



Office of the Public Auditor

Commonwealth of the Northern Mariana Islands

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June 7, 2000

Dr. Joaquin A. Tenorio
Secretary, Department of Lands and Natural Resources
Caller Box 10007, Capitol Hill
Saipan, Northern Mariana Islands 96950

Dear Secretary Tenorio:

Subject : Final Letter Report on the Audit of Two Division of Fish and Wildlife (DFW) Employees' Time and Attendance and Whether their Arrangement with DFW was Consistent with the Pacific Islands Education Initiative (Report No. LT-00-04)

This report presents the results of our audit of two DFW employees' time and attendance and whether their arrangement with DFW was consistent with the Pacific Islands Education Initiative. The objectives of the audit were to determine whether: (a) the class hours of the two DFW employees on limited-term status¹ were charged to the appropriate type of leave; and (b) DFW's administration of the Pacific Islands Education Initiative was in accordance with the Memorandum of Understanding (MOU) of December 1994 between DFW and the Division of Federal Aid - Region 1, Fish and Wildlife Service, United States Department of the Interior (*Service*).

Our audit showed that class hours of the two DFW employees on limited-term status were not charged the appropriate type of leave. The circumstances and conditions set forth in the CNMI Personnel Regulations were not met, and therefore their class hours were inappropriately charged to administrative or educational leave. We also noted that DFW's current arrangement with the two employees does not fulfill the objectives of the Pacific Islands Education Initiative.

¹ Part III, Sub-Part B of the Personnel Service System Rules and Regulations (PSSRR) on page 11 defines Limited-Term Appointment as one in which the appointee is appointed for a period of not more than one year. An employee serving a limited term may serve in either a full-time or part-time position. Any person given a limited-term appointment must meet the minimum qualifications for the class of position to which appointed. Appointing authorities shall justify in writing, to the Director of Personnel Management, requests for new Limited-Term Appointments following expiration of one-year appointments. A limited-term appointment may be converted to a Permanent Appointment at the end of one year if the position has been found to be permanent, provided that the employee has demonstrated 52 consecutive weeks of satisfactory performance.

We recommend that: (1) the DFW Director comply with local rules and regulations on the granting of administrative and educational leave; (2) the DLNR Secretary and the DFW Director comply with the PSSRR provisions on granting educational leave, such as the requirement that educational leave must be approved by the Personnel Officer based on a recommendation by the DLNR Secretary; (3) the DFW Director implement his special educational leave program in accordance with the MOU to be approved by the grantor and DFW must ensure that it is in compliance with the provisions of the various grants to be assured of continued federal support; and (4) DFW suspend the current arrangement with the two employees pending resolution of the issues discussed in this report.

The Pacific Islands Education Initiative (PIEI) was intended to benefit DFW and the CNMI through the development of local professionals. To accomplish that objective, we recommend that DFW: (a) develop a well-defined basis for selecting candidates; (b) coordinate with the Fish and Wildlife Service to determine which participating universities and colleges have dedicated staff to counsel and guide the candidates; (c) require candidates to complete a specified number of units to help them acquire a degree within a prescribed period; and (d) require candidates to sign a contract with the local resource agencies.

In his letter response dated May 18, 2000 (**Appendix A**), the Secretary of the Department of Lands and Natural Resources agreed with all 5 recommendations.

Based on the responses we received from DLNR, we consider Recommendations 1, 2 and 4 resolved and Recommendations 3 and 5 open. The additional information or action required to close the recommendations is presented in **Appendix B**.

BACKGROUND

On March 3, 2000, the Acting Secretary of the Department of Lands and Natural Resources (DLNR) requested an audit of the time and attendance of two Division of Fish and Wildlife (DFW) employees. These employees are on limited-term appointment status but are presently attending classes at Northern Marianas College. The Acting Secretary stated that these employees are being compensated for the regular eight hours instead of their absences (class hours) being charged to leave.

The two employees on limited-term status were allowed by DFW to enroll at Northern Marianas College. OPA was told by the DFW Director that their schooling is in line with the Pacific Islands Education Initiative. The Initiative is explained in the Memorandum of Understanding between DFW and the Service. The Initiative is aimed at helping candidates obtain baccalaureate and advanced degrees in Fish or Wildlife (Biology) Management. Since individuals with this kind of expertise are very limited on island, DFW hopes that with this Initiative, it will have biologists coming from the local pool. These local personnel can then

occupy professional positions at DFW which would no longer need to depend on off-island hires.

DLNR's Division of Fish and Wildlife

Section 2654 of the Commonwealth Code states the powers and duties of DLNR, one of which is the protection and enhancement of the natural resources of the islands, including the marine environment. DLNR is composed of six divisions: Agriculture, Parks and Recreation, Coastal Resources Management, Public Lands, Land Registration and Survey, and DFW. Each division is under the supervision and control of a Director.

OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of the audit were to determine whether: (a) absences of the two DFW employees on limited-term status were charged to the appropriate type of leave; and (b) DFW's administration of the education initiative was in accordance with the MOU between DFW and the Service.

Our audit was limited to the two employees on limited-term status who are enrolled at Northern Marianas College. We interviewed appropriate DFW personnel, examined pertinent documents, and researched matters regarding federal assistance to the Division of Fish and Wildlife. We performed our audit at DFW Office, Lower Base, and at OPA from March 6, 2000 to March 22, 2000.

This audit was made, where applicable, in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Accordingly, we included such tests of records and other auditing procedures as we considered necessary under the circumstances.

PRIOR AUDIT COVERAGE

OPA conducted several audits of DFW's time and attendance on various dates in 1995. These were consolidated in OPA's report on Audit of CNMI Government Employees' Time and Attendance from July 1995 to June 1997 (AR-98-03).

Our audits showed employees' absences improperly charged to annual leave, frequent absences and tardiness, lack of records for daily time-in-and-out, undocumented whereabouts during office hours, and undocumented calls when reporting leave. OPA's recommendations were to require the employees to time-in-and-out and the timekeeper to charge the corresponding hours to Leave Without Pay (LWOP) or AWOL, admonish employee for tardiness and absences, disallow the use of manual time-in-and-out except in appropriate cases, document phone calls of employees reporting leave, require the timekeeper to ensure that time cards are always available, and require employees to fill in a log or location sheet when leaving the office during

office hours. The former DLNR Secretary agreed with all those recommendations. We noted in our follow up procedures that these recommendations were implemented and closed.

FINDINGS AND RECOMMENDATIONS

Absences Not Charged to Appropriate Leave

Two DFW employees were allowed to attend school during office hours and to claim the time off from work as administrative leave or regular work hours. Charging administrative leave or regular work hours for such absences is a violation of personnel regulations. This occurred because DLNR officials allowed the employees to attend school without clarifying and documenting the specific education leave benefit being granted to them. As a result, DLNR may be in violation of the provisions of the various grants they are receiving.

Policy on Administrative Leave

The Governor's Revised Directive of March 20, 1995 delegated the authority for granting administrative leave to department and activity heads, subject to certain requirements set forth by the Civil Service Commission².

Policy on Educational Leave

The PSSRR states that education leave for the purpose of job-related training and education may be granted to employees on a permanent status for a period not to exceed one year by the Personnel Officer with the recommendation of the Approving Authority. Additionally, the Governor's Directive of January 11, 1999 limits the use of Training and Educational Leave to that which is necessary for the continuation of an essential function or which is *federally funded*.

The Pacific Islands Education Initiative

This Initiative is aimed at helping candidates obtain baccalaureate and advanced degrees in Fish or Wildlife (Biology) Management. This is in the December 1994 Memorandum of Understanding (MOU) between DFW and the Service. The MOU is in effect until

² Administrative leave is absence from duty administratively authorized, without loss of pay and without charge to accrued leave. The CNMI Personnel Regulations require that this be granted only for occasions meeting the requirements set by the Civil Service Commission. The 5 specific circumstances for which administrative leave can be granted to permanent civil service and excepted service employees are:

- a. absence under emergency conditions;
- b. participation in civic activities of interest to the government;
- c. extended absence required for medical appointments and care for job-related injuries;
- d. administrative leave related to disciplinary action; and
- e. absence needed for employees serving on government boards and commissions.

December 31, 2000 and during its term, the Division and the Service are to cooperate and coordinate purposes and objectives as follows:

- (1) to provide opportunities for citizens of the Commonwealth to pursue *university level degree* studies in fish and wildlife biology so they may assume professional positions in DFW;
- (2) to have biologists on DFW's staff who can incorporate traditional, cultural perspectives when making decisions that will have a long-term impact on the natural resources of the Commonwealth;
- (3) to minimize dependency on off-island hires who are routinely hired with high costs of recruitment and repatriation, and to minimize loss of institutional memory upon termination of contracts; and
- (4) to promote aspirations for greater self-sufficiency.

To accomplish these objectives, the parties to the MOU have been assigned various duties:

The *Service* is tasked to do the following: (a) develop a Cooperative Agreement with appropriate universities which have dedicated staff to counsel candidates; (b) coordinate with DFW candidates and participating universities on the adequacy of funding and support; (c) assist DFW to prepare grant proposals seeking supplemental, independent funding for the candidates; (d) work with the candidates to ensure that theses for advanced degrees meet the Federal Aid programs criteria; and (e) monitor Federal Aid funds for this purpose.

DFW is likewise required to: (a) select local candidates; (b) enter into contractual agreements with them, requiring them to work and/or to provide pro-rata reimbursement if they default on their agreements; (c) assist candidates in developing theses; (d) *provide employment to candidates pursuing advanced degrees while working on their theses and during summer breaks*; (e) *provide summer employment* to candidates seeking baccalaureate degrees; (f) assist the Service to prepare grant proposals seeking supplemental independent funding to support the candidates; and (g) allocate Federal Aid in Sports Fish or Wildlife Restoration Program funds, if necessary, to support candidates.

The *Candidate* is also required to: (a) *sign a contract with the local resource agency pursuant to the terms and conditions of the Government's Education Scholarship Program*, and (b) agree to work for that agency for a specified period of time upon graduation, commensurate with the agency's investment.

The *Local Resource Agency* should: (a) *provide opportunities for the candidate to work for the agency during summers and holidays to obtain on-the-job experience*; and (b) ensure that a candidate pursuing an advanced degree is assisted in selecting a thesis that involves a resource problem directly applicable to the agency, and which is an approved activity under the Federal Aid Program.

Cost-Sharing

The candidate, his/her family, and the local resource agency, through the Government's Education Scholarship Program, are expected to be the primary contributors towards meeting the education costs. In addition, the local resource agency and the Division of Federal Aid will endeavor to obtain grants from private foundations to provide any additional financial assistance that may be needed. If these combined sources are insufficient, the local resource agency is authorized to use Federal Aid in Sport Fish and Wildlife Restoration funds.

Employee on Limited-Term Status may be Eligible for Educational Leave

One participant was hired by DFW as a full-time Snake Technician on February 1, 1997 and is being paid under the Brown Tree Snake Control Program. The other participant was hired as a full-time Fishery Data Technician on May 13, 1996 and is being paid under the Fisheries Program. Since their positions are funded entirely by annual federal grants and not by local appropriations, they are given only one year limited-term contracts. Their contract renewal must therefore be justified by the DLNR Secretary based on renewal of grants.

Although both employees are employed under one-year limited-term contracts, their contracts have been renewed for the past several years. Their contracts differ from those limited-term appointees whose contracts are for less than a year, say 90 days, because under the CNMI Civil Service System, a one-year contract allows an employee to be in "permanent status" which qualifies the employee for educational leave benefits.

Also, the two employees were hired under limited-term appointments only because funding for their federal grant programs is on a yearly basis. However, DFW is almost assured of continued federal support. A March 11, 1999 letter from the Federal Aid Division Chief to the DLNR Secretary stated that the CNMI can be assured that staff hired and given civil service status for appropriate positions at DFW will continue to receive grant funding if a stable conservation organization is maintained. This assurance, the employees' consistent satisfactory performance, and the necessity of their positions guarantee continued employment even if the method of employment is through yearly contracts.

Class Hours Cannot be Charged to Regular Hours or Administrative Leave

These two employees' class hours cannot be charged to regular hours or administrative leave at the DFW Director's discretion because the conditions set by the PSSRR for granting administrative leave were not met. If the intent was to grant the employees educational leave benefits, then DFW officials should have complied with what the PSSRR require for implementing and documenting the granting of educational leave.

In addition, DFW should have established an education leave program in accordance with the MOU to be approved by the grantor. DFW must also ensure that it complies with the conditions

of award for the various federal programs under which the two employees are employed. This procedure is to determine if federal program funds for salary can be used for educational leave benefits.

The Way the Two DFW Employees were Granted the Privilege to Attend School Does Not Accomplish the Objectives of the Initiative

The Pacific Islands Education Initiative (PIEI) was intended to benefit DFW and the CNMI through the development of local professionals. According to the Director, it is consistent with this Initiative that the two employees on limited-term status were allowed to enroll at the Northern Marianas College. DFW wants to train employees in the areas of fish and wildlife management because there are very few individuals with this kind of expertise on island. It hopes to have a pool of biologists who can occupy professional positions at DFW instead of depending on off-island hires. However, DFW's current arrangement with these employees does not accomplish this objective because DLNR officials allowed the employees to enroll without clarifying and documenting the specific terms of the MOU. In effect, the courses the students are taking will not enable them to earn professional degrees and the objective of the MOU will therefore not be accomplished. DFW may also be violating the provisions of the federal grant programs under which the two employees are receiving their salaries.

According to the DFW Director, one way of helping the employees obtain a degree and enhance their jobs is by offering them training and schooling. He cited one of the two employees who is under the direct supervision of the Wildlife Herpetologist (an off-island hire). That employee has been receiving more than satisfactory ratings for assistance provided to DFW, especially when he had to temporarily fill the position left by his Supervisor. If he eventually acquires the appropriate degree in Fish or Wildlife Management, there is also the possibility that he will get this position.

The current arrangement with these employees does not accomplish this objective, however, because the terms of the MOU are being implemented based on the following:

- a. The basis for selecting candidates is not well-defined. If the aim is to provide opportunities for citizens of the CNMI to pursue degrees leading to professional positions in DFW, candidates should be students who are taking courses leading to *degrees* in Fish or Wildlife Management.
- b. The schooling was offered to full-time DFW employees who are taking general courses with no targeted time period. If DFW aims to help its employees actually earn degrees in Fish and Wildlife Management, it should coordinate with the Service to determine which participating universities and colleges have dedicated staff to counsel and guide the candidates. The candidates should also be required to complete a specified number of units to help them acquire a degree within a prescribed time period.

- c. The MOU states that the primary funding should come from the candidate, his family, and a local resource agency such as the Government's Education Scholarship Program. If these combined sources are not enough, the Service may help DFW to obtain additional federal aid. DFW has not taken any steps to address this issue. There are also no documents to show whether federal grants are used for paying the salaries of the employees while they attend school.
- d. There is no contract within the local resource agencies which the candidate is required to sign. Aside from the Instruction and Training Reimbursement Agreement, there should be a contract between DLNR, OPM, and the candidate as required by the PSSRR. The cost principles for all federal grants contained in OMB Circular A-87³ require all recipients to comply with local laws and regulations.

Conclusions and Recommendations

Our audit showed that: (a) class hours of the two DFW employees on limited-term status were not charged to the appropriate type of leave. The circumstances and conditions set forth in the CNMI Personnel Regulations were not met, and therefore the employees were not entitled to either administrative or educational leave. We also noted that DFW's current arrangement with the two employees does not fulfill the objectives of the Pacific Islands Education Initiative. Accordingly, we recommend that:

1. the DFW Director comply with local rules and regulations for the granting of administrative and educational leave. This would result in fairness and equity for all government employees by requiring all government offices to follow the same guidelines for granting administrative leave.
2. the DLNR Secretary and the DFW Director comply with the PSSRR sections for granting educational leave, such as requiring that educational leave must be approved by the Personnel Officer based on a recommendation by the DLNR Secretary.
3. the DFW Director develop a special education leave program in accordance with the MOU to be approved by the grantor. Also, the Director must ensure that DFW is in compliance with the provisions of the various grants, in order to assure continued federal support.
4. DFW suspend its current arrangement with the two employees, pending resolution of the issues discussed in this report.

³ OMB Circular A-87 pertains to Cost Principles applicable to uses of federal grants for State, Local and Indian Tribal Governments (60 FR 26484, dated May17, 1995).

- 5 Since the Pacific Islands Education Initiative was intended to benefit DFW and the CNMI through the development of local professionals, DFW should:
- (a) develop a well-defined basis for selecting candidates;
 - (b) require candidates to complete a specified number of units to help them acquire a degree within a prescribed period;
 - (c) comply with the cost-sharing agreement in the MOU; and
 - (d) require the candidate to sign a contract with the local resource agencies which in this case are DLNR and OPM.

Department of Lands and Natural Resources' Response

In his letter response dated May 18, 2000 (**Appendix A**), the Secretary of the Department of Lands and Natural Resources agreed with all 5 recommendations. These are the details:

Recommendation 1 - The Secretary stated that the DFW Director is unable to grant administrative or educational leave to the two employees on limited-term status but has taken steps to comply with local rules and regulations, such as : (1) requiring these employees to apply for annual leave for attending classes during working hours; (2) meeting with representatives from OPM and the Office of the Attorney General to allow for the conversion from Limited Term Appointment to Permanent Status of those employees participating in the Pacific Island Educational Initiative; and (3) routing a Request for Personnel Action for these two employees.

Recommendation 2 - The DFW Director through DLNR is taking steps to achieve compliance by converting DFW employees to Permanent Status, and properly requesting OPM's approval for DFW employees to receive Educational Leave.

Recommendation 3 - DFW is in close communication with the federal grantors to establish clear guidelines on the PIEI in accordance with Grant Agreements and the MOU.

Recommendation 4 - DFW has suspended its current arrangement with the employees by requiring the DFW employees to apply for annual leave for the time spent in classes. This initial step was taken so as not to hinder the employees' successful completion of the school term already in progress.

Recommendation 5 - The Secretary and the Director concur with OPA's interpretation of the PIEI. In entering into the MOU with the US Fish and Wildlife Service, Federal Aid Program, it was discussed and understood that the most obvious candidates for the Program are DFW's current employees. It is believed that they already possess the necessary aptitude, attitude, capabilities and abilities, as well as the stamina, to successfully complete Baccalaureate and

Advanced degrees in Fish and Wildlife Resource Management. It is because of these discussions that all DFW employees were encouraged to participate in PIEI. The Director believes that sending PIEI candidates to our local community college for an Associate of Arts degree is more prudent with regards to conserving its financial resources as opposed to sending candidates off-island for their first two years of college education.

OPA Comments

Based on the responses we received from the Secretary of Lands and Natural Resources, we consider Recommendations 1, 2 and 4 resolved and Recommendations 3 and 5 open because of the following:

Recommendation 1 - To show the measures taken by the DFW Director to comply with local rules and regulations, DLNR should provide documents to OPA such as: (1) the memorandum instructing the two employees to apply for annual leave for attending classes during working hours, (2) their approved leave forms and Summary Time Sheets, and (3) a memorandum to all employees and the timekeeper reiterating the need to comply with local rules and regulations, particularly on the granting of administrative and educational leave.

Recommendation 2 - DLNR should also provide supporting documentation, *e.g.*, the status of the meeting with representatives from OPM and the Office of the Attorney General, the request made to OPM and the employees' Notice of Personnel Action.

Recommendation 3 - DLNR should provide evidence of DFW's coordination with federal grantors and other recipients from the Pacific Islands, and a copy of the completed PIEI Program.

Recommendation 4 - DLNR should provide OPA a copy of the finalized contracts with the two employees.

Recommendation 5 - DLNR should provide OPA a copy of the approved guidelines for the PIEI addressing issues such as the basis for selecting candidates, cost-sharing and the required units to be completed within a prescribed period.

The information or action required to close these 5 Recommendations is presented in **Appendix B**.

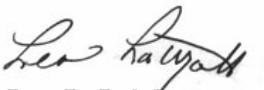
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Our office has implemented an audit recommendation tracking system. All audit recommendations will be included in the tracking system as open or resolved until we have received evidence that the recommendations have been implemented. An *open* recommendation

is one where no action or plan of action has been made by the client (department or agency). A *resolved* recommendation is one in which the auditors are satisfied that the client cannot take immediate action, but has established a reasonable plan and time frame of action. A *closed* recommendation is one in which the client has taken sufficient action to meet the intent of the recommendation or we have withdrawn it.

Please provide to us the status of recommendation implementation within 30 days along with documentation showing the specific actions that were taken. If corrective actions will take longer than 30 days, please provide us additional information every 60 days until we notify you that the recommendation has been closed.

Sincerely,



Leo L. LaMotte
Public Auditor, CNMI

xc: Governor
Lt. Governor
Twelfth CNMI Legislature (27 copies)
Attorney General
Secretary of Finance
Secretary of Lands and Natural Resources
Administrative Services Director of Lands and Natural Resources
Director of Fish and Wildlife
Assistant Regional Director of Federal Aid
Director of Personnel Management
Special Assistant for Management and Budget
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May 18, 2000

Mr. Leo Lamotte
CNMI Chief Auditor
Office of the Public Auditor
Gualo Rai, Saipan, MP. 96950

Dear Mr. Lamotte:

Subject: Draft Letter Report on the Audit of Time and Attendance of Two Divisions of Fish and Wildlife Employees

This is to respond to your Draft Audit findings regarding Personnel leave application for two of our staff at the Division of Fish and Wildlife.

Absences Not Charged to Appropriate Leave

- DFW concurs that its employees were allowed to attend class at Northern Marianas College (NMC) during working hours and to claim the time-off from work as administrative leave or regular work hours.
- DFW has required its employees to apply for Annual Leave for the purpose of attending classes during working hours.
- DFW met with the Office of Personnel Management (OPM) staff and a representative from the Office of the Attorney General to address the Division's needs to allow for conversion from Limited Term Appointment to Permanent Status of DFW employees who will participate in the Pacific Island Educational Initiative. DFW is currently routing a Request for Personnel Action for the employees involved.

Policy on Administrative Leave

- DFW concurs with the Governor's Revised directive of March 20, 1995 regarding Administrative Leave and its circumstances as set forth by the Civil Service Commission.

Policy on Education Leave

- DFW concurs with the PSSRR on the applicability of granting Educational Leave.
- DFW met with representative from the Office of Personnel management (OPM), and representative from the Office of the Attorney General to seek assistance in the conversion of Limited Term Appointments to Permanent Status for DFW employees

that receive satisfactory ratings, thus entitling them to qualify for Educational Leave with the consent of the Approving Authority and the Director of OPM.

The Pacific Islands Education Initiative (PIEI)

- DFW concurs with OPA's interpretation of the PIEI.
- In entering into the MOU with the US Fish & Wildlife Service, Federal Aid Program, it was discussed and understood that the most obvious candidates for the PIEI are DFW's current employees. It is believed that they already possess the necessary aptitude, attitude, capabilities, and abilities, as well as the stamina to successfully complete Baccalaureate and Advanced degrees in Fish and Wildlife Resource Management. It is because of these discussions that all DFW employees were encouraged to participate in PIEI.
- It is DFW's belief that sending PIEI candidates to our local community college for an Associate of Arts degree is more prudent with regards to conserving its financial resources as opposed to sending candidates off-island for their first two years of college education.

Employee on Limited-Term Status may be Eligible for Educational Leave

- DFW concurs with OPA's interpretation that employees should be eligible to receive Educational Leave Benefits due to reassurances from the US Fish & Wildlife, Federal Aid Program Division Chief.
- DFW previously attempted to convert its employees to permanent status after receiving confirmation of the Federal Aid Division Chief, but was unsuccessful due to adherence to CNMI government Austerity Measures, which strictly prohibits any conversion regardless of funding sources.
- DFW is making strides to comply with the PSSRR by routing necessary documents to convert its employees from Limited Term Appointments to Permanent Status, thus eliminating the impediment to the Educational Leave.

Class Hours cannot be charged to Regular Hours or Administrative Leave

- DFW concurs that Regular or Administrative Leave Hours may not be used for the purpose of attending classes.
- DFW has been requiring that its employees attending classes apply for Annual Leave since receiving the Draft Audit Report from the Office of Public Auditor.
- DFW is in close communication with the federal grantors to establish clear guidelines concerning compliance issues to assure adherence to all conditions set forth in the Grant Agreements.

The Way the Two DFW Employees were Granted the Privilege to Attend School Does Not Accomplish the Objectives of the Initiative.

- Please refer to response for "The Pacific Islands Initiative (PIEI)".

- DFW is routing the necessary documents that will authorize the implementation of the Training and Education Leave Agreement, form OPM-T-66B.
- DFW is in close communication with the federal grantors to seek assistance in establishing well- defined criteria for selecting candidates to benefit from PIEI.
- DFW is in close communication with other Pacific Islands that are recipients of federal grants to request for models of successful PIEI programs.

DFW DRAFT AUDIT REPORT RECOMMENDATIONS RESPONSE

- 1) The DFW Director, in compliance with the local rules and regulations, is unable to grant administrative or educational leave. The DFW Director is taking every measure to ensure compliance with local rules and regulations on recommending to the Approving Official, requests for granting Administrative or Educational Leave.
- 2) DFW, through DLNR, is taking steps to achieve compliance by converting DFW employees to Permanent Status, and properly requesting for official approval from the OPM for DFW employees to receive Educational Leave.
- 3) DFW is in close communication with the federal grantors to establish clear guidelines concerning compliance issues to assure adherence to all conditions set forth in the Grant Agreements, and the MOU concerning the PIEI.
- 4) By requiring the DFW employees to apply for Annual Leave for the time spent in classes, DFW has suspended its current arrangement allowing the employees to use office hours for attending classes, without hindering the employee's successful completion of the school term already in progress.
- 5) DFW is in close communication with the federal grantors to redefine the MOU to specify the desires of both the Federal Government and the Local Division.

I hope that we have addressed all your findings and concerns adequately. Should you have any questions or further concerns, please let me know and I will be more than happy to address them.

Thank you for your cooperation and understanding.

Sincerely,



Joaquin A. Tenorio
Secretary, DLNR

Cc: Director, Fish & Wildlife

**AUDIT OF TWO DIVISION OF FISH AND WILDLIFE (DFW)
EMPLOYEES' TIME AND ATTENDANCE AND WHETHER
THEIR ARRANGEMENT WITH DFW WAS CONSISTENT
WITH THE PACIFIC ISLANDS EDUCATION INITIATIVE**

STATUS OF RECOMMENDATIONS

Recommendations	Agency to Act	Status	Agency Response/ Action Required
<p>1. The DFW Director should comply with local rules and regulations for the granting of administrative and educational leave. This would result in fairness and equity for all government employees if government offices follow the same guidelines for granting administrative leave.</p>	DLNR	Resolved	<p>The DLNR Secretary and the DFW Director agree with the recommendation. Although the Director is unable to grant administrative or educational leave to the two employees on limited-term status, he is taking every measure to ensure compliance with local rules and regulations. These include: (1) requiring the DFW employees to apply for annual leave for the purpose of attending classes during working hours; (2) meeting with representatives from OPM and the Office of the Attorney General to address the Division's needs to allow for conversion from Limited Term Appointment to Permanent Status of these employees participating in the Pacific Islands Education Initiative; and (3) routing a Request for Personnel Action for these employees.</p> <p><i>Further Action Required</i></p>
<p>2. The DLNR Secretary and the DFW Director must comply with the PSSRR sections for granting educational leave, such as requiring that educational leave must be approved by the Personnel Officer based on a recommendation by the DLNR Secretary.</p>	DLNR	Resolved	<p>Recommendation 1 - Provide evidence that DLNR has properly addressed this recommendation, e.g., copy of the memorandum instructing the employees to apply for annual leave to attend classes at NMC during working hours, their approved leave forms and Summary Time Sheets, memorandum to the timekeeper reiterating the need to comply with local rules and regulations particularly for the granting of administrative and educational leave.</p> <p>Recommendation 2 - Provide supporting documents, e.g., status of the meeting with representatives from OPM and the Office of the Attorney General, DFW's request from OPM and the employees' Notice of Personnel Action.</p>

**AUDIT OF TWO DIVISION OF FISH AND WILDLIFE (DFW)
EMPLOYEES' TIME AND ATTENDANCE AND WHETHER
THEIR ARRANGEMENT WITH DFW WAS CONSISTENT
WITH THE PACIFIC ISLANDS EDUCATION INITIATIVE**

STATUS OF RECOMMENDATIONS

Recommendations	Agency to Act	Status	Agency Response/ Action Required
<p>3. The DFW Director should develop a special educational leave program in accordance with the MOU to be approved by the grantor. Also, the Director must ensure that DFW is in compliance with the provisions of the various grants, in order to assure continued federal support.</p>	DLNR	Open	<p>DFW is in close communication with the federal grantors to establish clear guidelines for the PIEI in accordance with Grant Agreements and the MOU.</p> <p><i>Further Action Required</i></p> <p>Provide documentation, such as correspondence with federal grantors and other Pacific Island recipients, and a copy of the completed PIEI Program.</p>
<p>4. DFW should suspend its current arrangement with the two employees, pending resolution of the issues discussed in this report.</p>	DLNR	Resolved	<p>DFW concurs with the recommendation. By requiring the employees to apply for annual leave for the time spent in classes, DFW has suspended its arrangement of allowing them to use office hours or administrative leave for attending classes. This initial step was taken so as not to hinder the employees' successful completion of the school term already in progress.</p> <p><i>Further Action Required</i></p> <p>DLNR should provide OPA a copy of the finalized contract with the two employees.</p>
<p>5. Since the Pacific Islands Education Initiative was intended to benefit DFW and the CNMI through the development of local professionals, DFW should: (a) develop a well-defined basis for selecting candidates; (b) require candidates to complete a specified number of units to help them acquire a degree within a prescribed period; (c) comply with the cost-sharing agreement in the MOU; and (d) require the candidate to sign a contract with the local resource agencies which in this case are DLNR and OPM.</p>	DLNR	Open	<p>DFW agrees with the recommendation. DFW is in close communication with the federal grantors to redefine the MOU to specify the desires of both the Federal Government and the Local Division.</p> <p><i>Further Action Required</i></p> <p>DLNR should provide OPA a copy of the approved guidelines on the PIEI addressing issues such as the basis for selecting candidates and the required units to be completed within a prescribed period. These should be in accordance with Grant Agreements and the MOU.</p>