



National Wildlife Refuge System
ACCOUNTABILITY REPORT

Fiscal Year 2003



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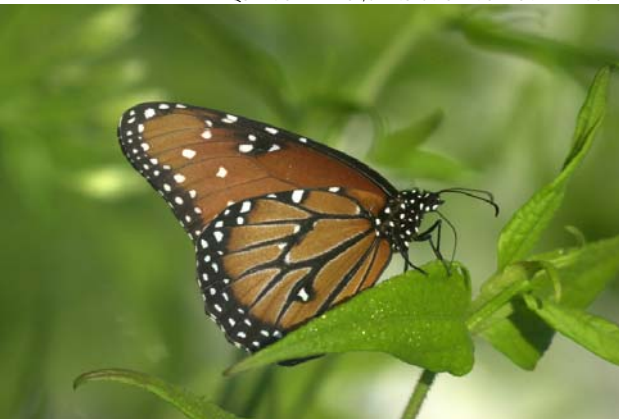
American Birding Association
American Fisheries Society
American Sportfishing Association
Assateague Coastal Trust
Congressional Sportsmen's Foundation
Defenders of Wildlife
Ducks Unlimited
International Association of Fish and Wildlife Agencies
Izaak Walton League of America
National Association of Service and Conservation Corps
National Audubon Society
National Rifle Association of America
National Wildlife Federation
National Wildlife Refuge Association
Safari Club International
The Wilderness Society
The Wildlife Society
Trout Unlimited
U.S. Sportsmen's Alliance
Wildlife Forever
Wildlife Management Institute

Executive Summary

The Cooperative Alliance for Refuge Enhancement (CARE) has regularly released an “Accountability Report” within 18 months of the end of each fiscal year. CARE has reviewed the National Wildlife Refuge System’s expenditures for appropriated budget increases for fiscal year 2003, and concluded that these funds are being used, as intended, to reduce the overwhelming backlog in refuge operations and maintenance.

We approached 2003 with great enthusiasm, principally because the year marked the Centennial of the Refuge System. A wondrous network of lands begun by President Theodore Roosevelt, the Refuge System needs substantial support to sustain itself in its second century of existence.

QUEEN: CLAY TAYLOR/SWAROVSKI OPTIK OF NORTH AMERICA



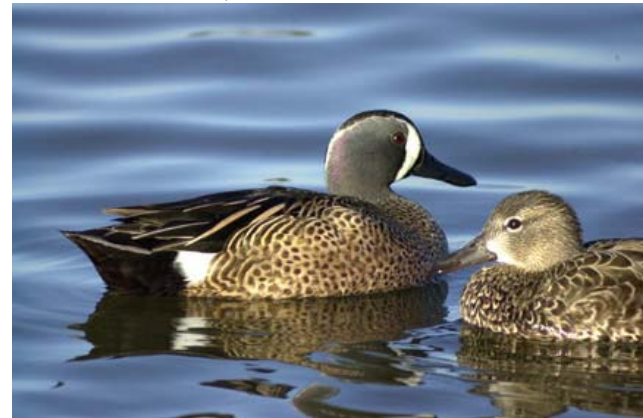
Refuge operations include the staffing needs and wildlife management projects throughout the Refuge System. During fiscal year 2003, \$273 million was allocated to support refuge operations; however, the operations backlog identified an additional \$1.6 billion in unmet needs. Refuge maintenance supports the infrastructure and equipment necessary to ensure functional and safe facilities to conserve wildlife and its habitat. Refuge maintenance also supports provision of quality wildlife-dependent recreation and environmental education as required by the National Wildlife Refuge Improvement Act of 1997. In fiscal year 2003, Congress appropriated \$97 million for refuge maintenance. Unfortunately, the refuge maintenance backlog was \$932 million and the funding provided fails to adequately address the backlog. However, the Refuge System did use its allocated maintenance funds wisely, reducing the backlog by \$40 million during the fiscal year.

SANDERLING: CLAY TAYLOR/ SWAROVSKI OPTIK OF NORTH AMERICA



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BLUE-WINGED TEAL: CLAY TAYLOR/SWAROVSKI OPTIK OF NORTH AMERICA



AMERICAN WHITE PELICAN: CLAY TAYLOR/SWAROVSKI OPTIK OF NORTH AMERICA



According to CARE's evaluation, the Refuge System initiated work on all of the 91 operations projects identified in the Congressional appropriation, and 79 percent (344 out of 436) of the deferred maintenance projects identified in the Five-year Deferred Maintenance and Equipment Replacement Plan. The Refuge System also completed 80 additional operations projects and 157 maintenance projects that required immediate attention but were not included in the approved project lists.

Regrettably, the Refuge System is only able to address one percent of backlogged operational needs and five percent of backlogged maintenance needs. The inability of the Refuge System to substantially reduce the operations and maintenance backlogs is evidence that the resources available fail to meet basic needs.

While the completion of operations and maintenance projects prove that progress is being made, CARE is concerned that adequate resources are not being provided to the Refuge System to make significant progress toward reducing the backlog. Therefore, CARE will continue to:

MOOSE: CLAY TAYLOR/SWAROVSKI OPTIK OF NORTH AMERICA



BROWN TROUT: ERIC ENGRETON/USFWS



- encourage increased appropriations for Refuge System operations and maintenance;
- monitor the Refuge System's use of appropriated increases;
- encourage increased allocations under the Transportation Equity Act to address the Refuge System's pressing road improvement needs; and
- work with other agencies, such as the U.S. Department of Defense (DOD), to seek cooperative ways to meet refuge needs.

Since 2000, the refuge operations backlog has been reduced by 238 projects and 1,989 critical maintenance projects have been completed. As the Refuge System continues its efforts to reduce operations and maintenance backlogs, substantial increases in funds are needed to meet the directives set forth in the National Wildlife Refuge System Improvement Act of 1997.

Refuge System and CARE Background

The National Wildlife Refuge System is the only federal network of lands dedicated to the conservation of America's wildlife. It consists of more than 540 units, representing every state and most U.S. territories. There is a wildlife refuge within an hour's drive of most major cities, serving as destinations for more than 40 million visitors



RYAN HAGERTY AND USFWS

A volunteer holds a Prothonotary Warbler at a bird-banding demonstration. Volunteers are vital to maintaining the Refuge System, providing about 20 percent of the labor on refuges, or about 1.5 million hours per year.

annually. (By 2009, public use is expected to increase to over 60 million visitors a year.) At refuges across the country, visitors enjoy opportunities to observe and photograph wildlife, experience pristine sunrises during hunting or fishing trips, or simply learn about the outdoors through quality environmental education and interpretation programs. The Refuge System is also a source of pride for local communities. Today, nearly 250 Friends Groups, non-profit organizations dedicated to supporting individual refuges, provide millions of volunteer hours - providing approximately 20 percent of the Refuge System workload. Refuges rely on Friends Groups to complete critical conservation projects and welcome visitors.

Refuges provide a substantial economic return for regions and communities, creating nearly 19,000 jobs and \$1.12 billion in economic activity, a figure more than three times greater than the operations and maintenance funding the Refuge System receives. Unfortunately, over 200 units of the Refuge System are currently not staffed, and every refuge has major unmet operations and maintenance needs. The unmet operations and maintenance needs of the Refuge System remain a serious threat to the overall health of wildlife conservation in the United States and the safety and satisfaction of refuge visitors.

The Cooperative Alliance for Refuge Enhancement (CARE) is a unique coalition of 21 diverse wildlife, sporting, conservation, recreation, and scientific organizations, unified by the desire to assist the Refuge System in its funding needs. (See the front cover of this

report for the organizational membership of CARE.) The breadth of CARE's composition, its broad representation, as well as its single focus, have helped bring legitimacy and clarity to its refuge-support goals. The core of CARE's concern has been correcting the inadequate funding for the operations and maintenance at refuges. As such, CARE has worked cooperatively with Refuge System staff, Congress, and the Administration to highlight the needs of the National Wildlife Refuge System and to secure strong investments in this remarkable network of lands and waters to improve the Refuge System's ability to meet its conservation objectives.

In 2001, CARE analyzed the operations, maintenance, and accounting procedures used by the Refuge System and created a plan entitled, *Restoring America's Wildlife Legacy: A Plan to Restore Our National Wildlife Refuge System*. This plan identified a need for substantial increases in Refuge System operations and maintenance funding. To monitor the use of funds appropriated to satisfy refuge operations and maintenance needs, CARE tracks expenditures from three funding accounts: refuge operations budget, refuge maintenance budget, and the Transportation Equity Act. The following analysis for fiscal year (FY) 2003 reflects the efforts of the Refuge System to improve its ability to meet critical operations and maintenance needs, and to improve public roads with transportation funding.

JOHN AND KAREN HOLLINGSWORTH AND USFWS



Young fisherman at San Francisco Bay National Wildlife Refuge. Many refuges hold fishing derbies, special youth hunts, and related environmental education events.

Refuge Operations Budget

Refuge System operations activities include the staff and support costs for completing habitat management projects, improving wildlife monitoring, enhancing recreation and education programs, providing staff for maintenance projects, administering support, enforcing laws and all other staff-related costs. Operations projects often have recurring needs or many stages. The primary recurring need is additional staff to enable delivery of programs and services in the Refuge System, including accomplishing maintenance projects. It is important to note that there are still more than 8,500 operations projects with a total cost of \$1.6 billion that remain unfunded.

The Refuge System utilizes RONS (Refuge Operating Needs System), a computerized database, to track its unmet operations needs. RONS tracks both staffing needs and wildlife management and visitor services projects nationwide. Operational projects included in the annual budget request are derived from this database. In fiscal year 2003, the highest priority projects of the Refuge System were included in the funding request to Congress.

Due to the large number of unfunded projects, the Refuge System, at the request of Congress, uses a tiered process to prioritize the most critical operating needs of the Refuge System. The top priority projects (Tier 1) were categorized as essential staffing vacancies and mission-critical projects, including critical needs for new and expanded refuge lands. Approximately 2,400 Tier 1 projects have a projected backlog of \$300 million. By comparison, the Refuge System had approximately 2,500 Tier 1 projects in FY 2002. Application of FY 2003 operations funding has reduced the number of Tier 1 operations projects from fiscal year 2002 to 2003 by four percent, effectively reducing the Tier 1 operations backlog by \$12 million.

The tiered approach, developed in 2000, has greatly benefited the Refuge System. It will probably need revising and revisiting in the near term, especially since some of the more obvious and necessary Tier 1 projects have been addressed.

Operations funding is vital to the future of the Refuge System. Every aspect of the Refuge System, including maintenance, depends on funding for operational activities. RONS data for FY 2003 show that all 91 operations projects identified in the budget as mandatory obligations, or on the lock-in list, were undertaken. This is a laudatory achievement and the first time the Refuge System has initiated work on 100 percent of the mandatory operations projects. The Refuge System also accomplished 80 additional operations proj-

ects from base funds supporting law enforcement, public use enhancements, and other operations projects.

Through cooperation with the Refuge System, CARE realized that without adequate operations funding refuges cannot reduce the maintenance backlog or meet the purposes for



BETSY LORDAN AND USFWS

The manager of the Vieques National Wildlife Refuge in Puerto Rico encourages Youth Conservation Corps workers to consider careers in wildlife management.

which they were created. New maintenance projects surface as new refuges are created or existing refuges are expanded. New responsibilities also arise when much needed legislation, like the 1997 National Wildlife Refuge System Improvement Act and the 1998 Refuge Volunteer and Community Partnerships Act, is enacted. In addition, increased visitation, increased mandatory personnel costs (cost of living increases, retirement and benefit changes, etc.), transfer of former military lands, and other funding responsibilities impact the Refuge System. Meeting these responsibilities enlarges the Refuge System's backlog. Past Congressional funding

increases have focused primarily on reducing the maintenance backlog. However, increasing the operational funding will be critical to reducing the overall backlog, while allowing the Refuge System to conserve and manage precious fish and wildlife resources.

Transfer of military lands provides an example of improved conservation of lands with high ecological value but with insufficient attention to meeting attendant operational needs for the future. (An example from 2003 is the transfer of 17,769 acres of lands in Puerto Rico formerly used as a Navy training site to become the Vieques National Wildlife Refuge.) While there are some excellent natural resources associated with these properties, they come to the Refuge System with no increase in operations and maintenance funds and with some serious unmet needs such as safety hazards associated with unexploded ordnance, abandoned buildings and structures, invasive species problems, and public relations challenges associated with unpopular past military training activities. When Congress directs these types of transfers, provision should be made for thorough cleanup and mitigation of activities from past Defense Department use and for future operations and maintenance needs by the Refuge System.

Cost Allocation Methodology

CARE recognizes that some overhead charges are necessary to manage budget increases and operations projects. The cost allocation methodology (CAM) is a method for evaluating and charging shared overhead costs to all service programs. CAM assesses each program within the U.S. Fish and Wildlife Service for the use of central services, such as human resources, finance services, budget functions, space rental costs, and contract management. There are some overhead costs specific to the Refuge System, and these costs are not covered by CAM. Additional overhead costs include regional office staff to manage project budgets, policy personnel, wildlife management and habitat programs, and visitor services. CARE is concerned about data from the Refuge System that shows that regions are not applying these overhead charges consistently. This is compounded by the problem that each of the seven

regions has a different staffing infrastructure to manage the operations budget, the maintenance budget and other projects. However, in cooperation with CARE, the Refuge System is developing more consistent overhead cost procedures and infrastructures. CARE expects additional improvements and will monitor CAM to ensure they are necessary and justified.

USFWS



Schoolchildren at San Luis National Wildlife Refuge Complex in California. Refuge environmental education and interpretation programs increase public awareness and appreciation of biodiversity.

Roll-over Operations Funds

In 2002, CARE sought to monitor the use of all operations funds provided to the Refuge System. In doing so, the issue of the use of roll-over funds emerged. Roll-over funds are funds that are added to the current year's base funding as a result of budget increases in previous years. These funds are used to accomplish additional operations projects (as identified by RONS) or to address other base-budget needs in the Refuge System. Understanding the base-budget needs in the Refuge System is vital to understanding the impact of roll-over funds in the Refuge System. Many factors impact the operations budget on refuges, yet refuges lack a Congressionally-appropriated funding source.

For example, increasing the size of existing refuges or creating new refuges, especially from lands transferred from the military, increases the maintenance backlog and the associated operational cost of managing the Refuge System. DOD and other land transfer can be burdensome in many cases, and CARE seeks ways to alleviate the problem, ideally through compensatory funding from the respective agency or department.

Additional mandates for accomplishment reporting and accountability, such as the new Service Asset and Maintenance Management System (SAMMS), the Government Performance and Results Act, and the Program Assessment Rating Tool (PART) requires expanding computer networks and personnel. These administrative systems provide for a greater level of detail in being able to describe what work is accomplished throughout the organization; however, it does come at a substantial cost. These systems are time-demanding, and time spent reporting administrative details can take away from basic mission central activities of managing lands, natural resources, and associated recreation programs. In addition, increasing needs for increasingly important law enforcement and security at federal facilities requires additional personnel and training.

All of these base-budget issues are important to maintaining a fully functional Refuge System, yet they must be absorbed within the current budgets of individual refuges, thereby eroding the base of operational funds. With a full understanding of the amount of roll-over funds from previous years, CARE is cooperating with the Refuge System to address emerging issues contributing to the erosion of base funding.

The Refuge System and CARE evaluated the use of roll-over funding and discovered that funds are generally used for two purposes. First, roll-over funds allow the Refuge System

to complete vital operations projects. These projects include wildlife and habitat management initiatives and hiring personnel that are crucial to fulfilling refuge missions. As noted earlier in this report, the Refuge System used roll-over funding to complete 80 projects not included in the operations lock-in list.

Second, the Refuge System uses roll-over funding to absorb uncontrollable costs. Uncontrollable costs include expenses that escalate without regard to management of the Refuge System. Uncontrollable costs include Congressionally-mandated salary increases, changes in retirement and health benefits, changes in office rental rates, costs associated with new IT systems, and higher utility and fuel costs, among others. These costs exceed \$12 million annually and are generally not funded through annual appropriations. To illustrate the problem, consider the costs associated with office space. The General Services Administration provides annual increases to agencies to accommodate increasing leasing costs which include utility costs. This increase is not available to the Refuge System because it owns most of its offices. Therefore, the Refuge System must absorb these increases using roll-over funds or by reducing the size of its staff.

The Department of the Interior (DOI) is interested in the uncontrollable costs and is developing guidance for its agencies. However, CARE recommends Congress address the erosion of base funding for the Refuge System and provides continuing support for essential operational costs, including uncontrollables.

Refuge Maintenance Budget

The Refuge System tracks its backlogged maintenance needs in the Maintenance Management System (MMS) database. The maintenance budget in the Refuge System is divided into three categories: annual preventive maintenance, equipment repair and replacement, and deferred maintenance. The MMS database tracks backlogged needs for

GEORGE GENTRY AND USFWS



To accommodate the refuge's high level of visitation and preserve its important habitat, staff at Ding Darling National Wildlife Refuge in Florida perform ongoing maintenance.

deferred maintenance and equipment repair and replacement. Annual preventive maintenance funding is not allocated or tracked by project, but expenditures are tracked to ensure compliance with the Refuge System's guidelines. Each year appropriations for refuge maintenance are zero-based, i.e., they are matched with a list of priority MMS projects.

The Refuge System submits its list of deferred maintenance projects to Congress via the Interior Department's Five-Year Deferred Maintenance and Equipment Replacement Plan. This plan uses standard criteria for all of the DOI's bureaus to rank deferred maintenance projects. Equipment repair and replacement projects are ranked and reviewed internally by the Refuge System rather than in the DOI's five-year plan. However, time lags between generating project lists and actual provision of funds for the lists can result in changes in conditions, work priorities and project accomplishments. Project lists also are modified as some projects are proven infeasible, integrated with other projects, reduced in priority or become too costly.

The Refuge System had an overall maintenance project list completion rate of 84 percent in FY 2003. It is important to reiterate that, while the increases in funding have provided much needed help to the Refuge System, thus far, they have not enabled the Refuge System to significantly reduce its maintenance backlog. The maintenance backlog for FY 2004 is projected to exceed \$1 billion.

In the National Wildlife Refuge System Accountability Report for FY 2002, CARE discussed the change, mandated by the DOI, in the methodology used to calculate deferred maintenance backlogs. The change occurred during FY 2002, and, while it adds consistency to all DOI agencies, it changes the backlog figure significantly. The change in methodology caused the Refuge System's backlog to rise. At the end of FY 2002, the maintenance backlog was \$972 million. CARE's analysis shows this backlog was reduced to \$932 million, and CARE will continue to monitor the Refuge System's progress toward its reduction.

Annual Preventive Maintenance

The FY 2003 appropriation provided \$23 million for annual preventive maintenance. This funding accomplished small, but vital, cyclical maintenance problems within the Refuge System. While these small projects are not listed or tracked in the MMS database, addressing these needs when they occur is vital to prevent infrastructure deterioration.

Failure to utilize maintenance funding for preventative purposes would ultimately increase the deferred maintenance backlog.

Equipment Repair and Replacement

The FY 2003 appropriation designated \$9.1 million for equipment repair and replacement. This funding is vital to repair and replace passenger vehicles and small equipment such as tractors and small boats valued at less than \$25,000. The Refuge System accomplished 283 out of 308 (92 percent) of its planned equipment projects. CARE applauds this accomplishment, as it is a dramatic improvement over FY 2002. However, the failure to complete every project further demonstrates the lack of funding necessary to address emerging priorities.

EUGENE HESTER AND USFWS



As specified in the Refuge Improvement Act of 1997, hunting is one of the "big six" recreational activities on refuges. (The others are: fishing, wildlife watching, wildlife photography, environmental education, and environmental interpretation.) About 300 refuges offer some type of hunting.

Based on the lock-in list, the Refuge System completed 344 out of 436 (79 percent) of these projects.

The accomplishment rates for completing deferred maintenance projects were not as high in FY 2003 as they were in FY 2002. In response, the Refuge System applied an incentive-based fund allocation program. Under this program, if the combined accomplishment rate for the entire Refuge System is less than 90 percent, then five percent of the alloca-

Deferred Maintenance

Deferred maintenance funding is applied to large, facility-related projects as well as repairs and replacement of agriculture and construction equipment on refuges. Deferred maintenance funding is also used nationally for the Refuge System's conversion to the use of SAMMS (\$3.7 million), CAM allocations (\$1.9 million), regional facility condition assessments (\$500,000), and the Director's Deferred Allocation Fund (\$700,000). The FY 2003 appropriation for deferred maintenance projects included \$65 million for 436 projects. During the fiscal year, the Refuge System completed a total of 501 projects.

tion in the following year is provided to those regions showing most efficient use of funds. This internal mechanism seems to have promoted better performance, and is seen as a success.

While 108 projects (21 percent) from the lock-in list were not completed, the Refuge System successfully completed an additional 157 projects. Refuges chose to complete these projects in lieu of the 108 projects on the lock-in list for a variety of reasons. The dynamic environments that characterize refuges require flexibility and these projects presented a greater need than those in the project list.

Though work was completed on 501 projects, as identified by the MMS, in FY 2002, more than 9,000 backlogged projects remained in the MMS which need to be addressed.

The Refuge System, in partnership with other DOI agencies, has been in the early stages of implementing SAMMS, to improve tracking accountability for refuge maintenance funding, particularly, annual preventive maintenance. Additionally, the Refuge System has made substantial progress in tracking and assessing the condition of real property and merging this data with the MMS database.

Transportation Equity Act for the 21st Century

A total of \$17 million (100% of available funding) was obligated in FY 2003 from the Transportation Equity Act (TEA-21) for work on public roads and trails within the Refuge System. (The improvements increased access for the local public and tourists, increasing recreational opportunities for anglers, birdwatchers, hunters, and many other people who enjoy wildlife.) The TEA-21 provided \$100 million over five years; funds not obligated in one fiscal year are carried over to future years. TEA-21 is funded through FY 2003, and Congress

EVAN HIRSCHKE



Wildlife refuges provide outstanding saltwater and freshwater experiences for both novice and experienced anglers alike. Over 250 refuges are open for fishing.

continues to work on reauthorization. CARE strongly supports the provision of funding for the Refuge System's public roads through this Act.

The backlog for refuge roads is over \$2 billion, and the Service has requested annual funding of \$60 million to bring roads to good condition and \$9 million for alternative transportation systems and trails. CARE has supported this request to further address pressing refuge needs.

Summary

CARE has determined that the Refuge System made significant progress in completing projects identified in the FY 2003 budget appropriation. More important, funds that were not spent on lock-in list projects were reallocated to other field stations which resulted in many more projects being addressed.

Allowing the Refuge System flexibility to reallocate some appropriated budget increases resulted in more cost-effective use of the funds and should be continued. The net result was that the funds provided were used to address backlogged MMS and RONS projects. Unfortunately, while progress has been made, the operations and maintenance backlogs continue to grow, although at a decreased rate.

This accountability report addresses only those funds appropriated in FY 2003. CARE encourages the U.S. Fish and Wildlife Service, the Department of the Interior, Congress and the administration to continue focusing on ways to address the basic needs of the Refuge System as it enters its second century of successful conservation. CARE is committed to continuing to monitor the operations and maintenance backlog as well as the expenditure of all funds used to reduce this documented backlog, to ensure that these funds are used efficiently and effectively.