



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

AUDIT REPORT

**U.S. Fish and Wildlife Service
Federal Assistance Grants
Awarded to the State of Maryland,
Department of Natural Resources,
From July 1, 2003, Through June 30, 2005**

Report No. R-GR-FWS-0025-2005 February 2007



United States Department of the Interior

OFFICE OF INSPECTOR GENERAL

12030 Sunrise Valley Drive, Suite 230
Reston, Virginia 20191

February 8, 2007

AUDIT REPORT

Memorandum

To: Director
U.S. Fish and Wildlife Service

From: Christina M. Bruner *Christina M. Bruner*
Director of External Audits

Subject: Audit Report on the U.S. Fish and Wildlife Service, Federal Assistance Division, Grants Awarded to the State of Maryland, Department of Natural Resources, From July 1, 2003, Through June 30, 2005 (No. R-GR-FWS-0025-2005)

This report presents the results of our audit of costs incurred by the State of Maryland (State), Department of Natural Resources (Department). The Department incurred the costs under Federal Assistance grants awarded by the U.S. Fish and Wildlife Service (FWS). The audit included total reported outlays of approximately \$20.1 million on FWS grants that were open during state fiscal years (SFYs) ended June 30 of 2004 and 2005 (see Appendix 1). The audit also covered Department compliance with applicable laws, regulations, and FWS guidelines, including those related to the collection and use of hunting and fishing license revenues and the reporting of program income.

While the Department complied, in general, with applicable grant accounting and regulatory requirements, we questioned \$37,818 in costs (federal share), including \$13,695 that were unallowable and \$24,123 that were unsupported. We also identified issues regarding the reporting of program income, control of personal and real property, and use of state fishing and hunting license revenues.

Please provide us with your written response to the findings and recommendations included in this report by May 9, 2007. Your response should include information on actions taken or planned, targeted completion dates, and titles of officials responsible for implementation.

If you have any questions about this report, please contact Mr. Jeffrey Wilson, Audit Team Leader at 703-487-5359, or me at 703-487-5345.

cc: Regional Director, Region 5, 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 restoration programs. The Acts allow 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 agency.

Objectives

Our audit objectives were to determine whether the Department:

- claimed the costs incurred under Federal Assistance grants in accordance with the Acts and related regulations, FWS guidelines, and the grant agreements;
- used state hunting and fishing license revenues solely for fish and wildlife program activities; and
- reported and used program income in accordance with federal regulations.

Scope

Audit work included reported outlays totaling approximately \$20.1 million on 40 FWS grants that were open during SFYs 2004 and 2005 (see Appendix 1). We performed our audit at Department headquarters in Annapolis, Maryland, and visited one regional office, five wildlife management areas, one fish hatchery, one inland and one marine fisheries work center, and two boat ramps (see Appendix 2). We performed this audit to supplement, not replace, the audits required by the Single Audit Act of 1984, as amended, and by Office of Management and Budget Circular A-133.

Methodology

We performed our audit in accordance with the "Government Auditing Standards" issued by the Comptroller General of the United States. Accordingly, we tested records and conducted other auditing procedures as we considered necessary under the circumstances. Our tests and procedures included:

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

- examining the evidence that supports selected expenditures charged to the grants by the Department;
- interviewing Department employees to ensure that personnel costs charged to the grants were supportable;
- reviewing transactions and supporting documentation related to purchases, other direct costs, drawdowns of reimbursements, in-kind contributions, and program income;
- conducting site visits to review equipment and other property; 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 Office of Legislative Audits, Department of Legislative Services, Maryland General Assembly, to avoid duplication of audit effort.

We also identified internal controls over transactions recorded in the labor and license fee accounting systems and tested their operation and reliability. Based on the results of initial assessments, we assigned a level of risk to these systems and selected a judgmental sample of transactions for testing. We did not project the results of tests to the total population of recorded transactions nor did we evaluate the economy, efficiency, or effectiveness of Department's operations.

Prior Audit Coverage

On January 24, 2003, we issued Report No. 2003-E-0015, "Advisory Report on Costs Claimed by the State of Maryland, Department of Natural Resources, Under Federal Assistance Grants from the U.S. Fish and Wildlife Service from July 1, 1998, through June 30, 2000." We followed up on all significant findings in the reports and determined that they had been resolved and implemented prior to our review.

We also reviewed the State's Comprehensive Annual Financial Report and single audit for 2004. These reports did not contain any findings that would directly affect the Department's Federal Assistance grants, nor was the grant program selected for testing in the single audit.

Audit Results

Audit Summary

We found that the Department complied, in general, with selected grant agreement provisions and requirements of the Acts, regulations, and FWS guidance. However, we identified several conditions that resulted in the findings listed below, including \$37,818 in questioned costs. We discuss these findings in more detail in the Findings and Recommendations section.

Questioned and Unsupported Costs. Indirect cost rates used by the Department did not limit the cost of state-provided central services to 3 percent of the State's annual Federal Assistance apportionment, as required under the Acts and regulations. In addition, the Department claimed costs that were unallowable and unsupported.

Unreported Program Income. The Department did not report \$73,143 of program income associated with two grants.

Inadequate Controls Over Equipment. The Department's Asset Management System inventory listing was incomplete and the Department had missing and untagged items.

Inadequate Controls Over Real Property. The Department does not maintain an inventory listing of real property (land) acquired with Federal Assistance funds or license revenues.

Interest on License Revenue Not Properly Deposited. Interest generated from license fees deposited with the State Treasurer has not been transferred to the State Fisheries and Wildlife Management and Protection Funds, as required.

Findings and Recommendations

A. Questioned and Unsupported Costs

1. Incorrect Indirect Cost Rate Charged — \$7,695

States allocate administrative costs for state-provided central services as an indirect cost across multiple grants and programs. The Acts limit indirect costs that states can allocate for state central services to Federal Assistance grants. The State complied with the limitation for most, but not all, of its Federal Assistance grants. As a result, we questioned \$10,259 (\$7,695 federal share) in costs.

The Acts' limitation on indirect costs has been codified in the Code of Federal Regulations (50 C.F.R. § 80.15(d)). The regulation requires administrative costs in the form of overhead or indirect costs for state central services outside of the state fish and wildlife agency to follow an approved cost allocation plan and not

to exceed 3 percent of the annual apportionment to that state in any one fiscal year. In addition, 2 C.F.R. § 225, Appendix E, Section C.4(b), requires the state to request a special or restricted rate when federal statutes restrict reimbursement of certain indirect costs. States must establish procedures and document steps to ensure compliance with the 3 percent limitation.

For SFYs 2004 and 2005, the Department applied a different indirect cost rate to Hunter Education Grants W-65-S-15 and W-65-S-16 than it applied to its other Federal Assistance grants. The Department had procedures to ensure compliance with the 3 percent limitation for indirect cost rates for its Federal Assistance grants, but it did not apply those procedures to the Hunter Education Grants. It instead applied to those grants an indirect cost rate that was approved for the Natural Resources Police that did not account for the 3 percent limitation.

The Department charged costs for state central services above the 3 percent limitation when it applied an incorrect indirect rate to the Hunter Education Grants. We calculated and applied a new indirect cost rate for the Hunter Education Grants that excludes the excess central services costs. The difference between our calculated amounts and those billed to the grants total \$10,259 (\$7,695 federal share), which we have classified as questioned costs (\$4,818 on W-65-S-15 and \$5,441 on W-65-S-16). Without proper application and monitoring of indirect cost rates for all Federal Assistance grants, the Department's reimbursement for central services costs could continue to exceed the 3 percent limitation.

Recommendations

We recommend that FWS:

1. resolve the \$7,695 of questioned indirect costs claimed on Hunter Education Grants W-65-S-15 and W-65-S-16, and
2. require the Department to develop policies and procedures to ensure that the indirect cost rates applied to all Federal Assistance grants limit reimbursement for state-provided central services to 3 percent of the statewide annual apportionment.

Department Response

The Department concurred with the audit recommendation and stated that the source of the billing problem in the Hunter Education grants was identified and corrected. The Department also indicated in its response that there is no need for a monetary adjustment or reimbursement because the Department accumulated an overmatch of volunteer hours.

FWS Response

FWS officials agreed with the recommendations and stated that they would work with the Department in developing a corrective action plan to resolve the recommendations.

OIG Comments

While FWS management concurs with the recommendations and the Department indicated action is being taken to address the recommendations, additional information is needed in the corrective action plan, including:

- targeted completion dates,
- titles of officials responsible for implementing the actions taken or planned to resolve and implement the recommendations, and
- verification that FWS officials reviewed and approved of actions taken or planned by the State.

2. Incorrect Other Direct Costs — \$6,000

The Department incorrectly charged grant F-42-R-17 for postage not related to the grant. We classified the \$8,000 (\$6,000 federal share) in postage as questioned costs.

According to 50 C.F.R. § 80.15, for costs to be allowable, they must be necessary and reasonable for accomplishing approved project purposes and must comply with the cost principles of OMB Circular A-87 (recently codified as 2 C.F.R. § 225). The regulation also requires costs to be supported and substantiated by source documents or other records. In addition, 2 C.F.R. § 225, Appendix A, Section C.3, specifies that a cost is allocable only if it provides a benefit to the grant. Appendix A, Sections E.1 and E.2.b, define direct costs as those that can be identified specifically with a particular final cost objective.

Postage was incorrectly charged to grant F-42-R-17 because the Department made an accounting error, transposing account numbers for the FWS grant and a non-FWS grant. As a result, the Department was reimbursed for \$6,000 of direct costs (postage) that were not applicable to the grant.

Recommendation

We recommend that FWS resolve the questioned costs of \$6,000 for postage.

Department Response

Department officials concurred with the audit recommendation and stated they addressed the \$6,000 in questioned costs by crediting this amount back to the fisheries grant program.

FWS Response

FWS officials concurred with the recommendation and confirmed that the Department credited the \$6,000 in questioned costs to the fisheries grant program. FWS stated that the transaction posted to the Federal Aid Information Management System on October 31, 2006, and they therefore consider this recommendation resolved and implemented.

OIG Comments

Based on the FWS response, we consider the recommendation resolved and implemented.

3. Unsupported Costs — \$24,123

The Department charged \$32,164 (\$24,123 federal share) of inadequately supported costs to Hunter Education Grants W-65-S-15 and W-65-S-16 for enhancing private gun club facilities.

Title 43 C.F.R. § 12.60 (b)(2) requires grantees and sub-grantees to maintain records which adequately identify the source and application of funds for financially-assisted activities, including obligations, outlays, and expenditures. Furthermore, the accounting records must be supported by source documentation such as cancelled checks and paid bills (43 C.F.R. § 12.60 (b)(6)).

The Department issued sub-grants under grants W-65-S-15 and W-65-S-16 to selected gun clubs to upgrade their facilities. In exchange, the gun clubs agreed to host hunter education events sponsored by the Department and to open them to the public. The Department required sub-grantees to submit only an invoice to the Department for the costs incurred by the sub-grantee. The invoice did not contain sufficient details of costs incurred, nor did the Department require submission of documentation to support those costs. As a result, the Department paid \$32,164 (\$24,123 federal share) in costs to sub-grantees for which there was inadequate supporting documentation. We are questioning these costs.

Recommendations

We recommend that FWS:

1. resolve the \$24,123 in costs paid to sub-grantees for which there was inadequate supporting documentation and
2. ensure that the Department require all sub-grantees to maintain and submit source documentation adequate to support costs claimed for reimbursement on Federal Assistance grants.

Department Response

Department officials stated that the Hunter Education Coordinator and Program Supervisor personally observed improvements made to all but one gun club range, and the officials are therefore confident that the grant monies were spent for intended purposes. They noted, however, that any grant monies spent by subgrantees for which adequate documentation cannot be obtained will be returned. Department officials indicated that Department of Natural Resources auditors will contact the sub-grantees to collect missing documentation. Officials also stated one sub-grantee already returned \$6,000, but emphasized that this is not an indication of wrong-doing on the part of the sub-grantee. Finally, officials stated that they will not issue these types of grants in FY2007.

FWS Response

FWS officials agreed with the audit recommendations and stated they would work with the Department in developing a corrective action plan to address the recommendations.

OIG Comments

While FWS management concurs with the recommendations and the Department indicated action is being taken to address them, additional information is needed in the corrective action plan, including:

- targeted completion dates,
- titles of officials responsible for the actions taken or planned to resolve and implement the recommendations, and
- verification that FWS officials reviewed and approved of actions taken or planned by the State.

B. Unreported Program Income

Grants W-62-D-15 and W-62-S-16 provided funds to support the Department's land management activities, including operations, maintenance, and habitat management. During SFYs 2004 and 2005, the Department earned \$83,143 in cash and estimated barter services. The Department only reported \$5,000 in revenues as program income,

leaving \$73,143 of program income associated with the two grants unreported (\$18,702 on grant W-62-D-15 and \$54,441 on grant W-62-D-16).

Title 43 C.F.R. § 12.65 defines program income as gross income received by the grantee directly generated by a grant supported activity, or earned only as a result of the grant agreement during the grant period. Program income ordinarily will be deducted from total allowable costs to determine the net allowable costs (deductive method). The awarding federal agency may authorize the grantee to add program income to the project funds to further implement eligible program projects or use it to meet the cost sharing or matching requirement. Since the awarding agency (FWS) did not approve the use of the additive method, the prevailing method for the Department is the deductive method.

The Department did not determine actual program income earned or received during the period of our review. Because all program income was not reported on the Financial Status Reports, FWS did not have the opportunity to (1) authorize in advance whether the program income should be used to reduce FWS and Department contributions or to enhance the grants' program objectives or (2) determine whether this income was used properly. Since the land management grants did not authorize program income to be added to the grant amount, net allowable costs eligible for cost sharing was overstated by \$73,143.

Recommendations

We recommend that FWS:

1. resolve the \$73,143 in unreported program income for SFYs 2004 and 2005 and
2. ensure the Department identify and report income earned from grant supported activities as program income in accordance with the grant agreement and regulations.

Department Response

Department officials disagreed with our recommendations. They stated the grant documents listed those activities conducted on wildlife management areas that were funded with Federal Assistance funds, and that these activities did not include managing agricultural leases. They also believe that:

- the only portion of the lease revenue that should be treated as program income is that from lands purchased with Federal Assistance funds;
- barter income should not be reported because doing so would fail to account for the corresponding expense incurred by the tenant; and
- if the Department reports the value of land leased as income it should also report the cost of planting as an expense, since it represents a cost savings to the Department.

FWS Response

FWS officials agreed with the recommendations and stated they would work with the Department to develop a corrective action plan to address the recommendations.

OIG Comments

In response to the Department, we note that FWS Director's Order 168 defines program income as income generated on lands both managed and purchased with Federal Assistance funds. We also note the barter crop leases specify that farmers may provide services in numerous plots on the wildlife management area in lieu of cash payments. The services provided directly relate to activities approved in the Federal Assistance land management grants. The services include leaving crops for wildlife, mowing, and maintaining food plots and buffers. In response to the Department's belief that it should report costs associated with planting as an expense, we note these costs are to the farmer and not the Department. However, the Department may include as reported outlays on the financial status report the value of the lease payments foregone by the Department during the audit period due to the barter arrangements.

While FWS management concurs with the recommendations, additional information is needed in the corrective action plan, including:

- the specific actions taken or planned to resolve and implement the recommendations,
- targeted completion dates,
- titles of officials responsible for the actions taken or planned, and
- verification that FWS officials reviewed and approved of actions taken or planned by the State.

C. Inadequate Controls Over Personal Property

The Department's Finance Division maintains an inventory of equipment in its Asset Management System. Using an inventory listing generated from this system, we inspected equipment at six field offices, the headquarters office, and the Natural Resource Police Hunter Education Office in Annapolis. We inspected a sample of computer-related items, vehicles, firearms, and equipment. Some items could not be located. We also found improperly tagged items and inaccurate and incomplete data on the inventory listing.

Under 50 C.F.R. § 80.19, the state must maintain current and complete property records in accordance with requirements in the Fish and Wildlife Service Manual. In addition, the Maryland Department of General Services Inventory Control Manual provides inventory standards for all State agencies. The standards require that: (1) data in the

Department's capital equipment inventory system include, at a minimum, the agency property identification number, description, and serial number (if any) (Section II.03 A); (2) capital equipment items be marked with a property identification number and the words "Property of the State of Maryland," using etching, indelible marking, or permanent labels that cannot be removed (Section II E); and (3) sensitive items (those highly subject to theft) be permanently labeled through means such as surface etching or marking with indelible ink or paint (Appendix V).

We concluded that the inventory records were inaccurate and incomplete due to a lack of communication between the locations or individuals physically controlling the property and the Department's Property Management section.

Of 128 items valued at \$378,578 that were selected for inspection, we could not find 6 items valued at \$10,835. In addition, 50 items valued at \$125,600 were not physically tagged or engraved with the required State property ID number; and 9 items valued at \$16,176 were not included on the Department's inventory. Finally, for 69 items valued at \$154,995, data in the inventory listing was inaccurate or incomplete (missing property ID number or serial number, incorrect description or serial number, or wrong location.).

Recommendations

We recommend that FWS ensure the Department:

1. accurately update the data in the Asset Management System to reflect the correct status and location of items and
2. assign property numbers to all items and tag all untagged items as required by the State guidelines.

Department Response

Department officials agreed that inventory errors occur because of a breakdown in communication between the Department's Record Management section and personnel with physical control of the inventory. Officials, however, believe they complied with the State's inventory guidelines. They stated that they received permission in a memo from the Department of General Services (DGS) to track their inventory in the Fixed Asset System using serial numbers, hull identification numbers, or VIN numbers in place of unique Department-assigned property numbers.

FWS Response

FWS officials agreed with the recommendations and stated that they would work with the Department in developing a corrective action plan to address the recommendations.

OIG Comments

In response to the Department, we note that we reviewed the memo from DGS during the audit. In the memo, DGS granted the Department permission to use serial numbers, hull identification numbers, or VIN numbers in place of unique property numbers in the Fixed Asset System. However, the DGS specified the alternative identification should be listed as the property number in the Fixed Asset System. We therefore only noted in the report those property items which do not have a unique identifier—either serial number, Department-assigned property number, or other alternative—in the Fixed Asset System’s property number field.

While FWS management concurs with the recommendations, additional information is needed in the corrective action plan, including:

- the specific actions taken or planned to resolve and implement the recommendations,
- targeted completion dates,
- titles of officials responsible for the actions taken or planned, and
- verification that FWS reviewed and approved of actions taken or planned by the State.

D. Inadequate Controls over Real Property

The Department does not maintain an inventory listing of real property acquired with Federal Assistance funds or license revenues. Therefore, the Department's records are not adequate to assure control of real property acquired with Federal Assistance funds and license revenues.

Title 50 C.F.R. § 80.19 requires that states maintain current and complete property records in accordance with requirements contained in the Fish and Wildlife Service Manual. Additionally, Section 80.18 requires states remain accountable for and control all assets, assuring they are used for the purpose for which they were acquired. The same accountability and control requirements are extended to assets acquired with license revenues (50 C.F.R. § 80.4).

We found that the Department had not developed a list of real property by funding source because it did not consider it to be necessary. The Department used property records maintained by FWS rather than maintaining their own records. Federal regulations, however, require states to maintain their own property records. Failure to maintain a list of real property acquisitions acquired with Federal Assistance funds and license revenues inhibits the Department's ability to control real property.

Recommendations

We recommend that FWS require the Department to establish:

1. complete and accurate records for real property acquired with Federal Assistance funds and license revenues, ensuring reconciliation between the Department and FWS land records; and
2. policies and procedures for maintaining real property records that include the source of funding.

Department Response

Department officials stated that for the past two years the Department has been compiling real property information, including the source of funds, into a central database. To validate and expedite this process, officials stated they will solicit FWS assistance in identifying lands purchased with Federal Assistance funds and license revenues. However, Department officials contend they are completing this inventory to expedite their decision making process and not to improve control over real property.

FWS Response

FWS management concurred with the recommendations and stated that they would work with the Department in developing a corrective action plan to address the recommendations.

OIG Comments

While FWS management concurs with the recommendations and the Department indicated action is being taken to address them, additional information is needed in the corrective action plan, including:

- targeted completion dates,
- titles of officials responsible for the actions taken or planned to resolve and implement the recommendations, and
- verification that FWS reviewed and approved of actions taken or planned by the State.

E. Interest on License Revenue Not Properly Deposited

Interest generated from license fees deposited with the State Treasurer has not been transferred to the State Fisheries and State Wildlife Management and Protection Funds. These funds serve as the repository of license revenue to ensure the revenue is used only

for the administration of the State's fish and wildlife agency. The funds will be transferred from the State Treasurer to the proper accounts only after the Department's Finance Division performs a reconciliation to determine the amount of interest to be credited.

Title 50 C.F.R. § 80.4 prohibits the use of license revenues for any purpose other than the administration of the state's fish and wildlife agency. License revenues include fees paid to the state by hunters and fisherman for hunting and fishing privileges, as well as interest, dividends, or other income earned on license revenues.

The Department's Chief Financial Analyst informed us that the interest earnings were calculated based on the wrong balances and credited to the wrong fund because of a new method of crediting interest that was initiated in SFY2003 and a Departmental reorganization. He told us the problem was not discovered until the end of SFY2004. As a result, a diversion of license revenues may have occurred. The Chief Financial Analyst also intends to ensure reconciliations and corrective entries are made to properly credit the interest.

Recommendation

We recommend that FWS determine whether diversion of license revenue has occurred and require the Department to ensure the appropriate amount of interest is credited to the State Fisheries and State Wildlife Management and Protection Funds.

Department Response

Department officials concurred with our recommendation. They stated the Comptroller took measures to ensure the interest earned on license revenue is properly credited to the State Fisheries and State Wildlife Management and Protection Plans. They further stated the Department's Chief Financial Analyst is independently calculating the interest due the Department to ensure the proper amounts are credited to the State Fisheries and Wildlife Management and Protection Plans.

FWS Response

FWS management agreed with the recommendation and stated that they would work with the Department in developing a corrective action plan to address the recommendation.

OIG Comments

While FWS management concurs with the recommendation and the Department indicated it is taking action to address them, additional information is needed in the corrective action plan, including:

- targeted completion dates,

- titles of officials responsible for the specific actions taken or planned to resolve and implement the recommendation, and
- information verifying FWS reviewed and approved of actions taken or planned by the State.

MARYLAND DEPARTMENT OF NATURAL RESOURCES
FINANCIAL SUMMARY OF REVIEW COVERAGE
JULY 1, 2003, THROUGH JUNE 30, 2005

Grant Number	Grant Amount	Total Outlays	Questioned Costs			
			Unallowable Costs		Unsupported Costs	
			Total	Federal Share	Total	Federal Share
F-41-D-22	\$575,000	\$560,823				
F-41-D-23	230,000	0				
F-41-D-24	263,000	0				
F-41-D-25	128,500	0				
F-42-R-16	750,584	603,972				
F-42-R-17	781,817	655,790	\$8,000	\$6,000		
F-45-R-16	125,806	59,256				
F-45-R-17	93,818	69,345				
F-45-R-18	93,407	95,212				
F-47-E-14	425,151	342,624				
F-47-E-15	405,622	331,812				
F-47-E-16	313,926	324,087				
F-48-R-13	935,108	939,648				
F-48-R-14	935,108	1,020,481				
F-48-R-15	935,108	795,873				
F-50-R-13	231,331	183,610				
F-50-R-14	239,187	200,774				
F-53-D-10	1,064,957	1,348,560				
F-53-D-11	1,391,713	1,416,763				
F-53-D-12	1,381,890	1,398,720				
F-54-R-9	925,065	782,297				
F-54-R-10	568,217	568,217				
F-55-D-6	90,000	0				
F-55-D-7	90,000	12,170				
F-57-R-5	322,907	372,126				
F-57-R-6	543,697	342,600				
F-58-R-4	128,853	103,356				
F-60-R-1	97,812	49,591				
F-60-R-2	93,334	101,520				
F-61-R-1	1,111,706	998,726				
W-61-R-15	972,000	1,090,614				

MARYLAND DEPARTMENT OF NATURAL RESOURCES
FINANCIAL SUMMARY OF REVIEW COVERAGE
JULY 1, 2003, THROUGH JUNE 30, 2005

Grant Number	Grant Amount	Total Outlays	Questioned Costs			
			Unallowable Costs		Unsupported Costs	
			Total	Federal Share	Total	Federal Share
W-61-R-16	932,000	1,156,677				
W-62-D-15	1,004,000	1,072,576				
W-62-D-16	1,000,000	1,304,057				
W-63-C-15	12,000	11,354				
W-63-C-16	12,000	23,847				
W-64-T-15	256,000	263,294				
W-64-T-16	260,000	264,965				
W-65-S-15	540,000	383,866	4,818	3,614	5,275	3,956
W-65-S-16	540,000	847,277	5,441	4,081	26,889	20,167
Totals	\$20,800,624	\$20,096,481	\$18,259	\$13,695	\$32,164	\$24,123

**MARYLAND DEPARTMENT OF NATURAL RESOURCES
SITES VISITED**

Regional Offices

Western

Hatcheries

Albert M. Powell

Inland Fisheries Work Center

Lewistown

Marine Fisheries Work Center

Matapeake

Wildlife Management Areas

Warrior Mountain

Indian Springs

Gwynbrook

Wellington

Deal Island

Other Sites

Franklin Street Boating Access

Neavitt-Balls Creek Landing Boating Access

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

Recommendations	Status	Action Required
A.1.1, A.1.2, A.3.1, A.3.2, B.1, B.2, C.1, C.2, D.1, D.2, and E	FWS management concurs with the recommendations, but additional information is needed as outlined in the "Actions required" column.	Additional information is needed in the corrective action plan, including the actions taken or planned to implement the recommendations, targeted completion date(s), the title of official(s) responsible for implementation, and verification that FWS officials reviewed and approved of actions taken or planned by the State. We will refer recommendations not resolved and/or implemented at the end of 90 days (after May 9, 2007) to the Assistant Secretary for Policy, Management and Budget for resolution and/or tracking of implementation.
A.2	Resolved and Implemented.	No further action is required.

Report Fraud, Waste, Abuse and Mismanagement



Fraud, waste, and abuse in government concerns everyone: Office of Inspector General staff, Departmental employees, and the general public. We actively solicit allegations of any inefficient and wasteful practices, fraud, and abuse related to Departmental or Insular area programs and operations. You can report allegations to us in several ways.



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