



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 Maine, Department of Inland Fisheries and
Wildlife, From July 1, 2013, Through June 30, 2015



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Memorandum

JUN 06 2017

To: James W. Kurth
Acting Director, U.S. Fish and Wildlife Service

From: Charles Haman 
Director, External Audits

Subject: Final Audit Report – U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Maine, Department of Inland Fisheries and Wildlife, From July 1, 2013, Through June 30, 2015
Report No. 2016-EXT-045

This report presents the results of our audit of costs claimed by the State of Maine, Department of Inland Fisheries and 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 (Program). The audit included claims totaling \$38.7 million on 23 grants that were open during the State fiscal years that ended June 30, 2014, and June 30, 2015 (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 revenue and the reporting of program income.

We found that the Department complied, in general, with applicable grant accounting and regulatory requirements. The Department, however, had an open audit recommendation to inventory equipment adequately, in compliance with State laws.

We previously reported this issue in our 2011 audit. As we did not identify any other reportable conditions in this audit, we do not require a response to this 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 5, 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 revenue 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 Maine, Department of Inland Fisheries and 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 revenue 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 \$38.7 million on the 23 grants open during the State fiscal years that ended June 30, 2014, and June 30, 2015 (see Appendix 1). We report only on those conditions that existed during this audit period. We performed our audit at the Department's Headquarters and the Natural Resources Service Center in Augusta, ME; and visited three wildlife management areas; two fish hatcheries; three boating access areas; a regional office; a research center; and a shooting range (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

¹ 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 December 11, 2007, we issued “Final Audit Report on the U.S. Fish and Wildlife Service Federal Assistance Grants Administered by the Maine Department of Inland Fisheries and Wildlife, From July 1, 2003, Through June 30, 2005” (Report No. R-GR-FWS-0016-2005). We followed up on all 12 recommendations in the report and found that the U.S. Department of the Interior, Office of the Assistant Secretary for Policy, Management and Budget (PMB) considered the recommendations resolved and implemented.

On March 1, 2012, we issued “Audit on U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Maine Department of Inland Fisheries and Wildlife, From July 1, 2008, Through June 30, 2010”

(Report No. R-GR-FWS-0012-2011). We followed up on all nine recommendations in the report and found that PMB considers eight of the recommendations closed, and one, related to inadequate equipment inventories, resolved but not implemented. PMB will continue to track the recommendation until FWS has completed its review.

We reviewed single audit reports for State fiscal years 2014 and 2015. None of these reports contained any findings that would directly affect the administration of 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. We informed the Department that we have no new findings or recommendations as a result of this audit, and we require no further action.

Appendix 1

**State of Maine
Department of Inland Fisheries and Wildlife
Grants Open During the Audit Period
July 1, 2013, Through June 30, 2015**

Grant Number	Grant Amount	Claimed Costs
Fish		
F11AF01128	\$3,158,000	\$3,049,831
F12AF00967	12,532,000	9,307,548
F12AF00046	2,446,152	2,446,153
F13AF01143	165,000	157,077
F14AF00601	296,000	126,590
F14AF01112	434,000	224,605
F12AF01358	752,607	997,062
F13AF01067	476,139	448,676
F14AF01158	244,000	205,579
F14AF01199	200,000	21,520
F15AF00199	239,500	180,044
F12AF01261	70,000	64,966
F13AF01083	75,000	56,556
F14AF01203	75,000	79,822
Fish and Wildlife		
F12AF01277	559,840	640,461
F13AF01099	582,500	651,118
F14AF01181	763,115	667,707
F11AF01099	23,549,758	17,432,858
F12AF01403	1,730,620	1,574,689
F12AF01334	3,343,589	337,824
F13AF01142	1,640,793	22
F14AF01182	3,247,870	19,399
F14AF01183	519,660	0
Total	\$57,101,143	\$38,690,107

Appendix 2

**State of Maine
Department of Inland Fisheries and Wildlife
Sites Visited**

Headquarters

Augusta

Regional Office

Region A

Wildlife Management Areas

Merrymeeting Bay

Morgan Meadow

Scarborough

Fish Hatchery

Dry Mills

New Gloucester

Fishing and Boating Access

Horne Pond

Little Sebago Lake

Robert J. "Bob" William, Northern Casco Bay

Other

Bangor Research Office

Natural Resources Service Center

Spurwink Rod and Gun Club Shooting Range

