

PROGRAM 4 – GRANTS MATCH PROGRAM

ALASKA HOUSING FINANCE CORPORATION

I. PROGRAM OBJECTIVES

This program awards grants to organizations to meet match requirements of federal, state or private foundation grant programs which provide affordable housing or supportive services for homeless, special needs, or other persons who are unable to achieve self-sufficiency.

II. PROGRAM PROCEDURES

Under the program, grants are made to municipalities or to public or private 501(c)(3) or (4) nonprofit corporations. Prior to execution of a grant agreement between AHFC and the grantee, the grantee must produce evidence of an award from the "primary" grantor such as the federal government.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED -

1. **Compliance Requirement:** Grants made under this program are for activities cited as eligible in the primary Grant Notice of Fund Availability (NOFA) and/or governing regulations. The grant agreement scope of services will further specify the types of activities and services allowable under the grant. 15 AAC 154.010 - 154.080

Suggested Audit Procedures: Review the grant agreement, identify the services and activities to be provided; and test financial and related records to determine if the funds expended were used for the purpose for which funds were awarded.

2. **Compliance Requirement:** All interest earned on grant money awarded by Alaska Housing Finance Corporation (AHFC) must be returned to AHFC upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedures: Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date and verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY -

Compliance Requirement: In some cases, the grant scope of services specifies supportive services to eligible clients. Client eligibility may be specified by the primary grant program, and, or the grantee's own policies and procedures.

Suggested Audit Procedures: The auditor should verify client eligibility for receipt of services based on the requirements of the grant agreement and the primary grant program, and, or the grantee's own policies and procedures.

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

Compliance Requirement: Grants are provided on the basis of meeting the conditions of a primary grant program. Grants provided by AHFC generally will not exceed 100% of the primary grantor funding.

Suggested Audit Procedures:

- a) Review the grant agreement to identify any other sources of funds to be committed to the project;
- b) Review financial and project records to determine the source of funds; and
- c) Verify the amount of other funds applied to the project.

D. REPORTING REQUIREMENTS -

Compliance Requirements:

- a) The grant agreements are to include a provision for regular, periodic reporting to AHFC on grant sponsored activities. 15 AAC 154.040
- b) AHFC also requires the grantee to submit copies of any reports required by the primary grantor.

Suggested Audit Procedures:

- a) Review the grant agreements and determine the reporting requirements;
- b) Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- c) Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS -

Compliance Requirement: The grant agreement will identify any special compliance requirements, as outlined in the attachments; the grantee is to adhere to.

Suggested Audit Procedures: Review the grant agreement, identify any special compliance provisions; and verify that requirements were met.