



OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

**U.S. Fish and Wildlife Service Grants
Awarded to the State of Nebraska, Game and
Parks Commission, From July 1, 2019,
Through June 30, 2021, Under the Wildlife
and Sport Fish Restoration Program**

This is a revised version of the report prepared for public release.



OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

FEB 02 2024

Memorandum

To: Martha Williams
Director, U.S. Fish and Wildlife Service

From: Amy R. Billings *Amy R. Billings*
Director, Central Region Audit Division

Subject: Final Audit Report – *U.S. Fish and Wildlife Service Grants Awarded to the State of Nebraska, Game and Parks Commission, From July 1, 2019, Through June 30, 2021, Under the Wildlife and Sport Fish Restoration Program*
Report No. 2022–CR–032

This report presents the results of our audit of costs claimed by the Nebraska Game and Parks Commission (Commission) under grants awarded by the U.S. Fish and Wildlife Service (FWS) through the Wildlife and Sport Fish Restoration Program.

We provided a draft of this report to the FWS. The FWS concurred with all three recommendations. The full responses from the FWS and the Commission are included in Appendix 4. In this report, we summarize the FWS' and the Commission's responses to our recommendations, as well as our comments on their responses. We list the status of the recommendations in Appendix 5.

Please provide us with a corrective action plan based on our recommendations by May 6, 2024. The plan should provide information on actions taken or planned to address each recommendation, as well as target dates and titles of the officials responsible for implementation. It should also clearly indicate the dollar value of questioned costs that you plan to either allow or disallow. If a recommendation has already been implemented, provide documentation confirming that the action is complete. For any target implementation dates that are more than 1 year from the issuance of this report, the Commission should establish mitigating measures until the corresponding recommendations are fully implemented and provide those measures in the response.¹ Please send your response to aie_reports@doioig.gov.

We will notify Congress about our findings, and we will report semiannually, as required by law, on actions you have taken to implement the recommendations and on recommendations that have not been implemented. We will also post a public version of this report on our website.

If you have any questions, please contact me at aie_reports@doioig.gov.

¹ The Good Accounting Obligation in Government Act, Pub. L. No. 115–414, 132 Stat. 5430 (2019), requires that all recommendations that are not implemented and have been open more than 1 year be reported in the annual budget justification submitted to Congress.

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Introduction

Objectives

In March 2021, we entered into an intra-agency agreement with the U.S. Fish and Wildlife Service (FWS) to conduct audits of State agencies receiving grant funds under the Wildlife and Sport Fish Restoration Program (WSFR). These audits assist the FWS in fulfilling its statutory responsibility to oversee State agencies' use of these grant funds.

The objectives of this audit were to determine whether the Nebraska Game and Parks Commission (Commission) used grant funds and State hunting and fishing license revenue for allowable fish and wildlife activities and complied with applicable laws and regulations, FWS guidelines, and grant agreements.

See Appendix 1 for details about our scope and methodology. See Appendix 2 for sites we visited.

Background

The FWS provides grants to States¹ through WSFR for the conservation, restoration, and management of wildlife and sport fish resources as well as educational and recreational activities. WSFR was established by the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act.² The Acts and related Federal regulations allow the FWS to reimburse grantees a portion of eligible costs incurred under WSFR grants—up to 75 percent for States and up to 100 percent for the Commonwealths, territories, and the District of Columbia.³ The reimbursement amount is called the Federal share. The Acts require that hunting and fishing license revenue be used only for the administration of participating fish and wildlife agencies. In addition, Federal regulations require participants to account for any income earned from grant-funded activities and to spend this income before requesting grant reimbursements.

¹ Federal regulations define the term “State” as the 50 States; the Commonwealths of Puerto Rico and the Northern Mariana Islands; the territories of Guam, the U.S. Virgin Islands, and American Samoa; and the District of Columbia (Dingell-Johnson Sport Fish Restoration Act only).

² Formally known, respectively, as the Federal Aid in Wildlife Restoration Act, 16 U.S.C. § 669, as amended, and the Federal Aid in Sport Fish Restoration Act, 16 U.S.C. § 777, as amended.

³ The District of Columbia does not receive funding under the Pittman-Robertson Wildlife Restoration Act.

Results of Audit

We determined that the Commission generally ensured that grant funds and State hunting and fishing license revenue were used for allowable fish and wildlife activities and complied with applicable laws and regulations, FWS guidelines, and grant agreements. We noted, however, issues with inaccurate reporting of in-kind contributions. Additionally, we made an observation regarding the Commission's land reconciliation.

We found the following:

- **Questioned Costs.** We questioned \$21,116 (\$15,837 Federal share) as unallowable. These questioned costs arose due to insufficient documentation to support in-kind contributions.

We also made one observation regarding the reconciliation of real property records between the Commission and the FWS.

See Appendix 3 for a statement of monetary impact.

Questioned Costs—\$21,116 (\$15,837 Federal Share)

WSFR requires States to use matching or non-Federal funds to cover at least 25 percent of grant project costs. States may use non-cash or in-kind contributions to meet the matching share of costs, but the value of these contributions must be supported. Additionally, 2 C.F.R. § 200.434(d) states that donated services should be supported by the same methods used to support regular personnel costs. Further, 2 C.F.R. § 200.403(g) requires that costs be adequately documented in order to be allowable under Federal awards.

We reviewed 2,303 volunteer hours out of a total of 16,436 hours that the Commission claimed as in-kind match on Aquatic Education Program grants (Grant Nos. F19AF00562 and F20AF10328) and Hunter Education grants (Grant Nos. F19AF00089 and F20AF00072).

On the Aquatic Education Program grants, we found three instructors who had an excessive number of volunteer hours for a 1-day training event. For example, one instructor claimed a total of 49 hours, another instructor claimed a total of 57 hours, and a third instructor claimed a total of 66 hours. Even though the hours claimed included preparation time, the Commission could not provide us with documentation showing when that preparation time occurred. We also identified one volunteer who did not document any hours on a timesheet, but 20 volunteer hours were reported for that volunteer on the in-kind volunteer tracking spreadsheet provided to us during our review. We used 14 hours as a reasonable number of hours that could be claimed for a 1-day training event and identified hours in excess of 14 hours a day as unallowable. As a result, we questioned 150 hours valued at \$3,513 as unallowable match. The State received \$10,538 in Federal reimbursement as a result of the unallowable match (see Figure 1).

Figure 1: Volunteer Instructor Hours Charged to Grant Nos. F19AF00562 and F20AF10328

Sampled Hours Claimed	Questioned Hours	Questioned Costs	
		State Share (25%)	Federal Share (75%)
1,048	150	\$3,513	\$10,538

Specifically, for the Aquatic Education program, the Commission did not have a written policy regarding the volunteer hour tracking, verification, and certification process to ensure compliance with the Federal regulations. At the time of our review, the Commission staff told us that they created written guidelines in the past but were not able to find them. Additionally, Commission staff explained that the hours recorded included planning and preparation time; however, the timesheets provided did not itemize hours by day or reflect this breakdown.

For the Hunter Education program grants, we found that during one event, the Commission claimed 41 total hours, yet only 36 hours were recorded on the volunteer timesheets, so we questioned the difference of 5 hours. For another event, we also found there was no evidence in the documentation provided that the event or the 64 hours claimed on the timesheet were verified or certified. The 69 unsupported hours were valued at \$1,766, resulting in a Federal reimbursement of \$5,299 (see Figure 2).

Figure 2: Volunteer Instructor Hours Charged to Grant Nos. F19AF00089 and F20AF00072

Sampled Hours Claimed	Questioned Hours	Questioned Costs	
		State Share (25%)	Federal Share (75%)
1,256	69	\$1,766	\$5,299

For the Hunter Education program, Commission staff told us that the Hunter Education coordinator or designated staff routinely verify instructor and student involvement by placing a checkmark or adding initials at the top of the timesheet with the date and documentation of any variances. However, the Commission failed to implement its own process for properly reviewing volunteer timesheets.

Because the Commission did not demonstrate it had satisfied its required 25-percent match due to unsupported in-kind volunteer hours on Grant Nos. F19AF00089, F20AF00072, F19AF00562 and F20AF10328, the Commission received \$15,837 in Federal reimbursement based on the claimed unallowable match of \$5,279. We are therefore questioning \$15,837 in Federal reimbursement due to the Commission’s internal control process weaknesses resulting in unsupported in-kind volunteer hours that were claimed as match on its grants.

Recommendations

We recommend that the FWS require the Commission to:

1. Resolve the Federal share of questioned costs related to unsupported in-kind volunteer match totaling \$15,837.
2. Develop and implement written policies and procedures for recording and approving volunteer hours to ensure compliance with Federal regulations.
3. Develop and provide training on how to complete and review all volunteer documentation to ensure Federal regulations and Commission policies and procedures are followed.

Observation Regarding Real Property Records

In our June 2011 report, we noted that the Commission had not reconciled its WSFR-funded real property records with FWS records. We recommended that the FWS work with the Commission to reconcile their respective records pertaining to lands purchased with WSFR funds. In February 2021, the FWS noted the Commission had provided all necessary records to reconcile its WSFR-funded real property with FWS records. The FWS, however, still needs to conduct a final evaluation of all documents and data to correct any discrepancies between the data the Commission provided and the data the FWS extracted from grant records. The 2011 recommendation remains open; therefore, we are not reporting a repeat finding.

Recommendations Summary

We provided a draft of this report to the FWS for review. The FWS concurred with all three of our recommendations. We consider Recommendations 2 and 3 implemented and Recommendation 1 unresolved. Below we summarize the FWS' and the Commission's responses to our recommendations, as well as our comments on their responses. See Appendix 4 for the full text of the FWS' and the Commission's responses; Appendix 5 lists the status of each recommendation.

We recommend that the FWS require the Commission to:

1. Resolve the Federal share of questioned costs related to unsupported in-kind volunteer match totaling \$15,837.

FWS Response: The FWS concurred with our recommendation and stated that based on the information the Commission provided, the FWS considers it resolved and implemented.

Commission Response: The Commission did not concur with this recommendation and stated it "has a reasonable methodology in place to document donated services. Time records are required and reviewed." The Commission provided additional documents that it stated should resolve the questioned costs. The Commission also stated that there was overmatch reported on the SF-425. In addition, the Commission did acknowledge that its documentation could be improved and that there were mathematical errors.

OIG Comment: Based on the responses from the FWS and the Commission, we consider this recommendation unresolved. The documentation the Commission provided during our audit and subsequently to the FWS consists primarily of narrative explanations that were prepared in response to our questions rather than contemporaneous documentation of the donated services. According to 2 C.F.R. § 200.434(d), donated services should be supported by the same methods used to support regular personnel costs. Further, 2 C.F.R § 200.403(g), requires that costs be adequately documented in order to be allowable under Federal awards. The explanations the Commission provided do not resolve the questioned costs because the documentation was prepared years after the donated services were used as Federal match, and these services were not adequately supported at the time the costs were claimed.

Even though the Commission stated that it included excess State match on its financial SF-425 reports, we still questioned the costs as part of our audit because we based our findings on a sample selection and did not project our questioned costs to the audit universe. Additionally, the Hunter Education grant (Grant No. F19AF00089) was the only grant in our sample with overmatch.

We will consider this recommendation resolved when the Commission submits a revised SF-425 for Grant No. F19AF00089 to the FWS to remove the questioned costs and

accurately account for the amount of match in the SF-425. We will consider it implemented when the FWS provides us documentation showing that (1) the Commission submitted the revised SF-425 and (2) the FWS affirms it accepts the risk associated with the documentation the Commission provided after the costs were claimed to resolve the remaining questioned costs.

2. Develop and implement written policies and procedures for recording and approving volunteer hours to ensure compliance with Federal regulations.

FWS Response: The FWS concurred with our recommendation and stated that based on the actions the Commission has taken, the FWS considers it resolved and implemented.

Commission Response: The Commission concurred with this recommendation and stated that “the form documenting volunteer hours could be improved with added detail regarding planning time and multiple day activity.” The Commission also stated it has developed and implemented a new policy and provided us with a copy of the policy. It also stated that all volunteer “activity reports are now being sent to the Central Office for review and recording.” In addition, the Commission updated its volunteer records to document review and approval.

OIG Comment: Based on the responses from the FWS and the Commission, we consider this recommendation implemented. We reviewed the new policy and determined that the Commission provided sufficient support to close the recommendation.

3. Develop and provide training on how to complete and review all volunteer documentation to ensure Federal regulations and Commission policies and procedures are followed.

FWS Response: The FWS concurred with our recommendation and stated that based on the actions the Commission has taken, the FWS considers it resolved and implemented.

Commission Response: The Commission concurred with this recommendation and stated that it “implemented a more directed training document for our volunteers to ensure more concise reporting of hours.” The Commission also stated it revised the volunteer recording form (available on its volunteer website) to capture more detailed data and distinguish travel hours separately from planning hours. The Commission noted that “[a]ny training occurring after September 2023 will incorporate the new form and directions.”

OIG Comment: Based on the responses from the FWS and the Commission, we consider this recommendation implemented. We reviewed the revised volunteer recording form and training documents and determined that the Commission provided sufficient support to close the recommendation.

Appendix 1: Scope and Methodology

Scope

We audited the Nebraska Game and Parks Commission's (Commission's) use of grants awarded by the U.S. Fish and Wildlife Service (FWS) under the Wildlife and Sport Fish Restoration Program (WSFR). We reviewed 131 grants that were open during the State fiscal years (SFYs) that ended June 30, 2020, and June 30, 2021. We also reviewed license revenue during the same period. The audit included expenditures of \$64.8 million and related transactions. In addition, we reviewed historical records for the acquisition, condition, management, and disposal of real property and equipment purchased with either license revenue or WSFR grant funds.

Methodology

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We assessed whether internal control was significant to the audit objectives. We determined that the State's control activities and the following related principles were significant to the audit objectives.

- Management should design control activities to achieve objectives and respond to risks.
- Management should design the entity's information system and related control activities to achieve objectives and respond to risks.
- Management should implement control activities through policies.

We tested the operation and reliability of internal control over activities related to our audit objective. Our tests and procedures included:

- Examining the evidence that supports selected expenditures charged to the grants by the Commission.
- Reviewing transactions related to purchases, direct costs, drawdowns of reimbursements, in-kind contributions, and program income.
- Interviewing Commission employees.
- Inspecting equipment and other property.

- Determining whether the Commission used hunting and fishing license revenue for the administration of fish and wildlife program activities.
- Determining whether the State passed required legislation assenting to the provisions of the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act.
- Evaluating State policies and procedures for assessing risk and monitoring subawards.
- Visiting sites throughout the State (see Appendix 2 for a list of sites visited).

We found deficiencies in internal control resulting in our finding related to recording in-kind volunteer hours.

Based on the results of our initial assessments, we assigned a level of risk and selected a judgmental sample of transactions for testing. We used auditor judgment and considered risk levels relative to other audit work performed to determine the degree of testing performed in each area. Our sample selections were not generated using statistical sampling, and therefore we did not project the results of our tests to the total population of transactions.

This audit supplements, but does not replace, the audits required by the Single Audit Act Amendments of 1996. Single audit reports address controls over Statewide financial reporting, with emphasis on major programs. Our report focuses on the administration of the Nebraska fish and wildlife agency and that agency's management of WSFR resources and license revenue.

The Commission provided computer-generated data from its official accounting system and from informal management information and reporting systems. We tested the data by sampling expenditures and verifying them against WSFR reports and source documents such as purchase orders, invoices, and payroll documentation. While we assessed the accuracy of the transactions tested, we did not assess the reliability of the accounting system as a whole.

Prior Audit Coverage

OIG Audit Reports

We reviewed our last two audits of costs claimed by the Commission on WSFR grants.⁴ We followed up on five recommendations from these reports and considered four implemented and one resolved. For implemented recommendations, we verified the State has taken the appropriate corrective actions. As discussed in the "Results of Audit" section in this report, we made an observation regarding the Commission's land reconciliation, which was related to the resolved recommendation.

⁴ *U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Nebraska, Game and Parks Commission From July 1, 2014 Through June 30, 2016* (Report No. 2017-EXT-059), issued May 2018.

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Nebraska, Game and Parks Commission, From July 1, 2009, Through June 30, 2011 (Report No. R-GR-FWS-0010-2012), issued November 2012.

State Audit Reports

We reviewed the single audit reports for SFYs 2020 and 2021 to identify control deficiencies or other reportable conditions that affect WSFR. In those reports, the Schedule of Expenditures of Federal Awards indicated \$31.8 million in Federal expenditures related to WSFR, but did not include any findings directly related to WSFR, which was deemed a major program for Statewide audit purposes in SFY 2020 but not for SFY 2021. Neither of these reports contained any findings that would directly affect WSFR grants.

Appendix 2: Sites Visited

Headquarters	Lincoln, NE
Field Office	Kearney Service Center
Fish Hatchery	Grove Trout Rearing Station
Shooting Ranges	Platte River Shooting Range Windmill Archery Range
Wildlife Management Areas	Branched Oak Grove Lake Meridian Oak Valley Osage Randall W. Schilling Sherman Reservoir

Appendix 3: Monetary Impact

We reviewed 131 grants that were open during the State fiscal years that ended June 30, 2020, and June 30, 2021. The audit included expenditures of \$64.8 million and related transactions. We questioned \$21,116 (\$15,837 Federal share) as unallowable.

Monetary Impact: Questioned Costs

Grant No.	Grant Title	Cost Category	Questioned Costs (\$) Unallowable (Federal Share)
F19AF00562	Aquatic	In-kind	10,538
F20AF10328	Education		
F19AF00089	Hunter	In-kind	5,299
F20AF00072	Education		
Total			\$15,837

Appendix 4: Responses to Draft Report

The U.S. Fish and Wildlife Service's response to our draft report follows on page 13. The Nebraska Game and Parks Commission's response to our draft report follows on page 15.



United States Department of the Interior



FISH AND WILDLIFE SERVICE Mountain-Prairie Region

IN REPLY REFER TO:
FWS/R6/WSFR

MAILING ADDRESS:
P.O. Box 25486, Attn: WSFR
Denver Federal Center
Denver, Colorado 80225-0486

LOCATION:
Attn: WSFR
134 Union Boulevard, Suite 460B
Lakewood, Colorado 80228-1807

Memorandum

To: Director, Office of Inspector General, Central Region Audit Division
(Attention: Amy R. Billings)

From: Regional Manager, Wildlife and Sport Fish Restoration Program,
U.S. Fish and Wildlife Service, Mountain Prairie Region, 6

CLINTON RILEY Digitally signed
by CLINTON RILEY
Date: 2023.11.03
07:25:42 -06'00'

Subject: Draft Audit Report on the U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Nebraska, Game and Parks Commission, from July 1, 2019 through June 30, 2021 (Report No. 2022- CR-032).

This responds to your memorandum, dated August 17, 2023, requesting Region 6 Wildlife and Sport Fish Restoration Program office (WSFR) to comment on the subject Draft Audit Report (Draft). We have attached the Nebraska, Game and Parks Commission's (NGPC) October 10, 2023 response to the Draft and have the following comments:

Recommendations

1. Resolve the Federal share of questioned costs related to unsupported in-kind volunteer match totaling \$15,837.
2. Develop and implement written policies and procedures for recording and approving volunteer hours to ensure compliance with Federal regulations.
3. Develop and provide training on how to complete and review all volunteer documentation to ensure Federal regulations and Commission policies and procedures are followed.

We have discussed the control deficiencies with the Commission and concur with the above recommendations in the draft audit report. We have worked with the Commission on all three recommendations and consider the recommendations resolved and implemented.

For Recommendation #1, we have reviewed the timesheets and other documentation the Commission submitted to FWS, and we believe contemporaneous information demonstrates that sufficient instructor hours were reasonable and allowable in order to meet the Commission's non-federal match requirements. To address key items highlighted in the findings:

- While we agree that the forms used were not as explicit as they could have been in identifying volunteer hours spent in prep time versus training time, we believe the hours are clearly identifiable from additional records provided by the Commission, common

practice, and obvious context.

- For the 64 volunteer hours recorded on forms that did not include a second signature, we reviewed additional contemporaneous information provided by the Commission concerning those hours. We note that all 64 hours occurred at a single large event, where normal routines were not followed as they should have been, resulting in the missing documentation step of a second signature to verify the volunteer hours. However, through additional information and contemporaneous documentation provided by the Commission, it is clear that the volunteers were present at this event and that their hours were witnessed by multiple other individuals, including Commission staff, who were also present at the event.
- The Commission has noted that the discrepancy of five hours in one instance was because the individual was an employee at the time, they did not and do not intend to include those hours as part of the submitted non-federal match.
- The information provided by the Commission demonstrates that the final SF-425 included substantial overmatch, sufficient to address any remaining questions of required non-federal match.

Therefore, while we concur with the recommendation that the finding presents questions related to volunteers hours used as match, and therefore required resolution, we believe further information provided by the Commission resolves those questions, and we consider Recommendation 1 resolved and implemented.

For Recommendation #2, the Commission has developed new policy and procedures (attachment 8). We have reviewed these new documents and believe they address the issues that led to questioned costs in Recommendation #1, and would prevent similar audit findings in the future. With the new policy and procedures now available for use by the Commission staff and volunteers, we consider Recommendation #2 resolved and implemented.

For Recommendation 3, the Commission has posted the new implemented training document and volunteer form to their volunteer website. All trainings from September 2023 onward will incorporate the new form and directions. Therefore, we consider Recommendation 3 resolved and implemented.

Our office appreciates the opportunity to be of service in this matter. Please do not hesitate to contact Elizabeth Shelton at [REDACTED] or me at [REDACTED] for further assistance if needed.

Attachments

cc: Ord Bargerstock, Compliance Team Lead, Branch of Policy and Compliance,
Wildlife and Sport Fish Restoration Program, HQ



2200 N. 33rd St. • P.O. Box 30370 • Lincoln, NE 68503-0370 • Phone: 402-471-0641

Date: October 10, 2023

To: Clint Riley
Regional Manager – Wildlife and Sport Fish Restoration Program, and
Senior Advisor to the Regional Director
U.S. Fish and Wildlife Service
Mountain Prairie Region

Elizabeth Shelton, Grants Fiscal Officer
U.S. Fish and Wildlife Service
Wildlife and Sport Fish Restoration Programs
Mountain Prairie Region

From: Tammy Snyder, Federal Aid Administrator
Nebraska Game and Parks Commission

Subject: Draft Audit Report – *U.S. Fish and Wildlife Service Grants Awarded to the State of Nebraska, Game and Parks Commission, From July 1, 2019, Through June 30, 2021, Under the Wildlife and Sport Fish Restoration Program*
Report No. 2022–CR–032

This is Nebraska Game and Parks Commission’s written response to the draft report of our audit of costs claimed under grants awarded by the U.S. Fish and Wildlife Service through the Wildlife and Sport Fish Restoration Program.

The audit identified issues with the support related to our in-kind match:

- (1) Insufficient documentation to support in-kind contributions resulting in questioned costs.
NGPC does not concur with this finding as sufficient documentation exists to support sufficient match for the federal award.
- (2) Current written policies and procedures for recording and approving volunteer hours.
NGPC concurs that up-to-date written policies and procedures should be in place and have updated and implemented documentation.
- (3) Current training to volunteers and staff on completion and review of volunteer hours.
NGPC concurs that up-to-date volunteer time records and training documents should be accessible to volunteers and have implemented updated volunteer records.



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(1) Insufficient Documentation to support in-kind contributions.

The Condition cited by the audit team states, “The Nebraska Game and Parks Commission (Commission) did not provide sufficient documentation to support the hours worked by volunteers that were used as in-kind match...”.

The criteria identified in the questioned costs cites 2 C.F.R. 200.434 (d) which states, “To the extent feasible, services donated to the non-Federal entity will be supported by the same methods used to support the allocability of regular personnel services.” Additionally, the additional criteria cited is 2 C.F.R. 200.403 (g) which state, “... costs be adequately documented in order to be allowable under Federal awards.”

NGPC has a reasonable methodology in place to document donated services. Time records are required and reviewed.

Timesheets or related records were provided for all records sampled.

Aquatic Education-Documentation:

For three of the four instructors, the observation was excess hours claimed for a single event. Our response was the planning of the event recorded on the form occurred in advance of the one-day activity and was recorded on the form for administrative purposes.

Over the course of this program, the project leader and our volunteers have put on multiple clinics and events. When planning an event with over 150 participants and multiple volunteers, it is our experience that planning occurs for multiple months in advance.

We are including the source documents provided to the auditors during fieldwork which include volunteer signatures and associated time spent on the event (Attachment #1-#3). Additionally, we are including four documents related to the Aquatic Education Hours identified which were supplied to the auditors upon notification of the potential finding (Attachment #4-#6). This provided adequate documentation that the hours were reviewed, deemed reasonable and allowable for the Federal Award.

We acknowledged to the audit team that the form documenting volunteer hours could be improved with added detail regarding planning time and multiple day activity. Due to the design of our Aquatic Education Volunteer Activity Records, the detail dates of planning were not specifically identified on the form. Our Project Leader is familiar with the events planned and the hours taken for planning and preparation and certified these hours are correct.

The individual identified as not having documented hours on the timesheet (██████ #15) was a temporary, employed by NGPC, at the time of the event and therefore the hours were not included in the volunteer hours recorded on the federal financial report. (Noted in the additional information provided. (Attachment #6)



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Many of our temporary employees are volunteers when they are not employed by NGPC. At the time of the audit, the individual was not an employee, and the hours were included in the population subject to audit. The hours associated with instructor #4, noted as an exception by the audit team, were not included in the FFR, therefore there is no associated questioned costs.

Aquatic Education-Sample / Match:

At the time of the audit, all volunteer hours that were entered into the tracking system were provided to the audit team, which included hours that were not recorded for the federal award. Our reconciliation shows that records provided for audit exceeded those recorded on the federal financial report.

	F19AF00562 (F-82-E-31)	F20AF10328 (F-82-E-32)
Hours Reported for Audit	3,203.29	2,451.91
Hours Reported on FFR	3,053.79	2,070.91
Hours subject to audit in excess of reported	149.50	381.00

The premise of volunteer in-kind match is that our volunteers provide a service that we would have to hire an employee to accomplish. The accounting for that service includes the equivalent salary of the like-type position with the state system. Our grant defines the position equivalent with the associated pay rate and our reporting includes that pay rate with benefits equivalent to our personnel.

In grant award **F19AF00562 (F-82-E-31)**, we identify two levels of volunteers for the Aquatic Education Program:

- Volunteers equivalent to a Conservation Technician II – valued at \$14.924 per hour.
- Volunteers equivalent to a Biologist 1 – valued at \$18.244 per hour.

Reporting on the Federal Financial Report (FFR) utilized all hours of both certified and non-certified instructors totaling 3,053.79 hours. The 2019-2020 pay rate for a Conservation Technician II was \$16.019/hour base rate. For ease of calculation, this rate was used for all hours. The related loaded rate (with benefits) was \$21.353. Total in-kind match included in the State share was \$65,206.08 (rounded down).

F19AF00562 (F-82-E-31)	Certified volunteer hours	Non-Certified volunteer hours	Total
Hours	2,124.39*	929.40	3,053.79
Loaded rate	\$23.914	\$20.092	
Value of In Kind	\$50,802.66	\$18,673.50	\$69,476.17

* Variance between reported and audited reduced certified hours for conservative calculation purpose.

The difference between the allowable costs identified in the award and the value recorded represent \$4,270.09.



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In grant award **F20AF10328 (F-82-E-32)**, we identify two levels of volunteers for the Aquatic Education Program:

- Volunteers equivalent to a Conservation Technician II – valued at \$14.924 per hour.
- Volunteers equivalent to a Biologist 1 – valued at \$18.244 per hour.

Reporting on the Federal Financial Report (FFR) utilized all hours of both certified and non-certified instructors totaling 2,370.91 hours. The 2020-2021 pay rate for a Conservation Technician II was \$16.019/hour base rate. For ease of calculation, this rate was used for all hours. The related loaded rate (with benefits) was \$21.425. Total in-kind match included in the State share was \$50,796.75.

F20AF00072 (F-82-E-32)	Certified volunteer hours	Non-Certified volunteer hours	Total
Hours	1,211.91*	1,159.01	2,370.91
Loaded rate	\$23.914	\$20.092	
Value of In Kind	\$28,981.50	\$23,286.73	\$52,268.22

* Variance between reported and audited reduced certified hours for conservative calculation purpose.

The difference between the allowable costs identified in the award and the value recorded represent \$1,471.47.

The combined difference of \$5,741.56 exceeds the questioned state share for Aquatic Education.

Additionally, in grant award **F19AF00562 (F-82-E-31)**, USFWS reimbursed \$213,562.58 for this award per the FFR. This represents 75% of \$284,750.11. The state share required for 25% match totaled \$71,187.53. The amount reported on the FFR for state match totaled \$73,160.68, which shows that excess match was identified on the report. That match included state cash expenditures totaling \$6,955.53. This indicates that state share did not rely exclusively on volunteer in-kind hours recorded and excess match was available.

For these reasons, NGPC believes that adequate documentation exists to support the required 25% match for the federal awards identified.

Hunter Education-Documentation:

For the Hunter Education program grants, the audit team found that during one event, the Commission claimed 41 total hours, yet only 36 hours were recorded on the volunteer timesheets. For another event, we also found there was no evidence in the documentation provided that the event or the 64 hours claimed on the timesheet were verified or certified.

Hunter Education hours are compiled by the Hunter Education staff via the time records and electronic system. These are sent to the Federal Aid Accountant for recording in the accounting system. This provides reasonable assurance that deliberate actions were taken to review and verify hours recorded in the system.



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Although there was not an initial or date on the time record for Event #2 which totaled 64 hours, there was a timesheet with signatures provided for audit and the hours were included in the information provided to record. We are including the source document provided to the auditors during fieldwork which include volunteer signatures and associated time spent on the event (Attachment #9). This event was the annual Ponca Expo which is supported and attended by multiple individuals in our program. The presence of these veteran volunteers was known. It is our opinion that sufficient documentation exists to provide assurance that the hours were reviewed, deemed reasonable and allowable for the Federal Award. We concur that the documentation of the review could be strengthened and will continue to work with staff for consistency.

Hunter Education-Documentation / Match:

We acknowledge that there was a mathematical error that occurred on the event resulting in a five-hour error. Hunter Education award #F19AF00089 had excess match recorded on the federal financial report (Attachment #10). The impact of the five hours questioned that were incorrectly recorded would not influence the reimbursement allowed for the award.

	F19AF00089 (W-40-E-45)
Federal Reimbursement Received	\$670,357.68
Total Expense Required for 75% reimbursement	\$893,810.24
25% State match requirement	\$223,452.56
Match reported on FFR	\$251,810.29
Excess match reported	\$28,357.73

(2) Current written policies and procedures for recording and approving volunteer hours.

The audit team stated "... for the Aquatic Education program, the Commission did not have a written policy regarding the volunteer hour tracking, verification, and certification process to ensure compliance with the Federal regulations." The audit team indicated that internal controls in the form of policy regarding tracking and verifying could be better documented.

The Federal Aid team has worked with the Aquatic Education Team, and they have implemented the policy attached. (Attachment #8). All activity reports are now being sent to the Central Office for review and recording. The internal documentation flow identified has already been implemented including the review of volunteer records. The volunteer record has been updated to reflect this and in the interim, we have provided some compensating controls to better document the review of hours recorded. An example is included with this letter (Attachment #7). The 'label' that has been added to current volunteer records documents the review of the current worksheet for (1) Dates worked; (2) Hours Recorded; (3) Signature; (4) Any unusual circumstances or hours; and (5) the reviewer's initials and date.



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(3) Current training to volunteers and staff on completion and review of volunteer hours.

The audit team stated "... for the Aquatic Education program, the Commission did not have a written policy regarding the volunteer hour tracking, verification, and certification process to ensure compliance with the Federal regulations." The audit team indicated that internal controls in the form of policy regarding tracking and verifying could be better documented.

The audit team noted, "Specifically, on the Aquatic Education Program grants, we found three instructors who had an excessive number of volunteer hours for a 1-day training event. Hours recorded included planning and preparation time; however, the timesheets provided did not itemize hours by day or reflect this breakdown."

We acknowledged to the audit team that the form documenting volunteer hours could be improved with added detail regarding planning time and multiple day activity. Due to the design of our Aquatic Education Volunteer Activity Records, the detail dates of planning were not specifically identified on the form. Our Project Leader is familiar with the events planned and the hours taken for planning and preparation and certified these hours are correct.

We have created an updated volunteer recording form to capture more detailed data and provided additional instructions to better identify this information. Due to the nature of fishing activity locations, we have distinguished travel hours separately from planning (Attachment #11 & #12). These forms are approved and posted on our Volunteer Website ([Resources | Fishing Nebraska \(wordpress.com\)](https://resources.fishingnebraska.com)). They will be incorporated into volunteer training for periods after September 2023.

The OIG recommendations: FWS require the Commission to:

1. Resolve the Federal share of questioned costs related to unsupported in-kind volunteer match totaling \$15,837.

NGPC Resolution:

We are providing information in our response and the attachments to resolve the questioned costs.

2. Develop and implement written policies and procedures for recording and approving volunteer hours to ensure compliance with Federal regulations.

NGPC Resolution:

We have clarified and provided stronger documentation on the policies and procedures for recording and approving volunteer hours. The action is already in place and the policies are approved.



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3. Develop and provide training on how to complete and review all volunteer documentation to ensure Federal regulations and Commission policies and procedures are followed.

NGPC Resolution:

We have implemented a more directed training document for our volunteers to ensure more concise reporting of hours and have strengthened the documentation of our review of those hours submitted. A new form has been completed and is posted to our volunteer website. Any training occurring after September 2023 will incorporate the new form and directions. The volunteer website path is <https://fishingnebraska.wordpress.com/volunteers/resources/>.

Appendix 5: Status of Recommendations

Recommendation	Status	Action Required
2022-CR-032-01 We recommend that the U.S. Fish and Wildlife Service (FWS) require the Commission to resolve the Federal share of questioned costs related to unsupported in-kind volunteer match totaling \$15,837.	Unresolved	We met with the FWS and discussed the recommendation and requirements needed in the corrective action plan for resolution.
2022-CR-032-02 We recommend that the FWS require the Commission to develop and implement written policies and procedures for recording and approving volunteer hours to ensure compliance with Federal regulations.		
2022-CR-032-03 We recommend that the FWS require the Commission to develop and provide training on how to complete and review all volunteer documentation to ensure Federal regulations and Commission policies and procedures are followed.	Implemented	No action is required.



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