



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

RECOVERY

RECOVERY OVERSIGHT ADVISORY

Project Lists Posted on Department of the Interior Recovery Web Site and the Non-competitive and Non-fixed-price Report Posted on Recovery.gov



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OCT 18 2010

To: Chris Henderson
Senior Advisor to the Secretary for Economic Recovery and Stimulus

From: *for Robert A. Knox*
Robert A. Knox
Assistant Inspector General for Recovery Oversight

Subject: Recovery Oversight Advisory — Project Lists Posted on Department of the Interior Recovery Web Site and the Non-competitive and Non-fixed-price Report Posted on Recovery.gov (ROO-ROA-MOA-1020-2010)

This advisory informs you of our efforts to review project lists posted on the U.S. Department of the Interior (DOI) Recovery Web site (www.recovery.doi.gov/) and the non-competitive and non-fixed-price report posted on Recovery.gov. This review is part of our ongoing efforts to oversee and ensure the accountability of funding appropriated to DOI in the American Recovery and Reinvestment Act of 2009 (Recovery Act).

Please provide a written response to this advisory within 30 days of receipt detailing the corrective actions each bureau will take to implement our recommendations, as well as targeted completion dates and title(s) of the official(s) responsible for implementation.

We will post this advisory on our Web site (www.doi.gov/recovery/) and on Recovery.gov. Information contained in this advisory may also be included in our semiannual reports to the Congress. Please contact me if you have any questions.

Background and Findings

Postings of Project Lists

Office of Management and Budget (OMB) Memorandum M-10-14 requires agencies to post their most up-to-date, approved project lists with corresponding changes on their recovery Web sites. Our office periodically obtains an update of all DOI Recovery Act projects approved by OMB. This update provides information on project changes such as completion, cancellation, reallocation of funds, cost increases or decreases, or other reasons. We compared data from the April 30, 2010 project update to changes on bureau Web sites and found untimely and inconsistent data caused by a lengthy revision approval process.

Most bureaus submit project changes monthly to the DOI Deputy Recovery Act Coordinator. The Bureau of Reclamation (USBR) submits changes directly to an OMB examiner. Typically, several months of changes are collected and submitted to OMB for approval. Not all bureau information is submitted to OMB simultaneously. Timing for each

submission is determined by what issues prompted the changes (e.g. difficulties preventing project completion or under-bids that left additional resources that could be used on other projects, if approved). The Deputy Recovery Act Coordinator stated that OMB takes several months to approve projects, which are then reviewed by congressional staff for input.

Revised project lists approved by bureaus must first be approved by OMB before they are posted on the DOI Recovery Web site by a Departmental contractor. In addition, only the U.S. Fish and Wildlife Service (FWS) and USBR take an active role in the Web site by providing additional bureau information.

Of the six bureaus reviewed, only the U.S. Geological Survey (USGS) did not have a project list posted on their Web site. Three bureaus - Bureau of Indian Affairs (BIA), FWS, and the National Park Service (NPS) - posted lists of project changes (e.g., completion, reallocated funds, and significant changes in costs). Some projects on bureau Web sites, such as BIA, Bureau of Land Management (BLM), and FWS, could not be traced to the April 30, 2010 project update. None of the posted project lists agreed completely with the latest project update. Only USBR posted a press release relating to changes on their project list.

We discussed our findings with the Deputy Recovery Act Coordinator. The differences between the internal April 30, 2010 project update and the project lists on the bureau Web sites are the result of delays in the OMB approval process. The initial changes list for USGS and BLM have yet to be approved by OMB.

The table below shows the approval date of the information presented on bureau Web sites as of June 11, 2010.

Table 1

Bureau	Approval Date of Project List on the Bureau Web Site
BIA*	March 2010
USGS	No project list posted
FWS	December 2009
USBR	March 2010
BLM	April 2009
NPS	December 2009

* BIA divided their changes list into two groups: construction and roads. The date only applies to construction contracts. Road contracts have not been approved since April 2009 (the initial list).

Given the process required before approved projects are posted, the public does not have current information as to DOI's use of Recovery Act funds. This can lead to confusion and undermine transparency.

Non-Competitive and Non-Fixed Price Awards

In another effort, we compared data posted on Recovery.gov for non-competitive and non-fixed-price awards to the data on the Federal Procurement Data System - Next Generation

(FPDS-NG) Web site, https://www.fpds.gov/fpdsng_cms/ (fpds.gov), which is an online database of Federal contracts. Although the public is provided free access to FPDS-NG, data extracted from FPDS-NG is also displayed on Recovery.gov in an effort to further Government transparency to the public.

We examined 280 companies that received Recovery Act non-competitive and/or non-fixed price-awards (see Table 2).

Table 2

Description	Amount
Total Number of Fixed Price and Non-Competitive	280
Less vendor duplicates (vendors were both Non-Fixed Price and Non-Competitive or slightly different names were consolidated)	10
Subtotal (total number less duplicates)	270
Vendors recorded consistently in FPDS-NG and Recovery.gov)	182
Not Competed under SAP ¹	55
Identified as ARRA	4
Identified as not ARRA	29

Fifty-five projects not displayed properly on Recovery.gov are classified as "Not Competed Under SAP" on fpds.gov and should have been displayed in the non-competitive, non-fixed-price award data on Recovery.gov. We discussed our findings with members of the Recovery Accountability and Transparency Board, who informed us that the criteria for the data extraction for Recovery.gov included data classified in fpds.gov as "Not Competed Under SAT."² The Recovery Accountability and Transparency Board was unaware that the General Services Administration had changed this classification to "Not Competed Under SAP." A new code has been written to include all the projects classified as "Not Competed Under SAP" from fpds.gov in the non-competitive award section on Recovery.gov. The 55 projects in question are now displayed correctly.

We confirmed that four questionable projects were funded by the Recovery Act and 29 projects were incorrectly shown as funded by the Recovery Act (11% of the 270 total). Furthermore, in an unrelated effort, we discovered a USGS project for \$2,750,000 that was

¹ "Simplified acquisition procedures" prescribes policies and procedures for the acquisition of supplies and services including construction, research and development, and commercial items, the aggregate amount of which does not exceed the simplified acquisition threshold. Subpart 13.5 provides special authority for acquisitions of commercial items exceeding the simplified acquisition threshold but not exceeding \$5.5 million. *See*, Federal Acquisition Regulation (FAR) Part 13 for more details.

² "Simplified acquisition threshold" means \$100,000, except for acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack (41 U.S.C. § 428a), the term means— (1) \$250,000 for any contract to be awarded and performed, or purchase to be made, inside the United States; and (2) \$1 million for any contract to be awarded and performed, or purchase to be made, outside the United States. FAR 2.101, Definitions.

incorrectly coded as an ARRA project. These errors resulted from incorrect Treasury Account Symbol (TAS) numbers recorded in FPDS-NG. The contracting officers on all these projects have been notified of these errors.

Recommendations:

We recommend that the Bureaus:

1. Review Recovery Act contracts on FPDS-NG to ensure all applicable fields are correct for Recovery Act projects.
2. Ensure staffs are properly trained regarding inputting FPDS-NG system changes.

We recommend that DOI:

1. Renew efforts to obtain the necessary OMB approvals to post updated project lists on bureau Web sites to promote transparency and, in the interim period, provide a disclaimer on those sites to notify the public that the lists are not current.

cc: Deputy Secretary, Department of the Interior
Deputy Recovery Act Coordinator
Assistant Secretary, Policy, Management, and Budget
Director, Office of Acquisition and Property Management
Acting Director, Office of Financial Management
Departmental GAO/OIG Audit Liaison
Audit Liaison, Office of the Secretary

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