



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 Alaska, Department of Fish and Game, From
July 1, 2014, Through June 30, 2016




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

Memorandum

SEP 25 2017

To: Gregory Sheehan
Acting Director, U.S. Fish and Wildlife Service

From: Charles Haman 
Director, Grant Audits

Subject: Final Audit Report – U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Alaska, Department of Fish and Game, From July 1, 2014, Through June 30, 2016
Report No. 2017-EXT-022

This report presents the results of our audit of costs claimed by the State of Alaska, Department of Fish and Game (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 \$106.7 million on 64 grants that were open during the State fiscal years that ended June 30, 2015, and June 30, 2016 (see Appendix 1). The audit also covered the Department's compliance with applicable laws, regulations, and FWS guidelines, including those related to collecting and using hunting and fishing license revenues and reporting 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 Tim Horsma, Program Audit Coordinator, at 916-978-5650; or me at 303-236-9243.

cc: Regional Director, Region 7, U.S. Fish and Wildlife Service

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Introduction

Background

The Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act (Acts)¹ 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 Alaska, Department of Fish and Game (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 \$106.7 million on the 64 grants open during the State fiscal years (SFYs) that ended June 30, 2015, and June 30, 2016 (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 Juneau, and visited two regional offices, two field offices, three game management units, two hatcheries, six boat launches, and two shooting facilities (see Appendix 2). We performed this audit to supplement—not replace—the audits required by the Single Audit Act Amendments of 1996.

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—

¹ 16 U.S.C. §§ 669 and 777, as amended, respectively.

- 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 October 23, 2012, we issued "U.S. Fish and Wildlife Service Wildlife and Sport Fish Program Grants Awarded to the State of Alaska, Department of Fish and Game From July 1, 2009 Through June 30, 2011" (R-GR-FWS-0013-2012).

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 the single audit report for SFY 2015. The report did not contain any findings that would directly affect the Program grants. We did not review the single audit for SFY 2016 because it had not been issued.

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. We informed responsible officials that this report contains no reportable findings or recommendations, and we require no further action.

Appendix 1

**State of Alaska
Department of Fish and Game
Grants Open during the Audit Period
July 1, 2014, Through June 30, 2016**

| Grant Number | Grant Amount | Claimed Costs |
|---------------------|---------------------|----------------------|
| F02AF00006 | \$1,105,000 | \$1,061,335 |
| F05AF00024 | 68,000 | 60,595 |
| F07AF00095 | 960,000 | 866,744 |
| F07AF00096 | 5,250,000 | 1,066,667 |
| F08AF00150 | 87,740 | 70,000 |
| F09AF00163 | 50,000 | 11,224 |
| F10AF00543 | 563,065 | 470,220 |
| F10AF00559 | 152,000 | 114,000 |
| F11AF01008 | 2,781,575 | 2,686,117 |
| F11AF01009 | 225,100 | 0 |
| F11AF01010 | 211,949 | 211,732 |
| F11AF01011 | 305,700 | 253,665 |
| F11AF01013 | 58,650,000 | 0 |
| F11AF01021 | 135,000 | 135,000 |
| F11AF01032 | 105,386 | 105,217 |
| F11AF01035 | 713,857 | 517,820 |
| F11AF01037 | 4,183,300 | 2,158,616 |
| F11AF01038 | 250,080 | 100,080 |
| F11AF01039 | 500,000 | 432,736 |
| F11AF01040 | 720,000 | 664,175 |
| F13AF00345 | 161,000 | 22,699 |
| F14AF00068 | 1,000,000 | 33,325 |
| F14AF00230 | 1,100,000 | 322,500 |
| F14AF00567 | 1,202,423 | 1,102,599 |
| F14AF00568 | 1,740,000 | 1,289,912 |
| F14AF00569 | 3,149,163 | 3,149,163 |
| F14AF00570 | 370,651 | 370,651 |
| F14AF00571 | 919,791 | 872,064 |
| F14AF00756 | 11,893,333 | 11,681,284 |
| F14AF00758 | 346,242 | 341,975 |
| F14AF00759 | 153,323 | 173,100 |
| F14AF00760 | 357,002 | 357,001 |
| F14AF00761 | 995,437 | 968,449 |
| F14AF00762 | 267,520 | 223,796 |
| F14AF00763 | 102,927 | 102,052 |

| Grant Number | Grant Amount | Claimed Costs |
|---------------------|----------------------|----------------------|
| F14AF00858 | \$26,151,950 | \$23,841,336 |
| F14AF01205 | 1,000,000 | 136,125 |
| F14AF01345 | 50,000 | 0 |
| F15AF00031 | 308,791 | 0 |
| F15AF00147 | 460,000 | 460,000 |
| F15AF00246 | 27,000 | 27,000 |
| F15AF00335 | 69,489 | 0 |
| F15AF00384 | 2,666,667 | 52,669 |
| F15AF00561 | 115,148 | 119,180 |
| F15AF00564 | 368,394 | 368,395 |
| F15AF00565 | 4,722,809 | 4,388,749 |
| F15AF00566 | 2,605,400 | 1,989,384 |
| F15AF00567 | 393,262 | 382,736 |
| F15AF00568 | 376,217 | 351,431 |
| F15AF00569 | 853,444 | 849,304 |
| F15AF00570 | 1,002,121 | 966,137 |
| F15AF00571 | 106,560 | 103,136 |
| F15AF00647 | 1,109,752 | 1,025,493 |
| F15AF00654 | 13,451,686 | 12,158,036 |
| F15AF00709 | 629,062 | 1,049,671 |
| F15AF00767 | 29,574,693 | 26,318,149 |
| F15AF00953 | 327,025 | 0 |
| F16AF00085 | 200,000 | 71,600 |
| F16AF00086 | 200,000 | 0 |
| F16AF00087 | 5,617,683 | 0 |
| F16AF00181 | 25,000 | 0 |
| F16AF00261 | 250,000 | 0 |
| F16AF00262 | 128,877 | 0 |
| F16AF00263 | 40,000 | 0 |
| Total | \$193,607,594 | \$106,655,044 |

Appendix 2

**State of Alaska
Department of Fish and Game
Sites Visited**

Headquarters

Juneau

Regional Offices

Region 2—Southcentral

Region 3—Interior

Field Offices

Delta Junction

Soldotna

Game Management Units

14

15

20

Fish Hatcheries

William Jack Hernandez

Ruth Burnett

Boat Launches

Big Lake North

Big Lake South

North Douglas

Rocky Lake

Susitna

Tanana Lakes

Shooting Facilities

Fairbanks Hunter Education Indoor Shooting Range

Rabbit Creek Shooting Park

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