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State of Montana

Report to the Legislature

October 1995

Performance Audit Report

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Big Game Drawing System

Department of Fish, Wildlife and Parks

This report concludes the computerized Big Game Drawing System is fair and random. The system ensures everyone has a unique drawing number and has an equal chance of selection for a permit or license within a district. Program operations could be improved in several areas. Recommendations address:

- ▶ Improving compliance procedures.
- ▶ Seeking legislative clarification of preference for landowners.
- ▶ Bettering program administration.
- ▶ Strengthening general and application controls.

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November 1995

The Legislative Audit Committee
of the Montana State Legislature

This is our performance audit of the Big Game Drawing System which is administered by the Department of Fish, Wildlife and Parks.

This report concludes the computerized big game drawing is fair and random. The system ensures everyone has a unique drawing number and has an equal chance for selection for a permit or license within a district. The report also contains recommendations for improvements in program administration and general and application controls. Responses from the Department of Fish, Wildlife and Parks are contained at the end of the report.

We wish to express our appreciation to the department and staff for their cooperation and assistance.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Scott A. Seacat", written over a horizontal line.

Scott A. Seacat
Legislative Auditor

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Legislative Audit Division

Performance Audit

Big Game Drawing System

Department of Fish, Wildlife and Parks

Members of the audit staff involved in this audit were Lisa Blanford, Ken Erdahl, and Mary Zednick.

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Department of Fish, Wildlife and Parks

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Report Summary

Introduction

Sportsmen wishing to hunt in Montana receive big game hunting licenses and permits through: 1) over-the-counter purchases, and 2) special random drawings. Each year the Department of Fish, Wildlife and Parks (FWP) conducts random drawings for hunting licenses and permits for moose, sheep, mountain goat, deer, elk and antelope. This performance audit examined the Big Game Drawing System. The primary objective of this audit was to determine the fairness of the big game permit and license drawing process.

Background

Permits and licenses issued through the Big Game Drawing System must be used in conjunction with a valid resident conservation or sportsman license, or nonresident conservation or combination license. To obtain an elk permit through the annual drawing a resident also needs a valid prerequisite elk license.

Applications Submitted to FWP

In 1994 over 100,000 people submitted applications for moose, sheep, goat, deer, elk and antelope licenses and permits. Approximately 200,000 individual species applications were submitted for 106,799 licenses or permits.

Applications Processed for Inclusion in Computer Database

Computer programs are used to conduct the big game drawings. The Special Licensing Section, Licensing and Data Processing Bureau, FWP processes applications for the big game drawings. A number of manual edits are performed prior to inputting the information into the computer. Before the database is updated, the application information is processed through a number of drawing system edits. If the errors cannot be corrected by section staff the application information is put in a separate file and the applicant is refunded a portion of the application fee. Those applications which are corrected and/or error free are uploaded to the database.

Report Summary

Game Limits Placed on Certain Applicants

Nonresidents are limited to, but not guaranteed, 10 percent of a district quota. Up to 15 percent of elk, antelope, deer and deer B permits in each hunting district are available for residents and nonresidents claiming landowner preference.

Drawing Conducted

There are a series of four drawings for deer, elk and antelope permits. The first drawing is for restricted landowner preference. The second drawing is for the unrestricted landowner preference; this drawing allows for nonresident landowner selection when all resident landowners are selected. The restricted regular drawing follows the two landowner drawings. The unrestricted regular is the fourth drawing. In this drawing the 10 percent nonresident restriction is lifted.

There are only two drawings for moose, sheep and goat since there is no landowner preference for these species. The two drawings are restricted regular and unrestricted regular.

Is The Drawing For Licenses And Permits Fair?

The drawing process has two items which intentionally affect the "randomness" of the drawing; the landowner preference procedures and the up to 10 percent nonresident restriction. These items are based on legislative action and administrative rules.

The computer programs used to conduct the big game drawing eliminate any "human bias" by relying on random events to select successful applicants. These are:

1. The selection process, which also assigns drawing numbers to each person applying for each species.
2. Actual drawing of applicants for licenses and permits using random numbers.

Conclusion: Computerized Big Game Drawing is Fair and Random

The computerized drawing process is fair and random. The computerized drawing ensures everyone has a unique drawing number and has an equal chance of selection for a permit or license within a district for a given choice. The use of database files, assigning drawing numbers using the database, and the matching of drawing numbers with randomly generated numbers provides for a random drawing process.

Procedures Which Ensure Sportsmen Compliance

Montana laws, administrative rules and hunting regulations establish many compliance requirements which relate to the random drawings for big game hunting permits and licenses. Overall, the process the department established for reviewing compliance assures sportsmen adhere to those laws and rules. However, we did identify areas for improvement related to hunters with revoked privileges and the landowner preference drawing.

Hunters With Revoked Privileges

Statutes prohibit a person whose license privileges are forfeited from applying for a hunting license. Although the department established a process for identifying persons with revoked privileges who apply for special licenses or permits, this process could be improved. The department could conduct an electronic comparison of the Big Game Drawing System database and Law Enforcement Division database. Conducting this comparison prior to the special drawings would ensure permits are not awarded to persons with revoked privileges.

Landowner Preference Drawing

Applicants must meet, and department staff must monitor, several requirements related to eligibility for landowner preference. Controls over landowner preference compliance could be improved. Currently, compliance monitoring is a joint effort by Special Licensing Section staff and the department's game wardens. Discussion with game wardens indicated they are not always able to complete their review of compliance with landowner preference provisions. Part of this problem is due to the fact the department must verify landownership rather than the applicant submitting proof. This makes it a time consuming task. It would be

Report Summary

beneficial for the department to review procedures to determine the most effective means of reviewing landowner preference claims.

Program Administration

During our review of the Big Game Drawing System, we conducted a limited review of various aspects of program administration. Several areas were identified pertaining to administration and efficiency of operations which could be improved.

Legislative Clarification Needed for Landowner Preference

In 1987, the legislature established a preference for landowners in the special elk permit drawing. This was the first time the legislature specifically authorized landowner preference. In 1973, the department created a preference for landowners in the drawings for antelope, deer and deer B permits through administrative rule. We believe the department has exceeded its statutory authority in establishing a preference for landowners in the deer and antelope drawings. In addition, the administrative rule used by the department to establish landowner preference for deer and antelope permits cites a code section which does not clearly grant the department authority to adopt this rule. It appears the department adopted an administrative rule without a specific statutory basis.

Other Administrative Rules Treat Groups of Applicants Differently

The department processes landowner applications differently than those of the general public. Department staff review all applications for errors or omissions. Landowners are then contacted and allowed to correct their applications. The department established this process through administrative rule. The general public is not given an opportunity to correct any errors or omissions. We believe the department needs statutory authority to process landowners' applications differently than non-landowners. Nothing in the sections of law establishing a landowner preference drawing allows the department to establish different application processing procedures for landowners.

Department Should Seek Legislative Clarification

If the department wishes to continue granting preference for landowners seeking deer and antelope permits, it should seek legislative clarification of this authority. In addition, if the department continues the practice of accepting corrections from applicants seeking landowner preference, the department should seek legislative clarification of this authority.

Correcting Big Game Applications

The department established a procedure for correcting some errors and omissions on applications for licenses and permits. This practice is contrary to the department's administrative rules which prohibit corrections or changes to applications once the department receives them. In addition, the correction service varies between staff members and is affected by the amount of time available to perform error correction.

The department should either comply with the administrative rule prohibiting corrections or change the rule to reflect the department's current practices. If the department is going to continue its practice of correcting applications, the department needs to take measures to ensure a consistent level of service is provided in correcting big game applications.

Procedure Manual Needed

There is no comprehensive procedure manual relating to administration and processing of the big game drawings. Department operations could be enhanced by documenting procedures for the Big Game Drawing System process.

Nonresident Youth Applications Handled Twice

Statutes establish requirements for issuing hunting permits and licenses to persons between the ages of 12 and 18. Applicants who fall into this age range must present a certificate of competency for safe handling of firearms or a bow hunter education course. The process the department uses to verify compliance with this requirement could be more efficient. Modifying the application would reduce the staff time involved in verifying compliance.

Report Summary

Edit Reports Could be Modified

Department staff use a number of edit reports to monitor compliance with various provisions governing the special hunting permits and licenses drawing. Providing additional information on two reports could make them more useful for department staff. These reports are used to monitor compliance with: 1) the seven year wait in applying for a moose, sheep or mountain goat permits, and 2) applying for antelope or elk permits as a party.

General Controls

We examined computer controls pertaining to physical security and electronic access to the big game drawing computer application. Although some controls need improvement, nothing came to our attention indicating there were improprieties in the data.

Physical Security Controls

It is FWP's responsibility to ensure a viable and tested recovery plan is in effect for its big game drawing computer application. FWP does not have a formal disaster recovery plan. Without a formal disaster recovery plan, FWP may be unable to process permits, licenses and refunds resulting from the Big Game Drawing System should the state's mainframe computer become inoperable.

A disaster recovery plan also ensures system documentation is stored off-site in case of disaster. At the time of our audit hardcopy documentation covering all aspects of the drawings were maintained in a room at the main FWP building in Helena.

The Department of Fish, Wildlife and Parks should establish, test, and document a formal disaster recovery plan for the Big Game Drawing System.

Electronic Access Controls

Proper electronic access controls prevent and detect deliberate or accidental errors caused by improper or unauthorized use or changes of data and/or programs. FWP uses an access control software called Access Control Facility-2 (ACF2).

Prior to finalization of the audit the department implemented two recommendations. Through ACF2 rules, the department is now:

1. Controlling files to prevent unauthorized access by FWP employees who are mainframe users.
2. Logging access to changes in production programs and data by technical support staff.

Other access controls could be improved in the following areas:

1. Separating duties of the security officer and programmer functions.
2. Establishing procedures for an independent and timely, comprehensive review of ACF2 reports.
3. Logging access of department technical support staff and the bureau chief to the on-line error correction and address change screens.
4. Developing formal policies and procedures for internal evaluations of security in accordance with state law.

Applications Controls

We examined input, processing and output controls over Big Game Drawing System computer applications. System documentation and enhancement requests were also reviewed. Overall, input, processing and output controls were in place and functioning. Although some controls need improvement, nothing came to our attention indicating there were improprieties in the data.

Input Controls

Four of the five input control areas reviewed are in place and functioning so as to provide assurance:

1. Only properly authorized and approved information is input.
2. Conversion of data to the mainframe computer, and thus to a machine-sensible form, is controlled.
3. Movement of data to the data entry vendor and the mainframe is controlled.
4. Errors detected by the application system and the resubmission of corrected transactions are reviewed and controlled.

Report Summary

We found edits which check for a correct prerequisite elk license number were not functioning properly and need to be tested.

Processing Controls

The two processing control areas reviewed are in place and functioning so as to provide assurance:

1. All valid applications are processed and the same applications are not processed more than once.
2. Unreasonable input is not processed.

Output Controls

The two output control areas reviewed are in place and functioning so as to provide assurance:

1. The correct number of applications were processed and all permits or licenses were printed.
2. Output is distributed to successful applicants and district offices.

Controls Over Permit and License Stock

Big game drawing permit and license stock is maintained in a locked cage in the main FWP building. One person controls the key to the cage and a limited number of people are allowed to remove stock from the cage. When stock is removed the permit or license sequence numbers and reason for removal are recorded in a stenographer book. At year's end notes in the book are typed and eventually destroyed.

We compared the 1994 typed log to the number of successful applicants in the big game drawings. The log indicated stock for 13 more antelope permits were printed than there were successful applicants, and stock for five less deer B permits were printed than successful applicants. The typed list did not show any stock used for 3,672 applicants recorded as successful for A-7 elk permits.

We believe a permanent log book maintained in the cage, and a yearly reconciliation of stock used to the number of permits and licenses printed would alleviate the types of problems noted above.

System Documentation

Documentation of a computer system should reflect the working environment. Documentation for the Big Game Drawing System was created about 1980. During our review of system narrative and programming it was sometimes difficult to determine how the system actually operated. Anyone else trying to learn the system would have the same problems, especially if the current programmer is not available to help answer questions and explain procedures. For example, currently there is no documentation of the random number generator subroutine used in the drawing.

We believe FWP should update documentation of the Big Game Drawing System computer application to reflect the current environment.

Enhancement Requests

Changes are made to the Big Game Drawing System each year. These system changes were not always documented well in the program. These include changing sequence numbers of valid licenses, some district information for specific species, valid birthdates, etc. Changes in legislation also require changes in program code. There is no formal system for changes to be requested, made and verified. Notes and memos are routed to programming staff who then make changes. There is no formal system to ensure appropriate changes were made or made in a timely manner.

Enhancements requests to a computer system should be formally documented. Changes should be tested/reviewed and approved by the requestor prior to being moved into production. Changes should also be documented within the program and hardcopy documentation.

Chapter I - Introduction

Introduction

Sportsmen wishing to hunt in Montana receive big game hunting licenses and permits in two ways: 1) over-the-counter purchases, and 2) special random drawings (Big Game Drawing System). Each year the Department of Fish, Wildlife and Parks (FWP) conducts random drawings for hunting licenses and permits for big game animals. Licenses to hunt moose, sheep, and goat are only available through a random drawing. A separate random drawing provides sportsmen an opportunity to obtain permits to hunt deer, elk and antelope. Permits awarded through the random drawing for elk and deer provide sportsmen special privileges such as taking an antlerless deer or elk, or hunting branch-antlered elk in a spike-elk-only district.

The Legislative Audit Committee requested a performance audit of the Big Game Drawing System at FWP. The Administration and Finance Division, Licensing and Data Processing Bureau, is responsible for administering the Big Game Drawing System. This audit did not examine over-the-counter license sales.

Audit Objectives

The objective of this performance audit was to determine the fairness of the big game permit and license drawing process. In order to make this determination, we addressed the following questions:

1. Are computer controls in place over the Big Game Drawing System to ensure fairness?
2. Are department procedures designed to provide reasonable assurance sportsmen comply with laws, administrative rules and department policy?
3. Are selected Big Game Drawing System procedures and processes consistent and efficient?

Chapter I - Introduction

Audit Scope and Methodology

The audit concentrated on the 1994 and 1995 big game drawings and was conducted in accordance with government auditing standards for performance audits. To examine the issue of fairness, the audit included reviews of:

1. Data, procedural, security and access controls as they relate to the Big Game Drawing System.
2. Input, processing and output controls associated with the special license computer application.
3. Computer program coding used to conduct the drawings.
4. The process used to ensure sportsmen comply with state laws, administrative rules and department policy.
5. Program administration.

We relied on the Legislative Audit Division's Fiscal Year 1993-94 Central Reviews audit of the mainframe computer located at the Department of Administration for organization, hardware, and software controls. Data and procedural, security, and access controls not covered by the Central Reviews audit were tested at FWP. Staff interviews and a review of policies and documents provided information on backup of programs and data, contingency planning, security evaluations, and access controls pertaining to the Big Game Drawing System.

Many computer programs are used to conduct the drawings of special hunting permits and licenses. Computer programs include those used to: edit applications, select species, conduct the drawings, and produce various management reports. Input, processing and output controls were tested for effectiveness. Our audit examined program language to assess whether programs process data as explained by department staff. We also analyzed and tested computer programs used to ensure permits and licenses are drawn on a random basis.

We tested the process the department established to ensure sportsmen comply with laws, rules and department policies governing the big game license and permit drawing. This included examining forms, reports and procedures used by department staff.

Management Memorandums

During the course of the audit we sent a management memorandum to the department. The issues identified are not included in this report, but can help increase the efficiency of procedures used in the drawing process. The memo addressed the following eight areas:

- Eliminate reuse of the same forms each year to set or change district quotas to leave a documented trail for the quota input process.
- Update the Montana zip code table used in the random drawing, and change the computer language to allow for nine digit zip codes.
- Ensure computer screens used to input information match the key punch form.
- Secure hard copy documentation of the Big Game Drawing System.
- Develop policies on granting, changing and deleting access to computer programs.
- Log batches hand-delivered to the states' data entry vendor.
- Update administrative rules pertaining to the landowner preference drawing.
- Change the application form to reduce the occurrence of a common error made by sportsmen completing the form.

Area for Future Review

During our performance audit we identified one area we believe warrants future audit work. The department uses four computer systems to carry out duties related to hunting and fishing in Montana.

1. Big Game Drawing - awards special licenses and permits.
2. Sportsmen's - tracks who purchases hunting and fishing licenses.
3. Hunter Education Certification - registers whether youth between ages of 12 and 18 took a hunter safety education course.

Chapter I - Introduction

4. Notice to Appear - tracks all citations issued by the department.

A future audit could examine the accuracy and timeliness of data contained on these systems and feasibility of integrating systems.

Report Organization

This report is presented in seven chapters. Chapter II provides background information on the Big Game Drawing System. Chapter III addresses the fairness of the Big Game Drawing System. Chapter IV discusses audit findings related to compliance with laws, administrative rules and department procedures. Improvements in the areas of administration and efficiency are discussed in Chapter V. Chapters VI and VII present improvements which could be made in the areas of general and application computer controls.

Chapter II - Background

Introduction

Permits and licenses issued through the Big Game Drawing System must be used in conjunction with a valid resident conservation or sportsman license, or nonresident conservation or combination license. To obtain an elk permit through the annual drawing a resident also needs a valid prerequisite elk license.

Residents purchase conservation, sportsman and elk licenses over-the-counter from 1 of the approximate 400 license agents in the state. A conservation license is a prerequisite for all licenses. A sportsman's license includes conservation, deer A and elk licenses.

For the most part, nonresidents cannot purchase over-the-counter big game hunting licenses. In 1994, nonresidents entered FWP's random drawing for a Big Game or Deer Combination License. Combination licenses allow nonresidents to enter into the random drawings for elk and special deer permits. A Big Game Combination License includes conservation, deer A, and elk licenses. A Deer Combination license includes conservation and deer A licenses. Nonresidents can enter moose, sheep, mountain goat, antelope and deer B random drawings with a combination or a nonresident conservation license.

What are the Procedures Prior to the Drawing?

Big game applications are submitted to FWP and processed for inclusion in a computer database. The department receives over 100,000 applications each year for the drawings. The moose, sheep and goat drawing is conducted in June, and the deer, elk and antelope drawing in August. The following sections describe the steps followed to prepare applications for the drawings.

Tentative Quotas Established

There are numerous hunting districts within eight designated hunting regions in the state. (See Appendix A for an example of Region 1 hunting districts.) Quotas are established for each species in each hunting district. Quotas limit the number of permits and licenses awarded through the drawings in a particular hunting district for each species. Every February, FWP biologists provide the Fish, Wildlife and Parks Commission with tentative quotas for deer, elk, antelope, moose, sheep and mountain goat licenses and

Chapter II - Background

permits issued through the random drawings. Quotas are based upon harvest information from the previous year and information gathered by staff while in the field. The Fish, Wildlife and Parks Commission establish tentative quotas every February.

Quota information is provided in hunting regulations the department publishes every March. Sportsmen can use tentative quotas to determine approximately how many licenses or permits are available in each district for the upcoming hunting season. For example, in 1994 the tentative quota in elk district 122 was 25 antlerless elk permits.

Applications Submitted to FWP

People interested in obtaining a big game permit or license through the random drawing must complete an application and submit it to FWP. Applicants can hand-deliver their applications to the main FWP building in Helena or mail them in. Hand-delivered applications are reviewed for correctness, completeness, and correct amount of money. Applicants can correct any errors or omissions at the time of review. Applications mailed in, except from applicants claiming landowner preference, cannot be corrected by the applicant. Resident and nonresident moose, sheep and goat applications must be delivered or post-marked no later than May 1. Resident and nonresident antelope, deer and elk applications must be delivered or post-marked no later than June 1.

Applications require basic hunter information, including:

- Name.
- Address.
- Date of birth.
- Conservation, sportsman, big game combination or deer combination license number.
- Physical characteristics (sex, height, weight, eye color, hair color) of nonresidents.
- Hunter education information if between the ages of 12 and 18.
- Landowner preference data, if applicable.

Examples of the 1994 resident deer, elk and antelope application, and nonresident moose, sheep and goat application are in Appendix B.

Applicants indicate district(s) they want to hunt in for each species. Hunters are allowed to choose as many as three districts, in order of priority, when applying for antelope, deer and elk. Choice of district is limited to one district for moose and goat, and two for sheep (the second choice can only be for an adult ewe).

Hunters must submit fees with the application. Fees include both a drawing (processing) and license/permit fee and range from \$3 for a resident deer permit to \$478 for a nonresident moose, sheep or goat license.

Applications Processed

The Special Licensing Section, Licensing and Data Processing Bureau, processes applications for the big game drawings. Staff begin processing applications by stamping the applications with the date received at the department. A number of manual edits are performed which ensure the application:

- Is postmarked, or stamped if hand delivered, by the deadline.
- Is signed.
- Is a current year application.
- Fees received equal the dollars due.

Nonresidents may not pay with a personal check.

Applications meeting the above criteria are sorted into stacks of resident, nonresident, party hunt, landowner preference, or problems. Such things as no signature, late submission, insufficient money, districts applying for not indicated, or a person claiming residency who paid with an out-of-state check constitute problems. Staff put 50 applications in a batch, assign a batch number, and perform cash balancing steps. The money is routed to the department cashier and the application is set aside for data entry.

Party Hunt Applications Reviewed

Staff review applications from people wishing to hunt as a party to ensure party-related data is correctly submitted by sportsmen. Up to five people can apply for an antelope party and two people for an elk party. The names of people in the party must be on each party member's application and the district(s) applied for must be in the same order. If one person in a party does not include all the names, leaves out required data, or other problems make the

Chapter II - Background

application invalid, the remaining applicants are still considered a party.

Landowner Preference Applications Returned for Corrections

Applications from landowners requesting preference are reviewed for errors or missing information including district choices, signature and other required data. Applications which are incomplete, incorrect or contain problems are returned to the applicant with his/her money and a letter explaining the problem and how to correct it. Landowner applicants are allowed one opportunity to correct any problems and resubmit the application.

Applications with Problems Corrected

Rather than deny applications, FWP tries to correct some problems. For example, if an application is short money, staff apply the money submitted to as many species as possible so those species are considered in the drawing. In this case, if a person applied for a resident antelope license for \$14, a deer B license for \$11 and a special elk permit for \$6 (for a total of \$31), but only submitted \$25, staff would apply the money to the antelope and deer B license (a total of \$25). The person would then be entered into the drawings for antelope and deer B licenses, but not an elk permit.

Applications are Rejected

An application which is not submitted on time, not signed, not for the current year, does not include any money, or is from a nonresident paying with a personal check is not processed any further. The sportsman is not included in the drawing. The sportsman receives a form letter explaining the problem along with his/her check, money order or certified check. The following table shows the number of applications returned due to errors in 1994.

Table 1

Applications Returned Due to Errors
(1994)

<u>Reason</u>	<u>Number</u>
No Signature	671
Short Money *	513
Invalid Application	23
Postmarked Late	302
Miscellaneous	142
Total	<u>1,651</u>

* Short money includes personal checks from nonresidents and no money.

Source: Department of Fish, Wildlife and Parks.

Application Data is Keypunched

Batched applications are sent to the state contracted data entry vendor for data entry and uploading to the state mainframe computer. Batches are logged in and out at both FWP and the contractor. A courier for the contractor picks up and delivers batches to and from FWP. Once batches are entered into the computer, the applications are returned to the department and filed by batch number.

During the entry process, data on each application is run through a number of alphabetic and numeric edits to check fields for correct characters and missing data. The dollar amount input for each batch must equal the sum of the dollar amounts input for individual applications in the batch. The contractor is directed to perform key verification on all applications.

Edits Performed on Data

Nightly, the contracted vendor uploads keypunched application data to the state's mainframe computer. The information is loaded to a temporary file to ensure all data transfers. The data is then processed through a number of drawing system edits. These edits check validity of information on the entire application.

Edits check for basic information such as:

- Applicant at least 12 years old.
- City, state and zip code present.

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- Hunter education certificate number exists for a resident between the ages of 12 and 18.
- Conservation, sportsman, or combination license numbers fall within specified ranges.
- Physical characteristic information for nonresidents.

Edits are also in place to check information for each species, including:

- Applicants applied for valid districts.
- The same district is not applied for two or three times for the same species.
- Party hunt information is correct (same number of people are designated on each party member's application, districts applied for are in the same order).

If no errors are found, information on the application is loaded into the Big Game Drawing System database. If an error is found in the basic information, the entire application is put in an error file. If the basic information is correct, but there is an error with species information, only the species information in error is put on the error file; the rest of the application is loaded into the database.

Errors Worked

After each night's edit run, Special Licensing Section staff receive reports listing all incorrect information and a specific error message for each problem. Each application is pulled from the batch and compared to what was input to determine if there was a keypunch error or if the applicant incorrectly filled out the application.

Staff access a computer screen which allows them to correct the application. If the error can be corrected without any further information from the applicant, staff correct the error. Types of errors which are corrected include:

- Adding a missing zip code.
- Keypunch errors.
- Deleting districts which are invalid.

- Obtaining a missing resident hunter education certificate number from the Conservation Education Division, FWP.

Corrected data is processed through the edit routine that night and if the error is corrected, the information is loaded into the drawing database.

If an error in the basic information cannot be corrected, the application is not added to the database. Examples of errors which cannot be corrected include:

- Missing or invalid birthdates (the person wrote in the current year instead of the birth year).
- Missing or incorrect prerequisite license numbers.
- Two or more nonresident physical characteristics are missing.
- Nonresidents between the ages of 12 and 18 did not include a hunter education certificate.

After the drawing, applicants with incorrect or incomplete applications receive refunds for the amount submitted. The department does not retain any of the application fee since none of the species information was loaded into the database.

Species Information Errors

If the error relates to a species record, staff determine if they can correct the error. Examples of errors which can be corrected include:

- If a person adds a "season" (an 01 or 02 after the district number) to a district when one is not needed, staff put zeros in the season field.
- If the first and/or second district choice is invalid but the other one or two are okay, staff delete the invalid district and process the remaining districts.

Corrections are run through the edit routine that night and correct information loaded into the database.

If the information cannot be corrected - for example, there was only one district applied for and it was invalid - information for that species is not loaded into the database. The applicant is sent a

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refund for that species minus the \$3 drawing fee retained for each species applied for since the basic information was loaded into the database.

Records Removed from Database

Prior to the drawing, an application on the database can be removed for a number of reasons. These include:

- The check submitted with the application was returned as "Non Sufficient Funds."
- The person submitted two applications for the same species.
- The person applied for and received a moose, sheep or goat license within the past seven years and applied for the same type of license as previously received.

For the latter two situations, staff receive computer-generated reports. The reports are reviewed and any problems investigated. If the person submitted two applications or applied for a moose, sheep or goat license within seven years of receiving a license for that species, staff take the person out of the drawing. Applicant information is given to Law Enforcement Division, FWP, for action. Applicants are sent their money back minus a \$3 drawing fee per species.

In the 1994 drawings, 1,180 moose, sheep and goat, and 7,385 deer, elk and antelope species applied for had errors which could not be corrected or the applicant was removed from the database prior to the drawings.

Species and Dollar Amounts Reconciled

Prior to each drawing, the number of species applied for and the dollar amounts received are reconciled. This assures staff all valid applications are included in the database. At this point, all applications submitted by sportsmen have been processed by the department, input into the database and examined for validity. The database is complete and the drawing can be conducted after final quotas are established.

Final Quotas are Set

The last step in preparation for the drawings is the setting of final quotas. About a week before each drawing, the Fish, Wildlife and Parks Commission approves final quotas for each district for each species. In most districts final quotas are the same as tentative quotas. In other districts quotas are raised or lowered. It is department policy not to lower final quotas to zero since people probably applied for a license or permit in that district and lowering the quota to zero would not be fair to applicants.

Quotas are established for both residents and nonresidents. Nonresidents are limited to, but not guaranteed, 10 percent of a district quota. For example, in a district with a quota of 100 permits, up to 10 permits can be awarded to nonresidents. The only exception to this provision is for moose, goat and some sheep licenses where nonresidents are limited to, but not guaranteed, 10 percent of the region quota, not just district quotas.

Final quotas are entered into the database by the state contracted data entry vendor.

How is the Drawing Conducted?

Prior to each drawing, FWP creates computer files from the database listing all the people applying for a license or permit for each species. For example, all sportsmen applying for an elk permit are put on one file. This file is then used in the drawing for elk permits.

Drawing Process Overview

There are a series of four drawings for deer, elk and antelope permits. The first drawing is for restricted landowner preference. The second drawing is for the unrestricted landowner preference; this allows for nonresident landowner selection when all resident landowners are selected. The restricted regular drawing follows the two landowner drawings. The unrestricted regular drawing is the fourth drawing. In this drawing the 10 percent nonresident restriction is lifted.

There are only two drawings for moose, sheep and goat since there is no landowner preference for these species. The two drawings

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are restricted regular and unrestricted regular. The following table shows the sequence of drawings for the six species.

Table 2

Types of Random Drawings

Types	Species					
	Moose	Sheep	Goat	Deer	Elk	Antelope
Restricted Landowner				X	X	X
Unrestricted Landowner				X	X	X
Restricted Regular	X	X	X	X	X	X
Unrestricted Regular	X	X	X	X	X	X

Up to 10 percent nonresident quota restriction not in place.

Source: Compiled by the Legislative Audit Division.

Landowner Preference Applicants are Drawn

Restricted Landowner Drawing

The first drawing is for applicants claiming landowner preference. Up to 15 percent of elk, antelope, deer and deer B permits in each hunting district are available for residents and nonresidents claiming landowner preference. For example, in an elk district with a quota of 100 permits, 15 can be awarded to landowners. The 10 percent nonresident quota restriction also applies. Up to 10 of the 15 landowner preference permits could be awarded to nonresidents. (If this were to occur the nonresident quota for the district would be filled. No nonresidents would be drawn during the regular drawing.)

A person can claim preference for antelope or deer if he/she owns or is contracting to purchase at least 160 acres in the hunting district for which he/she is applying. A person must own or be contracting to purchase 640 acres of contiguous land used by elk to claim preference for an elk permit. The district in which the land is located must be listed as the applicant's first choice on the application. Landowner preference is only applied to the applicant's first choice district.

Unrestricted Landowner Drawing

After all districts are processed, staff review statistics for each district. Staff determine if landowner preference permits are still available in any districts and if any nonresident landowners in those districts were not drawn because all the resident landowners were drawn. If this occurs, the drawing is changed to allow for the remaining nonresident landowners to be selected to fill the 15 percent quota. The 10 percent nonresident restriction still applies.

Figure 1 shows the process followed for landowner preference drawings.

Figure 1

Process Followed for Landowner Preference Drawings

Source: Compiled by the Legislative Audit Division.

General Public Applicants are Drawn

Restricted Regular Drawing Conducted

After landowners are drawn, the regular drawing for deer, elk and antelope is conducted. Any landowners not chosen in the landowner drawing are included in the regular drawing. For moose, sheep and goat the regular drawing is the first drawing. The up to 10 percent nonresident quota restriction applies.

The computer finds first choice resident and nonresident applicants for the first district for the species. The computer draws applicants who applied for that district as their first choice. If all first choice resident applicants in the first district are successful, or the quota is filled, the computer goes to the second district. Again first choice applicants are drawn until there are no more resident applicants or the quota is filled. These steps are followed until all districts for the species are processed for first choice applicants.

The computer then returns to the first district. If there are licenses or permits available in the district after the first choice draw, the computer finds residents applying for that district as their second choice who were not drawn in a first choice draw. First and/or second choice nonresident applicants are included for second choice if the nonresident quota is not filled. If all first choice nonresidents were not drawn they are included with second choice residents in the second choice draw. If all nonresident first choice applicants were drawn, second choice nonresidents and second choice residents are included in the second choice draw. Choices in the district are drawn until the district quota is filled or there are no more residents with second choice.

After all districts are processed for second choices, the computer goes on to third choice in any districts with licenses or permits available and follows the same procedures as for second choice. Nonresidents are not considered in the second or third choice draws if the nonresident quota was filled in the previous draw(s).

Figure 2 shows the process followed for the regular drawing.

Figure 2

Process Followed for Restricted Regular Drawing

Source: Compiled by the Legislative Audit Division.

Unrestricted Regular Drawing

After the regular drawing with the up to 10 percent nonresident quota restriction in place, staff review statistics to determine if there are still districts with licenses or permits available and all residents applying in those districts for either first, second, or third choice received licenses or permits. The nonresident restriction is lifted for those districts with licenses or permits available and nonresidents in those districts without a license or permit go through the drawing process again. This process is shown in figure 3.

Figure 3

Process Followed for Unrestricted Regular Drawing

Source: Compiled by the Legislative Audit Division.

Licenses and Permits Printed

After each species is drawn, licenses and permits are printed. Licenses and permits are printed by district. FWP staff ensure the number of licenses or permits printed for each district does not exceed the district's final quota. Licenses for moose, sheep and goat are mailed in early to mid-June. Deer, elk and antelope permits are mailed in early to mid-August.

Refund Warrants Printed

After each drawing is completed, refund warrants are sent to unsuccessful applicants or applicants not included in the drawing because of problems with their applications. The applicant is not informed why his/her money was refunded, i.e. if the refund resulted from not being drawn or problems with the application. The Department of Administration prints the warrants. FWP mails the warrants about two weeks after licenses or permits are mailed.

1994 Application and Drawing Statistics

In 1994, over 100,000 people submitted applications for moose, sheep, goat, deer, elk and antelope licenses and permits. Approximately 200,000 individual species applications were submitted for 106,799 licenses or permits. The figures on pages 22, 23 and 24 show, for each species, the number of applications in each drawing and the number of successful applicants.

Over \$7 million was submitted with applications. FWP retained \$485,898 in drawing fee revenue and \$1,662,486 in license fees from successful applicants. Drawing and license fees are deposited in a general licensing account. The money is used by various divisions in the department for work pertaining to big game animals and the big game drawing.

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Figure 4

Number of Successful Applicants vs. Total Valid Applications in 1994
(Moose, Sheep, Goat)

Moose

Total Applications - 18,771
Successful Applicants - 748

Sheep

Total Applications - 12,464
Successful Applicants - 651

Goat

Total Applications - 6,497
Successful Applicants - 275

Source: Compiled by the Legislative Audit Division from department records.

Figure 5

Number of Successful Applicants vs. Total Valid Applications in 1994
(Antelope, Deer B)

Antelope

Total Applications - 49,769
Successful Applicants - 38,434

Deer B

Total Applications - 32,540
Successful Applicants - 27,862

Source: Compiled by the Legislative Audit Division from department records.

Figure 6

Number of Successful Applicants vs. Total Valid Applications in 1994
(Elk, Deer Permit)

Elk

Total Applications 68,244

Successful Applicants - 36,847

Deer Permit

Total Applications - 6,206

Successful Applicants - 1,750

Source: Compiled by the Legislative Audit Division from department records.

Chapter III - Is the Drawing Fair?

Introduction

The primary audit objective was to determine the fairness of the Big Game Drawing System process. To determine this we reviewed two major aspects of the drawing: 1) procedures followed to process applications, and 2) computer program coding. Procedures followed to process applications are discussed in Chapters IV and V.

The following sections discuss computer coding. Overall, after considering the landowner preference and the nonresident restriction, the actual computerized drawing ensures everyone has a unique drawing number and has an equal chance of selection for a permit or license within a district for a given choice.

Is the Drawing for Licenses and Permits Fair?

The drawing process has two items which intentionally affect the "randomness" of the drawing. These were described in Chapter II: the landowner preference procedure and the up to 10 percent nonresident restriction. These items are based on legislative action and administrative rules. For landowner preference, section 87-2-705(4), MCA, states:

"Fifteen percent of the special elk permits available each year under this section in a hunting district must be available to landowners under subsection (2)."

Subsection 2 discusses the amount of land a person must own or be leasing to buy to qualify for landowner preference.

Section 12.3.112(2), Administrative Rules of Montana (ARM), require 15 percent of an antelope district quota to be set aside for the landowner drawing. Section 12.3.104, ARM, indicates landowners will receive preference for deer permits.

Section 87-2-506(2), MCA, discusses nonresident restriction and states:

"When the number of valid resident applications for big game licenses or permits of a single class or type exceeds the number of licenses or permits the department desires to issue in an administrative region, hunting district, or other designated area, then the number of big game licenses or

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permits issued to nonresident license or permit holders in the region, district, or area may not exceed 10% of the total issued."

These two items and the remaining drawing processes are built into the system. The drawing process provides for random selection of applicants within the parameters of landowner preference and nonresident restrictions.

The computer programs used to conduct the big game drawing eliminate any "human bias" by relying on several random events to select successful applicants. Our review of program coding included the programs for:

1. The selection process, which also assigns drawing numbers to each person applying for each species.
2. Actual drawing of applicants for licenses or permits using random numbers.

Applicant information is edited to ensure necessary information is present and in the proper form. Applicants' districts, choices, and sportsmen information are stored as database records.

During the selection process each person is given a drawing number. The drawing number is used to match random numbers generated when the drawings take place. A random number program is responsible for generating the random numbers. This program is initiated by the computer's internal clock. This process assures there can be no operator bias in selecting the random numbers.

The following sections describe the selection and random drawing processes.

Assignment of Selection Numbers

During the selection process the computer looks for applicants who requested specific game species, districts and the choice associated with the district. As the computer locates the applicant on the database it assigns a unique drawing number to that record. Each applicant is assigned a unique drawing number for each of his/her choices. So a person applying for three elk districts as first, second and third choice is assigned a unique drawing number for each district when each choice is drawn.

If sportsmen applied as a party, the "owner" of the party is given a drawing number for each of the districts the party members applied for. The rest of the party members are awarded permits when the owner is drawn, but each member is not given a drawing number. Applying as a party does not increase the chance of being selected.

The drawing number assigned does not increase or decrease the odds of selection for a permit or license.

Drawing Process

Drawings are conducted using the files generated in the selection process. For each species, the drawing program passes through one district choice at a time. Each drawing program processes information by selecting random numbers within a range of numbers established by the selection process. The random number is then matched with a drawing number. If the applicant assigned that number is not a previously selected record, the applicant is "tagged" as a successful applicant.

Chances of selection for a permit or license are dependent on the number of applicants per district per species and the quota. For example, in 1994 the tentative quota was set at 60 permits in elk district 880-01. The final quota was also 60 and 1,946 people applied for the district as first choice. The chance of selection was approximately 3 percent. In elk district 835 the tentative and final quota was 300 permits. First choice applicants totaled 612. Each applicant had a 49 percent chance of selection.

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Drawing Process is Random

A test of the random number generator against two other generators was conducted. Generating 2,000 random numbers from each generator produced results which were comparable and had similar test statistics. The drawing numbers are selected at random.

Conclusion: Computerized Big Game Drawing is Fair and Random

The computerized drawing process is fair and random. The computerized drawing ensures everyone has a unique drawing number and has an equal chance of selection for a permit or license within a district for a given choice. The use of database files, assigning drawing numbers using the database, and the matching of drawing numbers with randomly generated numbers provides for a random drawing process.

Chapter IV - Procedures which Ensure Sportsmen Compliance

Introduction

Montana laws, administrative rules and hunting regulations establish many compliance requirements which relate to the random drawings for big game hunting permits and licenses. One of the objectives of our audit was to ascertain whether department procedures are designed in such a way as to provide a reasonable measure of assurance sportsmen comply with laws, rules and regulations governing the awarding of special permits and licenses.

Overall, we found the process the department established for reviewing compliance assures sportsmen adhere to those laws and rules which govern special hunting permits and licenses. However, we did identify areas for improvement related to hunters with revoked privileges and the landowner preference drawing. Areas of compliance reviewed include:

- One application per species.
- Hunters with revoked privileges applying for a permit or license.
- Nonresidents applying as resident sportsmen.
- Minimum age to hunt.
- Certification of hunter education.
- Seven year wait period for moose, mountain goat or limited bighorn sheep license.
- Nonresident limits on moose, mountain goat or limited bighorn sheep licenses.
- Landowner preference drawing.
- Party hunts.
- Antlerless elk licenses.

Subsequent sections discuss these areas and include our findings and conclusions.

Chapter IV - Procedures which Ensure Sportsmen Compliance

One Application Per Species

Statutes and administrative rules prohibit an individual from submitting more than one application for any species. Such action disqualifies that individual from the drawing for the species. The department uses computer generated reports to ensure sportsmen do not submit more than one application per species. The reports are produced just prior to each of the two drawings: 1) moose, sheep and goat and, 2) deer, elk and antelope.

Staff identify duplicate applications and eliminate them from the drawing for that species. During the 1994 random drawings one person submitted 2 applications for a sheep license and 43 duplicate applications representing 21 sportsmen were submitted for deer, elk or antelope permits. Law Enforcement Division staff were notified of persons submitting duplicate applications for appropriate action for violation of fish and game laws.

Conclusion: Process Catches Duplicate Applications

The department identifies duplicate applications and eliminates such applications from the species drawings. In addition, the computer generated report is an accurate and effective means of monitoring compliance with the restriction on submitting duplicate applications.

Hunters with Revoked Privileges Apply for Permits

Section 87-1-102, MCA, discusses the penalties associated with the unlawful taking, killing, possessing, transporting, or wasting of game animals. A person convicted or who has forfeited bond or bail under the section, and whose license privileges are forfeited, ". . . may not purchase, acquire, obtain, possess, or apply (emphasis added) for a hunting, fishing, or trapping license or permit during the period when license privileges have been forfeited," section 87-1-102(3), MCA. The section also states a person convicted of applying for a license while privileges are revoked is subject to a minimum fine of \$500.

Section 12.3.405, Administrative Rules of Montana, states:

"(1) When any holder of a Montana hunting license forfeits that license or the privilege to hunt in the state under provisions of section 87-1-102, MCA, any application for a

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hunting license or permit is invalid during the time for which the license or privilege to hunt is forfeited, or revoked.

(2) Any permit or license issued to an individual who has forfeited hunting privileges under section 87-1-102, MCA, is void."

Information concerning hunters with revoked hunting privileges is maintained by the department's Law Enforcement Division (LED). The information is in a database on the department's network computer system.

After the drawings are conducted LED manually compares the list of hunters with revoked privileges to special license and permit applicants. A letter is sent to the hunter indicating his/her privileges were revoked and he/she needs to return the conservation license and any special licenses or permits awarded through the drawings. The applicable game warden is sent a copy of the letter. Approximately 450 hunters had privileges revoked during the 1994 big game drawings. Twenty-six of the hunters applied for a special permit or license and three received a permit.

The comparison between LED's database and the special drawing database should be conducted prior to the drawing. Although few hunters with revoked privileges applied in 1994, leaving them on the special drawing database decreased the chances of legitimate hunters obtaining permits. In addition, the manual comparison takes staff three days to complete. The method of comparison could be more efficient.

Special Licensing Bureau needs procedures to ensure only eligible applicants are on the database. To accomplish this, the department could create a computer program that extracts the needed information from LED's database and compares it to the special drawing database. This electronic comparison could be conducted prior to the drawing to delete applicants with revoked privileges at the time of the drawing. Another comparison could be conducted prior to the hunting seasons to request submission of any permits or licenses awarded to applicants who did not know at the time of the drawing their privileges were revoked.

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Creating a computer program to compare information will take staff time the first year but the cost should decrease in subsequent years since the program will be in place.

Recommendation #1

We recommend the Department of Fish, Wildlife and Parks electronically compare the revoked privilege information on LED's database to the Big Game Drawing System application information prior to the drawings and hunting seasons.

Nonresidents Applying as Resident Sportsmen

Statutes establish requirements for the purpose of issuing resident fishing, hunting and trapping licenses. Residency requirements per section 87-2-102, MCA, define a resident as a person who has been a legal resident in the state of Montana for six consecutive months immediately prior to purchasing a hunting license or permit and who does not use resident privileges in any other state or country.

A person convicted of providing false statements to obtain a resident license can be fined and/or imprisoned, and must forfeit any hunting licenses and the privilege to hunt in Montana. Depending on species, quota and district, some permits and licenses are only available to residents. Persons who do not meet residency criteria are not allowed to apply for these permits and licenses. In addition, district quotas for residents and nonresidents differ.

Three groups have responsibility for ensuring adherence to residency requirements: 1) licensing agents; 2) the Law Enforcement Division; and 3) the Special Licensing Section. This audit examined actions taken by the Special Licensing Section.

Compliance testing conducted by the Special Licensing Section consists of both manual review and computer edits. A manual

Chapter IV - Procedures which Ensure Sportsmen Compliance

review of applications is done during initial processing. Staff examine envelopes and check addresses against those listed on the application and check to identify possible nonresidents applying as residents.

Computer edits cross-check several pieces of information contained on the applications which are indicative of residency. Any "errors" are listed on a report which is reviewed by department staff to ensure the error is not the result of a data entry mistake. Applications with conflicting residency information are eliminated from the random license and permit drawing. Residency edits exist and work as intended.

Conclusion: Conflicts in Residency Status are Identified

The Special Licensing Section takes reasonable steps to monitor applications to ensure only resident sportsmen apply for those permits and licenses which are available to resident sportsmen only. Examination of envelopes and checks, and computer edits result in identification of applicants with conflicting residency information and subsequent elimination of such persons from the random drawing. However, in the field, licensing agents and the department's Law Enforcement Division are the primary entities responsible for enforcing compliance with residency requirements.

Minimum Age

Persons must be 12 years of age prior to September 15 in order to hunt in the state of Montana. The department monitors for minimum age via computer edits. Once application data is input, a computer edit then checks for applicant age to ensure he/she is 12 years of age by September 15 of the current year. This control relies upon the applicant submitting truthful age information.

Applicants under 12 years of age are eliminated from the drawing. During the 1994 drawings, 362 applicants provided an incorrect date of birth which did not meet the minimum age requirement. Many applicants provided the current year rather than year of birth.

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Conclusion: Department Checks for Minimum Age

The department takes reasonable steps to ensure applicants who are not 12 years of age prior to September 15 are eliminated from the drawing for a special hunting permit or license.

Hunter Education Certification

In addition to requiring a minimum age for hunters, statutes also require persons under the age of 18 to successfully complete a hunter education safety course. This requirement applies to both residents and nonresidents.

The department examines data required with the application and through a series of computer edits. Residents must provide the Montana Hunter Education certificate number on their application for special hunting permits and licenses. Nonresidents must provide a copy of a certificate of completion of a course in hunter education along with their application.

Computer edits check resident applications to ensure the certificate number is provided. Other edits identify all nonresident hunters between 12 and 18 and list them on a report. Staff manually review each nonresident's application to ensure a hunter education certificate is attached. If the certificate is not attached, the person is eliminated from the drawing.

We tested the process and computer reports the department relies upon to ensure sportsmen compliance with hunter education requirements. Residents who do not provide the prerequisite certificate number, and nonresidents who do not provide a copy of the certificate, are not allowed in the drawing for special permits and licenses. During the 1994 drawings for special permits and licenses, the department identified 336 resident applicants who did not provide a certificate number. Department staff also identified 27 nonresident applicants who did not provide a copy of their certificate as required.

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Conclusion: Edits Checking for Hunter Education Certifications Work

Both the computer edits and manual review for hunter education certificates work as described. There are some measures the department could take to increase efficiency of nonresident certificate verification. This is discussed on page 46.

Seven Year Wait

Statutes specify a person who receives a moose, mountain goat or limited bighorn sheep license is not eligible to receive another special license for that species for the next seven succeeding years. Therefore, a person who received a moose license in 1991 cannot apply for another moose license until the year 1999. This legislation was effective in 1991.

The department maintains a database of successful applicants for moose, mountain goat and limited bighorn sheep licenses awarded since 1991. A computer program matches current year applicants against prior year successful applicants. Staff manually review any potential matches by examining the current application and prior year's records to ensure the sportsman in fact applied for a license when they should not have. If they have, the sportsman is eliminated from the drawing of the species in question and receives a letter notifying them of this fact. Thirty-eight sportsmen were eliminated from the 1994 drawings for moose, mountain goat and bighorn sheep. The Special Licensing Section also provides the Law Enforcement Division with the names of persons violating the seven year wait.

Conclusion: Process Ensures Adherence to Seven Year Wait Restriction

The process FWP follows to monitor applicants for moose, mountain goat and limited bighorn sheep licenses allows staff to identify those applicants who received a license since 1991 and applied for the same species in the current drawing. These applicants are dropped from the drawing and notified of this fact. Testing also revealed the department appropriately relies upon the computer-generated report as a means of monitoring compliance.

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Nonresident Limits on Moose, Sheep or Goat Licenses

Hunting regulations restrict nonresident sportsmen from obtaining moose, bighorn sheep and mountain goat licenses in certain districts. Nonresidents cannot be awarded licenses in all the hunting districts that residents can. The department ensures adherence to this requirement through the use of quota limits which are input into the computer database. For districts nonresidents cannot apply in, the nonresident quota is set at zero. This prevents a nonresident from getting a permit in a hunting district they cannot apply for. We examined district quotas to ensure adherence to restrictions placed on nonresident moose, bighorn sheep and mountain goat licenses.

Conclusion: Nonresidents can Only Get Licenses in Certain Districts

The process the department follows assures nonresidents are not awarded moose, sheep or goat licenses in districts in which they are not eligible.

Landowner Preference Drawing

Applicants must meet and department staff must monitor several requirements related to eligibility for and use of landowner preference. The requirements are:

- General requirements: To qualify for preference one must be the owner of record or be contracting to purchase land within the hunting district applied for, and the land must be used primarily for agricultural purposes.
- Minimum land size: There are minimum acreage sizes depending on species applying for. The minimum size is at least 160 acres of land for deer and antelope and 640 acres of contiguous land if applying for elk.
- Limit on Claimants: Only one person each year may use or be delegated preference for each sole proprietorship, partnership, or corporation. A corporation may delegate the landowner preference to a shareholder.
- Relationship: Landowner preference can be used by the owner or designated to a blood or marriage related individual or employed ranch manager.

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- Party Hunt Applicants: A sportsman may not apply for landowner preference for antelope or elk if they are applying as a party member.
- Limit on District Choices: Landowner preference will be applied only to the applicant's first choice district for each species.
- Limit on Number of Successful Applicants per District: Up to 15 percent of the permits and licenses in a district can go to persons claiming landowner preference.

Both the Special Licensing Section and the Law Enforcement Division share responsibility for ensuring sportsmen comply with landowner preference provisions. The department's game wardens are responsible for verifying compliance with three provisions: 1) person is owner of record or contracting to purchase the land; 2) minimum number of acres required; and 3) preference for the same tract of land is only designated to or used by one person each year.

Special Licensing Section staff also review landowner preference applications to ensure compliance with provisions governing this drawing. The manual review of applications examines relationships to ensure the applicant is either the owner or preference is designated to a blood or marriage related individual or employed ranch manager. The manual review also assures sportsmen did not apply for the landowner preference drawing and as a party member.

The department designed computer edits to examine the last two compliance areas of landowner preference: limit on district choices and limit on the number of successful applicants per district. The landowner preference drawing is conducted on first choice district only. Limits are set to ensure no more than 15 percent of the permits and licenses available in a district go to persons claiming landowner preference. During the audit we examined procedures and computer edits designed to ensure sportsmen compliance with landowner preference requirements.

Chapter IV - Procedures which Ensure Sportsmen Compliance

Conclusion: Control Over Landowner Preference Compliance Could be More Effective

The department is not taking reasonable steps to ensure sportsmen compliance with regulations and laws governing the landowner preference drawing. Our review of the process the Special Licensing Section established for ensuring compliance with landowner preference provisions revealed it achieves its purpose. However, discussions with game wardens indicate they are not always able to complete their review of compliance with landowner preference provisions. Part of this problem is due to the fact the department must verify landownership and amount of acreage rather than the applicant submitting proof. This is unique compared to other practices required of sportsmen. For instance, applicants under the age of 18 are required to submit proof of completion of a hunter education course. The department's current procedure related to verifying landownership makes it a time consuming task.

It would be beneficial for the department to modify procedures to determine the most effective means of reviewing landowner preference claims.

Recommendation #2

We recommend the Department of Fish, Wildlife and Parks modify procedures to produce a more effective means of reviewing landowner preference claims.

Party Hunts

Sportsmen are allowed to apply as a party for permits for antelope and elk. If the party owner is selected for a permit, all the party members get a permit. There are some specific requirements related to party hunts. They are:

1. Each party member must submit their own valid application.
2. All applications must be in the same envelope.
3. Members must apply for the same districts in the same order.

Chapter IV - Procedures which Ensure Sportsmen Compliance

4. No more than five persons can apply as a party for antelope and two for elk.
5. There were only four valid district choices to apply for as a party member wanting an elk permit during the 1994 drawing.
6. If one party member is a nonresident, the entire party is treated as nonresident.

The department relies upon a combination of manual and computer edits for ensuring compliance with these provisions. If any of the party hunt requirements are not met, the party is split up and applications, if valid, are processed as individual hunters.

Conclusion: Party Hunt Applications Correctly Processed

Our observations, testing and review of documentation substantiate the department correctly processes party hunts. The process followed ensures the six requirements pertaining to applicants applying for permits as a party are adhered to.

Elk A-7 Licenses

Sportsmen can apply for a special type of elk hunting license which allows the holder to shoot only antlerless elk. This license is called a Class A-7 License. These licenses are valid for fewer districts than general elk hunting. Regulations state a person may not hold both a general elk license and a special A-7 license. In order to ensure compliance with this provision, the department requires sportsmen who receive an A-7 license to remit the original general elk license to the department before they are issued the A-7 license. The department notifies all successful A-7 applicants of this fact. Once department staff receive the sportsman's general elk license they send him/her the A-7 license. We tested this process to ensure it works.

Chapter IV - Procedures which Ensure Sportsmen Compliance

Conclusion: General Elk Licenses Surrendered Prior to Receiving A-7 License

Audit work disclosed procedures agree with regulations and state law which states a person holding a Class A-7 antlerless elk license may not take an elk during the same license year with a Class A-5 license (over-the-counter) or a nonresident elk permit. We found hunters surrender their general elk licenses to the department prior to being issued an A-7 license.

Chapter V - Program Administration

Introduction

During our review of the random license and permit drawings, we conducted a limited review of various aspects of program administration. We identified several areas pertaining to administration and efficiency of operations which could be improved. These issues relate to animal species for which permits are set aside for landowner preference, the practice of correcting applications, the need for a procedure manual, processing nonresident youth applications, and need for additional data on edit reports. The following sections summarize our findings and recommendations.

Does Landowner Preference Go Beyond Legislative Intent and Statutory Authority?

In 1987, the legislature established a preference for landowners in the special elk permit drawing. This was accomplished by setting aside 15 percent of the special elk permits available each year in a hunting district to landowners. The legislative change in 1987 was the first time the legislature specifically authorized landowner preference. The department created a preference for landowners in the drawings for antelope, deer and deer B permits through administrative rule in 1973. We believe the department has exceeded its statutory authority in establishing a preference for landowners in the deer and antelope drawings.

The law only addresses landowner preference for special elk permits. Sections 87-2-501 and 705, MCA, establish a preference for landowners in the special elk permit drawing. No other big game animals are included in these code sections. If the legislature had intended landowner preference be awarded in the other game animal drawings, these species would be included. Existing language is exclusive to elk.

The department uses section 12.3.104, ARM, to establish landowner preference for deer and antelope permits. The rule cites section 87-1-304, MCA, as the law granting the department authority to adopt this rule. This code section relates to fixing seasons and bag and possession limits. Nothing in this section of code mentions landowner preference. It appears the department adopted an administrative rule without a specific statutory basis.

Chapter V - Program Administration

During the 1994 big game drawings, approximately 1,700 sportsmen applied for deer, deer B and antelope permits claiming landowner preference. As a result of the department's actions, over 1,500 permits for deer, deer B and antelope were awarded to sportsmen claiming landowner preference.

Other Administrative Rules Treat Groups of Applicants Differently

The department processes landowner applications differently than those of the general public. The department established a process for reviewing landowner applications for errors or omissions. Landowners are contacted and allowed to correct their applications. The department established this procedure through administrative rule. Section 12.3.118(1), ARM states ". . . *the department will accept corrections on the applications of those seeking landowner preference.*" The administrative rule dealing with the correction of applications creates a special procedure for correcting landowner applications.

We believe the department needs statutory authority to process landowners' applications differently than nonlandowners. There is nothing in the enabling legislation to grant exceptions for landowners in the application process as distinguished from the drawing process. Sections 87-2-501 and 705, MCA, set aside up to 15 percent of the special elk permits available to landowners. Nothing in these sections of law permit the department to establish different application processing procedures for landowners. Without a statutory basis, the portion of the administrative rule granting an exception to landowners is not treating all applicants equally. As a result of the department's procedures, landowners have a greater chance of having a valid application which allows them a greater chance to participate in the drawing.

Department Should Seek Legislative Clarification of Preference For Landowners

If the department wishes to continue granting preference for landowners seeking deer and antelope permits, it should seek legislative clarification of this authority. In addition, if the department desires continuing the practice of accepting corrections to applications from those seeking landowner preference, the department should also seek legislative clarification of this authority.

Recommendation #3

We recommend the Department of Fish, Wildlife and Parks seek legislative clarification with respect to the department's authority to:

- A. Conduct a landowner preference drawing for deer and antelope permits; and
- B. Process applications of those seeking landowner preference differently than those of the general public.

Correcting Big Game Applications

As discussed in the background chapter, the department established a process for correcting errors and omissions on applications for big game licenses and permits. Minor correction of applications is done to some extent for the general public. We found the practice of correcting applications is contrary to department rules. The following section discusses this issue.

Department Does not Adhere to Its Own Rule

The department's procedure of correcting errors and omissions on big game applications is contrary to its administrative rule. Administrative rule section 12.3.118(1) states, "*No corrections or changes may be made after the department has received the drawing application. . .*" The rule applies to applications from the general public. However, Special Licensing Section staff review and correct errors and make changes to applications after the department receives them. Changes and corrections are made up to the time big game drawings are held.

Department staff indicate this process was established to provide sportsmen every opportunity to ensure an application is included in the drawings. As a result of this practice, the department is not in compliance with the administrative rule it adopted.

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FWP Unable to Provide Consistent Level of Service

While this practice provides a customer service, we found the service is not consistently applied. Although the department established a process to correct applications, the level of error correction varies between staff members and is affected by the amount of time available to perform error correction. During our review of big game applications, we found instances where one staff member would correct a certain type of error while a different staff member would not. Staff admitted the closer it is to conducting the actual drawing, the less emphasis they are able to place on correcting errors made by applicants. Because correcting errors and omissions on applications is based upon the individual judgement of staff and is a function of the amount of staff and time available, it is difficult to provide a consistent level of service.

The department should either comply with the administrative rule prohibiting corrections by stopping the practice or change the rule to reflect the department's current practices. If the department is going to continue its practice of correcting applications, the department needs to take measures to ensure a consistent level of service is provided in correcting errors and omissions on big game applications.

Recommendation #4

We recommend the Department of Fish, Wildlife and Parks either:

- A. Comply with the administrative rule prohibiting corrections or changes to applications, or**
- B. Modify the administrative rule to reflect current practices and take measures to ensure consistency of its application correction service.**

Procedure Manual Needed

There is no comprehensive procedure manual relating to administration and manual processing of the random license and permit drawings. Although the Special Licensing Section documented procedures relating to initial checking of applications by temporary staff, these procedures cover very little of the overall big game drawing process.

Knowledge of procedures used to administer the license and permit drawings is vested with only a few staff. Although some cross-training of staff occurs, one or two staff conduct many key drawing procedures. Other staff have minimal knowledge of some of these procedures. If one of the "key" staff were to leave the department the lack of documented procedures could result in delayed drawings for special hunting permits and licenses. In addition, we found some inconsistencies in the processing of special license and permit applications. For example, some staff correct district choice inconsistencies for groups applying as a party while others do not.

Specific operation procedures would guide personnel in performing random drawing functions in a consistent and accurate manner. Documented procedures also help to ensure continuity of services as staffing changes occur. In addition, established procedures strengthen management controls over program operations.

In response to our concern, department officials indicated they understand the benefits of a more comprehensive administrative manual and will expand existing documentation.

Recommendation #5

We recommend the Department of Fish, Wildlife and Parks document procedures for the Big Game Drawing System process.

Nonresident Applications from Youth Handled Twice

Statutes establish requirements for issuing hunting permits and licenses to persons between the ages of 12 and 18. Applicants who fall into this age range must present a certificate of competency for safe handling of firearms or a bow hunter education course. Nonresident sportsmen are required to provide a copy of such certification with the application for the license and permit drawings.

Currently, department staff handle nonresident applications for sportsmen under the age of 18 twice. The first occurs during initial processing of applications when they are checked to ensure mandatory data is provided and the correct amount of money is enclosed. Once application information is input into the drawing database, the computer produces an edit report which lists all nonresident applicants between the ages of 12 and 18. Using the report, staff review nonresident applications a second time. Staff must retrieve filed applications and review them to ensure a certificate of competency is attached. There were 352 applications from nonresident sportsmen between the ages of 12 and 18 during the 1994 drawings. Staff reviewed about one-half of the applications a second time to ensure a certificate of competency was attached.

This process could be more efficient by reducing the amount of work staff must conduct. For example, the department could modify the nonresident application form for the random drawings to include a "for department use only" area. Staff conducting the initial processing of applications could check nonresident applications for persons under 18 years of age to ensure a certificate of competency is provided. If provided, staff could place an indicator in the "for department use only" area. The database and edit report could be modified to identify nonresident applications with a missing certificate of competency indicator. Modifying the error report would provide assurance all nonresident applications for sportsmen under the age of 18 are checked for a certificate of competency. By modifying the nonresident application and the edit report the department would streamline operations.

In response to our interim audit communication, department staff indicated the nonresident applications would be modified to improve handling of nonresident youth applications.

Recommendation #6

We recommend the Department of Fish, Wildlife and Parks modify procedures so staff no longer handle applications twice when checking for a certificate of competency for nonresidents between the age of 12 and 18.

Edit Reports Could be Modified

Department staff use a number of edit reports to monitor compliance with various provisions governing the drawings for special hunting permits and licenses. Additional information on two reports could make them more useful for department staff.

The Seven Year Restriction Report lists people who received a moose, sheep or goat license since 1991 and applied for the same species before the seven year wait period expired. The report does not contain sufficient information regarding matched applicants. The report could be improved by listing the name and address of the person applying for a moose, sheep or goat license in the current year and the name and address of the matched person.

The Party Validation Error Report is used to identify and list incorrect or inconsistent party hunt information. This report groups records together by party number. Sometimes a digit of the party number is transposed or input incorrectly and consequentially, party members are not listed together. Department staff believe the report would be easier to use if the records were grouped by batch and party number. Sorting records by batch number would allow party members who appear on this error report to be more easily identified as all members applying as a party are in the same batch.

Management information relating to random license and permit drawings should be designed in a manner which simplifies the staff review required to ensure applicant compliance with drawing provisions. Additional report detail would also aid staff in reviewing potential violations and other errors in a more efficient manner.

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A review of the 1994 database of applicants participating in the drawing revealed staff erroneously eliminated a sportsman from the 1994 drawing for moose licenses because of the lack of detail on the Seven Year Restriction Report. Additional sportsman information on the Seven Year Restriction Report could have prevented this error. Lack of report detail also causes extra work for department staff. For example, staff must review the application of each person listed on the Seven Year Restriction Report to ascertain whether the person received a permit for moose, sheep or goat and applied for the same species before the seven year wait period expired. Including additional applicant information on the edit report would eliminate the need for reviewing applications for many of the sportsmen listed on the report.

As staff process the Party Validation Report they also must review sportsmen applications. The department could modify the existing management report or create a new report to make it quicker for staff to retrieve applications as they are filed by batch number. For example, the department could organize the data on the Party Validation Report by batch number.

Department staff have not modified these edit reports since their development several years ago. Modification of the Seven Year Restriction Report to include additional applicant information and reorganizing the Party Validation Error Report to sort by batch number would improve department operations.

In response to our recommendations the department agreed to identify and make improvements to the Seven Year Restriction Report. The department will also pursue methods to simplify the party hunt review process.

Recommendation #7

We recommend the Department of Fish, Wildlife and Parks:

- A. Modify the Seven Year Restriction Report to include additional applicant information; and**
- B. Pursue methods to simplify the review process required for validating parties.**

Chapter VI - General Controls

Introduction

During our review of the Big Game Drawing System we examined computer controls pertaining to physical security and electronic access to the big game drawing computer application. A computer application consists of data and any number of computer programs. We identified areas where controls could be improved. Although some controls need improvement, nothing came to our attention indicating there were improprieties in the data.

Physical Security Controls

Physical security controls provide safeguards against accidental loss or destruction of data and program files or equipment, and ensure continuous operation of processing functions. Physical security controls include: a plan or method to ensure continuing operations following major destruction of files or hardware breakdown, and safeguarding files, programs and documentation.

Since the Big Game Drawing System computer application is maintained on the state's mainframe computer, data and programs are backed up on a regularly scheduled basis. However, we noted instances where FWP could improve other physical controls.

Disaster Recovery Plan Needed

The Department of Administration (DofA) is responsible for establishing and maintaining a disaster recovery plan for the state's central computer facility. This plan includes:

1. Providing a workable backup computer facility.
2. Placing priorities (with assistance from the Information Technology Advisory Council) on all critical information systems and using the priorities as a basis for allocation of resources in the event of a disaster.
3. Operation of a backup computer facility and critical information systems.

DofA contracted with a private company to provide a backup computer facility. The back-up site can also recover agency-owned mainframe applications if agencies establish a recovery agreement with Information Services Division (ISD), DofA.

It is FWP's responsibility to ensure a viable and tested recovery plan is in effect for its big game drawing computer application. We found FWP does not have a formal disaster recovery plan. Without a formal disaster recovery plan, FWP may be unable to process permits, licenses, and refunds resulting from the Big Game Drawing System should the state's mainframe computer become inoperable.

Montana Operations Manual (MOMs) Section 1-0240.00 outlines agency responsibilities regarding disaster recovery. Responsibilities include assigning recovery team member duties, assessing information and resource requirements necessary to maintain applications, and determining alternate procedures which may be necessary if recovery cannot be completed timely.

A disaster recovery plan should include:

- Administrative information including plan distribution and update.
- A narrative recovery strategy.
- Recovery plan implementation procedures.
- Procedural, technical and administrative descriptions necessary to support the plan.
- Storage and maintenance of plans and documentation in a physical facility separate from the application.

Documented and tested recovery procedures allow normal operations to resume as quickly as possible.

Storing System Documentation

A disaster recovery plan also ensures system documentation is stored off-site in case of a disaster. At the time of our audit hardcopy documentation covering all aspects of the drawings were maintained in a room at the main FWP building in Helena. Some documentation resided with ISD, but that documentation did not describe the entire computer application. If the FWP building were destroyed, potentially all documentation describing the system would also be destroyed. Establishing a disaster recovery plan would alleviate this concern since a recovery plan necessitates storing hardcopy documentation in an off-site location.

During the audit we informed the department of our concern. Staff indicated a formal disaster recovery plan was published in late June 1995 for ISD. Publication of guidelines for agencies to use in developing their own recovery plans is expected. FWP intends to use these guidelines to begin the process of creating a formal disaster recovery plan.

Recommendation #8

We recommend the Department of Fish, Wildlife and Parks establish, test and document a formal disaster recovery plan for the Big Game Drawing System.

Electronic Access Controls

Department managers have primary responsibility for maintaining adequate controls. Proper electronic access controls prevent and detect deliberate or accidental errors caused by improper or unauthorized use or changes of data and/or programs. FWP uses an access control software called Access Control Facility-2 (ACF2) to control electronic access to drawing system programs and data stored on the mainframe computer. ACF2 controls allow or prevent user access through electronic rules. Assigning access based on job duties prevents staff from inadvertently or deliberately running programs or changing data unrelated to their job. The department's security officer writes rules which limit access to specific drawing application areas. Rules are implemented through use of logon identification numbers and passwords. Access controls could be improved in the following areas.

Separation of Security Officer and Programmer Duties

Computer industry standards suggest organizations should separate the security officer and programmer functions. The department security officers have access to all FWP data and programs located on the mainframe. Computer programmers have the highest degree of technical expertise concerning computer applications and data. Separation of functions helps ensure the programmer cannot access any programs or data and make changes without detection. This

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control does not exist at FWP since the department's main security officer is also the department's lead programmer.

During the audit we informed the department of the need for separation of duties. Staff replied FWP is currently examining individuals having these skills to see if workloads allow a reassignment of security officer duties.

Recommendation #9

We recommend the Department of Fish, Wildlife and Parks assign the duties of security officer to an employee who is not a department mainframe applications programmer.

ACF2 Report Review

ACF2 software provides a daily report of logged user access to FWP's programs and data. In addition, FWP receives a violation report which lists all unauthorized users who attempted to electronically access agency files. Reviewing reports is a component of controls safeguarding the Big Game Drawing System's programs and data. Two concerns arose in this area: independent report review and timing of report review.

Independent Report Review

Department security officers review ACF2 reports to monitor who accesses which programs and data and to determine whether access is authorized. FWP's two security officers are the only individuals who review the department's ACF2 violation reports.

Security officers have unlimited access to software and data files. A security officer can access, change, or delete programs and data without detection. An individual outside of the security and data processing environment should review ACF2 reports. An independent review provides more effective access control by reviewing access violations, programmer activity and changes to security.

The security officer's ACF2 report review ensures there were no improprieties in access to data or programs by people inside or

outside of FWP. A review by an independent person ensures there was no improper access of programs or data by the security officer.

Timeliness of ACF2 Report Review

The main security officer indicated he reviews ACF2 reports the day he receives them. Reports are placed in a box and when the box is full they are given to the second reviewer. This procedure causes some reports to not be reviewed by the second person for months after they are written. The second reviewer does not review all reports in the box.

ACF2 report reviews should be timely and comprehensive. Without timely reviews, and a review of all reports, inappropriate access by the main security officer could go unnoticed by the second reviewer. A timely review of reports ensures a prompt response to improper access to data or programs.

Recommendation #10

We recommend the Department of Fish, Wildlife and Parks establish procedures:

- A. For an independent review of ACF2 reports.**
- B. To ensure a timely, comprehensive review of ACF2 reports.**

Access to Specific Computer Files

FWP has computer files containing data and input parameters for the drawing. There are specific rules allowing certain employees at FWP and ISD access, but there is no rule which prevents access by the remaining FWP employees with a mainframe logon ID. Without a general rule preventing access to FWP employees with a mainframe logon ID, any department employee could access the files and make unauthorized changes.

Access to areas should be restricted specifically to people requiring access for their job duties. Without such restrictions the potential

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exists for someone to intentionally or accidentally change information.

During the audit we recommended FWP restrict access to programs and data to people requiring access.

Agency Action: ACF2 Rules Changed

The department changed the ACF2 rules controlling files to prevent unauthorized access by FWP employees who are mainframe users.

Logging Access to Big Game Drawing System Screens

ACF2 rules also control access to the Big Game Drawing System on-line error correction and address change screens. Rules for the two screens allow six Special Licensing Section staff, three FWP programmers, and the Licensing and Data Processing Bureau Chief access. None of the access is logged.

Access to critical areas of a computer application should be restricted to people needing access due to job duties. Access by FWP's technical support staff and the bureau chief should be logged. Without logged access, the potential exists for FWP's technical support staff and the bureau chief to access screens and make changes to a person's application without detection.

We informed department staff of the lack of controls. Department officials indicated the screens are protected by passwords and the programmers and bureau chief do not know the passwords. Thus, access is controlled. However, the department has not logged this access. Access should be logged to provide additional assurance improper access is detected and acted upon.

Recommendation #11

We recommend the Department of Fish, Wildlife and Parks log access by department technical support staff and the bureau chief to the on-line error correction and address change screens.

Access to Production Programs and Data

FWP programmers have unlogged write access to FWP production programs and data. Write access allows programmers to access and make unauthorized program changes or delete entire production programs and data. If unlogged, there is no record of programmer access.

Industry standards state programmers do not need access to system or application files which would provide a means of bypassing controls. Programmer activities should be restricted to test programs and files with access only to those programs and files needed for a given assignment. If a programmer is allowed access to production programs or data, access should be logged and closely monitored.

Access to production programs and data could allow programmers to add fictitious applications and disguise program changes. The potential exists for unauthorized or untraceable manipulation of critical information.

In response to our concern, department staff indicated limiting access of programmers to production programs is appropriate. There are instances, in balancing timely license drawings with internal controls, where a programmer may need access to production data. For example, the single programmer assigned to the big game drawing may need access to production data at the time of the drawings. These instances are limited, and FWP will review controls to assure proper safeguards are maintained. In addition, ACF2 rules are being changed to log access by technical support staff.

Agency Action: Access to Programs and Data Logged

Department management decided programmers need access to files. The ACF2 rules controlling access to production programs and data were changed so activity is logged when technical support staff write to files.

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Internal Evaluations of Security

FWP has not established a formal policy to perform internal evaluations of security in accordance with state law. Section 2-15-114, MCA, requires department heads to be ". . . responsible for assuring an adequate level of security for all data and information technology resources within his department and shall . . .(4) ensure internal evaluations of the security program for data and information technology resources are conducted."

FWP should establish policies and procedures which address safeguarding data and information technology resources including program documentation. These procedures should include, but are not limited to, the following:

1. Conduct and periodically update a comprehensive risk analysis to determine security threats to data and information resources.
2. Develop and periodically update written policies and procedures which provide security over data and information resources.
3. Implement appropriate cost-effective safeguards to reduce, eliminate, or recover from identified risks to data and information resources.
4. Perform periodic internal security audits and evaluations of the security program for data and information resources.

We believe the electronic access control issues discussed in this chapter resulted in part because the department does not have formal policies and procedures for internal evaluations of security.

During the audit we informed the department of this concern. Staff responded they will examine section 2-15-114, MCA, to identify responsibilities related to adequate levels of security, and internal security evaluations. Necessary policies and procedures, as identified, would be developed.

Recommendation #12

We recommend the Department of Fish, Wildlife and Parks develop formal policies and procedures for internal evaluations of security in accordance with state law.

Chapter VII - Application Controls

Introduction

Our performance audit examined input, processing and output controls over the Big Game Drawing System computer application. System documentation and enhancement requests were also reviewed. Input, processing and output controls, overall, were in place and functioning. We noticed areas where controls could be improved. As discussed on page 62, one control affected the elk drawing. Otherwise nothing came to our attention indicating there were improprieties in the data.

Input Controls

Input controls provide assurance transactions are authorized for processing, and verify data is accurately and completely transferred from its source to machine-readable format. Input controls also relate to rejecting, correcting and resubmitting initially incorrect data. The following are major areas of input controls:

1. Acceptance of properly authorized and approved input.
2. Control of data conversion to machine-sensible form.
3. Control of data movement between one processing step and another.
4. Review and control of all errors detected by the application system and resubmission of corrected transactions.

Authorized and Approved Input

Procedures for the initial review of applications are followed. Staff review all applications for inclusion of critical data. If the application is not signed, is short money, is not submitted by the deadline or is not a current year application, the application is rejected. Also, if a nonresident pays with a personal check the application is rejected. These applications are not uploaded to the database.

Quotas for each district for each species are input to the database by the state's data entry contractor. Quota information sent to the data entry contractor was input; information input agreed with information from the Fish, Wildlife and Parks Commission; and Special Licensing Section staff compared input to output.

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Data Conversion

Every night the state contracted data entry vendor uploads the information keypunched to the database. Upon receipt of the data, ISD informs the contractor of the number of records received. This number must agree with number of records sent. If there are any discrepancies, problems must be resolved prior to updating the database. We compared documentation of records received to records sent for a sample of batches. All documentation agreed for batches sampled.

Data is Processed through Edit Routines

Data uploaded to the database is processed through a number of edits. Edits range from checking basic information to ensuring party hunt information is correct. We reviewed edits to determine if incorrect information generates errors. We identified a concern with the edit which determines if a person recorded an elk license number falling within a designated range on the application. It appears the edit did not work properly during the 1994 and 1995 drawings.

Elk License Edits

A person applying for an elk permit must obtain a prerequisite license: either a resident elk or sportsman license or nonresident Big Game Combination license. For the application to be valid and entered into the drawing, the appropriate license number must be included on the application. The license number consists of two digits identifying the type, and six digits within a designated range which changes each year.

A review of the 1994 elk applications on the database showed 232 applicants did not record prerequisite elk license numbers within the appropriate ranges yet were included in the drawing. One hundred twenty-three of the 232 sportsmen received an elk permit. In 1995, 99 applications in the drawing did not have a prerequisite elk license number with the last six digits within the designated ranges. Fifty-seven of the applicants received an elk permit. The edits in the "critical error" computer program should have identified the invalid numbers.

The following table shows the types of licenses and the number of license numbers not within the designated ranges.

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Table 3

**Number of Prerequisite Elk Licenses Not Within Specified Ranges
(1994 and 1995)**

<u>License Type</u>	<u>Number Invalid</u>	
	<u>1994</u>	<u>1995</u>
Sportsman license	6	7
Resident elk - adult	168	0*
Resident elk - youth, senior	57	91
Big Game Combination	1	1
Total	<u>232</u>	<u>99</u>

* In 1995 the department reviewed Resident elk - adult license numbers prior to the drawing and deleted those with numbers not within the designated ranges.

Source: Compiled by the Legislative Audit Division from department records.

A review of the 1994 error reports showed applicants not included in the drawing due to invalid prerequisite elk license numbers used conservation license numbers instead of valid prerequisite numbers. One edit compares only the first two digits of each type of license. The other edit to test all eight digits for validity is not using the proper logic to catch the error. The computer language needs to be corrected to provide the logic.

When informed of the concern, department staff indicated they would investigate the problem.

Recommendation #13

We recommend the Department of Fish, Wildlife and Parks rectify the problem of the coding not identifying invalid prerequisite elk license numbers.

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Data Movement

For the Big Game Drawing System, data movement consists of sending batches of applications to data entry and uploading the data from data entry to the mainframe computer. A review of log books at FWP and the data entry contractor showed data movement between the two entities is controlled.

Records sent were compared to records received. We also compared 44 batch header reports to batch statistics reports generated after data is uploaded each night. We found the information agreed, indicating movement of data from the data entry vendor to the mainframe is controlled.

Errors Corrected

As discussed in Chapter II, data from applications are processed through a number of computer edits. Errors generated are reviewed and corrected, if possible, by section staff. Corrected errors are processed through the edit routine again. If the corrected error does not create another error message, the database is updated. Any errors which cannot be corrected are put in a separate computer file. This information is not included in the drawing.

We reviewed the process followed to correct errors detected by the computer and found errors were corrected in a proper and timely manner. Staff cannot override any edits, so all edits are addressed.

Conclusion: Most Input Controls are in Place and Functioning

Audit work of input controls showed controls for four of the five areas reviewed are in place and functioning so as to provide assurance:

1. Only properly authorized and approved information is input.
2. Conversion of data to the mainframe computer, and thus to a machine-sensible form, is controlled.
3. Movement of data to the data entry vendor and the mainframe is controlled.
4. Errors detected by the application system and the resubmission of corrected transactions are reviewed and controlled.

The edits for a correct prerequisite elk license should be tested by the department.

Processing Controls

Processing controls are designed to provide reasonable assurance electronic data processing performs as intended for the particular computer application. Controls assure all transactions are processed as authorized; no authorized transactions are omitted; and no unauthorized transactions are added. Major processing controls that provide assurance are:

1. Totals are produced and reconciled with input totals.
2. Limit and reasonableness checks are incorporated within programs.

We also reviewed coding for the majority of individual programs used to conduct the big game drawing. Chapter III discusses the findings in this area.

Totals are Reconciled

Prior to each drawing, Special Licensing Section staff reconcile the number of species applied for with the number of applications on the database. When performing the reconciliations staff include number of species applied for, number of invalid applications for each species, checks returned for insufficient funds, and number of applications excluded due to submission of duplicate applications, the applicant withdrew, etc. This information is gathered from various reports generated from data on the database.

Dollar reconciliations are also conducted. These reconcile the dollar amount deposited in SBAS to the calculated dollar amount based on the number of applications submitted.

We reviewed reconciliations performed on the 1994 moose, sheep and goat drawing and deer, elk and antelope drawing. The number of valid applications and dollar amounts reconciled.

Chapter VII - Applications Controls

Limit and Reasonableness Checks

When applications are uploaded to the mainframe, the information is passed through a number of limit checks. These include checking for minimum age, valid prerequisite licenses, valid hunting districts, etc. We reviewed these edits when examining input controls and overall found edits identified incorrect/missing data (the exception was the prerequisite elk license number discussed on page 62). We verified the existence of these edits when reviewing system program coding.

When the drawings are conducted, edits ensure number of permits drawn does not exceed total quotas or quotas for nonresidents. We reviewed the coding, and compared the number of permits or licenses issued to the quotas, and found quotas were not exceeded.

Conclusion: Processing Controls are in Place and Functioning

Audit work of processing controls showed controls for the two areas reviewed are in place and functioning so as to provide assurance:

1. All valid applications are processed and the same applications are not processed more than once.
2. Unreasonable input is not processed.

Output Controls

Output controls are designed to assure output accuracy and only authorized personnel receive output. The major system output is licenses or permits, refund checks, and reports listing people who drew a permit or license or received a refund check. Major output controls we reviewed included:

1. Reconciling output control totals with input and processing controls.
2. Distribution of output only to authorized users.

Output Control Total Reconciliation

Besides conducting the reconciliations described above, staff also compare number of permits printed for each species for each district to the quota for the specific district. If there is a difference in the number printed and the quota, staff review the report listing each person who drew a permit or license in that district to permits or licenses printed. Any missed permits or licenses are typed or excess permits or licenses destroyed. We reviewed procedures for comparing printed permits or licenses to quotas and found procedures ensure all permits or licenses are printed.

Distribution of Output

The address of the person who drew a permit or license is printed by the computer on the permit or license. After the number of permits or licenses printed is reconciled to the district's quota, the permits or licenses are mailed. All permits or licenses are mailed the same day for each of the drawings. Until the permits or licenses are mailed they are kept in a locked storage area (cage) at the FWP main building.

System generated reports are sent to the seven FWP regional offices around the state. Reports are sent to coincide with mailing and applicant receipt of permits or licenses.

We reviewed procedures for distribution of output and found procedures are followed as described.

Conclusion: Output Controls are in Place and Functioning

Audit work of output controls showed controls for the two areas reviewed are in place and functioning so as to provide assurance:

1. The correct number of applications were processed and all permits or licenses were printed.
2. Output is distributed to successful applicants and district offices.

Chapter VII - Applications Controls

Controls Over Permit and License Stock

We found controls over permit and license stock to be in place and functioning. However, improvements could be made to the system.

Big game drawing permit and license stock is maintained in a locked cage in the main FWP building. One person controls the key to the cage and a limited number of people are allowed to remove stock from the cage.

When stock is removed the permit or license sequence numbers and reason for removal are recorded in a stenographer book. At year's end notes in the book are typed and eventually destroyed. The department does not have a formal tracking system for permit stock received into or removed from the cage.

We believe access to the cage is adequately controlled. Records showing the amount of stock taken in and out of the cage and how the stock is used - printed as valid permits or licenses, voided during the printing process, used as samples, etc. - could be improved to ensure all stock is accounted for or not misplaced.

We compared the 1994 typed log to the number of successful applicants in the big game drawings. We found the list indicated stock for 13 more antelope permits were printed than there were successful applicants, and stock for 5 less deer B permits were printed than successful applicants. The typed list did not show any stock used for 3,672 applicants recorded as successful for A-7 elk permits.

In response to an interim audit communication, department staff indicated the difference in antelope permits resulted from a typographical error so there was only a difference of three. The five deer permits were reconciled prior to mailing but the inventory sheet was not updated. Staff overlooked recording the A-7 license stock due to timing differences. (Elk A-7 permits are sent to sportsmen after they send their general elk license to the department. Elk A-7 licenses are discussed in Chapter IV.)

Permits and licenses are very valuable to the many sportsmen in the state and should be controlled. The reconciliations conducted

by the bureau chief after the drawings and the reconciliations of printed permits and licenses to district quotas provide additional controls over stock. Although these procedures are effective controls, we believe a permanent log book maintained in the cage, and a yearly reconciliation of stock used to the number of permits and licenses printed, would alleviate the types of problems noted above.

Recommendation #14

We recommend the Department of Fish, Wildlife and Parks establish a formal system for logging permits and licenses in and out of the cage and the use of the permits or licenses - printed, voided, used as samples, etc.

Other Controls

We also reviewed Big Game Drawing System documentation and enhancement requests. These are discussed in the following sections.

System Documentation

Documentation for the Big Game Drawing System was created about 1980. At that time the drawing was part of a database also containing license agent accounting and general sportsman information. Agent accounting and general sportsman information are now two separate databases, with the drawing a third. Coding and narrative for the drawing system still reference the other two databases. Specific coding is marked so steps are not performed.

Coding no longer applicable to the drawing due to legislative changes is also in the programs. This coding is also marked so the steps are not performed. The coding was not deleted in case legislation changed to reinstate such items as preferences and priorities. The narrative has not been modified to show steps are no longer applicable. We understand the reasoning for not deleting coding but the narrative should be updated to indicate that part of the system is not applicable.

Documentation of a computer system should reflect the working environment. During our review of system narrative and programming it was sometimes difficult to determine how the system actually operated. Anyone else trying to learn the system would have the same problems, especially if the current programmer is not available to help answer questions and explain procedures. For example, currently there is no documentation of the random number generator subroutine used in the drawing.

We believe FWP should update documentation of the Big Game Drawing System computer application to reflect the current environment. This could be no more than updating the narrative, flowcharts, or notes in the program to reflect what steps are performed, to deleting narrative and coding references to unused sections. Staff time will be necessary to update the documentation.

Department staff indicated they will examine current documentation to assure adequate documentation exists.

Recommendation #15

We recommend the Department of Fish, Wildlife and Parks update documentation of the Big Game Drawing System computer application to reflect the current environment.

Enhancement Requests

Changes are made to the Big Game Drawing System each year. These system changes were not always documented well in the program. These include changing sequence numbers of valid licenses, district information for specific species, valid birthdates, etc. Changes in legislation also require changes in program code. There is no formal system for changes to be requested, made and verified. Notes and memos are routed to programming staff who then make changes. There is no formal system to ensure appropriate changes were made or made in a timely manner.

Enhancement requests to a computer system should be formally documented. Changes should be tested/reviewed and approved by the requestor prior to being moved into production. Changes should also be documented within the program and hardcopy documentation.

Lack of a formal request system could result in changes not made in a timely manner. A formal request system could help alleviate such problems. Lack of accurate documentation could cause delays in processing if someone unfamiliar with the system needed to run the programs.

Department staff indicated they will look at methods to better document significant changes to improve overall system documentation.

Recommendation #16

We recommend the Department of Fish, Wildlife and Parks develop a formal system to document, test/review and approve enhancements to the Big Game Drawing System.

Agency Response

**Montana Department
of
Fish, Wildlife & Parks**

P. O. Box 200701
Helena, MT 59620-0701
(406) 444-3186
FAX: 406-444-4952
Ref: PG0794.95
October 26, 1995

Scott Seacat
Legislative Auditor
State Capitol
PO Box 201705
Helena, MT 59620-1705

Dear Scott:

Attached are the responses of Montana Fish, Wildlife & Parks for the combination performance and EDP audit report recently completed by your office. Montana's hunters will be pleased to know the conclusion of the report -- big game license drawings are conducted in a fair and random manner. We are eager to maintain the highest degree of integrity surrounding our license drawings to ensure fairness and keep public confidence high.

We appreciate the time your staff spent reviewing this large and complex process. As you can see from our responses, we are generally in agreement with the audit recommendations, and have already taken several steps to comply with them.

I want to take this opportunity to thank you and the Legislative Audit Committee for the professional and objective manner in which the audit was done.

Sincerely,

A handwritten signature in cursive script, reading "Patrick J. Graham".

Patrick J. Graham
Director

Attachment

Recommendation #1

We recommend the Department of Fish, Wildlife and Parks electronically compare the revoked privilege information on LED's database to the Big Game Drawings System application information prior to the drawings and hunting season.

RESPONSE TO #1

We concur if a suitable process can be developed. The Department has performed the comparison both prior to and following the drawings. There are advantages and drawbacks to each approach. Doing comparisons in advance was discontinued because it delayed the rest of the drawing process. An electronic comparison will help reduce the delay. Since we cannot require a unique identifier like a social security number, time and research will still be necessary to assure that the names correspond with those people having privileges revoked.

Recommendation #2

We recommend the Department of Fish, Wildlife and Parks modify procedures to produce a more effective means of reviewing landowner preference claims.

RESPONSE TO #2

We concur. As noted in the report, the Helena office review achieves its stated purpose of assuring proper delegation of the preference, preventing party applications, and assuring compliance with the 15% quota limitation. With the heavy workload of field wardens the acreage requirements for landowner preference are not verified on all applications every year. The Department will examine ways to streamline the field review process.

Recommendation #3

We recommend the Department of Fish, Wildlife and Parks seek legislative clarification with respect to the Department's authority to:

- A. Conduct a landowner preference for deer and antelope permits; and
- B. Process applications of those seeking landowner preference differently than those of the general public.

RESPONSE TO #3

We will give further consideration to this recommendation. The deer and antelope system has existed since 1973. When the legislature expanded landowner preference in 1987 to include elk, the concern was to do more to recognize the contribution of private landowners. At the time it was noted landowners provide habitat to wildlife and access to hunters. The Department supported the legislation, and discussed with the legislature the current landowner preference for deer and antelope licenses. It was the intent of both the House and Senate Fish and Game Committees that the deer and antelope landowner preference created in administrative rule in 1973 continue.

The Department and FWP Commission will further analyze the need for further legislative action.

Recommendation #4

We recommend the Department of Fish, Wildlife and Parks either:

- A. Comply with the administrative rule prohibiting corrections or changes to applications, or
- B. Modify the administrative rule to reflect current practices and take measures to ensure consistency of its application correction service.

RESPONSE TO #4

We concur. The administrative rule will be changed to allow for limited error correction. The Department's goal is to include as many hunters in the drawings as possible. Rather than deny applications, FWP corrects minor mistakes. As a result, in 1994 98.5% of all applications were included in the drawings. The 1.5% that was rejected were for serious mistakes such as no signatures, postmarked late, and no money. Hunters support our current practice provided it does not delay the drawings or become costly to administer.

We believe applications are consistently handled. If hunter safety numbers are omitted by the hunter they are added, if 1st choice districts are incorrect the 2nd choice is move forward, and if money is short by the exact amount of the species only that species is dropped. Over 100,000 applications are processed annually, and every attempt is made to apply the error correction procedures consistently.

Recommendation # 5

We recommend the Department of Fish, Wildlife and Parks document procedures for the Big Game Drawing System process.

RESPONSE TO #5

We concur. Given the small size of the license drawing staff and the importance of this system, the Department will expand existing documentation.

Recommendation #6

We recommend the Department of Fish, Wildlife and Parks modify procedures so staff no longer handle applications twice when checking for a certificate of competency for nonresidents between the age of 12 and 18.

RESPONSE TO #6

We concur.

Recommendation #7

We recommend the Department of Fish, Wildlife and Parks:

- A. Modify the seven year restriction report to include additional applicant information; and
- B. Pursue methods to simplify the review process required for validating parties.

RESPONSE TO #7

We concur.

Recommendation #8

We recommend the Department of Fish, Wildlife and Parks establish, test, and document a formal disaster recovery plan for the Big Game Drawing System.

RESPONSE TO #8

We concur.

Recommendation #9

We recommend the Department of Fish, Wildlife and Parks assign the duties of security officer to an employee who is not a Department mainframe application programmer.

RESPONSE TO #9

The staff who likely would be assigned the security officer duties are those employees dedicated to personal computer support and maintenance. According to industry standards, this area is already understaffed by about 50%. The Department will investigate meaningful changes given the limited options available.

Recommendation #10

We recommend the Department of Fish, Wildlife and Parks establish procedures:

- A. For an independent review of ACF2 reports.
- B. To ensure a timely, comprehensive review of ACF2 reports.

RESPONSE TO #10

We concur.

Recommendation #11

We recommend the Department of Fish, Wildlife and Parks log access by Department technical support staff and the bureau chief to the on-line error correction and address change screens.

RESPONSE TO #11

We concur.

Recommendation #12

We recommend the Department of Fish, Wildlife and Parks develop formal policies and procedures for internal evaluation of security in accordance with state law.

RESPONSE TO #12

We concur. The Department of Administration is preparing a disaster recovery plan including guidelines for agencies to use in developing their own recovery plans. We will utilize these guidelines when they become available.

Recommendation #13

We recommend the Department of Fish, Wildlife and Parks rectify the problem of the coding identifying invalid prerequisite elk license numbers.

RESPONSE TO #13

We concur. Although there were internal computer edit problems noted during the audit, we reviewed a random sample of hunters who applied for elk permits and found compliance with the rule of buying an elk license before applying for an elk permit.

Recommendation #14

We recommend the Department of Fish, Wildlife and Parks establish a formal system for logging permits and licenses in and out of the cage and the use of the licenses and permits - printed, voided, used as samples, etc.

RESPONSE TO #14

We concur. In 1994, we found the informal system accounted for all but three antelope licenses out of a total of 106,567 licenses and permits issued. We will prepare a permanent log which will allow for easier review and audit.

Recommendation #15

We recommend the Department of Fish, Wildlife and Parks update documentation of the Big Game Drawing System computer application to reflect the current environment.

RESPONSE TO #15

We concur.

Recommendation #16

We recommend the Department of Fish, Wildlife and Parks develop a formal system to document, test/review, and approve enhancements to the Big Game Drawing System.

RESPONSE TO #16

We concur.

Appendices

Deer ♦ Elk ♦ Lion

REGION 2

CLOSED TO HUNTING
FOR BIG GAME

7

Map only intended as a guide - please
refer to the legal descriptions for actual
boundaries.

XXXXX - Continental Divide

Date Received

MONTANA 1994 RESIDENT DEER, ELK, & ANTELOPE APPLICATION

02

2000671

File #

RETURN COMPLETED APPLICATION TO:

**DFWP
SPECIAL LICENSING
PO BOX 8012
HELENA, MT 59604-8012
(406) 444-2950**

APPLICATIONS MUST BE POSTMARKED BY THE U.S. POSTAL SERVICE NO LATER THAN JUNE 1, 1994.

APPLICATIONS ARE CONSIDERED FINAL & CANNOT BE CHANGED OR WITHDRAWN. INCOMPLETE OR INCORRECT APPLICATIONS WILL NOT BE ENTERED INTO THE DRAWINGS.

COMMISSION REGULATIONS PROHIBIT ANYONE FROM MAKING MORE THAN ONE APPLICATION PER SPECIES

First Name _____ Middle Initial _____ Last Name _____

Street Address or Box No. - Home _____

1. City _____ State _____ Zip Code _____

Home Phone Number _____

**PLEASE NOTE: Steps 1-5
(Shaded Purple) Are Mandatory In
Order For Your Application
To Be Processed**

2. Date of Birth

MO DAY YEAR

3. 1994 Conservation License No.

4.

MONTANA HUNTER EDUCATION ONLY
(Required if under 18)

LETTER PREFIX _____ NUMBER _____

A B C D _____
(Circle One)

I am a resident of the State of Montana. All statements on this form are true and correct. I understand that if I subscribe to any false statement in this application I am subject to criminal prosecution.

5.

SIGNATURE OF APPLICANT - WRITE - DO NOT PRINT
(Faxed or photocopied signature not acceptable)

ANTELOPE LICENSE \$14.00

(\$11.00 refunded if not drawn)

FIRST CHOICE

District No. _____

SECOND CHOICE

District No. _____

THIRD CHOICE

District No. _____

☐ Place X in box at left if applying as a party.

Department use only

102

No. in Party

Name yourself and your party members.

(1) _____
(2) _____
(3) _____

PARTY APPLICATIONS FOR ANTELOPE

If the directions below are not followed, your party status cannot be maintained and your application will be entered into the drawing individually.

- 1) Each party member must submit his/her own valid application.
- 2) All applications must be in the same envelope.
- 3) All members must apply for the same districts in the same order.
- 4) No more than five persons may apply as a party.

(4) _____
(5) _____

DEER B LICENSE \$11.00

(\$8.00 refunded if not drawn)

FIRST CHOICE

District No. _____

SECOND CHOICE

District No. _____

THIRD CHOICE

District No. _____

Do not apply for the following areas for a Deer B License 240-01, 260-03, 291-01, 441-01, 455-01, 530-01, 650-01

THIS APPLICATION IS VALID ONLY FOR THE 1994 SPECIAL DRAWINGS

APPLICATION FEES:

Antelope = \$14 Special Deer Permit = \$3
Deer B = \$11 Special Elk Permit = \$6

PAID BY:

Money Order / Cashier's Check / Personal Check
Made Payable to:
Montana Dept. of Fish, Wildlife & Parks

PLEASE REVIEW YOUR APPLICATION—REMEMBER TO:

Submit the correct amount of money—applications with NSF checks will be eliminated from the drawings.
Recheck Items 1 - 5.
Send cash at your own risk.

Check # _____ Check Amount \$ _____

**TOTAL \$ AMOUNT OF
THIS APPLICATION:** _____

**DRAWING CONDUCTED IN AUGUST — RESULTS OUT BY END OF THIRD WEEK
YOUR LICENSE AND/OR REFUND WILL BE MAILED TO THE ADDRESS LISTED ABOVE**

SPECIAL DEER PERMIT \$3.00

(No refund)

FIRST
CHOICE

District No

SECOND
CHOICE

District No

THIRD
CHOICE

District No

The following areas are the only valid Special Deer Permit areas 240-01, 260-03, 291-01, 441-01, 455-01, 530-01, 650-01

SPECIAL ELK PERMIT \$6.00

(\$3.00 refunded if not drawn)

A 1994 Elk License is a prerequisite to apply for an elk permit. Missing or incorrect license number will result in application not being processed.1994 Elk License # FIRST
CHOICE

District No

SECOND
CHOICE

District No

THIRD
CHOICE

District No

☐

Place an X in box at left if applying as a party.
The only valid choices to apply for a party are
310-03, 310-04, 313-02, 313-03.

PARTY APPLICATIONS FOR ELK (310 & 313 LATE SEASONS ONLY)

If the directions below are not followed, your party status cannot be maintained and your application will be entered into the drawing individually.

- 1) Each party member must submit his/her own valid application.
- 2) All applications must be in the same envelope.
- 3) All district choices must be listed in the same order on both applications.
- 4) No more than two people may apply as a party.

Department use only

202

Name yourself and your party member.

(1) _____

(2) _____

LANDOWNER PREFERENCE QUALIFICATIONS

You may NOT apply for landowner preference for antelope or elk if you are applying as a party member.

Only one person may be delegated landowner preference for each sole proprietorship, partnership, or corporation. A corporation may delegate the landowner preference to a shareholder.

ANTELOPE, SPECIAL DEER PERMIT, & DEER B LICENSES: Landowner preference will be applied only to your first choice district. To qualify for landowner preference, you must own or be contracting to purchase at least 160 acres of land in the hunting district for which you are making application. Your property must be primarily used for agriculture. Partnerships may delegate landowner preference to members of the immediate family (blood-related or marriage-related) or employed ranch manager (paid employee). If a permit/license is valid for a portion of the hunting district only, the landowner must own land within that portion.

ELK: Landowner preference will be applied only to your first choice district. To qualify for landowner preference, you must own or be contracting to purchase at least 640 acres of contiguous land, used by elk, in the hunting district for which you are making application. Contiguous land is land that is not interrupted by adjacent private land. Partnerships may delegate landowner preference to members of the immediate family (blood-related or marriage-related) or employees. If a permit is valid for a portion of the hunting district only, the landowner must own land within that portion.

IF YOU WISH TO HAVE LANDOWNER PREFERENCE APPLIED, YOU MUST "X" THE APPROPRIATE BOXESANTELOPE ☐SPECIAL DEER PERMIT ☐DEER B ☐ELK ☐**FOR ANTELOPE, SPECIAL DEER PERMIT, & DEER B LICENSE PREFERENCE: (FIRST DISTRICT CHOICE ONLY)**Land is recorded in: _____; _____
Individual(s) or corporation name(s) County**FOR ELK PREFERENCE: (FIRST DISTRICT CHOICE ONLY)**

Legal Description of 640 acres: (Township, Range, Section) _____

Land is recorded in: _____; _____
Individual(s) or corporation name(s) County**LANDOWNER'S SIGNATURE** _____

(I have read the requirements for Landowner Preference as listed above and hereby declare that I am an eligible landowner.)

If signing for corporation, list title

If designating landowner preference, the landowner must complete the landowner preference information on the designated person's application.

If designating preference: _____
Name of person designated to Relationship to landowner

Date Received

MONTANA 1994 NONRESIDENT SHEEP & GOAT APPLICATION

01 00000062

File #

Photo Copies Acceptable**RETURN COMPLETED APPLICATION TO:**

**DFWP
SPECIAL LICENSING
PO BOX 8012
HELENA, MT 59604-8012
(406) 444-2950**

APPLICATIONS MUST BE POSTMARKED BY THE U.S. POSTAL SERVICE NO LATER THAN MAY 1, 1994.

APPLICATIONS ARE CONSIDERED FINAL & CANNOT BE CHANGED OR WITHDRAWN. INCOMPLETE OR INCORRECT APPLICATIONS WILL NOT BE ENTERED INTO THE DRAWINGS.

COMMISSION REGULATIONS PROHIBIT ANYONE FROM MAKING MORE THAN ONE APPLICATION PER SPECIES

1. First Name _____ _____ _____	2. Middle Initial _____ _____	3. Last Name _____ _____ _____	PLEASE NOTE: Steps 1-9 (Shaded Blue) Are Mandatory In Order For Your Application To Be Processed						
4. Street Address or Box No. - Home _____ _____ _____ _____			PLEASE NOTE: Steps 1-9 (Shaded Blue) Are Mandatory In Order For Your Application To Be Processed						
5. City _____ _____ _____									
6. State _____ _____ _____									
7. Zip Code _____ _____ _____			PLEASE NOTE: Steps 1-9 (Shaded Blue) Are Mandatory In Order For Your Application To Be Processed						
8. Please X appropriate box (one only) <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> 1. Sex ☐ Male ☐ Female </td> <td style="width: 33%; vertical-align: top;"> 2. Eyes ☐ BK-Black ☐ BL-Blue ☐ BR-Brown ☐ GN-Green ☐ GR-Grey ☐ HA-Hazel </td> <td style="width: 33%; vertical-align: top;"> 3. Weight _____ _____ _____ </td> </tr> <tr> <td style="width: 33%; vertical-align: top;"> 4. Height _____ _____ _____ Ft. In. </td> <td style="width: 33%; vertical-align: top;"> 5. Hair ☐ BD-Bald ☐ BK-Black ☐ BL-Blonde ☐ BR-Brown ☐ GR-Grey ☐ RD-Red </td> <td style="width: 33%; vertical-align: top;"> 6. Date of Birth * _____ _____ _____ MO DAY YEAR </td> </tr> </table>				1. Sex ☐ Male ☐ Female	2. Eyes ☐ BK-Black ☐ BL-Blue ☐ BR-Brown ☐ GN-Green ☐ GR-Grey ☐ HA-Hazel	3. Weight _____ _____ _____	4. Height _____ _____ _____ Ft. In.	5. Hair ☐ BD-Bald ☐ BK-Black ☐ BL-Blonde ☐ BR-Brown ☐ GR-Grey ☐ RD-Red	6. Date of Birth * _____ _____ _____ MO DAY YEAR
1. Sex ☐ Male ☐ Female	2. Eyes ☐ BK-Black ☐ BL-Blue ☐ BR-Brown ☐ GN-Green ☐ GR-Grey ☐ HA-Hazel	3. Weight _____ _____ _____							
4. Height _____ _____ _____ Ft. In.	5. Hair ☐ BD-Bald ☐ BK-Black ☐ BL-Blonde ☐ BR-Brown ☐ GR-Grey ☐ RD-Red	6. Date of Birth * _____ _____ _____ MO DAY YEAR							
9. Home Phone Number _____ _____ _____									

* A nonresident 12 through 17 years of age must submit, with all hunting license applications, a certificate (or copy of the certificate) verifying he/she has completed a course in the safe handling of firearms from any state or province.

If you have already purchased one of the following 1994 licenses, please record the number below in the appropriate space provided:

Successful applicants for the Combo licenses will begin receiving their licenses shortly after April 15.

16 – Conservation License
20 – Conservation & Fishing Combo

#83—Big Game Combo (General)
#84—Big Game Combo (Outfitter)

#85—Deer Combo (General)
#86—Deer Combo (Outfitter)
#87—Deer Combo (Landowner)

NOTE:

If you have NOT purchased any of the above 1994 licenses, you must mark the box below and enclose an extra \$5 for your 1994 conservation license in order to be entered into the special drawings. THIS \$5 IS IN ADDITION TO THE FEE LISTED BESIDE EACH SPECIES.

8. ☐ **Conservation \$5.00** (only ONE 1994 conservation license is required per applicant/per year)

All statements on this form are true and correct. I understand that if I subscribe to any false statement in this application I am subject to criminal prosecution.

9. SIGNATURE OF APPLICANT – WRITE – DO NOT PRINT
(Faxed or photocopied signature not acceptable)

THIS APPLICATION IS VALID ONLY FOR THE 1994 SPECIAL DRAWINGS.

APPLICATION FEES:	Conservation	= \$ 5
	Moose	= \$478
	Sheep	= \$478
	Goat	= \$478

FOREIGN CHECKS MUST BE INTERNATIONAL DRAFTS ON U.S. BANKS
NO PERSONAL OR COMPANY CHECKS ACCEPTED

PAID BY: Money Order or Cashier's Check

Made Payable to:
Montana Dept. of Fish, Wildlife & Parks

MO/CC # _____ Total Amount \$ _____

PLEASE REVIEW YOUR APPLICATION—REMEMBER TO:

Submit the correct amount of money.
Recheck Items 1 - 9.
Send money order or cashier's check—no personal or company checks
will be accepted. Send cash at your own risk.

TOTAL \$ AMOUNT OF
THIS APPLICATION: \$ _____

DRAWINGS CONDUCTED IN JUNE - RESULTS OUT BY END OF THIRD WEEK
YOUR LICENSE AND/OR REFUND WILL BE MAILED TO THE ADDRESS LISTED ABOVE

MOOSE LICENSE \$478.00

A 1994 Conservation License, or 1994 Big Game Combination License, or 1994 Deer combination License is required.

(\$475.00 refunded if not drawn)

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District No.

PARTY APPLICATIONS NOT AVAILABLE

BIGHORN SHEEP LICENSE \$478.00

A 1994 Conservation License, or 1994 Big Game Combination License, or 1994 Deer combination License is required.

(\$475.00 refunded if not drawn)

FIRST
CHOICE

--	--	--	--	--	--

District No.

SECOND
CHOICE

ADULT EWE ONLY

--	--	--	--	--	--

District No.

PARTY APPLICATIONS NOT AVAILABLE

MOUNTAIN GOAT LICENSE \$478.00

A 1994 Conservation License, or 1994 Big Game Combination License, or 1994 Deer combination License is required.

(\$475.00 refunded if not drawn)

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District No.

PARTY APPLICATIONS NOT AVAILABLE