PROGRAM 4 – GRANTS TO UNINCORPORATED COMMUNITIES DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

I. PROGRAM OBJECTIVES

Authorized under AS 37.05.317, these grants are made at the discretion of the Legislature. The grants are designated by the Legislature for a specific project or activity in a specific unincorporated community.

II. PROGRAM PROCEDURES

Following enactment of the authorizing legislation, the department determines the entity within the community, which is most capable of administering and completing the project. The Department then executes a grant agreement with the entity, which specifies the project to be undertaken.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

There are no specific regulations governing the administration of these grants. All compliance requirements and suggested audit procedures must be based upon specific provisions of the grant agreement.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED -

Compliance Requirement: Grant funds can be expended for a variety of purposes as provided for in the authorizing legislation and as specified in the grant agreement.

Suggested Audit Procedure: Review the grant agreement and related records to determine if the funds were expended in accordance with the terms of the grant agreement.

B. ELIGIBILITY -

The auditor is not expected to make tests for recipient eligibility.

C. MATCHING, LEVEL OF EFFORT AND/OR EARMARKING REQUIREMENTS -

Compliance Requirement: Any matching, level of effort and/or earmarking requirements will be established by the Legislature and identified in the grant agreement. Most legislative grants to unincorporated communities will not require a match. An appropriation or allocation for a grant to an Unincorporated Community lapses if substantial, ongoing work on the project has not begun within five years after the effective date of the appropriation or allocation.

Suggested Audit Procedure: Review the grant agreement, identify any matching, level of effort and/or earmarking requirements, and verify that the requirements were met.

D. REPORTING REQUIREMENTS -

Compliance Requirements: The grant agreement will specify the reporting requirements to which the grantee must adhere.

Suggested Audit Procedures: Examine reports and supporting documentation and verify completeness, accuracy and timeliness of submission. Verify that required approvals were obtained and that expenditures and matching contributions were within the award performance period.

E. SPECIAL TESTS AND PROVISIONS –

Compliance Requirements: The grant agreement will identify any other compliance requirements to which the recipient is to adhere.

Suggested Audit Procedures: Review the grant agreement, identify any other applicable compliance provisions, including the "standard provisions," and verify that the requirements were met.