagebrush)	2018	\$	5,000.00
3950 Swasey Wildlife Habitat Improvement and Hazardous Fuels Reduction Phase I	2018	\$	5,000.00
3961 South Bookcliffs Phase 5 (Bryson)	2018	\$	3,000.00
3965 Antelope-Pine Valley Hand Thinning	2018	\$	5,000.00
3966 Antimony (Forest Creek)	2018	\$	5,000.00
3980 Book Cliffs Lower Elevation Guzzlers phase II	2018	\$	13,108.00
4084 White Horse Pasture Habitat Improvement Project Phase I	2018	\$	10,000.00
4087 Stateline (Hamlin Valley) Sagebrush Habitat Restoration Project (Year 3)	2018	\$	5,000.00
4096 Hardware Ranch Juniper Lop and Scatter II	2018	\$	12,000.00
4149 Watts Mountain Wildlife Habitat Improvement Project	2018	\$	13,100.00
4180 FY18 Deer Fawn/Adult Survival	2018	\$	6,950.00
4187 FY18 Parker MT Pronghorn Capture and Monitoring	2018	\$	1,000.00
4188 FY18 Wildlife Migration Initiative	2018	\$	25,000.00
3947 Tavaputs Plateau Sagegrouse Habitat Restoration	2018	\$	2,500.00
4195 Middle Fork WMA acquisition	2018	\$	75,000.00
4215 MDF Stewardship Position FY18	2018	\$	30,000.00
Central Region Guzzler Work Portables	2018	\$	1,878.34
Mod to Urban deer trailer	2018	\$	3,439.39
Natural Resources Results Consulting	2018	\$	5,000.00
Urban deer trailer - Signs and mats	2018	\$	1,366.36
Congressional Sportsmans Foundation	2018	\$	5,000.00
MULEY Trailer	2018	\$	4,150.00
Project Mule Deer Educational Video	2018	\$	40,000.00
Guzzler WRI Project	2018	\$	150.51
			<u>\$ 293,642.60</u>

All 2017 Funds Expended

2018 Revenue \$ 344,467.50

Project Expenses with 2018 Funds

4709 Utah Youth Hunter Education Challenge - FY18	2018	\$	2,500.00
3823 MDF Stewardship Position FY17	2018	\$	30,000.00
Panels and trimming for Guzzlers	2018	\$	2,085.85
Guzzler WRI Project	2018	\$	5,274.49
			<u>\$ 39,860.34</u>

Remaining Balance \$ 304,607.16

How revenue from each year has been spent

Contractor Approved Projects Sportsmen for Fish and Wildlife

2017 Revenue	\$ 293,642.60
2017 Interest Revenue	\$ 384.39
Total	\$ 294,026.99

Project Expenses with 2017 Funds

Pheasants for UDWR Youth Day -Millard County	2017	\$ 9,750.00
Reconstruct five guzzlers and two ponds	2018	\$ 15,266.73
San Juan County Pond Lining Project	2018	\$ 460.00
Tarantula Mesa Water Project	2018	\$ 24,036.12
Urban Deer Transplant Trailer	2018	\$ 14,706.48
Predator control	2018	\$ 15,000.00
Paunsaugunt Deer Habitat P&J Removal	2018	\$ 15,000.00
Perch Reduction Project/Fishlake Tournament	2018	\$ 3,500.00
Utah Chukar Foundation donation	2018	\$ 1,200.00
Utah Airboat Associations	2018	\$ 1,200.00
Consulting Bears Ears Access and Monument Reduction Effort	2018	\$ 45,800.00
BLM Water East Pausaugunt	2018	\$ 830.45
Utah Regional Calling Championship	2017	\$ 5,000.00
Youth Waterfowl Fair Farmington Bay WMA	2018	\$ 5,843.27
San Juan County Pond Cleaning	2018	\$ 2,880.00
Biologist travel to Big Horn Sheep Convention	2018	\$ 623.00
Ogden Bay WMA Habitat Improvement	2018	\$ 12,129.00
Pheasant chick projects - chicks, construction, feed, heaters	2018	\$ 88,359.35
Waterfowl Calling Contest Expenses	2018	\$ 8,258.04
Paunsaugunt Water Project Winter Mule Deer	2018	\$ 23,926.52
4416 California Quail Transplant FY18	2018	\$ 258.03
		\$ 294,026.99

All 2017 Funds Expended

2018 Revenue	\$ 344,467.50
2018 Interest Revenue	\$ 368.07
Total	\$ 344,835.57

Project Expenses with 2018 Funds

4416 California Quail Transplant FY18	2018	\$ 9,741.97
4479 Salt Creek WMA Water Share Purchase	2018	\$ 12,500.00
4725 California Quail Transplant FY19	2018	\$ 10,000.00
4156 Winter Deer Feed FY17	2018	\$ 751.81
4707 Ogden Bay WMA Kubota RTV	2018	\$ 3,375.00
4560 Ogden Bay WMA upland/wetland enhancement project	2019	\$ 6,000.00
4564 Waterfowl Management Areas rotenone project	2019	\$ 2,585.09
4705 Utah Migration Initiative	2019	\$ 25,000.00
4713 Pahvant WMA water purchase	2019	\$ 10,000.00
4722 Salt Creek Waterfowl Management Area UTV	2019	\$ 3,750.00
4723 Farmington Bay Waterfowl Area UTV	2019	\$ 3,750.00

4724 MarshMasters for phragmites control on Great Salt Lake waterfowl mgmt are	2019	\$	131,250.00
4553 Salt Creek Channel Cleaning island restoration	2019	\$	17,500.00
			<u>\$ 236,203.87</u>
Remaining Balance			\$ 108,631.70

Attachment 3



On Tuesday, February 13, 2018 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: 10:11 am

End Time: 10:27 am

PASSCODE And the winner is!!

Print Name	Signature	Date
<u>Chris Carling</u>	<u>Chris Carling</u>	<u>13 Feb 2018</u>
<u>Kevin Noeman</u>	<u>[Signature]</u>	<u>13 Feb 2018</u>
<u>Gary Anderson</u>	<u>[Signature]</u>	<u>13 Feb 2018</u>
<u>Kyle Anderson</u>	<u>[Signature]</u>	<u>13 Feb 2018</u>
<u>GREG EVANS</u>	<u>[Signature]</u>	<u>2/13/2018</u>
<u>Brian Swincer</u>	<u>Brian Swincer</u>	<u>2/13/2018</u>
<u>Robert Gray</u>	<u>[Signature]</u>	<u>2/13/2018</u>
<u>LINDY Varney</u>	<u>Lindy Varney</u>	<u>2/13/18</u>
<u>Stephen Newsen</u>	<u>[Signature]</u>	<u>2/13-18</u>

Print Name

Signature

Date

Brian Fienhold



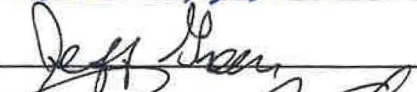
2/13/18

Miles Moretti



2-13-18

Jeff Green



2/13/18

Rick Olson



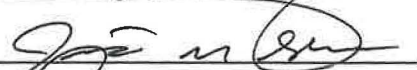
2-13-18.

Mike Canning



2/13/18

Justin Stranzen



2-13-18

Jeremy Withers



2/13/18

Phil Gray



2/13/18

Mike Styler



2/13/18

Attachment 4

R657. Natural Resources, Wildlife Resources.

R657-55. Wildlife Expo Permits.

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 a 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 26 U.S.C. § 501(c)(3) tax exempt, 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, acting through a single conservation organization, 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 handling fees, and the expenditure of designated expo permit application handling 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) 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 after 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, distribution, and long-term health;
- (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) The original five-year term may be renewed for an additional period not to exceed five years, provided:

(i) the conservation organization, Division of Purchasing and General Services procurement officer, Wildlife Board, and division mutually agree in writing to the renewal term; and

(ii) the procurement officer determines in writing pursuant to Section 63G-6a-1204(7) that the renewal term is in the division's best interest and places the writing in the conservation organization's procurement file.

(2)(a) 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.

(b) The division may unilaterally discontinue or suspend issuing the wildlife expo permit series at:

(i) the conclusion of the original five-year contract term or renewal term described in Subsection (1) and prior to issuance of a contract under this rule; or

(ii) any time during the term of a contract when in the interest of wildlife conservation, management, or compliance with law.

(3) Prior to expiration of a current wildlife exposition term or renewal term, the division may issue through the Division of Purchasing and General Services a request for proposal consistent with the Procurement Code in Title 63G, Chapter 6a of the Utah Code to solicit bids from conservation organizations desiring to distribute the wildlife expo permit series at a wildlife exposition.

(4) The request for proposal will solicit information relevant to successfully conducting a wildlife exposition, competently distributing the expo permit series, protecting confidential personal information acquired in distributing permits, and generating revenue for wildlife conservation in Utah, including:

- (a) the name, address and telephone number of the conservation organization;
- (b) a description of the conservation organization's mission statement;
- (c) documentation establishing the conservation organization meets the definitional criteria in R657-55-2(2)(a) and is eligible to submit a proposal;
- (d) the name of the president or other individual responsible for the administrative operations of the conservation organization;
- (e) a detailed business plan describing how the:
 - (i) proposed wildlife exposition will take place;
 - (ii) proposed wildlife exposition will satisfy the definitional criteria in R657-55-2(2)(c);
 - (iii) wildlife expo permit drawing procedures will be carried out; and
 - (iv) confidential personal information acquired in the drawing process will be safeguarded;
- (f) the conservation organization and any partnering entities' ability, including past performance in marketing conservation permits under R657-41, to effectively plan and complete the wildlife exposition;
- (g) the conservation organization's commitment to use expo permit handling fee revenue to benefit protected wildlife in Utah; and
- (h) historical contributions of the conservation organization and any partnering entities to the conservation of wildlife in Utah.

(5) Proposals submitted in response to a request for proposal under Subsection (4) will be processed, evaluated, and acted upon consistent with the procurement requirements set forth in Title 63G, Chapter 6a of the Utah Code.

(6) 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 expo permits by drawing or other random selection process in accordance with law, provisions of this rule, and orders 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.

(7) 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.

(8) The division and the conservation organization receiving the wildlife expo permit series will enter into a contract with terms that include the relevant provisions in this rule, the request for proposal, and the conservation organization's proposal.

(9) 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 assume the contract and 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 head of the procurement unit, as defined in Section 63G-6a-103, and the division identifying that it will no longer be participating in the exposition;

(b) The co-participant conservation organization submits a request with the head of the procurement unit and the division for authorization to assume the remaining term of the contract ; and

(c) the head of the procurement unit, in consultation with the division and Wildlife Board, approves the application.

(10) 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 renewal 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)(e), 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), when requested by the division.
- (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 R657-62 and the guide books 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, 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 submit the permit fee payment in full to the division before receiving the permit.

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

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

(6) Beginning in 2019, applicants are eligible to obtain only one expo permit each year, regardless of species.

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

(a) The applicant must select the permit of choice within 2 days of receiving notification.

(b) If the division is unable to contact the applicant within 2 days, the division will issue to the applicant the permit with the most difficult drawing 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, provided the person is legally eligible to receive the permit and does not have a secured opportunity for any other expo 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 remit the appropriate permit fee in full to the division 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; 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 once-in-a-lifetime or 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 surrendered before the permit is issued, the next eligible applicant on the alternate drawing list for that permit will be selected to receive the permit, provided the person is legally eligible to receive the permit and does not:

(i) have a secured opportunity for any other expo permit; or

(ii) possess any other expo permit valid in the same year.

(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, provided the person satisfies the eligibility requirements in Subsection (b).

(d) The permit fee on a surrendered expo permit 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, provided the person satisfies the eligibility requirements in Subsection (1)(b).

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

- (1) A wildlife expo permit allows the recipient to:
- (a) take only the species and sex printed on the permit;
 - (b) take the species only in the area and during the season specified on the permit; and
 - (c) take the species only with the weapon type specified on the permit.
- (2) The recipient of a wildlife expo permit is subject to all the provisions of Title 23, Wildlife Resources Code, and the rules and guidebooks of the Wildlife Board for taking and pursuing wildlife.

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

- (1)(a) All wildlife expo permit application handling 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.
- (b) Interest earned on the portion of application handling fee revenue retained by the conservation organization for administrative expenses under Subsection (2) may be retained and used by the conservation organization.
- (c) Interest earned on the portion of application handling fee revenue committed to fund wildlife conservation projects under Subsection (3) shall be used by the conservation organization to fund approved wildlife conservation projects.
- (2) The conservation organization may retain up to \$3.50 of each \$5.00 application handling fee for administrative expenses, unless the conservation organization pledges a greater percentage of the application handling fee to wildlife conservation in:
- (a) its response to the request for proposal; or
 - (b) the expo contract with the division.
- (3) The remaining balance of each \$5.00 application handling fee and accrued interest, less standard banking fees assessed on the account where the funding is deposited, 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 handling fee revenue dedicated to funding projects must be completely expended on approved projects or transferred to the division by August 1st, two years following the year in which the application handling fee revenue is collected.
- (4) Application handling fee revenue committed to division-approved projects will be transferred by the conservation organization to the division within 60 days of being invoiced by the division.

(a) If the division-approved project to which funds are committed is completed under projected budget or canceled, funds committed to the project that are not used will be kept by the division and credited back to the conservation organization and made available for the group to use on other approved projects during the current or subsequent year.

(5) 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.

(6) The conservation organization shall submit a report to the division and Wildlife Board each year by August 1st that accounts for and documents the following:

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

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

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

(7) A partner organization that individually receives application handling 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 (6).

KEY: wildlife, wildlife permits

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