

PROGRAM 10 – INTERLIBRARY COOPERATION GRANT

DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT

I. **PROGRAM OBJECTIVES**

The Interlibrary Cooperation Grant authorized under AS 14.56.310(a)(2) was established to fund libraries that promote or support resource sharing, cooperative services with other libraries, and innovative programs for delivering library services, training, or other programs that strengthen library services and is regulated under 4 AAC 57.065.

II. **PROGRAM PROCEDURES**

Grants are competitive and project based. While grant projects in which two or more libraries are cooperating are preferable, grant projects submitted by individual libraries are also acceptable provided they share resources for free to other Alaskan libraries. Applications must be submitted by April 1 for grants that are awarded in the subsequent fiscal year.

III. **COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES**

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

Compliance Requirement: Funds shall be expended only for purposes detailed in the approved grant application.

Suggested Audit Procedures:

- a) Test transactions to determine whether expenditures are necessary and reasonable and are authorized or not prohibited under applicable grant award guidelines and regulations.
- b) The major expenditure categories of Personnel, Consultant Fees, Travel, Supplies and Materials, Equipment, Services, and other expenditures constitute the budget line items. The grantee needs to comply with the detail of expenditures in subcategories.

B. **ELIGIBILITY -**

The auditor is not expected to verify eligibility.

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

Compliance Requirement: Matching requirements are outlined in the grant award, if applicable.

Suggested Audit Procedures: Review grant award for matching requirement, and if applicable, test that matching funds were provided.

D. **REPORTING REQUIREMENTS -**

Compliance Requirement: A final report must be submitted by September 1 following the end of the grant period on a form provided by the Alaska State Library.

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Suggested Audit Procedures:

- a) Review procedures for preparing report to evaluate adequacy;
- b) Review the final report for completeness and timeliness of submission;
- c) Trace data to the supporting documentation; and
- d) Evaluate adjustments for propriety.

E. SPECIAL TESTS AND PROVISIONS -

- 1. Compliance Requirement:** 4 AAC 57.087 states an indirect or administrative fee may be charged; if the grant has a statewide or regional emphasis and does not primarily benefit the grantee. The indirect rate shall be the lesser of the rate used for similar charges by the grantee, or eight percent.

Suggested Audit Procedures:

- a) If administrative costs are charged, determine, through discussion with applicable personnel, if the services provided meet the eligibility requirements as noted above; and
 - b) Review other grant records to determine if the rate applied is similar to that of other programs and does not exceed the eight percent ceiling.
- 2. Compliance Requirement:** Allowable expenditures are those which were spent during the grant year. Amounts encumbered by the end of the grant year are also allowable, if spent by December 31 of the following grant year, expenditures for personnel and travel may not be encumbered.

Suggested Audit Procedure: Test a sample of transactions to determine that funds were spent in the prescribed period.