

December 31, 2019

Wade Crowfoot, Secretary
California Natural Resources Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Dear Mr. Wade Crowfoot,

In accordance with the State Leadership Accountability Act (Leadership Accountability), the Department of Fish and Wildlife submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, 2019.

Should you have any questions please contact James Robbins, Deputy Director (Admin Division), at (916) 653-4325, james.robbins@wildlife.ca.gov.

GOVERNANCE

Mission and Strategic Plan

The Mission of the California Department of Fish and Wildlife (CDFW) is to manage California's diverse fish, wildlife, and plant resources, and the habitats upon which they depend, for their ecological values and for their use and enjoyment by the public.

The CDFW is guided by the Seven Strategic Initiatives listed below:

1. Enhance communications, education and outreach,
2. Develop statewide land stewardship based upon resource needs,
3. Develop strong water resource management program,
4. Develop/enhance partnerships,
5. Improve regulatory programs,
6. Enhance organizational vitality by focusing on employees and internal systems, and
7. Expand scientific capacity.

The California Fish and Wildlife Strategic Vision, which includes the California Fish and Game Commission, is designed to provide the organization with direction and focus to protect the public trust, preserve nature, and make recreation available to the residents of California. The Vision identifies core values that include stewardship, integrity, excellence, teamwork/partnerships, and innovation. Foundational strategies and goals focus on compelling communication internally and externally, partnerships and collaboration, ecosystem-based management informed by credible science, and transparent decision making.

Control Environment

CDFW establishes an effective control environment through strong leadership practices. The California Fish and Wildlife Strategic Vision, which includes the California Fish and Game Commission, identifies integrity among its core values. Foundational strategies identified in the Vision include transparent

decision making, which develops trust and ensures accountability. This transparency has recently been expanded through the Service Based Budget (SBB) process which identifies and captures the Department's tasks and quantifies the gap between the current service level of the Department and its mission level of service. The process requires participation across the Department to capture staff time and tasks, and the outcomes from the process have been communicated to employees and External Stakeholders. Leadership training provided to CDFW supervisors includes emphasis on "modeling the way" and "DWYSYWD," which stands for "Do What You Say You Will Do." These leadership practices build trust with employees, the public, and stakeholders.

CDFW Leadership models and expects the actions of the Department and its staff to act with integrity in carrying out the mission and operations of the Department while embracing accountability to reinforce these expectations. These expectations are further reinforced through policies and procedures. The Department Operations Manual includes a policy regarding employee behavior which addresses employee actions, appearance, personal business, and courteous treatment of employees and the public (Section 12631 – 12631.5). The Manual also includes a policy regarding Integrity of Operations, which instructs employees to take a reasonable course of action to avoid irregularities, accusations of favoritism, and questionable or inappropriate acts (Section 12633). These policies are enforced with guidelines outlined in Operations Manual Section 12651.3 regarding employee conduct and discipline. These policies reference the standards of conduct which form the basis for adverse actions (GC 19572). The Department also complies with Form 700 Statement of Economic Interests and the State's training requirements regarding ethics. The Department also has various mechanisms to learn of behavior or conduct that does not meet these expectations. Employees are encouraged to report any behavior suspected to violate State or Department policy or statute through their chain of command, Human Resources, EEO, or by way of the State Whistleblower program. In addition, the Director maintains and monitors an electronic suggestion box which employees may use to report concerns and provide suggestions.

Furthermore, the Executive Review Committee (ERC) meets weekly to provide oversight on significant operational decisions, such as contracts and Requests for Personnel Action. The ERC provides careful review and ensures consistency and appropriateness in decision making to support the Department's strategic initiatives and priorities. These decisions are tracked by the Business Management Branch and Human Resources Branch. The CDFW is structured to provide collaborative operations, appropriate oversight, coordination of efforts, and span of control to maximize effectiveness and minimize waste. The Department is also connected with the Fish and Game Commission and the Wildlife Conservation Board. Both are individual entities who act independently and work collaboratively with the Department, but also serve to hold the Department accountable.

CDFW accomplishes its mission with a dedicated and capable workforce. CDFW maintains a Workforce Plan and Succession Plan, which detail the programs and new initiatives intended to ensure a competent workforce. The Department recently hired a recruitment specialist who will expand recruitment strategies and partner with regional managers on hard-to-fill positions. This specialist will work with a newly formed recruitment work group, which has already initiated improvements to the CDFW social media and external web presence. Once hired, many CDFW employees are provided a structured onboarding process, such as the New Scientist Training program. In this program, the supervisor and new scientist review the duties of the position, assess current skills and knowledge, and develop a customized training plan to address gaps. Law enforcement recruits have a highly structured and intense training and onboarding program. The Workforce and Strategic Planning Unit recently

produced a micro learning module for all supervisors regarding effective onboarding of new employees. Onboarding is supported with regular feedback in the form of probation report discussions.

Following initial onboarding, CDFW employees are supported by the Organizational Development Branch, which provides staff and leadership development opportunities. The opportunities made available are guided by best practices, mandates, and an annual training needs assessment process. Training is provided to employees in the classroom, via webinar or e-learning, and informally at the job site. Department scientists enhance their professional development by participating in a Science Symposium every two years where colleagues present their research and deepen their scientific knowledge. Supervisors conduct annual performance appraisals and have the opportunity for performance management consultation with the Human Resources Branch and the Office of Training and Development to match performance needs with learning solutions. Plans for staff development include an expansion of content in the Department's learning management system to facilitate low-cost, consistent, asynchronous learning opportunities. In 2020 CDFW will also expand supervisory and leadership training to supplement mandated training with department-specific training in key content areas that have been identified as critical for success in these roles.

Information and Communication

Compelling communication, both internally and externally, is among the foundation strategies outlined in the Strategic Vision for the CDFW and the California Fish and Game Commission. External communication is coordinated through the Office of Communication, Education, and Outreach (OCEO), which manages media relations, publications, the external website, and social media. The Director regularly engages with external stakeholders at various meetings, including the Fish and Game Commission meetings, and through media releases. Additionally, program and policy initiatives invite stakeholder and public participation throughout the year.

Internally, the Director conducts regular Town Hall meetings in regions and branches around the state. Employees actively participate in these meetings and welcome the opportunity to interact openly with their top leadership. The Director also delivers information to employees through regular podcasts to provide updates on key initiatives, accomplishments, or concerns. In addition, the Director also maintains an electronic suggestion box for staff ideas, questions, and concerns. These incoming messages are closely monitored and addressed.

Furthermore, the Executive Leadership team meets weekly, and Operations Committee meets monthly to address regional and administrative needs across the Department. The entire leadership team (Joint Leadership Team) meets twice a year to dive deeper into issues and challenges, as well as share information. CDFW regularly convenes working groups with appropriate levels of staff and managers which include subject matter experts to evaluate and respond to issues or challenges as they occur.

CDFW makes use of strategic emails to staff, managers and supervisors, administrative officers, or occupational or functional groups. The Human Resources Branch regularly produces a newsletter for managers and supervisors to provide guidance and best practices, and the Department maintains a productive relationship with labor unions and provides ample opportunity for engagement with their members.

In the past year the Department has engaged employees and External Stakeholders in the Service Based Budget (SBB) process and has shared the progress and outcomes. The SBB process, in part, is

intended to increase the Department's transparency regarding how its resources are utilized toward meeting the mission of the Department and measures the gap between the current service levels and mission level of service. The SBB process is being operationalized in the Department and the information gained through SBB is designed to inform priorities and align decision making with the Department's mission and goals, while ensuring transparency with our stakeholders.

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the Department of Fish and Wildlife monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Stafford Lehr, Deputy Director, Wildlife and Fisheries Division.

The CDFW Executive Risk Group (ERG) has performed a key role in ensuring the effectiveness of internal control systems. The ERG acts as an ongoing monitoring advisory group with representatives from across the Department and is facilitated by the Risk and Operations Management Unit (ROM) and the Executive Monitoring Sponsor. During the 2017-2019 period, the ERG met on a quarterly basis. Throughout the two-year period, ROM contacted each unit monitor for updates and to track significant changes to controls, implementation delays, or challenges in implementation. Unit monitors also used the ERG meetings to provide input, gather assistance in the development and implementation of controls, and report progress throughout the two-year period. The ROM sent a monthly communication to the ERG members to solicit and gather newly identified risks for discussion at the quarterly meetings. The ROM provided periodic updates to the Executive Monitoring Sponsor regarding SLAA control monitoring actions and risk-related efforts. ROM tracks any identified risks in the two-year cycle to monitor progress and for consideration in future SLAA reports.

Additionally, CDFW has various controls in place to facilitate consistent monitoring and oversight of our operations and to mitigate risks. This includes multi-phase/level approval processes to ensure appropriateness of requests and actions, and persons of appropriate level of responsibility who authorize the request or action. Monitoring and oversight is further supported through documented procedures, including reconciliation, which highlight inconsistencies or errors resulting in a more critical review.

CDFW will continue to evaluate its internal control systems for improvement during the 2020-2022 SLAA cycle, with an emphasis on establishing and tracking key indicators, engagement with appropriate review processes, and comparing results with expectations. In addition, the Service Based Budget (SBB) process identifies the gaps between the Department's current state of operations and the mission level of operation. The Department is currently operationalizing SBB, and although it is was not designed for use as an internal control the process collects data, measures gaps, and yields information which, at a high level, could inform the Department of areas of potential risk and the impact of controls.

RISK ASSESSMENT PROCESS

The following personnel were involved in the Department of Fish and Wildlife risk assessment process: executive management, middle management, front line management, and staff.

The following methods were used to identify risks: brainstorming meetings, ongoing monitoring activities, audit/review results, other/prior risk assessments, questionnaires, and consideration of potential fraud.

The following criteria were used to rank risks: likelihood of occurrence, potential impact to mission/goals/objectives, timing of potential event, potential impact of remediation efforts, tolerance level for the type of risk, and other.

CDFW continues to strengthen its risk assessment process and to engage all levels of the organization in risk management. The 2019 risk assessment process began with an overview of SLAA's purpose and requirements, which the Department's Risk and Operations Management Unit (ROM) presented to the Executive Risk Group (ERG). The overview included a summary of risks reported in the 2017 SLAA report and emphasis on the importance of the SLAA process. The ROM then conducted an electronic survey of senior leadership (Deputy Directors, Regional Managers, and Branch Chiefs) to gather their input on risks facing the Department. The leadership group solicited input from their managers, supervisors, and staff. The ERG met to review and evaluate the items reported as risks in the survey to determine which risks would be included in the SLAA report. ROM worked with the ERG to create Deep Dive Groups, made up of Executive Staff and Subject Matter Experts, to define the risks and develop controls. The Deep Dive Groups evaluated the risks against criteria, which included the potential to impact CDFW's ability to achieve its mission, the scope of the risk, and available controls to mitigate the risks. The results of five separate Deep Dive Groups determined the need to identify and address the risks on the SLAA report including developing meaningful controls that are intended to mitigate the identified risks.

RISKS AND CONTROLS

Risk: Funding Risks

The number and restricted nature of funding or revenue sources available to the Department pose a risk to the Department of Fish and Wildlife and its mission.

Control: A Funding Risks

CDFW will continue to explore funding and revenue sources that will allow the Department to meet its mission.

Risk: Health and Safety Risks

In the course of normal job duties, department employees may be exposed to hazards that could result in serious injury, illness, or death.

Control: A Ticket System

CDFW will develop a centralized electronic reporting (ticket) system, with an emphasis on facility related issues, to identify, triage, refer, monitor, and document actions, as well as identify state-wide trends. The effectiveness of the system will be evaluated for further expansion, and in the future may also include field related incidents, vessel incidents, other maintenance needs, or assistance request for exposure monitoring.

Control: B Safety Program Development

CDFW will identify and prioritize the development of critical department-wide safety education/ programs to address areas of work that require training, procedures, equipment use, and reporting processes. (Examples may include Boater Safety, Driver Safety, Hazardous Debris Clean-up, or similar)

Control: C Cross-Functional Safety Committees

CDFW will conduct Health and Safety meetings to review and address department safety concerns and/or incidents as they are identified. The committee will focus strategies and actions to respond to and reduce Health and Safety related risks. The committee includes executive level leadership and subject matter experts to inform discussions and decision making.

Control: D State-Owned Facility Inspections

CDFW has executed a contract for inspections of state-owned facilities (buildings, structures, houses, etc.) to identify issues or problems requiring maintenance and/or repair, some of which could result in potential Health and Safety risks, if unaddressed. Facility inspections are anticipated to begin in January of 2020.

Risk: Workforce Planning

There is a risk that the California Department of Fish and Wildlife will not have enough qualified staff to accomplish our mission.

Control: A Recruitment Efforts

- a. The Human Resources Branch (HRB) has added a new position for a Recruitment Specialist (Staff Services Manager I Specialist) to enhance the Department's ability to recruit qualified candidates. The Specialist will focus on specific internal challenges and concerns, using a new recruitment services request form (as part of the Request for Personnel Action package) to determine specific needs of the program. Also planned work for this Specialist is a post-hire survey to the hiring supervisor about the recruitment experience.
- b. CDFW has formed a cross-functional Recruitment Work Team to provide input regarding the Department's recruitment needs and efforts. New initiatives from this team include increased social media presence, improved external webpage presence, and a CDFW recruitment catchphrase (contest to involve staff is in progress).

Control: B Retention Efforts

- a. The Department will evaluate and implement feedback mechanisms which may include an Employee Engagement Survey, or similar, in order to determine areas of strength and potential improvement to increase employee engagement and retention.
- b. CDFW will evaluate the use of technology and/or other means to encourage participation, compile, and analyze exit survey information completed by departing employees.

- c. CDFW will use this information to identify trends and/or contributing factors impacting employee engagement and retention and utilize it to inform the development of strategic approaches to improve employee engagement and retention.

Control: C Institutional Knowledge

- a. Consistent with a newly developed Scientific Data Policy, CDFW programs will determine highest priority data demands and begin documentation and organization of scientific data so it is easily accessible for new and existing staff.
- b. The Workforce and Strategic Planning Unit (WSP) in the Organizational Development Branch will support the Department, as needed, by offering training or other tools regarding methods to effectively capture institutional knowledge. This may include the development and documentation of desk manuals, transition documents, and internal procedures.

Control: D Training and Development

- a. The Workforce and Strategic Planning Unit (WSP) will continue to offer training to develop and strengthen the leadership skills of current supervisors, managers, and CEAs.
- b. WSP will launch a second pilot of the CAMP (Coaching and Mentoring Program), a mentorship program for those aspiring to step into leadership.

Risk: Contingency and Continuity Planning

With the increasing risk of natural catastrophes and emergencies (wildfire, earthquake, floods, dam failure, etc.), the California Department of Fish and Wildlife (CDFW) finds it is important to increase preparation in order to maintain operational continuity during natural disasters, and reduce risk to staff and operations.

Control: A Continuity Plan

CDFW will continue to update the Department's Continuity Plan to establish authorities and responsibilities for emergency actions, including identifying critical roles and assignments. Regions will complete an Emergency Preparedness Plans for use during natural disasters or emergencies.

Control: B Emergency Response Staff

CDFW will evaluate its operational needs to determine the level of support required to maintain operations during emergency situations. CDFW will determine an appropriate course of action to provide the required support to maintain operations during emergency situations, and will incorporate it in the continuity plans, as appropriate.

Control: C Incident Command System Training

CDFW will encourage supervisors and managers to complete Incident Command System (ICS) Training. CDFW will conduct table-top exercises with leadership to prepare and train for potential emergency situations utilizing the principals of the ICS Training.

Control: D Facility Emergency Response Information

CDFW developed the Facility Emergency Response Information site to provide first responders with key information about our sites. The data is intended to provide information in the first hours of an incident. As staff are engaged, additional information will be gathered from the site contacts. In the long term this site will serve as the storage location for Department wide and site-specific emergency plans.

Risk: Public Access and Engagement

Continued decline in hunter and angler participation reduces funding to the Department for law enforcement, research, and other fish and wildlife conservation work.

Control: A Marketing and Outreach Activities

CDFW continue its efforts to improve marketing and outreach activities that support hunting, fishing, the shooting sports, and foraging while expanding and enhancing educational, outreach, and access programs to the public.

Control: B CDFW Website Modernization

CDFW will modernize its website and tools by making it more user-friendly toward hunting, fishing, and the shooting sports, and create a comprehensive statewide R3 (Recruit, Retain, Reactivate) webpage. CDFW will increase the visibility of conservation, wildlife, and fisheries management projects while connecting project funding directly to hunting and fishing dollars.

Control: C Increased Participation

CDFW will evaluate the current California hunting and sportfishing fishing license pricing and product mixes against other alternatives aiming to achieve increased participation (purchasing trends), a revenue neutral outcome, and added value for the customer.

Control: D R3 Dataset Library

CDFW will create a comprehensive analyzed California R3 dataset library in order to better understand various R3 target audiences, data trends, and to establish a baseline of information to measure R3 successes and areas of improvement, over time.

CONCLUSION

The Department of Fish and Wildlife strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising risk mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Charlton Bonham, Director

CC: California Legislature [Senate (2), Assembly (1)]
California State Auditor
California State Library
California State Controller
Director of California Department of Finance
Secretary of California Government Operations Agency