

PROGRAM 1 – STATE GRANT PROGRAM

DEPARTMENT OF NATURAL RESOURCES

I. PROGRAM OBJECTIVES

The objective of the grant is to fund various activities of the grantee based on legislative intent associated with the funding.

The authority for these grants is the Department's authorized budget appropriation. There are no specific statutes or regulations governing these grants.

II. PROGRAM PROCEDURES

Funds are provided to the grantee on a reimbursement basis after signing a written grant agreement with the Department, unless another funding method is specified in the grant agreement. The Department reserves the right to monitor the project, study or plan during its development, and may perform project inspections and perform an audit as needed.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

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

A. **TYPES OF SERVICES ALLOWED OR UNALLOWED -**

Compliance Requirements: Funds cannot be expended for other than the intended purpose of the grant and must comply with State laws and regulations.

Suggested Audit Procedures: Test expenditure and related records for compliance with the grant agreement terms.

B. **ELIGIBILITY -**

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

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

Compliance Requirements: Any matching, level of effort will be identified and established in the grant agreement.

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

PROGRAM 1 – STATE GRANT PROGRAM

DEPARTMENT OF NATURAL RESOURCES

D. REPORTING REQUIREMENTS -

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

Suggested Audit Procedures:

- a) Examine copies of the reports and determine completeness and timeliness of submission in accordance with the grant agreement.
- b) Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS -

Compliance Requirements: The grant agreements often contain specific provisions to which the grantee is to adhere.

Suggested Audit Procedures: Review the grant agreement, identify any special provisions or requirements, and verify that they were met.