

DOH PROGRAM 13 – HUMAN SERVICES COMMUNITY MATCHING GRANTS

I. PROGRAM OBJECTIVES

Each grantee will meet the goal of passing state funds through to support human social services grants to prevent or alleviate serious mental or physical hardship as identified in the municipalities' current Needs Assessment.

II. PROGRAM PROCEDURES

In 1992, the legislature gave statutory structure to the Human Services Community Matching Grants. The statutory program was constructed in such a manner that only municipalities qualifying under AS 29.60.600 – AS 29.60.650 are eligible to receive these grants.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED -

1. **Compliance Requirements:** A range of programs may be funded under both the Human Services Community Matching Grants, as long as the objective fits into “essential human services” and “services” have the meaning given “social services” in AS 47.75.060, except that they include only service whose unavailability would subject persons needing the service to serious mental or physical hardship. Services should focus on the need of the municipality as identified in the current Need Assessment. For the Human Services Community Matching Grants only, additional defined requirements and restrictions of AS 29.60.600 - 650 apply to qualifications for receipt of and use of funds.

Suggested Audit Procedures: Test financial and related records to determine that funds expended were for purposes specified in the grant.

- a) Review grant Agreement (GA) including all conditions;
- b) Review grant revisions and amendments and related transmittal letters;
- c) Review licenses, certifications, approvals, status of private nonprofit corporation if applicable;
- d) Review budget documents including final revised budget and budget narrative.

2. **Compliance Requirement:** Costs allowed or unallowed under this program are determined by grant regulations 7 AAC 78 as well as budget documents and special conditions.

Suggested Audit Procedures:

- a) Review Department of Health grant regulations 7 AAC 78, and budget documents;

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- b) Test financial and related records to determine the appropriateness of costs per 7 AAC 78; and determine whether expenditures are within the budget limits prescribed by 7 AAC 78.260(f)(1).
- c) Determine if the mandatory cash or in-kind match was fully expended.

B. ELIGIBILITY -

Compliance Requirement: To receive Human Services Community Matching grants, the recipient must be a qualified municipality, as defined in AS 29.60.650(2).

Suggested Audit Procedures: Review articles of incorporation or other appropriate corporate documents, licenses, certifications, and approvals, to determine status of agency.

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

Compliance Requirement: There is a 30% match requirement for which there are additional source restrictions contained in AS 29.60.600(b)(1). Additionally, per AS 29.60.610(b)(3), no more than 5% of the grant money received under AS 29.60.600 may be used for municipal administrative costs connected with distributing money to the private nonprofit agencies providing the services.

Suggested Audit Procedures:

- a) Confirm compliance with matching requirement.
- b) Confirm compliance with administrative cost limit.

D. REPORTING REQUIREMENTS -

1. Compliance Requirement: Human Services Community Matching Grant agencies must submit quarterly activity and expenditure reports no later than thirty (30) days after the close of each quarter and a final expenditure report within thirty (30) days of the last day of the grant year.

Suggested Audit Procedures:

- a) Confirm if such reports are being filed timely.
- b) Reported revenues and expenditures agree with the agency's general ledger;
- c) Expenditures are within the budget limits or grant provisions.
- d) Review Alaska Statute 29.60.600

2. Compliance Requirement: The agency must clearly show on their audit report any outstanding liability to the State as payable to the State. This includes unspent grant funds and disallowed costs.

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Suggested Audit Procedures:

- a) Determine whether or not the agency has any outstanding liability to the State.
- b) Reviews grant regulation 7 AAC 78.230.
- c) Review audit report to ensure proper presentation.

E. SPECIAL TESTS AND PROVISIONS -

Compliance Requirement: A program site review may occur but is not required. If a site review is completed, the agencies must act upon any recommendations made by program site review.

Suggested Audit Procedures: Obtain copy of program site review if applicable; and determine if recommendations in the site review are being implemented.