



**Department of the Interior
Office of Inspector General**

Audit Report

**U.S. Fish and Wildlife Service
Federal Assistance Grants
Administered by the State of Illinois,
Department of Natural Resources,
from July 1, 2002 through June 30, 2004**

**Report No. R-GR-FWS-0004-2005
March 2006**



United States Department of the Interior

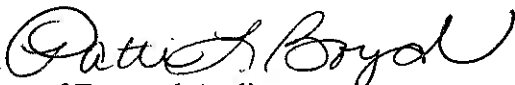
OFFICE OF INSPECTOR GENERAL
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12030 Sunrise Valley Drive, Suite 230
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March 31, 2006

AUDIT REPORT

Memorandum

To: Director
U.S. Fish and Wildlife Service

From: Patti L. Boyd 
Acting Director of External Audits

Subject: Final Audit Report on the U.S. Fish and Wildlife Service Federal Assistance Grants Administered by the State of Illinois, Department of Natural Resources, from July 1, 2002, through June 30, 2004 (No. R-GR-FWS-0004-2005)

This report presents the results of our audit of costs incurred by the State of Illinois, Department of Natural Resources (Department), under Federal Assistance grants from the U.S. Fish and Wildlife Service (FWS). The audit included total reported outlays of approximately \$31.6 million on FWS grants that were open during the State's fiscal years ended June 30, 2003 and 2004 (see Appendix 1). The audit also covered the Department's compliance with applicable laws, regulations, and FWS guidelines, including those related to the collection and use of State fishing and hunting license revenues and the reporting of program income.

Generally, we found that the Department complied with applicable grant accounting and regulatory requirements. However, we questioned costs totaling \$553,977 for unauthorized activities (\$93,698), unsupported charges for labor (\$134,147), and in-kind services (\$326,132). We also identified issues regarding the Department's use of license revenues, the State's assent legislation, and the ownership and use of Federal Assistance land.

FWS Region 3 provided a copy of the Department's February 8, 2006 response to the draft of this report on February 9, 2006. FWS Region 3 elected not to respond to the draft report and will work with the Department to address any reported issues in the corrective action plan. We summarized the Department's responses after the recommendations and added our comments regarding the responses. The status of the recommendations is summarized in Appendix 3.

In accordance with the Department Manual (361 DM 1), please provide us with your written response to the recommendations included in this report by June 30, 2006. Your response should include information on actions taken or planned, including target dates and titles of officials responsible for implementation.

If you have any questions regarding this report, please contact Mr. K. Timothy Gallagher, Audit Team Leader, at (916) 978-5667 or me at (703) 487-5351.

cc: Regional Director, Region 3, U.S. Fish and Wildlife Service

Introduction

Background

The Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act (Acts),¹ authorize FWS to provide Federal Assistance grants to states to enhance their sport fish and wildlife programs. The Acts provide for FWS to reimburse the states up to 75 percent of the eligible costs incurred under the grants. They also specify that state hunting and fishing license revenues cannot be used for any purpose other than the administration of the state's fish and game department.

Objective

The objectives of our audit were to determine whether costs incurred and claimed under Federal Assistance grants to the State of Illinois, Department of Natural Resources, were in accordance with the Acts and related regulations, FWS guidelines, and the grant agreements; whether State hunting and fishing license revenues were used solely for the Department's fish and wildlife programs; and whether program income was reported and used in accordance with federal regulations.

Scope

The audit work included total recorded outlays of approximately \$31.6 million on 74 FWS grants that were open during the State's fiscal years (SFYs) 2003 and 2004 ended June 30, 2003 and 2004 (see Appendix 1). We conducted our audit at the Department's headquarters in Springfield, Illinois. We also visited eight fish and wildlife areas, two fish hatcheries, five conservation areas, three state parks, and a recreation area (see Appendix 2). This audit was performed to supplement, not supplant, the audits required by the Single Audit Act of 1984, as amended and the Office of Management and Budget Circular A-133. The audit included steps to determine whether:

- The Department's accounting system was adequate to account for grant receipts and disbursements.
- The direct and indirect costs incurred and the in-kind contributions claimed by the Department under Federal Assistance grants were necessary and reasonable, allocable, accurate, and eligible for reimbursement.
- The hunting and fishing license certifications were based on official State of Illinois records, and the procedures used to prepare those certifications were adequate for eliminating duplicate license holders.

¹ As amended 16 U.S.C. § 669 and 16 U.S.C. § 777, respectively.

- The Department had an adequate system to account for and report license fee revenues, and those revenues were used only for the Department's fish and wildlife programs.
- Controls over real property and equipment acquired with Federal Assistance funds or license revenues were adequate to ensure compliance with applicable requirements.
- The Department complied with selected grant agreement provisions and requirements of the Acts, regulations, and FWS guidance.
- The State of Illinois enacted assent legislation in compliance with the Acts.

Methodology

We performed our audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States. Accordingly, we included such tests of records and other auditing procedures that we considered necessary under the circumstances. Our tests included examining the evidence supporting selected expenditures charged to the grants by the Department; interviewing Department employees to ensure that personnel costs charged to the grants were supportable; and determining whether the Department used hunting and fishing license revenues solely for sport fish and wildlife program purposes. To the extent possible, we relied on the work of the Illinois Auditor General to avoid duplication of audit effort. We did not evaluate the economy, efficiency, or effectiveness of the Department's operations.

We reviewed the accounting systems for labor and license fees in order to identify the internal controls over transactions recorded in those systems and to test the operation and reliability of those controls. We also reviewed transactions related to purchases, other direct costs, drawdowns of reimbursements, in-kind contributions, program income, equipment, and other property. Based on the results of our initial assessments, we assigned a level of risk to these systems and, based on the level of risk assigned, we selected a judgmental sample of transactions for substantive testing. We did not project the results of the substantive tests to the total population of recorded transactions.

Prior Audit Coverage

On January 14, 2002, we issued an audit report, "U.S. Fish and Wildlife Service Federal Aid Grants to the State of Illinois Department of Natural Resources for Fiscal Years Ended June 30, 1996, and 1997," which transmitted a report prepared by the Defense Contract Audit Agency. We followed up on all significant findings in the DCAA report and determined that three findings had not been fully resolved. As discussed under the Results of Audit section, these findings relate to the use of license revenues, documentation of in-kind services, and activities not authorized in the grant agreement.

We also reviewed the State of Illinois Comprehensive Annual Financial Reports for SFYs 2003 and 2004, and the State's Single Audit report for SFY 2003. The Sport Fish Restoration and Wildlife Restoration programs had not been selected for testing in the Single Audit. These

reports did not contain any findings that would directly affect the Department's Federal Assistance grants.

In addition, we reviewed a report issued by Sikich Gardner & Co., LLP, under a contract with the Illinois Auditor General, on the Department's compliance and internal controls. The report indicated a potential issue with the use of the Wildlife and Fish Fund to fund efficiency payments, which is addressed in the Results of Audit. In addition, the report included other issues that could affect Federal Assistance grants. As such, we suggest that FWS monitor the implementation of the report recommendations.

Results of Audit

The Department was generally in compliance with applicable regulatory and grant accounting requirements with respect to the following:

- The Department's accounting system and related internal controls were adequate to account for grant receipts and disbursements.
- Except as discussed in finding A, the Department's direct and indirect costs claimed under the Federal Assistance grants were reasonable, supported, and eligible for reimbursement.
- The Department's hunting and fishing license certifications were based on official State records and the procedures used to prepare those certifications were adequate to eliminate duplicate license holders.
- Except as discussed in finding D, the Department's controls over real property and equipment were adequate to ensure compliance with applicable requirements with regard to acquisition, control, and disposal.

However, we identified questioned costs totaling \$553,977, and other issues regarding the Department's administration of its Federal Assistance programs, as follows:

- A. We questioned costs totaling \$553,977 consisting of (1) \$93,698 for activities that were not authorized under the grant agreements, (2) \$134,147 for labor charges that were based on estimated hours rather than actual hours worked, and (3) \$326,132 for in-kind volunteer services that were not adequately supported.
- B. The Department may have used license revenues for ineligible activities.
- C. The Department's assent legislation was not sufficient to prohibit the use of license revenues for ineligible activities.
- D. An unresolved dispute over land ownership may have resulted in a diversion of land purchased with Federal Assistance funds.

A. Questioned Costs

1. Costs Claimed for Unauthorized Activities - \$93,698. We questioned costs of \$93,698 claimed on two grants for work at cost centers that were not authorized by the grant agreements. The Code of Federal Regulations (regulations) (50 CFR § 80.16) states, "Payments shall be made for the Federal share of allowable costs incurred by the State in accomplishing approved projects." Grant Nos. W-76-D-37 and W-76-D-38 provided funds for operation and maintenance and habitat management for specific cost centers. However, included in the Department's claim for reimbursement was \$93,698 for the maintenance of the following areas that were not specifically approved in the grant agreement.

COST CENTER	W-76-D-37	W-76-D-38	Total
<u>Cost center not listed in grant (Explanation provided that individuals worked on approved sites)</u>			
Jubilee College State Park	\$1,802		
Hamilton County Conservation Area	14,618		
Middle Fork Fish and Wildlife Area	99	\$198	
Wayne Fitzgerald State Park	494		
Golconda Marina (Dog Island)	401		
Wolf Creek State Park (East)		2,434	
Eldon Hazlett State Park – Carlyle		125	
	<u>\$17,414</u>	<u>\$2,757</u>	<u>\$20,171</u>
<u>Included on amended list of sites (Amendment effective after audit period)</u>			
Chain O'Lakes State Park	\$1,837	\$6,438	
Delabar State Park		1,224	
Lake Murphysboro State Park	6,053	6,259	
Lasalle Lake Fish and Wildlife Area	7,082	6,785	
	<u>\$14,972</u>	<u>\$20,706</u>	<u>\$35,678</u>
<u>Cost center not listed in grant (No explanation provided)</u>			
Mason State Nursery		\$298	
C-2000 Region V - Land Mgt.	\$5,587	6,741	
Engineering-Central	8,547	16,676	
	<u>\$14,134</u>	<u>\$23,715</u>	<u>\$37,849</u>
Totals	<u>\$46,520</u>	<u>\$47,178</u>	<u>\$93,698</u>

As noted above, the Department stated that costs of \$20,171 were related to work performed at approved cost centers but conducted by individuals who were assigned to cost centers that were not identified in the grant agreements. In addition, the Department provided a grant amendment to cover work performed, which reportedly cost \$35,678, but the amendment was not effective until after the audit period. The Department could not provide an explanation for the remaining charges totaling \$37,849. The grant manager was provided a Summary Report on the individual cost centers charged to the grant and did monitor the labor charges. However, according to Department staff, the current cost accounting system requires that an employee's payroll costs be identified to their assigned cost center regardless of the cost center where an activity may be performed. As a result, while the grant costs may be supported by an individual's time sheet, the location where the activity was performed would not necessarily be accurate.

This issue was included in the January 2002 audit report. In response to that report, the Department identified specific sites where the majority of the wildlife grant costs would be eligible for funding. At the exit conference, Department officials proposed eliminating the specific identification of cost centers in future grants.

Recommendations

We recommend that FWS:

1. Resolve the questioned costs of \$93,698 for unauthorized activities.
2. Require the Department to ensure that staff responsible for approving charges to grant No. W-76-D receive sufficient information to ensure that charges from cost centers which are not identified in the grant agreement are proper charges to the grant.

Department Response

The Department did not concur with the finding but agreed to "...further define its programmatic accounting system in the federal grant documents to better characterize the work force that will be performing grant functions and where that work force might be physically located." The Department also provided an explanation of its use of cost center codes and an explanation for cost centers C-2000 and Central Engineering.

OIG Comments

While the Department did not concur with the finding, it did propose improving its programmatic accounting system, which appears to address Recommendation 2. However, since FWS elected not to comment on the finding and recommendations, we consider them unresolved. FWS should address the findings and recommendations in the corrective action plan.

2. Unsupported Labor Charges - \$134,147. Labor charges to FWS grants at the Mazonia-Braidwood Fish and Wildlife Area (FWA) were not based on actual hours worked. Office of Management and Budget Circular A-87, Attachment B.8.h, requires in part that where employees work on multiple activities or cost objectives, a distribution of their salaries or wages will be supported by personnel activity reports or equivalent documentation which must reflect an after the fact distribution of the actual activity of each employee.

Employees at the Mazonia-Braidwood FWA allocated their hours between nonfederal related work and Federal Assistance grants based on estimates instead of recording and using actual hours for each activity. According to the Site Superintendent, the allocation of hours was a close approximation and probably more conservative than actual hours worked on Federal Assistance grants. As a result, the labor charges totaling \$134,147 to FWS grants were not supported, as follows:

<u>Grant Number</u>	<u>Unsupported Costs</u>
W-76-D-37	\$23,625
W-76-D-38	9,633
F-149-B-2	43,553
F-149-B-3	57,336
	<u>\$134,147</u>

Recommendations

We recommend that FWS:

1. Resolve the unsupported labor charges of \$134,147.
2. Require the Department to charge labor costs to Federal Assistance grants based on signed personnel activity reports that reflect the actual hours worked.

Department Response

In response to Recommendation 1, the Department agreed that the labor was allocated based on estimates instead of actual hours but that such estimates did not equate to unsupported charges. The Department believed that the site's Plan of Work and the estimates of time allocated to each Federal grant provided sufficient support for the labor charges. Further, the site personnel believed that the time estimates were a fair reflection based on the site's Plan of Work. The Department acknowledged that the staff did not follow agency procedures but believed that the recorded time still fairly reflected an after the fact distribution of the time. The Department stated that OMB Circular A-87 requires personnel activity reports to reflect an after the fact distribution of the activity each employee spent on different grant activities.

In response to Recommendation 2, the Department agreed to reiterate to staff to record labor costs based on actual hours worked, not estimates or projected time allocations.

OIG Comments

Since FWS elected not to comment on the finding and recommendations, we consider them unresolved. FWS should address the findings and recommendations in the corrective action plan.

3. Unsupported In-kind Labor Charges - \$326,162. Individual instructors did not sign time sheets certifying their volunteer hours worked. The Department provided timekeeping support for the volunteer instructor hours on its Safety Education Class Information Sheet form. The form identifies hours worked by individual instructors and requires the signature of the lead instructor.

The regulations (43 CFR § 12.64 (b) (6)) require that, "To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocability of regular personnel costs." The Department requires employees working on Federal Assistance projects to submit signed time sheets reflecting their actual hours worked.

The FWS Hunter Education Guide, Section 4.1 (current Guide Chapter 4A) states that volunteer instructors should document their hunter education activity on a signed and dated time/course report form. In response to a prior audit report finding on this matter, the Department revised its Safety Education Class Information Sheet to provide for the lead instructor to certify the entire

roster of instructors recording time on that particular sheet. The FWS regional office agreed to this procedure. As a result, hours and associated in-kind services claimed totaling \$326,132 on grant Nos. W-82-S-31 (\$180,830) and W-82-S-32 (\$145,302) were not supported by time sheets that were signed by the volunteer instructors.

Recommendations

We recommend that FWS:

1. Resolve the unsupported in-kind services valued at \$326,162.
2. Require the Department to implement a procedure requiring that in-kind contributions claimed for volunteer instructors be supported by the same methods it uses to document and support labor charges for its own employees.

Department Response

The Department did not concur with the finding. The Department stated “The Safety Education Class Information Sheet was developed and the procedures surrounding it’s use were implemented with the full agreement of the Service.” The Department also stated that it would not be feasible to have each individual instructor sign a time sheet given the magnitude of the hunter education program in Illinois, which included approximately 417 classes with approximately 18,197 students.

OIG Comments

The feasibility determination and the adequacy of the Department’s procedures should be made by the FWS. However, since FWS elected not to comment on the finding and recommendations, we consider them unresolved. FWS should address the findings and recommendations in the corrective action plan.

B. Use of License Revenues

The Department used funds from the Wildlife and Fish Fund (Wildlife Fund) for cost centers or expenditures that may not have been eligible uses of the Wildlife Fund.

During our audit period, the Department received license revenues totaling over \$50 million. The Department recorded these license revenues in seven funds with the majority of the revenues deposited in the Wildlife Fund. However, revenues from other sources unrelated to license revenues were also deposited in the Wildlife Fund, and the license revenues lost their identity. As such, the revenue source for individual expenditures cannot be determined. The regulations (50 CFR § 80.4) state, “Revenues from license fees paid by hunters and fishermen shall not be diverted to purposes other than administration of the State fish and wildlife agency.” According to Part 80.4(b) of the regulation, the administration of a state fish and wildlife agency “include[s] only those functions required to manage the fish and wildlife-oriented resources of the State...” In addition, the State limits the use of the Wildlife Fund to

“...carrying out of the powers and functions vested by law in the Department....” The listed functions were all related to fish and game.

The Department did not have an adequate system and controls to ensure that license revenues were used only for eligible purposes. As a result, we could not determine whether all license revenues were used for eligible activities. The January 2002 DCAA report identified a similar finding on the Department’s revenue disbursement system that has not been resolved.

During our review, we noted expenditures from the Wildlife Fund included efficiency payments, nurseries, forestry, retirement payments, and law enforcement recruitment training that would not be eligible uses of license revenues unless they were related to fish and wildlife activities. For example, the Department used license revenues of \$599,500 for “efficiency payments” to the State’s Central Management Services (CMS) for cost savings anticipated to occur as the result of efficiency initiatives implemented by CMS, such as reengineering of the business processes of the State. Since the payments were for anticipated cost savings and not an expenditure of funds, we could not determine the relationship to fish and wildlife activities.

On the other hand, we also noted that the Department provided funding for fish and game activities through the General Revenue Fund. For example, the Jake Wolf Memorial Fish Hatchery received funding in SFY 2004 totaling \$1.7 million including almost \$400,000 from the General Revenue Fund. In addition, according to Department officials, the Department expended its own funds for fish and game related activities in State parks. The Department provided an example of a Plan of Work for the Horseshoe Lake State Park that indicated that fish and game activities were planned for the site. However, the Department did not account for the expenditures related to these activities.

At the exit conference, Department officials stated that they were in the process of identifying the license revenues associated with each of the seven funds and the uses of the license revenues for fish and wildlife activities. The Department also stated that the review would determine the allowability of the uses of the license funds such as efficiency payments, nurseries, forestry, retirement payments, and law enforcement recruitment training.

Recommendations

We recommend that FWS:

1. Require the Department to provide an accounting of the uses of all license revenues for the two-years ending June 30, 2004, in accordance with 50 CFR § 80.4.
2. Require the Department to establish written policies, procedures, and management controls to account for the expenditure of license revenues.

Department Response

The Department did not concur with the finding. The Department viewed the efficiency payments as an isolated instance that did not demonstrate an inappropriate use of license revenues. The Department further stated that this one payment was not an adequate basis to conclude that the Department's accounting controls were inadequate. The Department also stated that its financial management systems and internal controls over license revenues substantially meets the criteria of 43 CFR § 12.C. which they believed is more authoritative than 50 CFR § 80.4.

The Department also stated that it "...had an independent contractor perform an exhaustive analysis of the use of the license revenues for its major fund receiving such revenues for the express purpose of further strengthening the administrative controls over the use of license revenues..."

OIG Comments

We continue to believe that the efficiency payment and the potential ineligible uses provide a sufficient basis to require the Department to demonstrate that it has used license revenues in accordance with the cited criteria. While the Department felt that the efficiency payment represented a small percentage of the total, the Department had not identified this large amount as an inappropriate use of license revenues. Since FWS elected not to comment on the finding and recommendations, we consider them unresolved. FWS should address the findings and recommendations in the corrective action plan.

C. Assent Legislation

Illinois laws do not limit the use of license fees to the administration of the fish and game department. The Restoration Acts require that before any monies are apportioned to a state, the state must have passed laws that include a prohibition against the diversion of hunting and fishing license fees for any other purpose than the administration of the state fish and game department. Specifically, Illinois Conservation Law Section 515 ILCS 5/30-15 states that no fishing license fees shall be diverted "for any other purpose than the administration of the Department of Natural Resources." Similarly, Illinois Conservation Law Section 520 ILCS 15/2 states that no hunting license fees shall be diverted "for any other purpose than the administration of said Department [of Natural Resources]." As such, the statutes do not refer to the State fish and game department.

In addition to the Department's fish and wildlife responsibilities, the Department has other responsibilities such as State parks, forest resources, and water resources. Therefore, the current Illinois Conservation Law would allow the Illinois Department of Natural Resources to divert the use of license fees for other than the administration of fish and game activities.

According to Department officials, the conflict of terminology between the assent legislation in Illinois Conservation Law and the Acts was probably due to prior organizational changes. When

notified of the issue, the Department contacted their legal staff and determined that the language in the Conservation Law needs to be corrected. At the exit conference, Department officials noted that proposed legislation might not be enacted until next year.

Recommendations

We recommend that FWS:

1. Require the State of Illinois to amend its laws on the use of fishing and hunting license revenues to conform to the Restoration Acts' requirements.
2. Determine whether the Department may continue to participate in the Federal Assistance program.

Department Response

The Department disagreed with the audit assertion that the assent laws were deficient, but provided proposed revisions to the assent legislation.

OIG Comments

Since FWS elected not to comment on the finding and recommendations, we consider them unresolved. FWS should address the findings and recommendations in the corrective action plan.

D. Real Property

During our site visit to the Mermet Lake Conservation Area, the Site Superintendent told us that an adjacent landowner has claimed ownership of approximately 15 acres of land that belongs to the State. According to the Site Superintendent, landowners adjacent to the site have harvested timber and crops from this property. However, a land survey had not been performed to confirm the ownership of the property. After informing the Department officials of this issue, they said that a land survey would be performed. At the exit conference, Department officials indicated that a land survey was in process.

The regulations (50 CFR § 80.14 (b)) state, "Real property acquired or constructed with Federal Aid funds must continue to serve the purpose for which acquired or constructed." The regulations (80 CFR § 80.4) also prohibit the diversion of license revenues, or assets acquired with license revenues, to any purpose other than the administration of the state fish and wildlife agency. However, since a land survey had not been performed, we were unable to determine the actual funding source for this land.

Recommendations

We recommend that the FWS:

1. Require the Department to conduct a land survey of the area to determine the boundary at Mermet Lake CA and, based on the results, determine the funding source for the acquisition of the 15 acres in question.
2. Based on the land survey results, resolve any potential diversion of land and/or license revenues.

Department Response

The Department did not specifically state concurrence with the finding but stated that it had performed a survey and identified legal descriptions on several area deeds that overlapped the State's boundary. They stated that the survey indicated that the State's title appeared to be senior to the deeds. They also stated that the Site Superintendent met with the adjacent landowners and explained that the boundary problem had been researched, surveyed and the boundaries properly marked.

OIG Comments

The Department has addressed only that it conducted a survey. The Department has not determined the funding source for the land or resolved any potential diversions that may have occurred prior to their survey. Since FWS elected not to comment on the finding and recommendations, we consider them unresolved. FWS should address the findings and recommendations in the corrective action plan.

**ILLINOIS DEPARTMENT OF NATURAL RESOURCES
FINANCIAL SUMMARY OF REVIEW COVERAGE
JULY 1, 2002 THROUGH JUNE 30, 2004**

<u>Grant Number</u>	<u>Grant Amount</u>	<u>Claimed Costs[1]</u>	<u>Questioned Costs</u>	<u>Federal Share</u>
F-29-D-25	\$990,713	\$877,347		
F-29-D-26	954,193	1,001,881		
F-52-R-17	94,668	95,271		
F-52-R-18	154,675	157,429		
F-52-R-19	156,598	99,166		
F-65-R-17	275,267	219,758		
F-65-R-18	250,815	219,883		
F-67-R-17	671,430	642,636		
F-67-R-18	698,293	820,432		
F-69-R-16	614,379	615,414		
F-69-R-17	635,835	642,760		
F-69-R-18	691,485	411,426		
FW-5-C-45	309,112	337,685		
FW-5-C-46	318,384	385,206		
W-43-R-50	134,169	130,171		
W-43-R-51	148,660	150,970		
W-76-D-37	3,354,360	3,813,663	\$70,145	\$52,609
W-76-D-38	3,365,822	4,393,651	56,811	42,608
W-82-S-31	900,000	1,033,991	180,830	135,623
W-82-S-32	920,000	953,273	145,302	108,976
W-87-R-25	197,277	197,701		
W-87-R-26	197,696	199,428		
W-99-R-15	344,748	485,973		
W-99-R-16	507,830	970,336		
F-101-R-14	66,000	71,786		
F-101-R-15	68,000	68,219		
F-121-D-12	2,210,517	1,976,709		
F-121-D-13	2,066,245	1,881,932		
F-123-R-9	231,128	233,355		
F-123-R-10	242,680	242,668		
F-123-R-11	302,680	120,302		
F-128-R-7	190,000	190,415		
F-128-R-8	196,720	200,714		
F-128-R-9	212,000	217,230		
F-135-R-5	270,400	274,280		
F-135-R-6	295,096	299,828		
F-136-R-5	100,000	99,385		
F-136-R-6	98,000	99,676		

**ILLINOIS DEPARTMENT OF NATURAL RESOURCES
FINANCIAL SUMMARY OF REVIEW COVERAGE
JULY 1, 2002 THROUGH JUNE 30, 2004**

<u>Grant Number</u>	<u>Grant Amount</u>	<u>Claimed Costs[1]</u>	<u>Questioned Costs</u>	<u>Federal Share</u>
F-138-R-5	99,000	105,102		
F-138-R-6	99,000	99,612		
F-138-R-7	99,000	99,406		
F-140-R-4	88,929	93,039		
F-141-R-4	84,449	86,602		
F-143-B-1	921,510	898,567		
F-144-B-1	312,090	300,560		
F-146-B-1	230,650	21,643		
F-147-B-1	754,775	690,342		
F-148-B-1	767,360	717,646		
F-149-B-2	333,333	273,410	43,553	32,665
F-149-B-3	333,333	317,439	57,336	43,002
F-150-R-1	40,000	40,237		
F-150-R-2	40,000	35,743		
F-151-R-1	51,008	51,717		
F-151-R-2	51,526	52,254		
F-152-B-1	442,925	27,254		
W-106-R-13	186,752	181,019		
W-106-R-14	207,512	210,735		
W-112-R-12	237,869	239,105		
W-112-R-13	294,035	293,581		
W-130-R-6	119,668	120,840		
W-135-R-4	130,859	136,640		
W-135-R-5	166,122	190,494		
W-136-R-3	125,127	117,683		
W-136-R-4	130,361	134,696		
W-137-R-3	143,814	133,815		
W-137-R-4	46,725	46,905		
W-139-R-3	46,288	47,022		
W-140-R-3	69,573	69,154		
W-142-R-2	58,505	59,727		
W-144-R-1	204,800	207,470		
W-144-R-2	166,667	191,977		
W-144-R-3	235,200	165,678		
W-145-R-1	171,627	172,154		
W-145-R-2	106,281	109,881		
	\$31,032,548	\$31,571,099	\$553,977	\$415,483

[1] Amounts represent the total outlays reported on the final SF269.

**ILLINOIS DEPARTMENT OF NATURAL RESOURCES
SITES VISITED**

Headquarters: Department of Natural Resources, Springfield, IL

Fish and Wildlife Areas

Middle Fork
Mazonia-Braidwood
Big Bend
Shelbyville
Kinkaid Lake
Turkey Bluffs
Rend Lake
Ten Mile Creek

Fish Hatcheries

LaSalle
Jake

Conservation Areas

Green River
Rice Lake
Saline County
Randolph County
Mermet Lake

State Parks

Kickapoo
Kankakee River
Sam Parr

Recreation Area

Clinton Lake

**ILLINOIS DEPARTMENT OF NATURAL RESOURCES
STATUS OF AUDIT FINDINGS
AND RECOMMENDATIONS**

Recommendations	Status	Action Required
A.1.1, A.1.2, A.2.1, A.2.2, A.3.1, A3.2; B.1, B.2; C.1, C.2; D.1, D.2	Finding Unresolved and Recommendation Not Implemented	Provide a corrective action plan that identifies the actions taken or planned to resolve the finding and implement the recommendation, as well as the basis for any disagreement with the recommendation. The plan should also include the target date and the official responsible for implementation of the recommendation. If the recommendation is not implemented at the end of 90 days (after June 30, 2006), it will be referred to the Assistant Secretary for Policy, Management and Budget for resolution and/or tracking of implementation.

Report Fraud, Waste, Abuse and Mismanagement



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