



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

**U.S. FISH AND WILDLIFE SERVICE WILDLIFE AND SPORT FISH  
RESTORATION PROGRAM**

Grants Awarded to the State of Nevada, Department of Wildlife, From July 1,  
2012, Through June 30, 2014

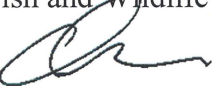


**OFFICE OF  
INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

**SEP 29 2015**

Memorandum

To: Daniel M. Ashe  
Director, U.S. Fish and Wildlife Service

From: Charles Haman   
Central Regional Manager for Audits, Inspections, and Evaluations

Subject: Final Audit Report – U.S. Fish and Wildlife Service Wildlife and Sport Fish  
Restoration Program Grants Awarded to the State of Nevada, Department of  
Wildlife, From July 1, 2012, Through June 30, 2014.  
Report No. 2015-EXT-040

This report presents the results of our audit of costs claimed by the State of Nevada, Department of Wildlife (Department), under grants awarded by the U.S. Fish and Wildlife Service (FWS). FWS provided the grants to the State under the Wildlife and Sport Fish Restoration Program. The audit included claims totaling \$62.7 million on 41 grants that were open during the State fiscal years that ended June 30, 2013, and June 30, 2014 (see Appendix 1). The audit also covered the Department's compliance with applicable laws, regulations, and FWS guidelines, including those related to the collection and use of hunting and fishing license revenues and the reporting of program income.

We found that the Department complied, in general, with applicable grant accounting and regulatory requirements. We did not identify any reportable conditions. We therefore do not require a response to this audit report.

The legislation creating the Office of Inspector General requires that we report to Congress semiannually on all audit reports issued, actions taken to implement our recommendations, and recommendations that have not been implemented.

If you have any questions regarding this report, please contact the program audit coordinator, Tim Horsma at 916-978-5668, or me at 303-236-9243.

cc: Regional Director, Region 8, U.S. Fish and Wildlife Service

---

# Table of Contents

Introduction..... 1

    Background..... 1

    Objectives ..... 1

    Scope ..... 1

    Methodology..... 1

    Prior Audit Coverage..... 2

Results of Audit ..... 4

    Audit Summary ..... 4

Appendix 1 ..... 5

Appendix 2..... 7

---

# Introduction

## Background

The Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act (Acts)<sup>1</sup> established the Wildlife and Sport Fish Restoration Program (Program). Under the Program, the U.S. Fish and Wildlife Service (FWS) provides grants to States to restore, conserve, manage, and enhance their sport fish and wildlife resources. The Acts and Federal regulations contain provisions and principles on eligible costs and allow FWS to reimburse States up to 75 percent of the eligible costs incurred under the grants. The Acts also require that hunting and fishing license revenues be used only for the administration of the States' fish and game agencies. Finally, Federal regulations and FWS guidance require States to account for any income they earn using grant funds.

## Objectives

We conducted this audit to determine if the State of Nevada, Department of Wildlife (Department):

- claimed the costs incurred under the Program grants in accordance with the Acts and related regulations, FWS guidelines, and grant agreements;
- used State hunting and fishing license revenues solely for fish and wildlife program activities; and
- reported and used program income in accordance with Federal regulations.

## Scope

Audit work included claims totaling approximately \$62.7 million on the 41 grants open during the State fiscal years (SFYs) that ended June 30, 2013, and June 30, 2014 (see Appendix 1). We report only on those conditions that existed during this audit period. We performed our audit at Department offices in Reno, NV, and visited two regional offices, two field offices, four wildlife management areas, one fish hatchery, two boat ramps, and one marina (see Appendix 2). We performed this audit to supplement—not replace—the audits required by the Single Audit Act Amendments of 1996 and by Office of Management and Budget Circular A-133.

## Methodology

We conducted this audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the

---

<sup>1</sup> 16 U.S.C. §§ 669 and 777, as amended, respectively.

evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our tests and procedures included—

- examining the evidence that supports selected expenditures charged to the grants by the Department;
- reviewing transactions related to purchases, direct costs, drawdowns of reimbursements, in-kind contributions, and program income;
- interviewing Department employees to ensure that personnel costs charged to the grants were supportable;
- conducting site visits to inspect equipment and other property;
- determining whether the Department used hunting and fishing license revenues solely for the administration of fish and wildlife program activities; and
- determining whether the State passed required legislation assenting to the provisions of the Acts.

We also identified the internal controls over transactions recorded in the labor- and license-fee accounting systems and tested their operation and reliability. Based on the results of initial assessments, we assigned a level of risk to these systems and selected a judgmental sample of transactions for testing. We did not project the results of the tests to the total population of recorded transactions or evaluate the economy, efficiency, or effectiveness of the Department's operations.

We relied on computer-generated data for other direct costs and personnel costs to the extent that we used these data to select Program costs for testing. Based on our test results, we either accepted the data or performed additional testing. For other direct costs, we took samples of costs and verified them against source documents such as purchase orders, invoices, receiving reports, and payment documentation. For personnel costs, we selected Department employees who charged time to Program grants and verified their hours against timesheets and other supporting data.

## **Prior Audit Coverage**

On January 15, 2010, we issued "U.S. Fish and Wildlife Service Federal Assistance Program Grants Awarded to the State of Nevada, Department of Wildlife from July 1, 2006, Through June 30, 2008" (R-GR-FWS-0007-2009). We followed up on all recommendations in the report and found that the U.S. Department of the Interior, Office of the Assistant Secretary for Policy, Management and Budget considered the recommendations resolved and implemented.

We reviewed single audit reports and comprehensive annual financial reports for SFYs 2013 and 2014. None of these reports contained any findings that would directly affect Program grants.

---

# Results of Audit

## **Audit Summary**

We found that the Department complied, in general, with applicable grant agreement provisions and requirements of the Acts, regulations, and FWS guidance. This report contains no reportable findings or recommendations, and we require no further action.

# Appendix I

State of Nevada  
Department of Wildlife  
Grants Open during the Audit Period  
July 1, 2012, Through June 30, 2014

<b>FWS Grant Number (FBMS* Number)</b>	<b>Grant Amount</b>	<b>Claimed Costs</b>
<b>Fish</b>		
F03AF0006	\$27,451,620	\$27,451,615
F08AF00123	60,000	51,915
F08AF00124	863,075	885,551
F09AF00184	853,529	581,433
F09AF00191	500,000	\$0
F10AF00669	659,680	684,390
F11AF00991	665,337	630,886
F11AF01332	1,495,325	1,361,462
F12AF00067	20,000	5,329
F12AF00286	858,632	370,708
F12AF00442	476,887	460,342
F12AF00535	2,263,293	1,882,758
F12AF00536	2,268,941	1,773,131
F13AF00390	2,530,048	1,761,382
F13AF00419	2,375,155	1,589,074
F13AF00456	476,884	456,756
F13AF01043	945,651	136,091
F13AF01251	786,867	249,436
F14AF00227	30,000	0
F14AF00253	110,011	0
F14AF00494	1,229,400	0
<b>Fish and Wildlife</b>		
F11AF01236	\$717,173	\$447,046
F12AF00405	1,338,728	886,857
F12AF00488	101,296	108,175
F12AF00554	1,668,181	1,580,541
F13AF00357	1,313,591	1,005,921
F13AF00415	123,528	82,579
F13AF00461	1,778,848	1,630,876



<b>FWS Grant Number (FBMS Number)</b>	<b>Grant Amount</b>	<b>Claimed Costs</b>
<b>Wildlife</b>		
FI0AF00650	\$500,000	\$222,012
FI1AF00994	1,298,661	1,340,163
FI1AF00998	1,112,700	1,057,979
FI2AF00533	1,040,000	999,935
FI2AF00538	233,783	210,581
FI2AF00542	3,582,667	3,846,750
FI2AF00543	1,023,957	1,282,481
FI3AF00313	963,852	489,082
FI3AF00421	1,092,800	497,367
FI3AF00457	4,079,040	3,792,112
FI3AF00458	233,783	196,225
FI3AF00459	1,300,587	1,384,772
FI3AF00460	1,251,384	1,321,955
<b>Total</b>	<b>\$71,674,892</b>	<b>\$62,715,669</b>

\*FBMS stands for Financial and Business Management System

---

# Appendix 2

**State of Nevada  
Department of Wildlife  
Sites Visited**

**Headquarters**

Reno

**Fiscal Services Section**

Reno

**Regional Offices**

Southern

Western

**Field Offices**

Boulder City

Winnemucca

**Wildlife Management Areas**

Fernley

Mason Valley

Overton

Scripps

**Fish Hatchery**

Mason Valley

**Other**

Cave Rock Boat Ramp

Sand Harbor Boat Ramp

Callville Bay Resort and Marina

# **Report Fraud, Waste, and Mismanagement**



Fraud, waste, and mismanagement in Government concern everyone: Office of Inspector General staff, departmental employees, and the general public. We actively solicit allegations of any inefficient and wasteful practices, fraud, and mismanagement related to departmental or Insular Area programs and operations. You can report allegations to us in several ways.



---

**By Internet:**      [www.doi.gov/oig/index.cfm](http://www.doi.gov/oig/index.cfm)

**By Phone:**      24-Hour Toll Free:      800-424-5081  
Washington Metro Area:      202-208-5300

**By Fax:**      703-487-5402

**By Mail:**      U.S. Department of the Interior  
Office of Inspector General  
Mail Stop 4428 MIB  
1849 C Street, NW.  
Washington, DC 20240