



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 Indiana, Department of Natural Resources,  
From July 1, 2015, Through June 30, 2017



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

Memorandum

**MAR 08 2019**

To: Margaret Everson  
Principal Deputy Director, Exercising the Authority of the Director, U.S. Fish and  
Wildlife Service

From: Amy R. Billings *Amy R. Billings*  
Regional Manager, Central Region

Subject: Final Audit Report – U.S. Fish and Wildlife Service Wildlife and Sport Fish  
Restoration Program Grants Awarded to the State of Indiana, Department of  
Natural Resources, From July 1, 2015, Through June 30, 2017  
Report No. 2018-CR-013

This final report presents the results of our audit of costs claimed by the State of Indiana, Department of Natural Resources (Department) under grants awarded by the U.S. Fish and Wildlife Service (FWS). The FWS provided the grants to the State under the Wildlife and Sport Fish Restoration Program (Program). The audit included claims totaling approximately \$62.7 million on 68 grants that were open during the State fiscal years that ended June 30, 2016, and June 30, 2017 (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 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 me at 303-236-9243 or you can email [AIE\\_Reports@doioig.gov](mailto:AIE_Reports@doioig.gov).

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# Introduction

## Background

The Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act<sup>1</sup> (Acts) 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 wildlife and sport fish resources. The Acts and Federal regulations contain provisions and principles on eligible costs and allow the 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 Indiana (State), Department of Natural Resources (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
- Reported and used program income in accordance with Federal regulations

## Scope

Audit work included claims totaling approximately \$62.7 million on the 68 grants open during the State fiscal years (SFYs) that ended June 30, 2016, and June 30, 2017 (see Appendix 1). We report only on those conditions that existed during this audit period. We performed our audit at the Department's headquarters in Indianapolis, IN, and visited seven field offices, two fish hatcheries, nine fish and wildlife areas, three boat access sites, five shooting ranges, two subrecipients, and one trout rearing station (see Appendix 2).

We performed this audit to supplement—not replace—the audits required by the Single Audit Act.

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

## **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 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
- 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 August 6, 2013, we issued *U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Indiana, Department of Natural Resources, Division of Fish and Wildlife, From July 1, 2010, Through June 30, 2012* (Report No. R-GR-FWS-0009-2013). This report did not have any findings or recommendations.

We reviewed the Indiana Single Audit Reports for SFYs 2016 and 2017. None of these reports contained any findings that would directly affect the Program grants.

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# Results of Audit

## **Audit Summary**

We found that the Department complied with applicable grant agreement provisions and requirements of the Acts, regulations, and FWS guidance. We did not identify any reportable conditions.

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# Appendix I

**State of Indiana**  
**Department of Natural Resources**  
**Grants Open During the Audit Period**  
**July 1, 2015, Through June 30, 2017**

<b>Grant Number</b>	<b>Grant Amount</b>	<b>Claimed Costs</b>
FI0AF00247	\$53,333	\$53,333
FI1AF00201	3,005,500	2,321,900
FI3AF00181	253,261	244,515
FI3AF00474	87,520	62,675
FI3AF00475	127,640	129,926
FI3AF00527	604,000	335,199
FI3AF01023	2,444,307	2,235,499
FI3AF01133	1,084,511	1,084,011
FI3AF01148	193,635	194,510
FI3AF01221	88,639	85,342
FI4AF00106	2,139,789	1,919,032
FI4AF00186	311,500	236,433
FI4AF00187	900,500	712,240
FI4AF00298	1,653,333	1,653,997
FI4AF00299	1,066,667	1,066,667
FI4AF00344	987,500	909,559
FI4AF00346	200,688	187,722
FI4AF00347	328,736	251,205
FI4AF00350	2,964,000	2,953,284
FI4AF00351	3,076,000	3,022,781
FI4AF00461	11,505,035	11,248,849
FI4AF00511	400,000	22,500
FI4AF00513	646,000	563,631
FI4AF00802	206,667	207,358
FI4AF01195	318,000	143,665
FI4AF01340	906,401	886,916
FI5AF00072	873,293	574,423
FI5AF00073	215,600	132,963
FI5AF00095	2,200,000	1,968,479
FI5AF00151	4,461,537	4,461,538
FI5AF00152	3,508,000	3,508,000

<b>Grant Number</b>	<b>Grant Amount</b>	<b>Claimed Costs</b>
FI5AF00253	2,125,000	1,834,503
FI5AF00281	98,000	98,000
FI5AF00433	341,333	341,333
FI5AF00439	345,470	323,628
FI5AF00484	286,087	290,078
FI5AF00518	400,000	235,428
FI5AF00703	1,601,000	1,479,618
FI5AF01208	1,806,675	1,177,504
FI5AF01226	205,000	205,000
FI5AF01308	313,333	308,000
FI5AF01310	626,667	626,667
FI5AF01312	250,000	0
FI5AF01341	88,850	48,949
FI6AF00023	158,430	165,990
FI6AF00046	2,200,000	1,852,414
FI6AF00050	440,000	166,649
FI6AF00054	2,635,000	1,267,189
FI6AF00056	254,667	254,667
FI6AF00138	655,964	655,964
FI6AF00180	209,338	61,869
FI6AF00206	2,125,000	1,825,063
FI6AF00244	195,182	43,866
FI6AF00429	360,000	96,547
FI6AF00430	1,298,160	295,431
FI6AF00431	850,000	170,557
FI6AF00435	942,000	322,246
FI6AF00436	842,000	281,979
FI6AF00492	12,185,035	4,214,066
FI6AF00524	646,000	192,829
FI6AF01054	53,334	0
FI6AF01261	186,500	0
FI7AF00020	469,334	0
FI7AF00021	73,334	73,334
FI7AF00029	2,350,000	384,216
FI7AF00196	4,066,600	0
FI7AF00214	613,333	0
FI7AF00217	4,625,000	0
<b>Total</b>	<b>\$93,733,218</b>	<b>\$62,671,735</b>

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# Appendix 2

**State of Indiana  
Department of Natural Resources  
Sites Visited**

**Headquarters**

Indianapolis

**Field Offices**

Atterbury  
Bloomington  
Deer Creek  
Goose Pond  
Pigeon River  
Tri-County  
Winamac

**Fish Hatcheries**

Bodine  
Mixsawbah

**Fish and Wildlife Areas**

Atterbury  
Deer Creek  
Goose Pond  
Hillenbrand  
Pigeon River  
Pisgah Marsh  
Tri-County  
Wabashiki  
Winamac

**Boat Accesses**

Fairbanks  
Leiter's Ford  
Pike Lake

**Shooting Ranges**

Atterbury  
Deer Creek  
Pigeon River  
Tri-County  
Winamac

**Subrecipients**

Ball State University  
Fall Creek Valley Conservation Group

**Other**

Curtis Creek Trout Rearing Station

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