

# DEED PROGRAM 12 – PUBLIC LIBRARY ASSISTANCE

## **I. PROGRAM OBJECTIVES**

The objective of this program is to provide financial assistance for the operation of public libraries in the State of Alaska.

## **II. PROGRAM PROCEDURES**

Public and combined school/public libraries apply for the grant annually. Eligible libraries can receive available funding up to the maximum amount of \$7,000 per library.

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

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

**Compliance Requirement:** Funds may be expended only for the operation of the public or combined school/public library, and for purposes set out in the grant application. Costs related to a shared facility must be proportionally allocated.

#### **Suggested Audit Procedures:**

- a) Test transactions to determine whether expenditures are necessary and reasonable, and are authorized or not prohibited under applicable guidelines and regulations. The major expenditure categories of Personnel, Collections, and Other Expenditures constitute the budget line items. The grantee needs to comply with the details of expenditures in subcategories.
- b) Review procedures and basis for prorating costs for shared facilities to determine if charges to the grant are reasonable.

### **B. ELIGIBILITY -**

**Compliance Requirement:** A library facility must be open for a minimum number of hours per week depending on the population of the community it serves, as per 4 AAC 57.064, for at least 48 weeks a year, must be open at least three days per week, and include at least five evening and/or weekend hours per week. For a combined school/public library, this requirement is in addition to any regular school library hours. Services must be free to all residents in the library's service area.

**Suggested Audit Procedure:** Review available records and discuss with appropriate personnel to determine if eligibility requirements were met during the grant period.

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

**Compliance Requirement:** Local match dollars must be expended as per the grant agreement and 4 AAC 57.063. Local match requirements can be met with local funds, in-kind contributions, or a combination of both. In-kind contributions may be counted for volunteer labor at a rate set annually by the Alaska State

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Library. No more than one volunteer hour per hour the library is open to the public may be counted.

**Suggested Audit Procedure:** Test transactions to determine that local match dollars were expended in the amount detailed in the grant agreement, and to determine whether expenditures were necessary and reasonable and authorized or not prohibited under applicable guidelines, regulations, and agreements.

## D. REPORTING REQUIREMENTS -

**Compliance Requirement:** By September 1 following the end of the grant period, the library must submit an annual report on the online reporting system, as designated by the State Library.

**Suggested Audit Procedure:**

- a) Review procedures for preparing reports and evaluate adequacy and completeness of submissions;
- b) Trace data to the supporting documentation; and
- c) Evaluate adjustments.

## E. SPECIAL TESTS AND PROVISIONS -

1. **Compliance Requirement:** Indirect and administrative fees may not be charged to this grant.

**Suggested Audit Procedure:** Review transactions to determine that indirect and administrative costs have not been charged to the grant.

2. **Compliance Requirement:** Allowable expenditures are those that 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, except that 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.

3. **Compliance Requirement:** The library must expend at least \$3,500 on library materials for the collections, including books, e-books, audiobooks, magazines, subscriptions, audiovisuals, and up to \$500 for internet service provider costs.

**Suggested Audit Procedure:** Review reports and test a sample of transactions to determine that expenditures for library materials were sufficient.

4. **Compliance Requirement:** 4 AAC 57.067 states if the library is a combined school/public library, the library must be readily accessible to patrons other than enrolled students. The library must also allocate space to accommodate materials for children, young adults, and adults.

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**Suggested Audit Procedure:** Through observation and discussion with appropriate personnel, determine that the requirements for a combined school/public library have been met.