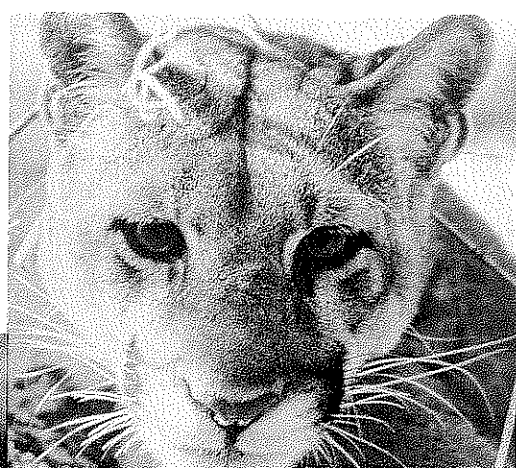
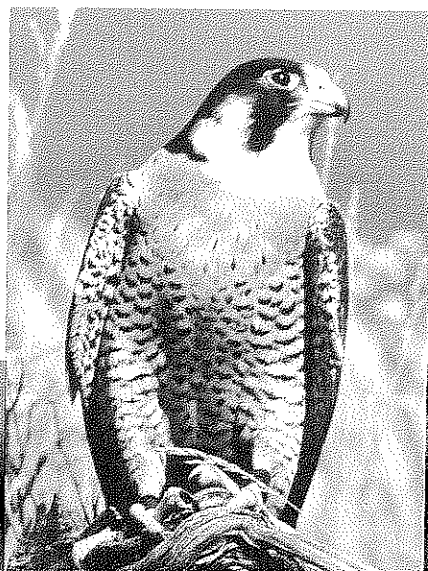
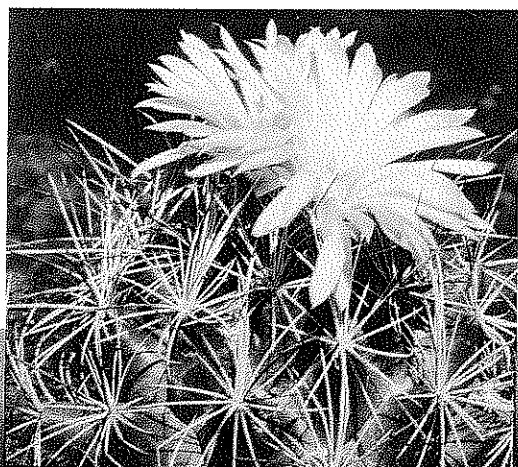
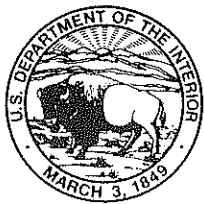


Annual Financial Report of Fiscal Year 1993 Activity

March 1994





United States Department of the Interior

FISH AND WILDLIFE SERVICE

Washington, D.C. 20240

ADDRESS ONLY THE DIRECTOR
FISH AND WILDLIFE SERVICE



A MESSAGE FROM THE DIRECTOR

Coming from Vermont to be the new Director of the U.S. Fish and Wildlife Service, I was delighted to find myself heading an extremely effective agency staffed with what I consider to be the world's most competent and dedicated conservation professionals.

In the past 100 years, the Service has moved from managing migratory bird populations to meeting a growing number of conservation challenges. Its mandate now extends to

everything from protection of endangered species to restoration of vital wetlands to enforcement of wildlife laws. Yet its 7,100 employees are able to meet this mandate at minimal cost to taxpayers, less than 0.1 percent of the Federal budget.

Today, the challenges facing the Service continue to grow in number and complexity. The continued loss and degradation of fish and wildlife habitat and the increasing number of threatened and endangered species, both domestically and internationally, are requiring us to reassess our strategy for the future.

No longer can the Service deal with problems facing individual species and habitats independent of each other. Rather, we must view our environment holistically, managing our natural resources in a way that accounts for the intricate relationships that exist within this Nation's diverse ecosystems.

This report highlights many of the Service's exceptional programs, including a number of projects and partnerships that employ this new ecosystem approach to conservation. These will provide an excellent foundation as we move into the future.

The work we do today to conserve our fish and wildlife resources will be a priceless inheritance for our children and grandchildren.

U. S. Department of the Interior

Fish and Wildlife Service

**Annual Financial Report
of
Fiscal Year 1993 Activity**

March 1994

FISH AND WILDLIFE SERVICE - FY 1993

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THE ORGANIZATION

The year 1871 marked the beginning of Federal involvement in fish and wildlife conservation with the establishment of the Bureau of Fisheries, which was initially placed in the Department of Commerce. A second agency - the Bureau of Biological Survey was established in 1885 in the Department of Agriculture. The two bureaus were transferred to the Department of the Interior and became the Bureau of Sport Fisheries under Reorganization Plan No. 2 dated July 1, 1939, and consolidated into the U.S. Fish and Wildlife Service (Service) under the Fish and Wildlife Act of 1956.

The Service is headed by the Director, who is responsible for the administrative oversight and policy direction of the Service. She is assisted by two Deputy Directors and five Assistant Directors. Management in the Regional Offices is comprised of a Regional Director, one Deputy Regional Director, and five Assistant Regional Directors. An organization chart of the Service is included on page 42. In FY 1993, the Service was comprised of nine Regional Offices encompassing seven geographic Regions, a national Research program and the Washington Headquarters. The seven geographical Regional Offices are located in Portland, Oregon; Albuquerque, New Mexico; Twin Cities, Minnesota; Atlanta, Georgia; Hadley, Massachusetts; Denver, Colorado; and Anchorage, Alaska. The Service's Research and Development Program is Region 8. This Program was transferred to the newly established National Biological Survey effective November 12, 1993. The effects of this transfer will be addressed in the FY 1994 report. Region 9 is the Washington Headquarters Offices.

Today the Fish and Wildlife Service manages 91.5 million acres throughout a 494 unit National Wildlife Refuge System, 28 waterfowl production areas and 51 coordination areas. The Service produces and distributes fish from 77 National Fish Hatcheries, and coordinates fisheries management and technical assistance from 53 Fisheries Resources Offices. The Research program is comprised of 13 Research Centers located throughout the United States. At more than 70 Ecological Services field offices, Service biologists administer the Endangered Species Act; evaluate the effects of development projects and environmental contaminants on fish and wildlife resources and; recommend ways to mitigate harmful impacts. Finally, a network of law enforcement agents and port inspectors enforce Federal laws for the protection of fish and wildlife.

THE MISSION

The mission of the Service is to conserve, protect and enhance fish and wildlife and the natural systems which support them. The Service has responsibility for migratory birds, threatened and endangered species, anadromous and interjurisdictional coastal and freshwater fishes, certain marine mammals, and lands under Service control.

THE PROGRAMS OBJECTIVES AND ACCOMPLISHMENTS

In FY 1993, the Service directed its resources to meet the Director's priority objectives which were:

1. To restore, enhance, manage and protect fishery resources;

2. To restore, enhance, manage and protect a healthy diversity and desired distribution of wildlife species and their habitats;
3. To manage species, ecosystems and human induced impacts to prevent species decline; to accelerate the listing and recovery of endangered and threatened species;
4. To restore, enhance, manage and protect wetlands including freshwater, marine, riparian and estuarine ecosystems;
5. To protect and maintain optimum sustainable population levels and achieve recovery of marine mammals for which the Service has primary jurisdiction (polar bears, walrus, sea otter, and manatee) other marine mammals inhabiting Service lands and adjacent waters; and
6. To accomplish the mission of the Service with a motivated, well trained work force which represents the Nation's cultural diversity.

The Service is comprised of five major program areas, each with specific responsibilities assigned to meet the Director's priority objectives. These major budget activities are funded through the Service's main operating appropriation, Resource Management. Specific Resource Management funding and staffing information can be found on page 43. Information on the goals and performance of each of these five major program areas follows.

1. **Ecological Services** is comprised of three subactivities: Endangered Species, Habitat Conservation and Environmental Contaminants. Funding for the Endangered Species program has increased significantly during the past few years enabling the Service to improve candidate review, reduce the recovery planning backlog and carry out

more high priority recovery tasks. During FY 1993, draft and final recovery plans were prepared for 98 species. An additional 91 species were added to the list of threatened and endangered wildlife and plants. Three plant species were removed from the list in FY 1993 -- the Tumamoc globeberry, McKittrick pennyroyal and the spineless hedgehog cactus.

The following table shows the status of listings, reclassifications and delistings for FY 1992 and FY 1993.

	FY92	FY93
Species proposed for listing	114	123
Species listed	93	92
Total # of species listed to date*	1,258	1,349
Species proposed for reclassification	1	6
Species reclassified	1	2
Reclassified Cumulative	26	28
Species proposed for delisting	0	6
Species delisted	1	3
Delisting Cumulative	18	21

*Numbers include foreign and domestic species. Delistings have been subtracted from totals.

An illustration of the distribution of candidate and listed species by State/Territory is included on pages 44 and 45.

The Habitat Conservation activity focuses on promoting partnerships in the protection and

restoration of fish and wildlife habitat and evaluation of the impacts of development activities and other land uses. As an example, the private lands program, commonly referred to as the "Partners for Wildlife Program" features projects that give priority to the restoration of habitats of endangered, threatened and candidate species; habitats of neotropical migrating birds; cleared and drained wetland and riparian habitat, including opportunities on both private voluntary restoration sites and Farmers Home Administration (FmHA) easements and transfers. A total of 42,593 acres of wetland and native grassland and 67 miles of riparian habitat and 26 miles of in-stream habitats were restored in FY 1993, along with 32,967 acres of wetlands. In FY 1993, there were 1,283 separate habitat restoration projects conducted on private lands and 182 projects completed on FmHA easements and transfer tracts. FY 1993 habitat restoration accomplishments on private lands and habitat protection through FmHA conservation easements and fee title transfer properties to the Service and other Federal and State conservation agencies are displayed in a table found on page 46.

Under the Project Planning program element, the Service provides coordination and technical assistance on both public and private development projects. Through advance planning and review of infrastructure development, permits and licenses, federal civil works projects, NEPA documents and other planning and regulatory actions, the Service promotes protection of rare and declining species, wetlands, and other habitats through environmentally sound design of development projects. Under the Fish and Wildlife Coordination Act, Federal Power, Act, Clean Water Act, and other legislation, agencies consult with the Service

to assure that fish and wildlife species are protected and unavoidable damages to their habitats are adequately mitigated. During FY 1993, the Service conducted over 20,000 advance planning consultations, reviewed over 13,000 public notices for wetland permits, and provided technical assistance on over 1,200 hydropower projects affecting more than 200 river systems throughout the country.

A second example of the Habitat Conservation activity, the Coastal Ecosystems Program includes the Bay Estuary Program which strives to provide a biodiversity safety net by improving conditions in the Nation's most important coastal ecosystems. This is accomplished by integrating all Service programs and capabilities in these priority coastal watersheds and using them in a proactive way to avert further damage to these ecosystems and by undertaking priority restoration activities. The proactive approach not only keeps endangered and threatened species from slipping closer to extinction, but helps prevent other species from reaching population levels and habitat conditions where listing is required. The present budget of \$4.6 million enables Service operations in 9 of the Nation's 24 identified priority coastal ecosystems.

Since the Program's inception in 1985, and with subsequent expansion, it has been highly successful in protection and restoration of our coastal ecosystems. The Program's greatest strength is the ability to leverage the capabilities of all Service programs and link them with those of other Federal, State, local and private agencies. Examples of the Program's successes include:

- o Restoration of thousands of acres of

coastal wetlands (and pocosins) through reestablishment of natural hydrology to historically isolated areas, restoration of freshwater flows to tidal and estuarine wetlands, and the reestablishment of native vegetation.

- o Restoration of approximately 30,000 acres of submergent aquatic vegetation (SAV) to the Chesapeake Bay since 1984 through water quality improvements, vegetative reestablishment, and protection of SAV beds to allow for undisturbed regeneration.

The mission of the Division of Environmental Contaminants is to prevent, investigate and, when necessary, mitigate the adverse impacts of environmental contaminants on trust fish and wildlife resources. The Division's goal is to respond to oil discharges and hazardous material releases, and to cleanup and restore injured habitats. The Division is also working to obtain compensation for injury and lost use at the expense of the parties responsible for uncontrolled discharges of oil or releases of hazardous materials. During FY 1993, the Service participated in natural resource settlement negotiations at approximately 65 of the 1,300 Superfund National Priorities List hazardous waste sites across the country. Payments received from negotiated settlements reported in FY 1993 included \$9.1 million from Exxon for the Valdez oil spill and \$3.3M from other parties for the restoration of natural resources into the Natural Resource Damage Assessment and Restoration Fund. A large percentage of the recovered settlement damages will be used to restore injured natural resources, including hundreds of acres of wetland habitats (most of the damages are associated with contaminant impacts on migratory birds and threatened and endangered species). In

follow-up to the receipt of settlement damages, the Service initiated the development of 16 natural resource restoration plans to facilitate the restoration of the injured resources. Two restoration plans were completed and are under review for approval and implementation. In FY 1993, the Service also responded to 232 oil spills, and 380 chemical spills nationwide. The National Response Center recorded a total of 26,281 oil and chemical substance spills in FY 1993. The Service initiated formal natural resource damage assessments at 26 national priorities list or oil spill sites. Formal damage assessments are conducted at sites where major impacts have occurred to trust resources, and have the potential to recover millions of dollars to compensate and restore injured resources. In FY 1993, the Service also initiated 29 independent smaller-scale natural resource damage assessments at additional sites. These damage assessment activities are multi-year efforts, which upon completion will result in the restoration of numerous fish and wildlife species and their habitats.

The Refuges and Wildlife program has broad responsibilities for protection and management of national and international fish and wildlife resources through management of migratory birds, law enforcement, public education and recreation, and the acquisition and management of lands.

The Office of Migratory Bird Management provides information on the population status of migratory birds and coordinates activities with State, other Federal, and international agencies involved in migratory bird matters. The office also completes or coordinates annual surveys on migratory birds and establishes frameworks for annual

migratory bird hunting regulations. In FY 1993, significant progress was made in new initiatives to improve migratory bird management. A pilot Harvest Information Program was successfully completed in three states. Anticipated funding increases for this program in FY 1994 and beyond, will result in a dramatic improvement in capability to evaluate impacts of hunter harvest by 1998. Progress was made on adaptive harvest management, a program to significantly simplify the establishment of biologically reasonable hunting regulations. Progress was also made toward amendment of the Migratory Bird Treaty with Canada to allow for regulated harvest of migratory birds by remote Alaskan natives dependent on a subsistence lifestyle. In the nongame bird area, Partners in Flight, the neotropical migratory bird conservation program, expanded monitoring and habitat conservation programs. A comprehensive review of all nongame birds was completed, resulting in identifying species with long-term population declines. Nongame migratory birds are the 778 species protected under the Migratory Bird Treaty Act of 1918 and not legally hunted as game birds. The Service monitors 243 species for population trends. Of these, 128 are decreasing, 115 are increasing, and none are stable. Ten species of ducks are surveyed for trends in breeding populations. Nine of these species are currently below their population objective; 1 is above. One species is decreasing, 1 is increasing, and 8 are stable. Additionally, surveys were conducted on 21 populations of geese and swans on their wintering grounds. Twelve are currently below objective level and 9 are above. Three are decreasing, 3 are increasing, and 15 are stable.

The Division of Law Enforcement enforces

Federal laws relating to federal trust species of fish, wildlife, and plants. The program has six major components: Field Investigations, Special Operations, Special Agent Trainees, Wildlife Inspectors, Washington Office Support, and the Clark R. Bavin National Fish and Wildlife Forensics Laboratory. A total of 8,289 investigations were initiated during FY 1993; 8,495 cases were closed and 8,539 were pending at the end of the year. In addition, approximately 72,000 shipments were inspected by Wildlife Inspectors. Law enforcement violation statistics are shown in the chart on page 47.

The Division of Refuges provides overall staff direction for management of the National Wildlife Refuge System, the Service's predominant land base. This year, 1993, marked the 90th anniversary of the Refuge System which began under the leadership of Teddy Roosevelt with the purchase of Pelican Island in Florida in 1903. The mission is to provide a national network of lands and waters with a size, variety, and location that contribute to the protection of fish, wildlife, and plants of the United States, and their habitats for the benefit of present and future generations. Functions are broad and diverse and include:

- o fish and wildlife management
- o habitat management in wetlands, grasslands, forests and croplands
- o fire and pest management
- o public recreation and interpretation
- o education
- o technical assistance
- o volunteers and cooperating associations
- o youth programs
- o law enforcement
- o contaminant investigation and cleanup
- o protection of cultural and historic resources

- o maintenance of facilities
- o stewardship of Wilderness, Wild and Scenic Rivers, and Research Natural Areas.

The Refuge System is by far the most prominent element of the Service in interacting with the public. An estimated 30 million visitors participated in some 40 million activities with about 41 percent for wildlife observation, 35 percent for interpretation, 14 percent for fishing, and 3 percent for hunting. Please refer to the table on page 48.

Designated Wilderness areas encompassing 20.7 million acres are protected on 63 refuges. A total of 58 refuges have been acquired for the primary purpose of protecting endangered species, and 462 thousand acres on 51 refuges are critical habitat for endangered species. Each year about 2 million acres of habitat is managed through haying, grazing, mowing, water level adjustment, farming, forestry management, or prescribed burning.

The Division of Realty coordinates all activities relating to the acquisition and disposition of lands and interests therein. This Division performs cadastral surveys and mapping, processes land and mineral applications, and appraises lands proposed for acquisition by the States under the Federal Aid in Fish and Wildlife Restoration Act. The National Wildlife Refuge System consisted of 91.5 million acres at the end of FY 1993. During FY 1993, nearly 600,000 acres were added; nine new refuges were added bringing the total number of refuges to 494. Exchanges and partnerships contributed a great deal to land acquisition efforts. For example, the Potlatch exchange protects about 41,000 acres of bottomland

hardwoods in Arkansas. A management agreement to protect some 388,000 acres of state waterbottoms surrounding Great White Heron and Key West refuges was completed in Florida.

The North American Waterfowl Management Plan Office coordinates activities with two primary objectives: 1) To protect, enhance, restore, and manage wetlands ecosystems in North America for migratory birds and other fish and wildlife consistent with the North American Waterfowl Management Plan and international obligations, and 2) To administer the North American Wetlands Conservation Act through coordination of the North American Wetlands Conservation Council and the management of the grant program to Canada, Mexico and United States partners.

The mission of the **Fisheries Program** is to provide leadership to conserve, restore, enhance, and manage fishery resources and aquatic ecosystems for the benefit of future generations. Extensive natural resource management capabilities and experience enable the Service to focus on scientific management of nationally significant fishery resources. The Service maintains a network of 78 hatcheries, 53 fishery resource offices, 9 fish health centers and 6 technology centers to accomplish its fisheries mission.

The expertise of the Service's fisheries personnel and the diverse facilities available to them are directed to the restoration of inland and coastal fishery resources and habitats, mitigation for impacts to native fisheries from Federal water projects, assessment and recovery of threatened and endangered fishes, maintenance of viable recreational fisheries, and fishery

management on National Wildlife Refuges, Tribal lands, and military lands.

Restoration efforts are focused primarily on Atlantic and Gulf Coast striped bass, lake trout in the Great Lakes, Atlantic salmon in New England, and Pacific salmon on the West Coast. Populations of Atlantic striped bass reached a record low in 1981, and a cooperative restoration effort was initiated to limit harvest and enhance striped bass production. As part of restoration, the States developed cooperative stocking programs with the Service. With the reduction in harvest, the number of spawning adults increased considerably. In 1993, historically high juvenile indices were measured throughout the Atlantic and Gulf Coasts. Recognizing that striped bass are recovering, the Service is currently developing an amendment to the Atlantic Coast Plan that defines a recovered fishery and recommends appropriate management measures.

The Atlantic salmon restoration program is a cooperative effort between the Service, the New England States, and other Federal agencies. The restoration program focuses on protecting and enhancing all life stages of Atlantic salmon, including restoration of spawning and rearing habitat, reductions of high seas harvest, and providing adequate upstream and downstream fish passage to ensure successful completion of the life cycle. In 1993, eight National Fish Hatcheries stocked approximately 8 million Atlantic salmon into the rivers of New England. Major accomplishments include improvements in habitat availability and harvest reduction. Efforts to reduce harvest were boosted by an agreement with the Greenland Innuits to significantly reduce harvest of Atlantic salmon of North

American origin in the high seas fishery. Adult returns have increased from 579 in 1970 to 3,647 in 1992.

In an effort to restore naturally reproducing lake trout in all of the Great Lakes, an aggressive stocking program has been combined with efforts to control the predatory sea lamprey, improve water quality, and regulate harvest. In 1993, National Fish Hatcheries produced 5.6 million lake trout to support fishery management objectives. Many of these fish were stocked on offshore reefs where lake trout are known to spawn and survival is thought to be the highest. In 1992 and 1993, the Service initiated a pilot program of stocking lake trout eggs on offshore reefs on artificial astroturf bundles to improve the return of spawning adults. In addition, the Service is determining survival and growth of hatchery produced lake trout and identifying critical spawning habitat. These efforts have contributed to the overall recovery of native fish in the Great Lakes.

The Service's Pacific salmon restoration efforts consist of a combination of hatchery propagation, wild stock management, and habitat rehabilitation. The Service is participating in the development of a cooperative West Coast Salmon Initiative to stop the decline of these valuable resources. These efforts are being conducted in the Sacramento, Trinity, Klamath, Chehalis, and Columbia River basins. Restoration activities in the Columbia River basin include management of three stocks of Snake River salmon listed under the Endangered Species Act and efforts to prevent future listings of other stocks at risk. Salmon stocking by the National Fish Hatcheries is coordinated with wild stock management programs to ensure that natural

stocks are not adversely affected. In 1993, hatcheries in Idaho, Oregon, and Washington produced over 10 million spring chinook salmon; 28 million fall chinook salmon; 7.9 million coho salmon; 2.3 million chum salmon; and 5.3 million steelhead trout to supplement and mitigate natural production of the Columbia River Basin and western Washington river basins. A captive broodstock program for winter-run chinook, listed as threatened under the Endangered Species Act, was initiated to provide for evaluating the genetics of the population and to provide for insurance against failure of the population to produce naturally.

The Service also manages the aquatic resources on its National Wildlife Refuges and other Federal lands to provide recreational fishing opportunities to the public. In 1993, an estimated 5,600,000 fishing visits were enjoyed on Service lands, an increase of 200,000 over the FY 1992 total. Additionally, 298 events were held at Service facilities during National Fishing Week to encourage citizens to enjoy and conserve fishery and aquatic resources.

In FY 1993, the Service continued work toward controlling nuisance species. For example, alternatives to chemical control of sea lamprey in the Great Lakes continue to be developed. Release of sterile male sea lampreys was begun in 1991 and has continued over the past 2 years. In 1993, 13,041 sterile male lamprey were released in 15 Lake Superior tributaries, and 4,832 in the St. Marys River, a tributary to Lake Huron. The males are released into streams and mate with normal females; however, no offspring are produced. This pest management strategy will reduce reliance on chemicals needed to control sea lamprey in

the Great Lakes.

Another goal of the Fisheries program is enhanced environmental awareness and outreach to develop an informed citizenry that supports aquatic ecosystem conservation and fishery stewardship. In FY 1993, the Service's public outreach activities were expanded in Alaska to increase Service visibility, and recruit Alaska Natives into the Service work force. Activities include youth summer camps in rural villages, local hire of village youths, outdoor events, Adopt-A-Stream Programs, Water Watch Programs, and classroom visits. Additionally, 298 events were held during National Fishing Week to encourage citizens to enjoy and conserve fishery and aquatic resources.

The Service is mandated by the Marine Mammal Protection Act to carry out a broad spectrum of management, research and enforcement activities for marine mammals. One of the primary responsibilities is to protect and maintain optimum sustainable population levels. Marine mammals for which the Service has primary jurisdiction include the polar bear, walrus, sea otters, and manatees. The status of these mammals is displayed on page 49. The display does not include data on the Southern Sea Otter which has been placed on the threatened list, or the Manatee which is now listed as endangered.

The primary threat to the Southern Sea Otter remains the possibility of oil spills from coastal tanker traffic. Accidental drowning in gill and trammel nets remains a risk only in the Purisima Point area. There is also concern about diseases and contamination.

Restrictions on gill and trammel net fishing within the Southern Sea Otter's range have

increased its number to approximately 2,100. The translocation program has also enhanced the population although the translocated colony at San Nicolas Island is not showing the growth originally anticipated and numbers appear to be declining. However, a positive side effect is the establishment of a group of breeding females (primarily translocated to San Nicolas Island) at Purisima Point in Santa Barbara County, which significantly increases the breeding range of the mainland population. Without translocation, female otters likely would not have reoccupied this area for 15 to 20 years. Current recovery needs include continued population monitoring, research to determine factors influencing the low population growth rate, efforts to increase population size and distribution, and development of controls to minimize oil spill risks.

Boat related mortalities and human impacts on the habitat are the two most important threats to the survival of the manatee. Radio- and satellite-tracking continue to provide information on migration routes and essential manatee habitat, while research continues on food habits, energetics, population parameters, age-specific survival, and reproductive rates. Manatee sanctuaries at the Crystal River and Merritt Island National Wildlife Refuges have been expanded. The rescue and rehabilitation of sick, injured and orphaned manatees continues. Public education on the plight of the manatee has increased. Despite a number of achievements, additional needs exist in order to recover the manatee. Current recovery needs include a plan to facilitate capture and care of injured or sick manatees in the event of a catastrophic episode of extremely cold weather or outbreak of red tide. A "soft-release" area

within habitat on the Kennedy Space Center is needed to allow long-held manatees to adjust to the wild before release. Additional research will be needed on captive manatees to improve manatee rehabilitation techniques.

The goal of the **Research and Development** activity is to conduct research and training to improve wildlife management capabilities, improve sport fish productivity, protect endangered or threatened species, assist in the implementation of recovery programs, and prevent or minimize adverse environmental effects on fish and wildlife resources.

Research and Development contains the following subactivities: Research Center Operations and Maintenance, Technical Development and Cooperative Research Units.

Research Center Operations and Maintenance includes the following program elements: contaminant research, wildlife research, fisheries research, endangered species research, and research center maintenance. Contaminant research efforts focus on fish and wildlife resources of high national interest or concern. The major areas of contaminant research are:

- o **Contaminant effects of land, water and energy use.** Studies are conducted on aquatic and terrestrial life and their supporting habitat; contaminant trends; and impacts from the effects of mining and smelting by-products on wildlife.

- o **Bioindicators of the presence and effects of contaminants.** Bioindicators are developed and validated for use by operational personnel to assess impacts of contaminants on fish and wildlife. Potential

bioindicators range from tumors and curved spines in fish and crossed beaks in birds, to disruption in enzyme or metabolic activity.

- o **Impacts of agricultural chemicals.** Increased efforts are directed toward the impacts of emerging agricultural practices that use new generation herbicides and conservation tillage.

- o **Great Lakes contaminant studies.** Monitoring and research work continues to determine the identity, severity, distribution and changing trends of contaminants that are a potential threat to fish and wildlife of the Great Lakes.

- o **Integrated ecological effects of contaminants.** Long term projects are conducted that study the interactive effects of contaminants at the community or ecosystem level. Studies relate the impact of contaminants on habitat degradation, food chain organisms, and wildlife resources.

- o **Operational assistance and sample analysis.** Analysis of contaminant samples in support of Service field operations is a major effort. A computerized Environmental Contaminants Data Management System is maintained in support of field operations.

The National Fisheries Contaminant Research Center developed and patented a sampling device that mimics the uptake of environmental contaminants by living organisms. The device consists of a semipermeable membrane enclosing a lipid or lipid-like material. The device is finding widespread applications by Federal, State and private natural resource programs that sample water, air and sediments.

The Wildlife Research program provides basic biological information on numbers, dynamics, ecological relationships, habitat requirements and new methods of managing populations of wildlife species. Transfer of

this information to resource managers is the ultimate goal of this research activity. Wildlife research studies center around: population dynamics of migratory game birds; habitat needs and management of migratory game birds; wildlife health; wildlife die-off investigations; non-game species; wildlife conservation on Service lands; and marine mammals in Alaska. Information on the number of studies conducted in these areas can be found on page 50.

Fishery research studies yield diverse technical information required by management to address complex resource questions. Emphasis is placed on those species of fish that are anadromous, migratory or inhabit interjurisdictional waters such as the Great Lakes. High priority is given to research aimed at restoring depleted fishery resources through more effective harvest and habitat management. The major areas of fishery research are:

- o **Habitat.** Studies describe the environmental requirements for maintenance of both important species and species diversity, determine the impact of environmental degradation on systems productivity and recommend remedial actions.

- o **Resource use.** Investigations provide information used to assess and allocate fishery resources, including population modeling.

- o **Fish culture.** Research develops concepts, methods, and information for use in Service, State and private hatcheries to improve the quality and quantity of cultured fish, the operating efficiency of hatchery rearing systems, and the management and restoration of fish populations.

- o **Nonindigenous.** Research addresses

problems related to unintentional introductions of aquatic nonindigenous species into United States waters. For example, zebra mussels and ruffe.

A Barrier-free Fishing and Environmental Education Facility was constructed at the National Fisheries Research Center in Leetown, West Virginia. The facility will provide recreational fishing opportunities for disabled citizens as well as a focal point for environmental education programs developed through a partnership between the Center, four nearby National Parks, Shepherd College and six school districts.

Endangered Species Research supports the Service's endangered species recovery efforts by developing tools and techniques to manage listed species more effectively. Research conducts extensive work to develop optimal propagation methods for endangered species, notably the whooping crane and the Mississippi sandhill crane. Ecological studies are also conducted through field stations in Hawaii (endangered Hawaiian forest birds), California (southern sea otter), Puerto Rico (Puerto Rican parrot), Florida (West Indian manatee), and Minnesota (Eastern timber or gray wolf). In addition, research on endangered fish is underway in Nevada and Florida, and research on endangered mussels is being conducted in the Cumberland River, Tennessee. Refer to pages 51 and 52 for examples of endangered species research efforts in FY 1993.

The Technical Development subactivity focuses on development of methodologies used to quantify the impacts of changing land and water uses in fish and wildlife and their habitats. Activities include global climate change, biodiversity, technology

transfer, and technical assistance. The primary users of the methodologies developed are other Federal agencies, State fish and wildlife agencies and private consultants.

During the preparation of the FY 1992 report, it was planned to provide detailed information on the National Wetlands Inventory and Cooperative Research Units activity. Due to a change in planning, only the following information on these programs is provided.

NATIONAL WETLANDS INVENTORY

The National Wetlands Inventory (NWI) was established in 1974 to design and conduct an inventory of the Nation's wetlands. The purpose was to develop and disseminate technically sound and comprehensive data concerning the characteristics and extent of the Nation's wetlands. By 1979, when the NWI became operational, it was clear that two very different kinds of information were needed.

First, detailed wetlands maps were needed for site-specific decisionmaking. The number of map users has grown steadily since the maps were first introduced. Requests are common from individuals, private organizations, industry, consulting firms, developers, agencies from all levels of government (municipal, town, county, state, federal, etc.), and educational/research groups (universities, colleges, etc.). Over 1,603,500 wetlands maps have been distributed by the Service and the Geological Survey. This number does not count the distributions made by the State-run centers.

Resource managers in the Service and in the States are provided with map information on

wetland location and type, which is essential to effective habitat management and acquisition of important wetlands areas needed to perpetuate waterfowl and other migratory bird populations as called for in the North American Waterfowl Management Plan. Agencies from the Department of Agriculture use the maps as a major tool in the identification of wetlands for the administration of the Swampbuster provisions of the 1985 and 1990 Farm Bills. Regulatory agencies use the maps to help in advanced wetland identification and to determine wetland values and mitigation requirements. Private sector planners use the maps to determine the location and nature of wetlands to aid in forming alternative plans to meet regulatory requirements. The maps are instrumental in presenting facts that allow sound business decisions to be made quickly, accurately, and efficiently.

Secondly, national statistics on the current status and trends of wetlands were needed in order to support decisions on the development or alteration of Federal programs and policies. The objective of determining National statistics on the status and trends of wetlands in the United States is to produce comprehensive, statistically valid acreage estimates of the Nation's wetlands. The information generated from the analyses has been extremely useful and has been cited by major reports that have also played a role in the review of some Federal policies regarding wetlands.

Legislative language and Congressional reports make reference to these loss rates in both the Swampbuster Provision of the Food Security Act of 1985, Emergency Wetlands Resources Act of 1986, and the Tax Reform Act of 1986. The latest data was used in

President Clinton's 1993 policy statement, "Protecting America's Wetlands: A Fair, Flexible and Effective Approach."

The Emergency Wetlands Resources Act of 1986 (as amended), requires the Service to produce NWI maps for the contiguous United States by September 30, 1998, and noncontiguous portions of the United States by September 30, 2000; to update and improve the report "Status and Trends of Wetlands and Deepwater Habitat in the Conterminous United States, 1950's to 1970's at ten year intervals; to produce a digital wetlands data base for the United States by 2004, based on the final wetlands maps; and archive and make available for dissemination wetlands data and digitized maps, as they become available.

All major NWI goals for FY 1993 were met or exceeded. NWI produced draft/final maps for an additional 4.5 percent of the contiguous U.S., for a total of 78.5 percent; produced draft/final maps for an additional 2.0 percent of Alaska, for a total of 26.0 percent; updated an additional 10.0 percent of the plots for the continuous status and trends survey; and sent an additional 4.0 percent of the Nation's wetland maps to the national archives, for a total of 49 percent, to meet the 1993 goal for preserving the wetland maps for perpetuity. The status of NWI map availability for the contiguous United States and Alaska is shown on the map on page 53.

The National Wetlands Inventory is producing the wetland layer of the National Spatial Data Infrastructure (NSDI) on a user pays basis. The goal was to add digital wetlands data for an additional 9.5 percent of the United States to the NSDI for a total of 12.0 percent of the conterminous United

States. It was estimated that approximately \$100,000 would be received from users for this work. However, an additional 3.0 percent of the United States was added to the database for a total of 15.0 percent and more than \$320,000 was received from users for this work. The status of digital map availability is shown on the map on page 54.

Paper copies and digital copies of the National Wetlands Inventory maps are for sale through 1-800-USA-MAPS, USGS Earth Science and Information Center Regional Offices and 29 State-run distribution centers covering 37 States. In 1993, 96,200 hardcopy maps and 12,800 copies of digital maps were disseminated by NWI. This is in addition to the paper and digital copies disseminated by the State-run distribution centers.

COOPERATIVE RESEARCH UNITS

The Cooperative Research Units subactivity provides the infrastructure which supports a State-Federal-academic partnership in research and graduate education for the management of natural resources. The partners share in supporting each Coop Unit and managing its direction. Currently, the Service has 41 Units at 40 campuses in 38 States. Usually the program provides a salary for three Federal employees at each State university. The university provides faculty status, administrative support, and office and laboratory space to the Federal employees, and the State fish and wildlife management agency provides limited operational support. As virtually the entire Service Unit budget is for salaries of these Federal employees and a small fund for routine operational expenses at the individual Units, the Units depend on

support from the Service and other Federal and State agencies, the university, and the private sector to conduct research. Because the Unit's activities benefit each cooperator and each cooperator only partially funds the effort, each cooperator benefits to a greater extent than its contribution.

Reflecting the truly cooperative nature of the program, the Coop Units train students and conduct research for, and provide technical assistance to, a wide variety of clients, including the Service itself, other Federal agencies, and the States. For every dollar the Service invests in the administration of the Units, another 3 to 4 dollars is attracted to the program from reimbursable sources for research, resulting in a research program with a value exceeding \$24,000,000. The dispersed locations of the Units offer research opportunities on virtually every type of North American ecological community or system. Moreover, Units cooperate on issues of shared interest, thus allowing work on problems transcending State and regional boundaries, such as resource management in major rivers or ecological systems.

The Cooperative Research Units also play a major role in the Service's efforts to promote cultural diversity in the work force and the profession. Individual Units use opportunities in recruiting students to attract minorities, women and disabled persons by conducting a variety of special projects. Examples include:

- o The Career Awareness Institute, a program jointly sponsored by the Service and Tennessee Tech University to create an awareness among minorities and persons with a handicap about careers in natural resources. In FY 1993, there were 21

States. It was estimated that approximately \$100,000 would be received from users for this work. However, an additional 3.0 percent of the United States was added to the database for a total of 15.0 percent and more than \$320,000 was received from users for this work. The status of digital map availability is shown on the map on page 54.

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- o The Career Awareness Institute, a program jointly sponsored by the Service and Tennessee Tech University to create an awareness among minorities and persons with a handicap about careers in natural resources. In FY 1993, there were 21

participants in the program, the largest number ever enrolled. Students came from 17 different colleges and ranged from freshman to graduates. Among the students were Hispanics, Asians, African Americans and Native Americans.

o The Hispanic Training and Recruitment Project which was begun in September 1990, was designed to enhance the progress at New Mexico State University in the biological sciences and enhance minority participation in such programs, and to provide a broader range of knowledge and trained personnel for employment in the professional field of biological sciences. During FY 1993, three of the Hispanic Master's candidates initially selected to receive assistantships under this program were on cooperative education field assignments with the Service.

Accomplishments of the Cooperative Research subactivity for FY 1993 follow:

	FY 1992	FY 1993
Active research projects	950	1,028
Scientific publications	310	325
Minorities enrolled	60	64
Degrees granted	282	284
Students trained	725	969

The General Administration activity is comprised of three subactivities: Central Office Administration, Regional Office Administration and Servicewide

Administrative Support. The organizations within Central Office Administration are instrumental in providing leadership, guidance and direction to Servicewide operational and administration activities. Central Office Administration includes:

o **Office of the Director.** The Director is the primary decision making authority within the Service. The Director's Office provides guidance and direction to the Assistant Directors and Regional Directors, who in turn, direct the activities of major program directorates and geographic Regions. The **Office of Training and Education** and the **Office of Human Resources** are directly under the Director's office.

o The **Assistant Director-External Services** represents the Service in matters involving contacts outside the Service, and directs the following activities:

- o **Office of Legislative Services**
- o **Office of Public Affairs**
- o **Office of International Affairs**

o **Assistant Director-Policy, Budget and Administration** is responsible for directing all functional areas of administration and is the Chief Financial Officer for the Service. He supervises the following components:

- o **Division of Policy and Directives Management**
- o **Division of Finance** The Chief of the Division is also the Deputy CFO for the Service and directs/supervises the Service's Finance Center located in Denver, Colorado.
- o **Division of Personnel**
- o **Division of Contracting and General Services**

- o Division of Engineering
- o Division of Information Resources Management
- o Division of Budget
- o Office of Safety and Health

One interesting aspect of the General Administration activity is the Office of Training and Education with a goal of fostering public awareness and understanding in fish and wildlife resource conservation issues and encouraging responsible action by the public as partners in resource conservation. An instructional video, "A Home for Pearl", designed to teach elementary school students about wildlife habitat was developed and transmitted by satellite to schools across the country and to American embassies all over the world. Total distribution for the video tape is about 7,500 locations.

The Service is composed of seven geographic Regions across the United States which are responsible for the administration and support of programs and installations in the Region. An eighth Region is the research arm of the Service and includes all research centers, scientific development centers and the Cooperative Research Units. Each Regional Office is headed by a Regional Director who provides direction and line supervision to Regional Office and field level staff. The Regional Directors are responsible for the timely accomplishment of all scheduled and budgeted activities assigned to their Region. The Regional Offices are funded through the **Regional Office Administration** subactivity.

The administrative support provided to Servicewide programs entails managing and budgeting for various overhead costs which are incurred by all Service programs. The

Servicewide Administrative Support subactivity provides a mechanism to centrally budget for and pay these expenses. Funding is provided by direct appropriations and funds recovered from reimbursable and appropriated activities. Examples of budget items included in this sub-activity are: space, FTS2000, postage, the Federal Financial System, health units and other Servicewide items.

FINANCIAL MANAGEMENT PERFORMANCE

The following section provides details on the Service's financial management performance in FY 1993.

Prompt Pay Activities. In FY 1993, the Service accomplished a number of financial management improvements. The Service disbursed \$356,666,884 in payment of invoices subject to the Prompt Payment Act. This figure represents an increase over FY 1992 activity which totalled \$356,099,511. The interest penalties paid on overdue invoices increased from \$51,349 in FY 1992 to \$68,041 in FY 1993 even though the number of interest penalties decreased from 5,931 to 5,332 respectively. The increased amount in penalties occurred due to large dollar contracts that had larger penalty amounts when incurred. The decreased number of penalties occurred due in large part to the use of the VISA credit card for making small purchases Servicewide. Credit card purchases reduced the number of small payment transactions versus the large dollar contract payments. The Service goal for FY 1994 is to increase the use of the VISA credit card for small purchases by 50 percent Servicewide. Tabular statistics can be found on page 55.

Financial Management Improvements. During FY 1993, the Service's Finance Center implemented the Accounts Receivable Subsystem of the Federal Financial System (FFS). This automated the accrual of billing amounts for reimbursable agreements, interest receivables, bill printing and dunning notice generation. The Treasury Lockbox System was adopted by the Service to improve internal controls, and reduce the time involved with the crediting of funds to Treasury. The system will be operational in FY 1994. In FY 1994, the financial community will begin making payments for small purchases through the use of remote data entry. The Service will also be implementing allocation of indirect costs through the FFS Cost Allocation Subsystem in FY 1994, as well as testing the use of the Treasury Department's Vendor Express Program for the electronic, direct deposit of vendor payments.

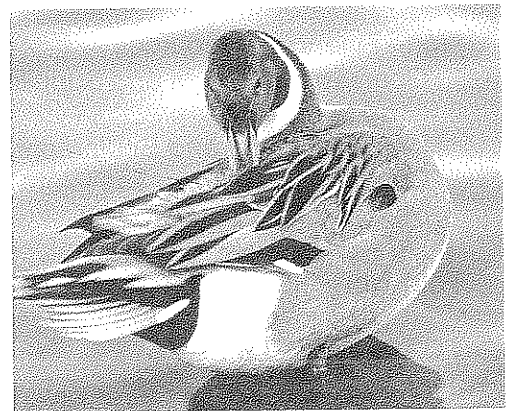
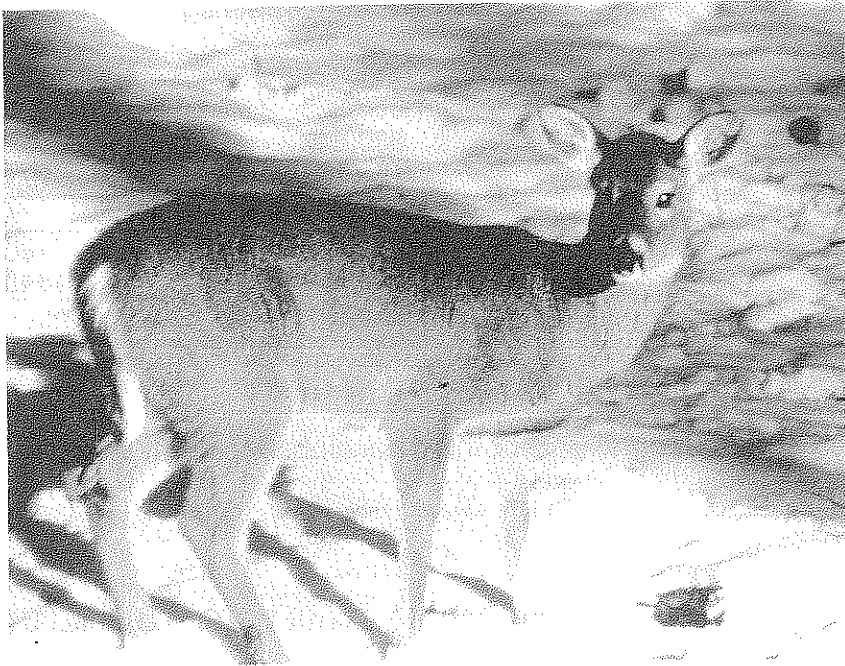
Travel Advance Management. Additional efficiencies in financial management throughout the Service and the expanded use of the Diners Club Automated Teller Machine (ATM) feature for cash advances resulted in a substantial improvement in the amount of Service funds outstanding as travel advances. At the close of FY 1993, the Service had an outstanding travel advance balance of \$621,000. This is a significant reduction over the FY 1992 ending balance of \$968,000 for all travel categories (temporary duty and permanent change of station). Since FY 1991, the Service has reduced the travel advance balance by over 50 percent, and with the Service goal of 100 percent participation of cardholders in the ATM program in FY 1994, further significant reductions are expected.

Debt Collection Activities. Increased management awareness and improved follow-up procedures resulted in a substantial decrease in the percentage of delinquent accounts receivable to the total accounts receivable outstanding. At the close of FY 1993, the Service had 339 delinquent debts totalling \$776,491, or 15 percent of the total \$4,889,898. This was a substantial reduction when compared to FY 1992. At the close of FY 1993, the Service changed its policy regarding issuance of bills for reimbursable agreements by implementing the automated bill generation feature in the Project Cost Account Subsystem in FFS. This change created an account receivable in FFS for each reimbursable project that is billable in a certain period, i.e., monthly or quarterly. Therefore, at the end of FY 1993, the Service had a substantial increase in the total number of accounts receivable outstanding. The change in accounting policy did not affect our collection of charges accrued in FY 1993. Tabular data can be found on page 56.

Overtime Management. The Service's annual overtime usage goal was established in 1991 at \$3,000,000 based on past trends. The goal does not include overtime costs incurred as a result of emergency fire suppression activities. Although there were several unpredictable activities, such as work related to the Spotted Owl Recovery Program, relocation of one Regional Office, and several natural disasters, overtime costs in FY 1993 were only exceeded by \$19,000. This figure was a reduction of \$165,000 from FY 1992 overtime costs of \$3,184,000.

The financial statements contained in this report have been prepared to report the

of the Fish and Wildlife Service pursuant to the requirements of the Chief Financial Officers Act of 1990. While the statements have been prepared from the books and records of the Service in accordance with the formats prescribed by OMB, the statements are different from those used to monitor and control budgetary resources that are prepared from the same books and records. These statements should be read with the realization that they are for a sovereign entity, that unfunded liabilities reported in the financial statements cannot be liquidated without the enactment of an appropriation, and that the payment of all liabilities other than for contracts can be abrogated by the sovereign entity.



From top, clockwise:
Immature Brown Pelicans (John Turner/FWS),
Pintail Drake (FWS photo),
Black-footed Ferrets (LuRay Parker/Wyoming Game & Fish Dept.),
White-tailed Deer (FWS Photo)

**U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 1993 AND 1992
(DOLLARS IN THOUSANDS)**

	<u>1993 Unaudited</u>	<u>1992 Audited</u>
ASSETS		
Cash and Other Financial Resources		
Funds with U.S. Treasury (Note 2)	\$ 959,202	\$ 833,161
Trust Funds with U.S. Treasury (Note 2)	239,068	243,744
Cash (Note 2)	1,185	1,155
Deposits/Disbursements in Transit (Note 2)	0	(10,163)
Accounts Receivable, Net – Public (Note 3)	4,967	8,709
Advances (Note 4)	583	986
Intragovernmental Assets:		
Accounts Receivable, Net – Federal (Note 3)	23,208	15,724
Investments, Net – Federal (Note 5)	56,609	51,750
Total Cash and Other Financial Resources	1,284,822	1,145,066
Non–Financial Resources		
Operating Materials and Supplies (Note 6)	1,827	2,363
Land (Note 7)	1,066,228	966,250
Property, Plant, and Equipment, Net (Note 7)	580,647	550,665
Construction in Progress (Note 7)	158,108	119,871
Forfeited Property (Note 8)	559	0
Total Non–Financial Resources	1,807,369	1,639,149
TOTAL ASSETS	<u>\$ 3,092,191</u>	<u>\$ 2,784,215</u>

The accompanying notes are an integral part of this financial statement.

**U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF FINANCIAL POSITION
AS OF SEPTEMBER 30, 1993 AND 1992
(DOLLARS IN THOUSANDS)**

	<u>1993 Unaudited</u>	<u>1992 Audited</u>
LIABILITIES		
Funded Liabilities		
Accounts Payable – Public (Note 9)	\$ 27,273	\$ 30,631
Advances and Unearned Revenue – Public (Note 10)	1,045	22
Accrued Payroll and Benefits (Note 9)	13,153	14,678
Intragovernmental Liabilities:		
Accounts Payable – Federal (Note 9)	2,939	1,383
Advances and Unearned Revenue – Federal (Note 10)	2,876	949
Deposit Funds (Note 11)	<u>1,071</u>	<u>535</u>
Total Funded Liabilities	48,357	48,198
Unfunded Liabilities		
Accrued Unfunded Annual Leave (Note 12)	<u>28,001</u>	<u>26,694</u>
TOTAL LIABILITIES	76,358	74,892
NET POSITION (Note 13)		
Balances		
Unexpended Appropriations	1,167,694	1,010,798
Invested Capital	1,646,874	1,639,149
Cumulative Results of Operations	228,707	86,070
Other	559	0
Future Funding Requirements	<u>(28,001)</u>	<u>(26,694)</u>
TOTAL NET POSITION	<u>3,015,833</u>	<u>2,709,323</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 3,092,191</u>	<u>\$ 2,784,215</u>

The accompanying notes are an integral part of this financial statement.

U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 1993 AND 1992
(DOLLARS IN THOUSANDS)

	<u>1993</u> <u>Unaudited</u>	<u>1992</u> <u>Unaudited</u>
REVENUES AND FINANCING SOURCES		
Appropriations Expended	\$ 1,093,199	\$ 933,737
Revenues from Sales of Goods and Services		
Federal Sources		
Reimbursable Agreements	56,464	48,084
Proceeds from Sales of Capitalized Equipment	262	435
Public Sources		
Reimbursable Agreements	10,159	9,946
Law Enforcement Inspection Fees	2,288	2,076
Other Financing Sources		
Interest on Investments – Federal	8,510	15,019
Interest on Delinquent Receivables – Public	15	42
Other Revenues and Financing Sources (Note 14)	152,666	133,242
Receipts Returned to U.S. Treasury	<u>(1,667)</u>	<u>(1,349)</u>
Total Revenues and Financing Sources	1,321,896	1,141,232
EXPENSES (Note 15)		
Program and Operating Expenses		
Grants, Subsidies and Contributions	391,550	386,878
Personnel Compensation and Benefits	382,180	355,060
Contractual Services	217,193	85,580
Other	151,535	141,400
Interest Expense	66	51
Depreciation Expense	<u>17,672</u>	<u>26,239</u>
Total Expenses	1,160,196	995,208
EXCESS OF REVENUES AND FINANCING SOURCES OVER TOTAL EXPENSES	<u>\$ 161,700</u>	<u>\$ 146,024</u>
NET POSITION, BEGINNING BALANCE	\$ 2,709,323	\$ 3,161,163
EXCESS OF REVENUES AND FINANCING SOURCES OVER TOTAL EXPENSES	161,700	146,024
PLUS(MINUS) NON-OPERATING CHANGES (Note 16)	<u>144,810</u>	<u>(597,864)</u>
NET POSITION, ENDING BALANCE	<u>\$ 3,015,833</u>	<u>\$ 2,709,323</u>

The accompanying notes are an integral part of this financial statement.

U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF CASH FLOW
FOR THE YEARS ENDED SEPTEMBER 30, 1993 AND 1992
(DOLLARS IN THOUSANDS)

	1993 <u>Unaudited</u>	1992 <u>Unaudited</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of Revenues and Financing Sources Over Total Expenses	\$ 161,700	\$ 146,024
ADJUSTMENTS AFFECTING CASH FLOW		
Expended Appropriations	(1,093,199)	(933,737)
Increase in Accounts Receivable	(696)	(8,988)
Decrease in Other Assets	402	355
Increase (Decrease) in Accounts Payable	(13,586)	45,533
Increase (Decrease) in Other Liabilities	536	(10,970)
Depreciation	17,672	26,239
Other Unfunded Expenses	1,307	3,537
Total Adjustments	(1,087,564)	(878,031)
Net Cash Used by Operating Activities	(925,864)	(732,007)
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in Investments	(4,858)	(51,750)
Purchase of Land, Buildings, and Equipment	(193,314)	(292,001)
Net Cash Used by Non-Operating Activities	(198,172)	(343,751)
CASH PROVIDED BY FINANCING ACTIVITIES		
Appropriations	1,247,912	1,194,547
Add:		
Transfers of Cash from Others	19,103	26,241
Deduct:		
Withdrawals	(2,299)	(310)
Transfers of Cash to Others	(19,285)	(16,162)
Net Cash Provided by Financing Activities	1,245,431	1,204,316
Net Cash Provided by Operating, Non-Operating, and Financing Activities	121,395	128,558
BEGINNING FUND BALANCE WITH TREASURY AND CASH, OCTOBER 1	1,078,060	949,502
ENDING FUND BALANCE WITH TREASURY AND CASH, SEPTEMBER 30	<u>\$ 1,199,455</u>	<u>\$ 1,078,060</u>

The accompanying notes are an integral part of this financial statement.

U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF BUDGETED AND ACTUAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 1993
(DOLLARS IN THOUSANDS)

PROGRAM NAME	BUDGET				ACTUAL
	RESOURCES	OBLIGATIONS			EXPENSES
		DIRECT	REIMBURSED		
General and Other Funds	\$ 1,762,795	\$ 1,126,385	\$ 82,647	\$	927,031
Trust Funds	287,516	246,152	0		233,165
TOTALS	\$ 2,050,311	\$ 1,372,537	\$ 82,647	\$	1,160,196

BUDGET RECONCILIATION:

A. Total Expenses	\$ 1,160,196
B. Add:	
(1) Capital Acquisitions	193,314
C. Less:	
(1) Depreciation	17,672
(2) Unfunded Annual Leave Expense	1,307
(3) Other Unfunded Expenses	32
D. Accrued Expenditures	1,334,499
E. Less Reimbursements Earned	66,623
F. Accrued Expenditures, Direct	<u>\$ 1,267,876</u>

The accompanying notes are an integral part of this financial statement.

**U.S. FISH AND WILDLIFE SERVICE
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 1993 AND 1992**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

These financial statements have been prepared to report the financial position and results of operations of the U.S. Fish and Wildlife Service (Service) as required by the Chief Financial Officers Act of 1990. They have been prepared from the books and records of the Service in accordance with the form and content for entity financial statements specified by the Office of Management Budget (OMB) in OMB Bulletin 94-01, dated November 16, 1993, as well as the Service's accounting policies which are summarized in this note.

B. Reporting Entity

The Service is responsible to conserve, protect, and enhance fish and wildlife and their habitats for the continuing benefit of the American people.

Authority over money or other budget authority made available to the Service is vested in the Director of the Service, who is responsible for administrative oversight and policy direction of the Service. Separate accounts are maintained to restrict the use of money or other budget authority to the purposes and time-period for which authorized and to provide assurance that obligations do not exceed authorized amounts.

The accompanying financial statements have been prepared from the Service's consolidated standard general ledger. Included are all funds and accounts under the control of the Service and allocations from other Federal agency appropriations transferred to the Service under specific legislative authority. The Service is responsible for maintaining accounts in multiple funds. Overall, there are five separate fund types:

General Funds -- These funds are expenditure accounts used to record financial transactions arising from Congressional appropriations or other authorizations to spend general revenues. The principal general funds are:

Resource Management
National Wildlife Refuge Fund
Construction and Anadromous Fish
Natural Resource Damage Assessment and Restoration Fund
Cooperative Endangered Species Conservation Fund
Rewards and Operations

Trust Funds -- The Service maintains three trust fund accounts to carry out specific programs under trust agreements and statutes. The African Elephant Conservation Fund provides financial assistance for approved projects to various organizations with experience in African elephant conservation. In addition, excess fines from penalties, donations, and appropriations are used to pay rewards for information assisting in criminal convictions or civil penalties and for administrative support. The primary activity in the Sport Fish Restoration account is Sport Fish Restoration Payments to States. Additionally, the Sport Fish account makes grants to States which support projects that create, restore, protect, or enhance coastal wetlands. The Contributed Fund Trust fund receives contributions for projects relating to endangered species recovery, refuge operation and maintenance, research and others.

Deposit Funds -- These funds account for receipts awaiting proper classification and proceeds from the sale of vehicles.

Receipt Funds -- The Service financial statements include collections and receivables attributable to the funds that comprise miscellaneous fines and penalties, administrative fees, interest, and unclaimed monies which are credited to the Department of the Treasury general government fund in the month collected. Although the Service is acting only as a collection agent for these funds, they have been included in the financial statements of the Service because the accounting records are maintained by the Service.

Special Funds -- Special fund receipt accounts are credited with receipts from specific sources that are earmarked by law for a specific purpose, but which are not generated from a cycle of operations. These receipts are available immediately. Special fund expenditure accounts are used to record amounts appropriated from special fund receipts to be used for special programs according to specific provisions of law. The principal special funds are:

Land Acquisition
Federal Aid/Wildlife Restoration
Operation/Maintenance - Quarters
Proceeds from Sales - Water Resource & Development
Program
Migratory Bird Conservation Fund
Federal Aid/Fish Restoration
North American Wetlands Conservation Fund
National Wildlife Refuge Fund
Cooperative Endangered Species Conservation Fund

C. Basis of Accounting

Transactions are recorded on an accrual accounting basis and a budgetary basis. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of Federal funds.

D. Revenues and Other Financing Sources

The Service receives the majority of the funding needed to support the program through appropriations. The Service receives annual, multi-year, and no-year appropriations that may be used within statutory limits for operating expenses and capital expenditures (primarily equipment, furniture, and furnishings). Additional amounts are obtained through reimbursements for services provided for other Federal agencies.

Receipts are recognized as revenues when earned. These revenues may be used to offset the cost of operations at field sites (including an amount to recover the costs of appropriate overhead).

E. Funds with the Department of the Treasury and Cash

Cash receipts and disbursements are processed by the Treasury. The balance in the Treasury represents all unexpended balances in the Service accounts. The funds with Treasury and cash include appropriated and trust funds which are available to pay current liabilities and to pay outstanding obligations.

F. Allowance for Doubtful Accounts

An Allowance for Doubtful Accounts is maintained to reflect the bad debts resulting from uncollectible accounts receivable due from the public. The allowance amount is determined based on an average of prior year writeoffs and an analysis of outstanding accounts receivable.

G. Operating Materials and Supplies

Operating materials and supplies consist of items such as lumber, sand, gravel, and other items purchased in large quantities which are being held for strategic purposes to fulfill the mission of the Service. Operating materials and supplies are reported at estimated cost.

H. Investments in U.S. Government Securities

Investments in U.S. Government securities are reported at amortized cost. Discounts are amortized into interest income over the term of the investment. Premiums are amortized against semi-annual interest receipts. It is the intent of the Service to hold investments to maturity. No provision is made for unrealized gains or losses on these securities.

The Treasury collects, invests, and maintains on behalf of the Service the Aquatic Resources Trust Fund of which the Service's Sport Fish Restoration Account is a portion thereof. The Appropriations Act of 1951 authorizes amounts equal to revenues credited during the year to be used in the subsequent fiscal year and recorded as permanent appropriations to remain available until expended. These statements do not reflect the amounts collected and held by the Treasury in this fiscal year for reporting in subsequent years.

I. Land, Property, Plant, and Equipment

The Service defines capitalized equipment as those assets, other than buildings or other structures, that have an estimated useful life of greater than 1 year and an initial acquisition cost exceeding \$5 thousand. Depreciation is recorded using the straight-line method based on the estimated useful life of the respective assets ranging from 8 to 25 years.

Buildings are comprised of service facilities, such as houses, garages, shops, schools, laboratories, and other buildings owned by the Service and used in the

operation of wildlife refuges, fish hatcheries, wildlife research centers, fishery research stations, waterfowl production areas, and administrative sites. Depreciation is recorded using the straight-line method based on an estimated useful life of 50 years. This includes materials, labor, and overhead costs incurred during construction and fees such as attorney and architect and building permits.

Other structures and facilities are comprised of service facilities, such as powerhouses and pumping plants, structural and general service facilities systems (drainage system, plumbing system, sewer system, ventilating system, water system, heating system, etc.), grounds and site improvements (roads and roadways, fences, lawns, shrubbery, parking areas, sidewalks, sprinkler systems, yard drainage systems, yard lighting systems, etc.), bridges and trestles, dams and dikes, waterways, wells, etc., owned by the Service and used in the operation of wildlife refuges, fish hatcheries, wildlife research centers, fishery research stations, waterfowl production areas, and administrative sites. Depreciation is recorded using the straight-line method based on estimated useful lives ranging from 20 to 50 years. This includes materials, labor, and overhead costs incurred during construction and fees such as attorney and architect and building permits.

The purchase cost of land owned by the Service includes standby facilities and permanent improvements to the land such as the removal of old structures to get the land ready for its intended use. Land costs also include any perpetual easements or rights of way.

No value has been assigned to land reserved from public domain or to transferred and/or donated land since recording such land at estimated value provides little meaningful information. In order to comply with audit recommendations based on the FY1992 audit of the Statement of Financial Position, the Service's Division of Realty is revising and reprogramming its data base. This is an intensive process with anticipated completion in 1995.

J. Seized and Forfeited Property

The Service's program for managing and tracking seized and forfeited property is primarily a manual hard copy paper system with summary information entered into the Service's computerized Law Enforcement Management Information System (LEMIS). The system provides for accountability and tracking of each piece of seized property from the time of seizure through the final disposition of the property. Disposition may include forfeiture of the property to the Government or return of the property to the person from whom seized. Property for which a legal market exists is reported at appraised value.

Service regulations governing the forfeiture and disposal of seized property are found in Title 50, Code of Federal Regulations, Part 12. Seized property may be forfeited administratively by the Office of the Solicitor or criminally through the Federal courts. Once forfeited, property may be retained by the Government, sold (if permitted by the regulations), donated or loaned to scientific or educational institutions, or destroyed at the discretion of the Service.

Certain types of property may not be legally sold under Service regulations. Such property includes property that consists in whole or in part of migratory birds, bald and golden eagles, endangered or threatened species, marine mammals, and species listed on Appendix I to the Convention on International Trade in Endangered Species of Wild Fauna and Flora. Such property is classified as "Non-Marketable" and has no legal value.

K. Contingencies

The Service is not aware of any contingent liabilities, litigation, claims, or assessments which represent financial claims against the Service other than the estimated obligations related to canceled appropriations. However, the possibility of a potential liability against the Service due to the cleanup of hazardous waste on Service land may result in financial claims against the Service at some future period. While there continues to be a significant amount of litigation pending against the Service at any given time, this litigation typically involves Service administration of various laws, such as the Endangered Species Act, which does not involve financial claims.

L. Liabilities

A liability is recognized for wages and benefits which have been earned but not paid as of the close of the fiscal year.

Annual leave is recorded as earned and reduced as leave is taken in the payroll records. To the extent current or prior year appropriations are not available to fund unused earned annual leave, funding will be obtained from future financing sources. Unused annual leave is payable to terminated employees.

Sick leave is not recorded as earned, as unused sick leave is not payable upon termination. Expenses for sick leave are recognized as taken.

M. Pension and Retirement Plans

Service employees contribute to the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS), to which the Service makes matching contributions. These statements do not report CSRS or FERS assets,

accumulated plan benefits, or unfunded liabilities, if any, applicable to Service employees, since these data are reported in total by the Office of Personnel Management. On January 1, 1987, FERS went into effect pursuant to Public Law 99-335. Employees hired after December 31, 1983, are automatically covered by FERS, while employees hired prior to that date could elect either FERS or CSRS coverage. One of the primary differences between FERS and CSRS is that FERS offers a savings plan to which the Service is required to contribute 1 percent of pay and match employee contributions up to an additional 4 percent of basic pay.

N. Taxes

As an entity of the U.S. Government, the Service is exempt from all income taxes imposed by any governing body, whether it be a Federal, State, Commonwealth of the U.S., local, or foreign government.

O. Comparative Data

Comparative data for FY1992 are presented in order to provide an understanding of changes in the financial position and operations of the Service.

P. Supplemental Schedules

Supplemental schedules are presented after these notes for clarification and further disclosure.

NOTE 2. FUND BALANCE WITH TREASURY AND CASH

Cash receipts and disbursements are processed by the Treasury. The fund balance with Treasury represents all unexpended balances in the Service accounts and the right to draw on the Treasury for allowable expenditures. The balance of the "Funds With U.S. Treasury and Cash" caption is comprised of the following amounts at September 30, 1993 (dollars in thousands):

	<u>1993 Balances</u>	<u>1992 Balances</u>
General and Other Funds	\$ 408,558	\$ 395,928
Trust Funds	239,068	243,744
Deposit Funds	1,462	899
Special Funds a/	<u>550,367</u>	<u>437,489</u>
Total Fund Balance and Cash	<u>\$1,199,455</u>	<u>\$1,078,060</u>

a/ Includes \$1,185 thousand in imprest funds held by cashiers.

The "Cash in Transit" categories were used on the FY1992 statements in an effort to show receipts and disbursements which were processed by the Service's accounting system but not yet processed by Treasury. Because these categories were misleading and confusing and because the Service elected concurrent processing for FY1993 for more efficient and accurate reporting, the "Cash in Transit" categories for FY1992 comparative data have been changed to "Deposits/Disbursements in Transit" and were eliminated for FY1993 reporting purposes.

NOTE 3. ACCOUNTS RECEIVABLE AND INTEREST RECEIVABLE

Accounts and interest receivables consist of amounts owed the Service by other Federal agencies and amounts owed by the public. Accounts and interest receivable as of September 30, 1993, consist of (dollars in thousands):

	<u>1993</u>	<u>1992</u>
Accounts Receivable-Federal		
Billed	\$22,851	\$ 885
Unbilled	30	14,840
Interest Receivable	<u>327</u>	<u>0</u>
Total A/R-Federal	<u>\$23,208</u>	<u>\$15,725</u>
Accounts Receivable-Public		
Billed	\$ 4,840	\$ 513
Unbilled	<u>94</u>	<u>8,163</u>
Subtotal A/R-Public	4,934	8,676
Allowance for Doubtful Accounts	(17)	(5)
Interest Receivable	<u>50</u>	<u>38</u>
Total A/R-Public	<u>\$ 4,967</u>	<u>\$ 8,709</u>

Unbilled accounts receivable relate to quarterly billings which have not yet been billed.

NOTE 4. ADVANCES

As of September 30, 1993, there are 701 outstanding travel advances in the amount of \$583 thousand of which 96 are delinquent (over 60 days) in the amount of \$76 thousand.

NOTE 5. INVESTMENTS IN NON-MARKETABLE SECURITIES

Investments in U.S. Government securities consist of five bills purchased at a discount (and redeemed at maturity at par value) and two notes purchased at a premium through the Funds Management Division of the Treasury. The invested funds consist of

offsetting collections from 14X1618, the Natural Resource Damage Assessment and Restoration Fund. Amortization is recorded using the straight-line method. As of September 30, 1993, investments in U.S. Government securities totaled (dollars in thousands):

<u>Acquisition Cost</u>	<u>Unamortized Premium/ (Discount)</u>	<u>Investments Net</u>
\$56,383	\$226	\$56,609

NOTE 6. OPERATING MATERIALS AND SUPPLIES

Operating materials and supplies being held for strategic purposes to fulfill the mission of the Service totaled \$1,827 thousand and are reported at estimated cost.

NOTE 7. LAND, PROPERTY, PLANT, AND EQUIPMENT

Depreciation of property, plant, and equipment is recorded using the straight-line method. Land, property, plant, and equipment consist of the following as of September 30, 1993, (dollars in thousands):

	<u>Service Life</u>	<u>Acquisition Value</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land		\$1,066,228	\$ 0	\$1,066,228
Buildings	50yr	313,596	103,592	210,004
Structures	20-50yr	445,476	173,225	272,251
Equipment	8-25yr	202,345	103,953	98,392
Construction in Progress		<u>158,108</u>	<u> </u>	<u>158,108</u>
Total		<u>\$2,185,753</u>	<u>\$ 380,770</u>	<u>\$1,804,983</u>

The Service has under its control a total of 90.9 million acres of land which is comprised of the following:

82.0 million acres	Land Reserved from Public Domain
3.7 million acres	Land Purchased
3.1 million acres	Land Transferred and/or Donated
2.1 million acres	Agreement Easements

These figures are based on FY1992 data as FY1993 data are unavailable due to incomplete records. The Division of Realty is in the process of updating, correcting, and verifying data files.

NOTE 8. SEIZED AND FORFEITED PROPERTY

Due to a deficiency in the Service's LEMIS, the following statistics are "best estimates". This deficiency will be corrected by the beginning of FY1995.

	<u>Marketable</u>		<u>Non-Marketable</u>
	<u>No. of Seizures</u>	<u>Value</u>	<u>No. of Seizures</u>
	(000)	(\$ 000)	(000)
<u>Seized Property</u>			
Ending FY1993	2	\$1,581	1
Beginning FY1993	2	1,708	1
Seized during FY1993	3	1,382	2
<u>Forfeited Property</u>			
Ending FY1993	1	\$ 559	1
Beginning FY1993	3	1,821	2
Forfeited during FY1993	2	643	2
<u>Disposition of Property</u>			
Dispositions FY1993	4	\$1,648	3

NOTE 9. ACCOUNTS PAYABLE AND ACCRUED FUNDED PAYROLL AND PAYROLL BENEFITS

Accounts payable relating to Service operations include liabilities to other Federal agencies and to the public. The amounts owed to Federal agencies relate to interagency agreements and totaled \$2,939 thousand. The amounts owed to the public relate to payments due to vendors for goods and services provided and totaled \$27,273 thousand. Accrued Funded Payroll/Benefits totaled \$13,153 thousand for FY1993. Accrued Funded Payroll/Benefits for FY1992 (\$14,678 thousand) were included in the category "Accounts Payable-Public" on the audited Statement of Financial Position for FY1992 but have been reclassified to Accrued Funded Payroll/Benefits on the FY1993 financial statements.

Contributions by the Service for FY1993 to CSRS and FERS pension plans were \$12,331 thousand and \$14,766 thousand, respectively. In addition, contributions by the Service to the FERS thrift savings plan was \$4,099 thousand for FY1993.

NOTE 10. ADVANCES AND UNEARNED REVENUE

Payments received in advance of the delivery of goods or services relating to reimbursable agreements with the public, such as a State-Federal-academic partnerships in research and graduate education for the management of natural resources, totaled \$486 thousand, and those relating to reimbursable agreements with other Federal agencies to protect wildlife resources, to transfer funds to conduct investigations, to conduct wildlife surveys on public lands, and to provide fish migration prior to the construction of new dams, totaled \$2,876 thousand.

Unearned revenue of \$559 thousand relates to the property forfeited to the Service.

NOTE 11. DEPOSIT FUNDS

Deposit fund liability includes stale-dated Government checks (of 1 year or greater) and proceeds from the sale of vehicles not applied toward the purchase of new vehicles.

NOTE 12. ACCRUED UNFUNDED ANNUAL LEAVE

Annual leave is recorded as earned and reduced as leave is taken in the payroll system (PAY/PERS System).

Sick leave is not recorded as earned. Expenses for sick leave are recognized as taken.

NOTE 13. FUND ACCOUNT BALANCES

As of September 30, 1993, fund account balances are as follows (dollars in thousands):

	Appropriated Funds	Trust Funds	Total
Unexpended Appropriations			
Unobligated			
Available \$ 518,593	\$ 37,747	\$ 556,340	
Unavailable	11,014	0	11,014
Undelivered Orders	406,657	193,683	600,340
Invested Capital	1,642,920	3,954	1,646,874
Cumulative Results	225,090	3,617	228,707
Other	559	0	559
Future Funding Requirements	<u>(27,668)</u>	<u>(333)</u>	<u>(28,001)</u>
Total	<u>\$2,777,165</u>	<u>\$ 238,668</u>	<u>\$3,015,833</u>

NOTE 14. OTHER REVENUES AND FINANCING SOURCES

The other revenues and financing sources are as follows (dollars in thousands):

	1993	1992
Cooperative Endangered Species	\$ 79,762	\$ 0
Duck Stamps	20,554	19,484
Arms/Ammunition	18,274	19,880
Natural Resource Damage Assessment	12,371	59,553
North American Wetlands	7,109	19,090
Refuge Receipts	5,905	6,719
Contributed Funds	2,225	1,643
Entrance Fees	1,729	2,034
Quarters	1,717	1,729
Collections-Treasury General Fund	1,675	1,350
African Elephant	1,393	989
Forfeited Property (Deferred Revenue)	(559)	0
Lacey Act Receipts	410	665
Other	<u>101</u>	<u>106</u>
Total	<u>\$152,666</u>	<u>\$133,242</u>

Cooperative Endangered Species is a new appropriation for FY1993. Information relating to forfeited property was not available in FY1992, therefore, no comparative data are available.

NOTE 15. PROGRAM AND OPERATING EXPENSES

Presented below are total operating expenses for FY1993 by object classification and total expenses by type (dollars in thousands):

A. Operating Expenses by Object Classification:

	<u>1993</u>	<u>1992</u>
Grants, Subsidies and Contributions	\$ 391,550	\$ 386,878
Personnel Compensation and Benefits	382,180	355,060
Contractual Services	217,193	85,580
Supplies and Materials	54,209	55,955
Rental, Communication and Utilities	39,929	35,420
Travel and Transportation	27,835	27,649
Equipment not Capitalized	10,823	9,139
Funded Transfers	8,501	7,950
Law Enforcement Expenditures	5,662	64
Printing and Reproduction	3,137	1,580
Insurance Claims & Indemn/Interest	<u>100</u>	<u>105</u>
Subtotal	<u>\$1,141,119</u>	<u>\$ 965,380</u>

B. Expenses by Type:

	<u>General & Others</u>	<u>Trust</u>	<u>Combined</u>
Operating and			
Administrative	\$ 908,111	\$ 233,008	\$1,141,119
Interest	65	1	66
Depreciation	17,531	141	17,672
Bad Debt	32	0	32
Unfunded Annual Leave	<u>1,292</u>	<u>15</u>	<u>1,307</u>
Total	<u>\$ 927,031</u>	<u>\$ 233,165</u>	<u>\$1,160,196</u>

NOTE 16. NON-OPERATING CHANGES

The format for presenting the non-operating changes was changed for FY1993 reporting. Therefore, the comparative data for FY1993 and FY1992 are presented separately.

	<u>1993</u>
Increases	
Unexpended Appropriations	\$ 154,713
Transfers of Cash from Others	19,103
Property	<u>559</u>
Total Increases	<u>\$ 174,375</u>
Decreases	
Withdrawn Funds to Treasury	\$ 2,299
Transfers of Cash to Others	19,285
Current Year Portion of Accrued Annual Leave	1,307
Property	5,618
Adjustment	<u>1,056</u>
Total Decreases	<u>\$ 29,565</u>
Non-Operating Changes to Net Position	<u>\$ 144,810</u>

	<u>1992</u>
Increases:	
Transfers-In:	
Appropriations	\$1,194,547
Transfers from Others	<u>26,241</u>
Total Increases	<u>\$1,220,788</u>
Decreases:	
Transfers-Out:	
Expenditures (Approp. Funds)	\$ 907,402
Withdrawn Funds (to Treasury)	310
Transfers to Others	16,162
Structures, Facilities, & Equip.	292,001
Funds Returned to Treasury	1,349
Other Decreases*	<u>601,428</u>
Total Decreases	<u>\$1,818,652</u>
Non-Operating Changes to Net Position (Decrease)	<u>\$ (597,864)</u>

*This amount includes adjustments to beginning balances between equity accounts and unfunded annual leave.

*This amount includes adjustments to beginning balances between equity accounts and unfunded annual leave.

NOTE 17. CONTINGENCIES

The estimate of obligations relating to canceled appropriations for which the Service has contractual commitment for payment is \$1.6 million.

U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF FINANCIAL POSITION BY MAJOR FUND
AS OF SEPTEMBER 30, 1993
(DOLLARS IN THOUSANDS)

	General & Other	Trust	Combined
ASSETS			
Cash and Other Financial Resources			
Funds with U.S. Treasury	\$ 959,202	\$ 0	\$ 959,202
Trust Funds with U.S. Treasury	0	239,068	239,068
Cash	1,185	0	1,185
Accounts Receivable, Net – Public	4,967	0	4,967
Advances	583	0	583
Intragovernmental Assets:			0
Accounts Receivable, Net – Federal	23,208	0	23,208
Investments, Net – Federal	56,609	0	56,609
Total Cash and Other Financial Resources	1,045,754	239,068	1,284,822
Non–Financial Resources			
Operating Materials and Supplies	1,827	0	1,827
Land	1,063,590	2,638	1,066,228
Property, Plant, and Equipment, Net	579,331	1,316	580,647
Construction in Progress	158,108	0	158,108
Forfeited Property	559	0	559
Total Non–Financial Resources	1,803,415	3,954	1,807,369
TOTAL ASSETS	\$ 2,849,169	\$ 243,022	\$ 3,092,191

**U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF FINANCIAL POSITION BY MAJOR FUND
AS OF SEPTEMBER 30, 1993
(DOLLARS IN THOUSANDS)**

	<u>General & Other</u>	<u>Trust</u>	<u>Combined</u>
LIABILITIES			
Funded Liabilities			
Accounts Payable -- Public	\$ 26,792	\$ 481	\$ 27,273
Advances and Unearned Revenue -- Public	1,045	0	1,045
Accrued Payroll and Benefits	13,000	153	13,153
Intragovernmental Liabilities:			
Accounts Payable -- Federal	(448)	3,387	2,939
Advances and Unearned Revenue -- Federal	2,876	0	2,876
Deposit Funds	1,071	0	1,071
Total Funded Liabilities	44,336	4,021	48,357
Unfunded Liabilities			
Accrued Unfunded Annual Leave	27,668	333	28,001
TOTAL LIABILITIES	72,004	4,354	76,358
NET POSITION			
Balances			
Unexpended Appropriations	936,264	231,430	1,167,694
Invested Capital	1,642,920	3,954	1,646,874
Cumulative Results of Operations	225,090	3,617	228,707
Other	559	0	559
Future Funding Requirements	(27,668)	(333)	(28,001)
TOTAL NET POSITION	2,777,165	238,668	3,015,833
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,849,169</u>	<u>\$ 243,022</u>	<u>\$ 3,092,191</u>

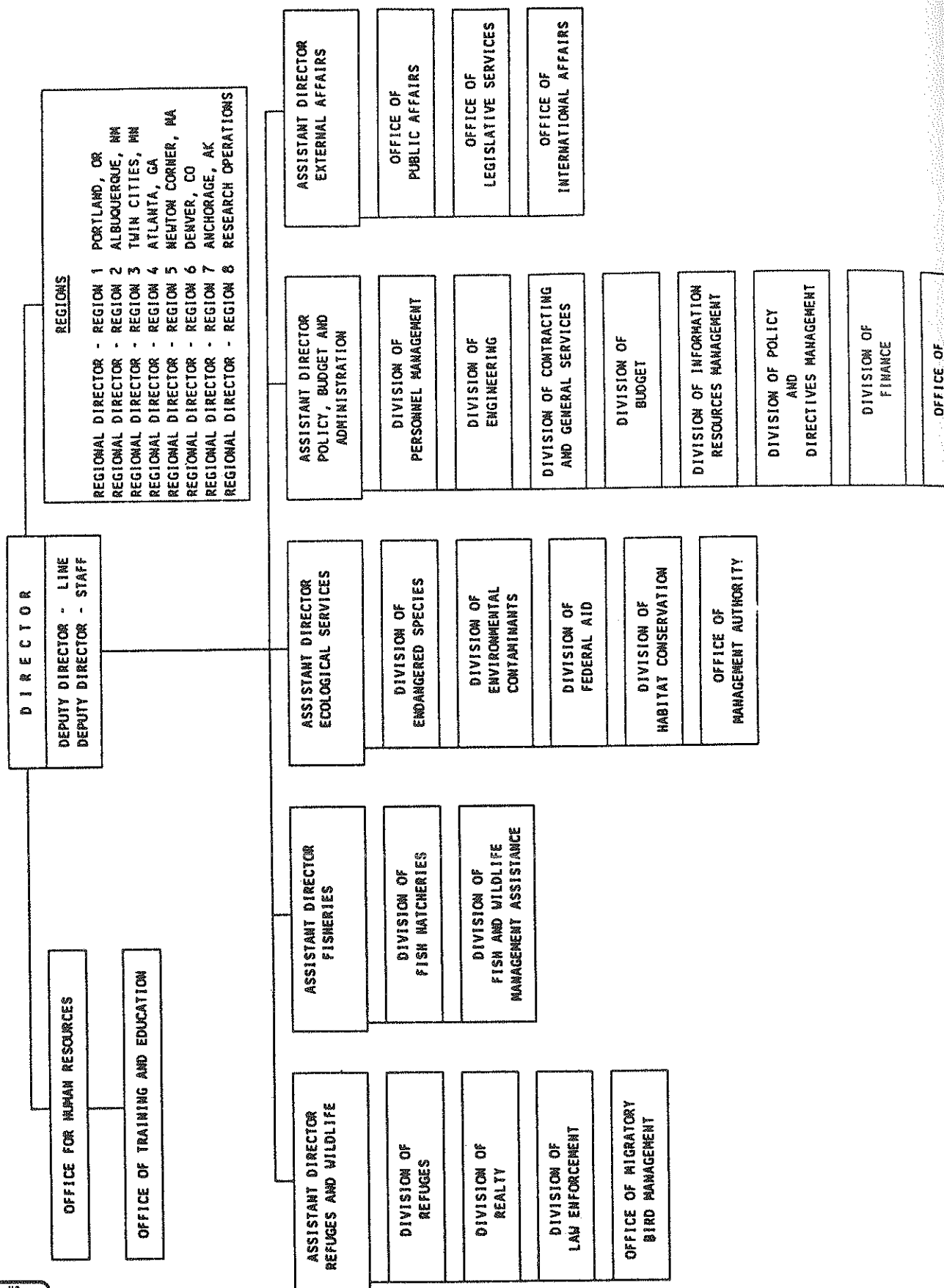
U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF OPERATIONS AND CHANGES IN NET POSITION BY MAJOR FUND
FOR THE YEAR ENDED SEPTEMBER 30, 1993
(DOLLARS IN THOUSANDS)

	General & Other	Trust	Combined
REVENUES AND FINANCING SOURCES			
Appropriations Expended	\$ 860,049	\$ 233,150	\$ 1,093,199
Revenues from Sales of Goods and Services			
Federal Sources			
Reimbursable Agreements	56,464	0	56,464
Proceeds from Sales of Capitalized Equipment	262	0	262
Public Sources			
Reimbursable Agreements	10,159	0	10,159
Law Enforcement Inspection Fees	2,288	0	2,288
Other Financing Sources			
Interest on Investments -- Federal	8,510	0	8,510
Interest on Delinquent Receivables -- Public	15	0	15
Other Revenues and Financing Sources	149,049	3,617	152,666
Receipts Returned to U.S. Treasury	(1,667)	0	(1,667)
Total Revenues and Financing Sources	1,085,129	236,767	1,321,896
EXPENSES			
Program and Operating Expenses			
Grants, Subsidies and Contributions	178,117	213,433	391,550
Personnel Compensation and Benefits	377,679	4,501	382,180
Contractual Services	213,982	3,211	217,193
Other	139,657	11,878	151,535
Interest Expense	65	1	66
Depreciation Expense	17,531	141	17,672
Total Expenses	927,031	233,165	1,160,196
EXCESS OF REVENUES AND FINANCING SOURCES OVER TOTAL EXPENSES	\$ 158,098	\$ 3,602	\$ 161,700
NET POSITION, BEGINNING BALANCE	\$ 2,466,238	\$ 243,085	\$ 2,709,323
EXCESS OF REVENUES AND FINANCING SOURCES OVER TOTAL EXPENSES	158,098	3,602	161,700
PLUS (MINUS) NON-OPERATING CHANGES	152,829	(8,019)	144,810
NET POSITION, ENDING BALANCE	\$ 2,777,165	\$ 238,668	\$ 3,015,833

U.S. FISH AND WILDLIFE SERVICE
STATEMENT OF CASH FLOW BY MAJOR FUND
FOR THE YEAR ENDED SEPTEMBER 30, 1993
(DOLLARS IN THOUSANDS)

	General & Other	Trust	Combined
CASH FLOWS FROM OPERATING ACTIVITIES			
Excess of Revenues and Financing Sources Over Total Expenses	\$ 158,098	\$ 3,602	\$ 161,700
ADJUSTMENTS AFFECTING CASH FLOW			
Expended Appropriations	(860,049)	(233,150)	(1,093,199)
Decrease (Increase) in Accounts Receivable	(696)	0	(696)
Decrease in Other Assets	402	0	402
Increase (Decrease) in Accounts Payable	(13,477)	(109)	(13,586)
Increase (Decrease) in Other Liabilities	536	0	536
Depreciation	17,531	141	17,672
Other Unfunded Expenses	1,292	15	1,307
Total Adjustments	(854,461)	(233,103)	(1,087,564)
Net Cash Used by Operating Activities	(696,363)	(229,501)	(925,864)
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in Investments	(4,858)	0	(4,858)
Purchase of Land, Buildings, and Equipment	(193,032)	(282)	(193,314)
Net Cash Used by Non-Operating Activities	(197,890)	(282)	(198,172)
CASH PROVIDED BY FINANCING ACTIVITIES			
Appropriations	1,022,805	225,107	1,247,912
Add:			
Transfers of Cash from Others	19,103	0	19,103
Deduct:			
Withdrawals	(2,299)	0	(2,299)
Transfers of Cash to Others	(19,285)	0	(19,285)
Net Cash Provided by Financing Activities	1,020,324	225,107	1,245,431
Net Cash Provided by Operating, Non-Operating, and Financing Activities	126,071	(4,676)	121,395
BEGINNING FUND BALANCE WITH TREASURY AND CASH, OCTOBER 1			
	834,316	243,744	1,078,060
ENDING FUND BALANCE WITH TREASURY AND CASH, SEPTEMBER 30			
	\$ 960,387	\$ 239,068	\$ 1,199,455

U. S. F I S H A N D W I L D L I F E S E R V I C E
O R G A N I Z A T I O N



RESOURCE MANAGEMENT FUNDING

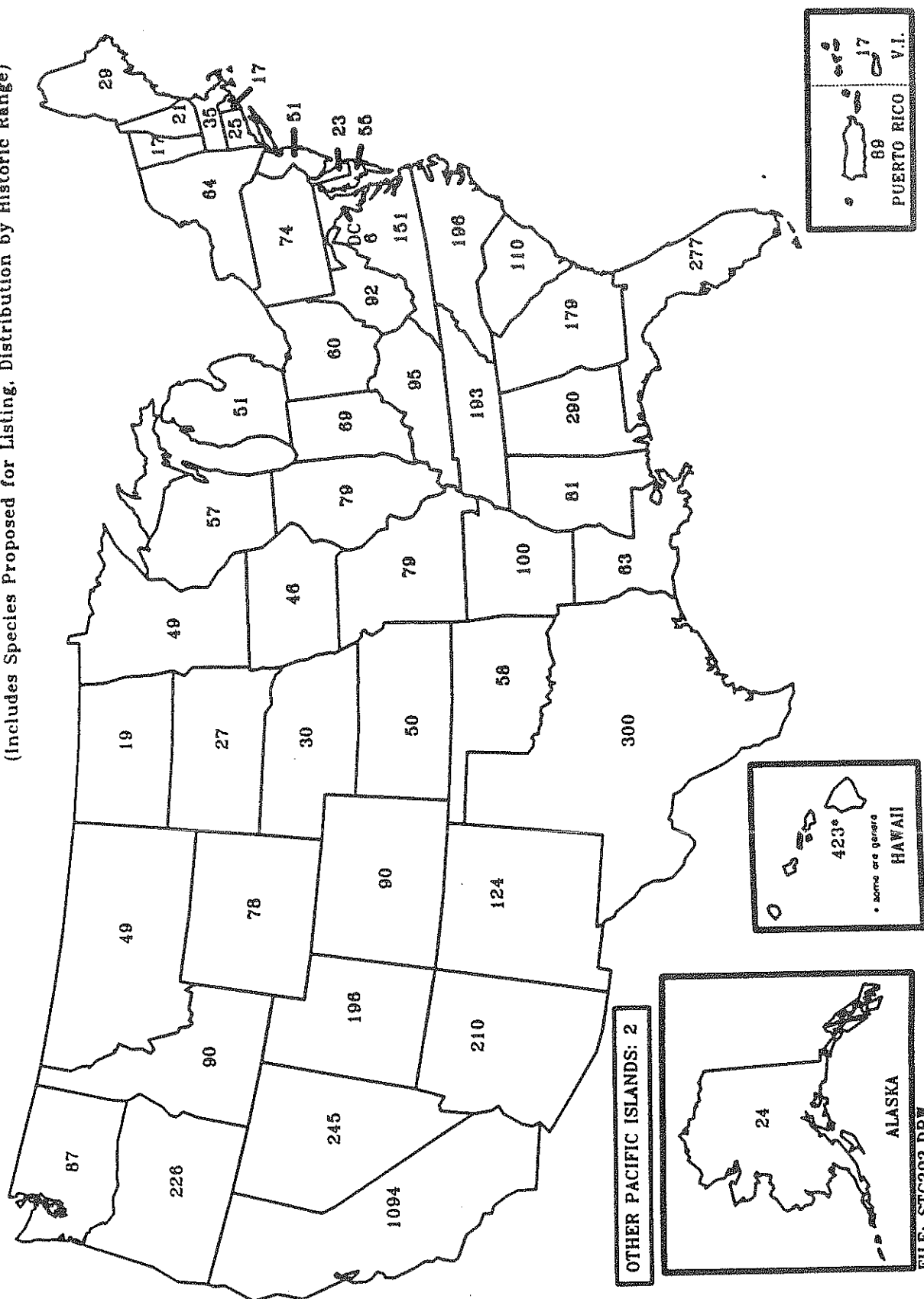
ACTIVITY	FY 1992		FY 1993		CHANGE (\$000)	FTE
	FUNDING (\$000)	FTE AUTHORIZED	FUNDING (\$000)	FTE AUTHORIZED		
ECOLOGICAL SERVICES	\$93,155	1,176	\$94,856	1,277	+\$1,701	+ 101
REFUGES AND WILDLIFE	\$204,563	2,825	\$207,583	2,890	+\$3,020	+ 65
FISHERIES	\$63,264	742	\$63,340	759	+\$ 76	+ 17
RESEARCH AND DEVELOPMENT	\$85,384	1,170	\$86,516	1,166	+\$1,132*	- 4
GENERAL ADMINISTRATION	\$67,504	621	\$78,242	866	+\$10,738	+ 245
TOTAL RESOURCE MANAGEMENT	\$513,870	6,605**	\$530,537	7,029*	+\$16,667	+ 424

*INCLUDES A REPROGRAMMING OF \$10,000 FROM ECOLOGICAL SERVICES TO RESEARCH AND DEVELOPMENT FOR PAYMENTS OF OBLIGATIONS IN CLOSED ACCOUNTS.

**INCLUDES 71 FTE FOR COOPERATIVE EDUCATION/

STAY IN SCHOOL PROGRAMS

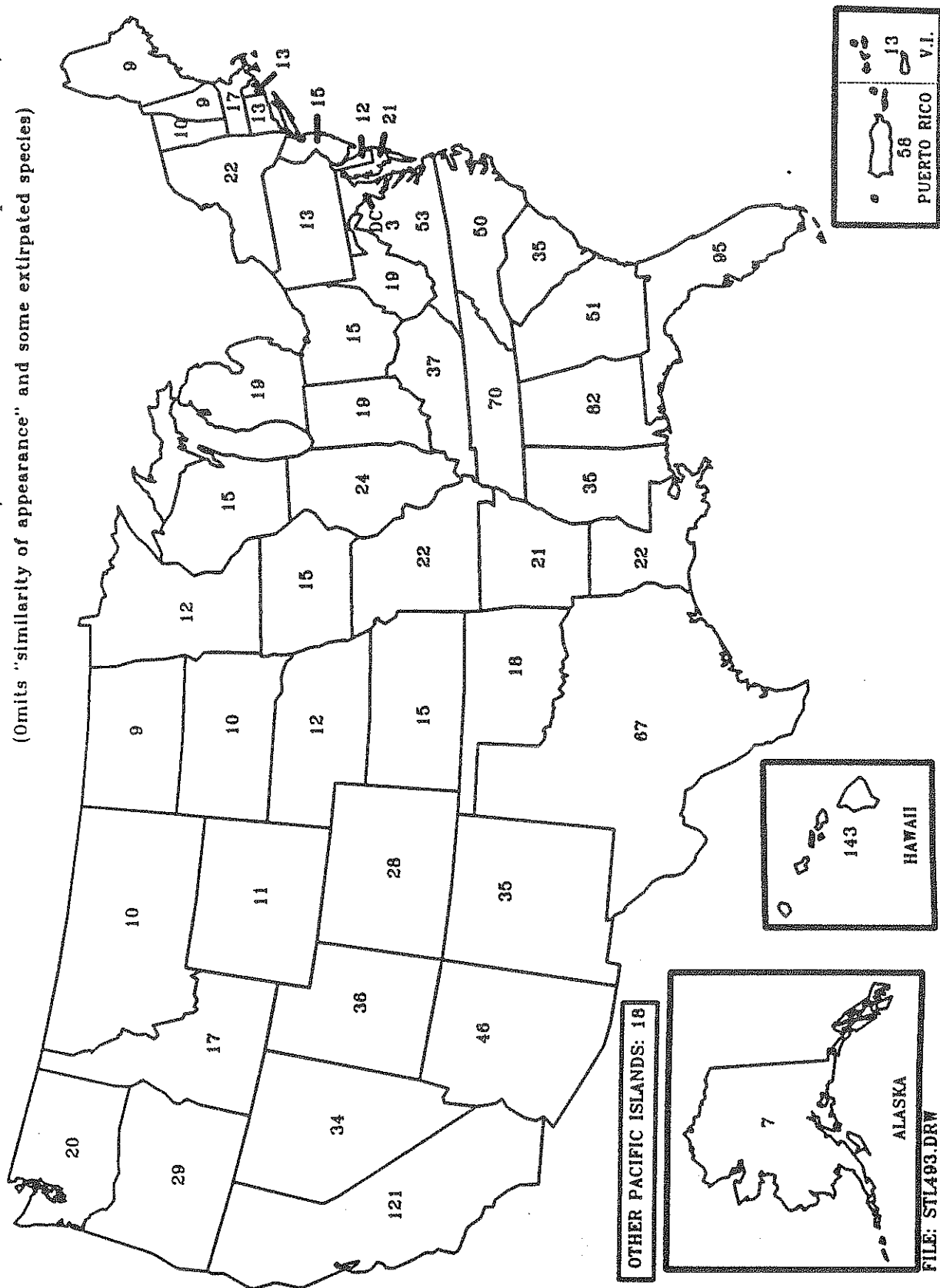
CANDIDATE SPECIES BY STATE/TERRITORY As of September 30, 1993 (Includes Species Proposed for Listing, Distribution by Historic Range)



FILE: STC293.DRW

Candidate species are under consideration for listing as either threatened or endangered.

LISTED SPECIES BY STATE/TERRITORY As of September 30, 1993
(Omits "similarity of appearance" and some extirpated species)



Listed species are receiving Federal protection as either threatened or endangered.

**U.S. FISH AND WILDLIFE SERVICE
HABITAT RESTORED AND PROTECTED UNDER PARTNERS FOR
WILDLIFE IN FY 1992 AND FY 1993**

Restoration/Protection Category	FY 1992	FY 1993
Wetlands Restored (acres)	38,000	32,967
Other Trust Species Habitat (acres)	500	9,626
Riparian/Stream Restorations (miles) (1)	50/0	67/26
Farmers Home Administration Conservation Easements (2) (acres)	10,600	19,300
Farmers Home Administration Fee Title Transfer Properties (3) (acres)	25,100	19,000

(1) Riparian and stream habitat restoration activities are being increased as a means of increasing conservation efforts associated with key declining and listed avian and aquatic species groups (e.g., neotropical migratory birds, freshwater mussels, and fishes).

(2) Permanent easements administered by the Fish and Wildlife Service or State fish and wildlife agencies

(3) Property transferred to Federal or State Conservation Agencies

LAW ENFORCEMENT ANNUAL VIOLATION STATISTICS*
FY 1991 - FY 1993

	1991	1992	1993
Violations	11,203	9,580	7,671
Fines**	\$14,760,091	\$1,981,941	\$6,159,794
Jail (Years)	162	36	123
Probation (Years)	1,084	771	752
Civil Penalties	\$296,131	\$398,319	\$384,533

*Data compiled as of 12/8/93

** FY 91 includes Exxon Valdez fine of \$12M; FY93 oil spill fine of \$4M.

With a force of only 226 Special Agents nationwide, the Service believes that it must focus its efforts on investigations of illegal commercialization of the nation's wildlife resources. Accordingly, as reflected in the above table, the Service has shifted its enforcement resources away from numerous, smaller cases (often resulting from the uninformed public unknowingly violating the law) and toward investigations of major illegal commercial operations with significant impacts. By increasing the risk of apprehension, the Service believes that it will have a better chance of deterring intention, large scale illegal operations.

ESTIMATED REFUGE RECREATIONAL USE FY 1992 - FY 1993

<u>No. refuges/000s visits</u>	<u>FY 1992</u>	<u>FY 1993</u>
Refuges Open to Hunting	268	270
Refuges with Migratory Bird Hunting	142	143
Migratory Bird Hunting Visits	331	327
Refuge w/other Hunting Activities	199	200
Other Hunting Visits	771	700
Refuges with Fishing	253	256
Fishing Visits	5,400	5,600
Refuges with Wildlife Observation	392	400
Wildlife Observation Visits	15,400	16,500
Refuges with Interpretation Programs	392	400
Interpretation Program Visits	13,200	14,000
Refuges with Education Programs	191	193
Education Program Visits	200	225
Refuges w/Non-Wildlife Recreation	195	180
Non-Wildlife Recreation Visits	2,600	2,600
Total Number of Refuge Visits*	38,500	40,000

*Estimated total of all types of visits - not all are listed above.

NUMBERS OF MARINE MAMMALS

	PREVIOUS SURVEY	MOST RECENT SURVEY	OPTIMUM SUSTAINABLE POPULATION
Polar Bear	3,000 - 5,000	3,000 - 5,000	3,000 - 7,600
Walrus	234,000	201,000	140,000 - 250,000
Sea Otter:			
Northern Population	100,000 - 125,000	100,000 - 125,000	100,000 - 150,000
Southern Population			
Manatee			

The Service has been able to maintain the number of polar bears, walrus, and Alaska (Northern) sea otters at their optimum sustainable population levels, where optimum sustainable population is considered as a range bounded by carrying capacity at the upper level and depletion at the lower level.

The Southern (California) sea otter has been placed on the threatened list.

The Manatee has been placed on the endangered list.

WILDLIFE RESEARCH STUDIES

STUDIES	FY 1992	FY 1993
Population Dynamics of Migratory Game Birds	18	16
Habitat Needs and Management of Migratory Game Birds	27	30
Wildlife Healty	15	15
Wildlife Dieoff Investigations	500	500
Nongame Species	25	28
Wildlife Conservation on Service Lands	8	9
Marine Mammals in Alaska	10	10

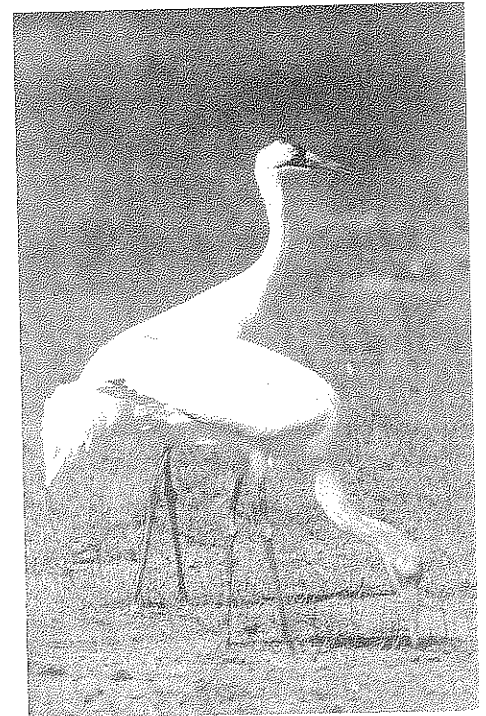
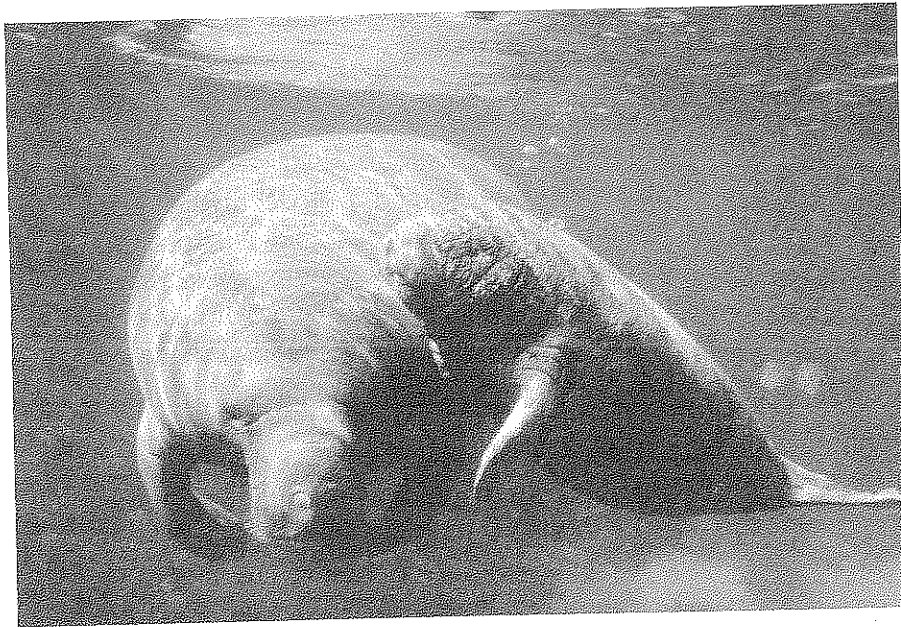
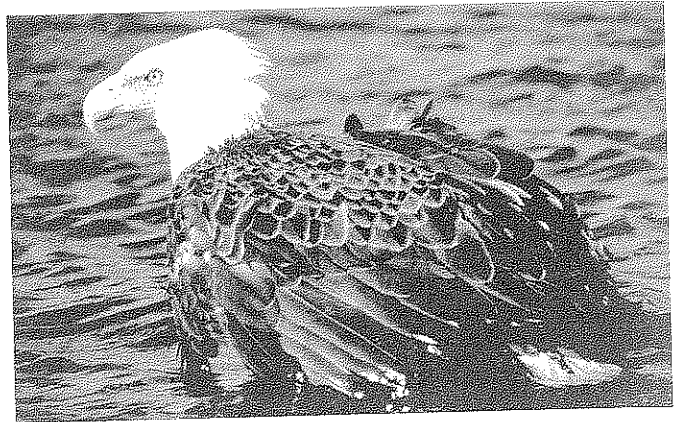
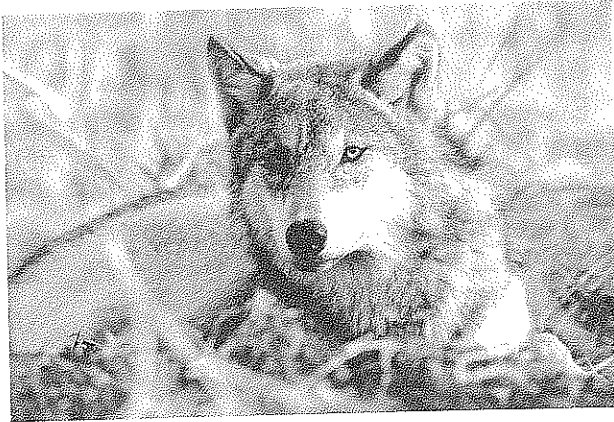
**EXAMPLES OF ENDANGERED SPECIES
RESEARCH EFFORTS IN FY 1993**

SPECIES	FUNDING	ACTION
Black-footed ferret	\$178,000	Redefined release and reintroduction techniques; evaluated mortality factors; conducted release site studies.
Hawaiian forest birds	\$1,564,300	Evaluated primary habitat, monitored nesting success relative to population demography and movement patterns; studies predator impacts on nesting birds and food availability; evaluated the specific role of avian diseases as limiting factors.
Puerto Rican parrot	\$587,800	Investigated limiting factors and developed techniques to increase reproductive success of individual parrot pairs in the wild flock of Puerto Rican parrots.
Eastern timber (gray) wolf	\$390,000	Investigated wolf dispersal characteristics favorable to recolonization, the role of parasites, disease and genetic diversity in limiting wolf populations, and relationships among regulation of wolf pack size, member tenure, social interactions and dispersal. Provided technical assistance on North American wolf subspecies.
West coast species and southern sea otter	\$756,000	Continued ecological studies to determine size, distribution and trends of sea otter population in California; determined interactions between sea otters and invertebrates and plans in nearshore communities. Expanded research to include other high priority west coast endangered species.
West Indian manatee	\$524,000	Monitored status and population dynamics; determined movement patterns in areas of high concentration in Florida; studies food habitats, determined areas of significance by using satellite telemetry.

Endangered cranes

\$1,630,000

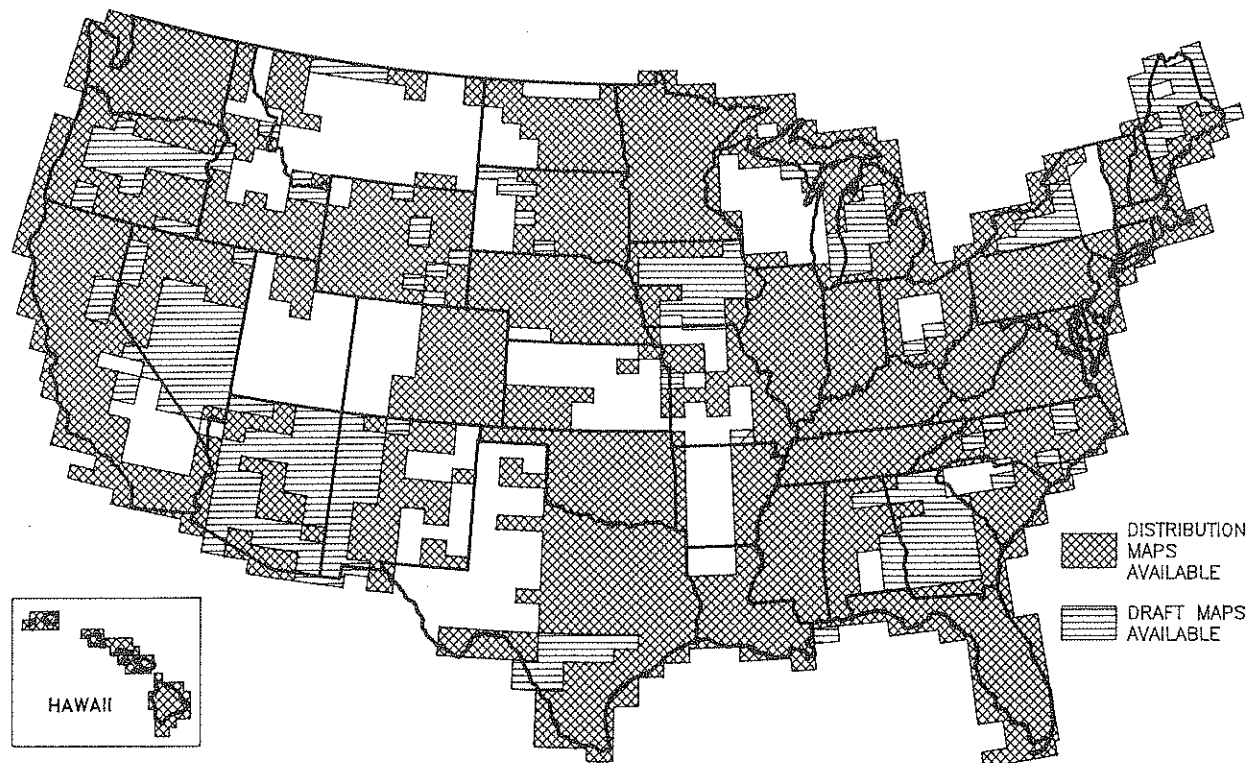
Developed optimal method to produce and rear cranes in captivity; developed methods to increase production in captivity; evaluated various release techniques using surrogate sandhill cranes; identified and studied mortality factors.



From top left, clockwise:
Gray Wolf (John & Karen Hollingsworth/FWS),
Bald Eagle (FWS photo),
Whooping Cranes (FWS photo),
Ocelot (FWS photo),
West Indian manatee (FWS photo)

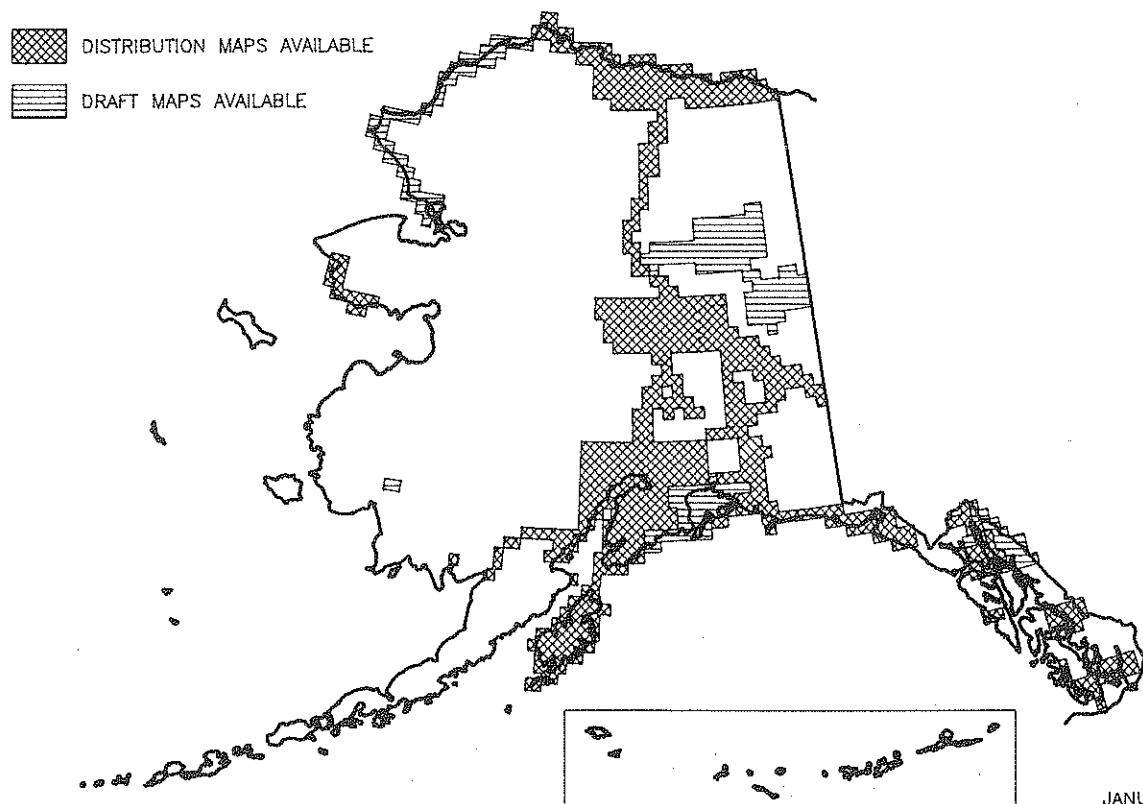


STATUS OF NATIONAL WETLANDS INVENTORY



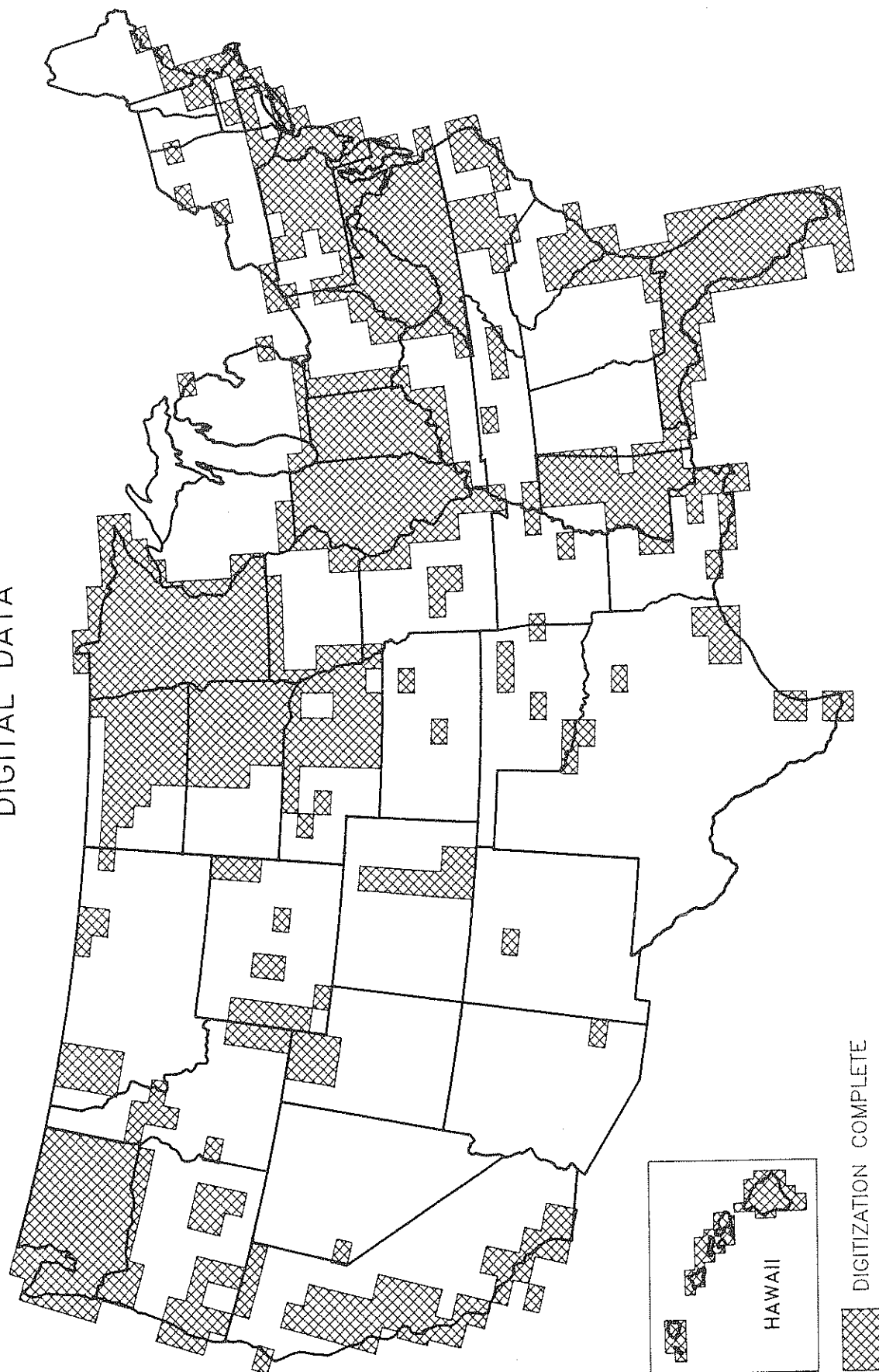
FEBRUARY 1994


STATUS OF NATIONAL WETLANDS INVENTORY IN ALASKA



JANUARY 1994

STATUS OF NATIONAL WETLANDS INVENTORY DIGITAL DATA



 DIGITIZATION COMPLETE

THIS GRAPHIC SHOWS GENERALIZED STATUS INFORMATION. FOR DETAILED INFORMATION ON SPECIFIC AREAS, TELEPHONE 1-800-USA-MAPS [IN VIRGINIA, (703) 648-6045].

PROMPT PAYMENT INTEREST STATISTICS

	FISCAL YEAR 1993		FISCAL YEAR 1992	
	NO.	AMOUNT	NO.	AMOUNT
Invoices paid subject to the Prompt Payment Act	143,636	\$356,666,844	218,550	\$356,099,511
Invoices paid on time	124,236	\$308,172,569	212,328	\$340,414,679
Invoices paid after due date	19,400	\$48,494,275	6,222	\$15,684,832
Interest penalties paid	5,332	\$68,041	5,931	\$51,349

ACCOUNTS RECEIVABLE DUE FROM THE PUBLIC
(in dollars)

Major Categories	FISCAL YEAR 1992				FISCAL YEAR 1993			
	No.	Amount	No.	DELINQUENT Amount	No.	TOTAL Amount	No.	DELINQUENT Amount
Miscellaneous	125	\$768,775	79	\$171,830	173	\$394,933	113	\$305,215
Employees	105	\$48,719	84	\$43,159	389	\$127,044	188	\$92,754
Govt. Trans. Request	9	\$1,413	7	\$ 828	4	\$ 2,565	0	0
State and Local Government	28	\$210,033	27	\$194,252	145	\$4,365,356	38	\$378,522
TOTALS	267	\$1,028,940	197	\$410,069	711	\$4,899,898	339	\$776,491
Write-Offs	256	\$26,403			172	\$ 34,201		

**ANALYSIS OF BUDGETARY RESOURCES VERSUS OBLIGATIONS
FY 1992 VERSUS FY 1993**

ACCOUNT	FY 1992 TOTAL BUDGETARY RESOURCES (\$000)	FY 1992 AUTHORIZED FTE	FY 1992 TOTAL OBLIGATIONS (\$000)	FY 1993 TOTAL BUDGETARY RESOURCES (\$000)	FY 1993 AUTHORIZED FTE	FY 1993 TOTAL OBLIGATIONS (\$000)	CHANGE	
							BUDGETARY RESOURCES (\$000)	OBLIGATIONS (\$000)
Resource Management	\$585,371	6,605 (1)	\$573,298	\$644,624	7,029 (1)	\$637,554	+\$59,253	+\$64,256
Construction and Anadromous Fish	\$224,365	200	\$81,537	\$254,407 (4)	210	\$76,015	+\$30,042	-\$5,522
Natural Resource Damage Assessment & Restoration Fund	\$60,696	14	\$1,546	\$70,553	14	\$5,085	+\$9,857	+\$3,339
Cooperative Endangered Species Conservation Fund	\$6,621	8	\$6,194	\$87,308 (5)	8	\$87,027 (5)	+\$80,687	+\$80,833
Rewards and Operations (African Elephant)	\$1,385 (2)	0	\$988	\$1,587 (2)	0	\$1,392	+\$202	+\$404
Land Acquisition	\$152,326	186	\$104,430	\$124,983	217	\$88,353	-\$27,343	-\$16,077
Operations and Maintenance of Quarters	\$3,442	16	\$1,566	\$3,672	16	\$1,429	+\$230	-\$137
National Wildlife Refuge Fund	\$22,638	26	\$18,614	\$21,911	44	\$18,174	-\$727	-\$440
Migratory Bird Conservation Fund	\$44,907	95	\$37,137	\$50,052	107	\$39,772	+\$5,145	+\$2,635
N. American Wetlands Conservation Fund	\$18,637	17	\$16,427	\$19,848	17	\$17,181	+\$1,211	+\$754
Misc. Permanent Appropriations	\$388,886 (6)	52	\$184,661	\$409,873 (7)	62	\$177,099	+\$20,987	-\$7,562
Sport Fish Restoration	\$283,103	50	\$245,779	\$281,303	76	\$243,696	-\$1,800	-\$2,083
African Elephant Conservation Fund	\$1,388 (2)	1	\$973	\$1,809	1	\$891	+\$421	-\$82
Contributed Funds	\$3,754	0	\$1,629	\$4,405	0	\$1,564	+\$651	-\$65
Total Funding	\$1,797,519	7,270 (3)	\$1,274,779	\$1,976,335	7,801 (8)	\$1,395,232	+\$178,816	+\$120,453

(1) Includes 71 FTE for Cooperative Education/Stay in School Program

(2) Payment from Rewards and Operations Fund is counted in both Rewards and Operations and African Elephant Fund

(3) Plus 566 FTE for reimbursable activity

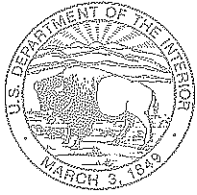
(4) Includes Emergency Construction Flood funds of \$30,000,000

(5) Amount paid (obligated) from the Cooperative Endangered Species Conservation Feeder Account to the Cooperative Endangered Species Conservation Unavailable Receipt Account is the source of budgetary authority appropriated to the Cooperative Endangered Species Conservation Special Fund Expenditure Account. Budgetary authority of \$6,564,722 appropriated to the Cooperative Endangered Species Conservation Special Fund Expenditure Account is duplicative of the budgetary authority within the Cooperative Endangered Species Conservation Feeder Account. Within the obligations, \$79,761,436 represents this payment.

(6) Includes FY 1992 unavailable excise tax collections of \$165,026,868. Amount revised 3/18/93 to include Proceeds from Sales and Federal Aid in Fish Restoration, which were inadvertently omitted from the 1993 report.

(7) Includes FY 1993 unavailable excise tax collections of \$191,756,308.

(8) Plus 664 FTE for reimbursable activity



Front cover photos, from top left:

Bunched Cory Cactus (FWS photo),
Peregrine Falcon (Mike Smith/FWS),
Florida Panther (John & Karen Hollingsworth/FWS),
Grizzly Bears (Chris Servheen/FWS)

Back cover photos, from left:

Gulf of Mexico Sturgeon (FWS photo),
Mission Blue Butterfly (FWS photo),
Kemp's Ridley Sea Turtle (Stuart Porter/FWS)

