



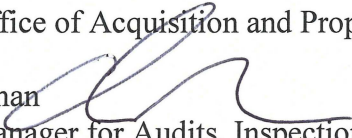
**OFFICE OF  
INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

June 5, 2013

Memorandum

To: Eric Eisenstein  
Division Chief, Internal Controls and Audit Follow-up  
Office of Financial Management

Debra E. Sonderman  
Director, Office of Acquisition and Property Management

From: Charles Haman   
Regional Manager for Audits, Inspections, and Evaluations

Subject: Verification Review of Recommendations for the Inspection Report,  
"Department of the Interior (DOI) Fuels Consumption Data is Incorrectly  
Reported" (C-IS-MOI-0008-2008)  
Report No. C-VS-MOI-0005-2013

We have completed a verification review of the two recommendations presented in the inspection report noted above. Our objective was to determine if DOI implemented the recommendations as reported to the Office of Financial Management (PFM), Office of Policy, Management and Budget. The responsible office for implementing the recommendation is DOI's Office of Acquisition and Property Management (PAM). PAM provided PFM with supporting documentation, and PFM reported to us when PAM had addressed the two recommendations in the subject report. Based on our review, we concluded that PAM has not fully implemented Recommendations 1 and 2.

**Background**

In November 2008, our inspection report, "Department of the Interior (DOI) Fuels Consumption Data is Incorrectly Reported" stated that Executive Order (E.O.) 13423, "Strengthening Federal Environmental, Energy, and Transportation Management," requires Federal agencies to decrease petroleum fuel consumption by 2 percent annually, while increasing fleet alternative fuel consumption by 10 percent annually. DOI reported a 6 percent decrease in the consumption of petroleum-based fuels from fiscal years (FYs) 2005 to 2007. Our inspection report determined that DOI misreported its fuel consumption due to errors with bureaus' fuel data. Based on corrections to known errors, we estimated that DOI may have increased its consumption by as much as 22 percent for that period. We also questioned the Department's poor data quality, which led to DOI's reported 58 percent increase in alternative fuel consumption.

In a memorandum dated January 16, 2009, DOI's Associate Deputy Secretary responded to the inspection report concurring with the two recommendations. On March 2, 2009, we referred the recommendations to PMB for tracking and implementation.

On September 24, 2010, PFM reported that upon review of documentation provided by PAM, it considers Recommendations 1 and 2 implemented and closed.

## **Scope and Methodology**

The scope of this review was limited to documenting DOI's implementation of our recommendations. To accomplish our objective, we reviewed the supporting documentation that PAM officials provided to PFM to close the recommendations. We discussed PAM's actions taken on each of the two recommendations and independently verified their implementation. We did not perform any site visits or conduct fieldwork to determine if the underlying deficiencies we initially identified were corrected. As a result, this review is not conducted in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States or the "Quality Standards for Inspection and Evaluation" of the Council of the Inspectors General on Integrity and Efficiency.

## **Results of Review**

We found that PAM did not fully implement Recommendations 1 and 2.

**Recommendation 1:** Ensure bureau fleet managers perform an in-depth review of the FY 2005 FAST [Federal Automotive Statistical Tool] data for each bureau to ensure it is as accurate and reasonable as possible.

We consider Recommendation 1 not fully implemented. On September 22, 2010, PAM sent the U.S. Department of Energy (DOE) a request to change erroneous data in DOI's FY 2005 FAST submission. In the request, PAM stated that four bureaus: Bureau of Reclamation, U.S. Fish and Wildlife Service, U.S. Geological Survey, and Bureau of Indian Affairs (BIA); reviewed their FY 2005 FAST baseline data and found errors that required corrections.

We requested information from PAM on how these corrected amounts were computed, and found issues with the amounts reported to DOE and the amounts provided to us by PAM. For example, in its request to DOE, PAM stated that BIA had "grossly under-reported the amount of petroleum-based fuel use in FY 2005" and that the correct amount was 6,244,373 gasoline gallon equivalents. After we requested the supporting information for this number, PAM explained that the BIA personnel who completed the analysis had retired and that no one at BIA could retrace their analysis. Despite the information provided to us by PAM, we concluded that there is insufficient evidence to allow an independent reviewer to replicate the in-depth review required by the original recommendation.

**Recommendation 2:** Request DOE make adjustments in the FAST system based on the results of the detailed analysis.

We consider Recommendation 2 not fully implemented. On September 22, 2010, PAM requested that DOE make corrections to errors in its 2005 FAST baseline data. DOE acknowledged receipt of PAM's request and asked that PAM provide additional information for review before making any necessary changes. We could find no evidence that DOI followed through by providing this information. As a result, DOE did not make the requested changes in the FAST database. We spoke with a DOE official who stated that DOE would be willing to revisit this issue again with DOI.

## **Conclusion**

Despite the actions taken by the four bureaus and PAM, we consider both recommendations as not fully implemented. There is insufficient evidence that would enable an independent reviewer to replicate the in-depth review called for in the original recommendation. In addition, there is no evidence of follow-through with DOE after PAM's initial request to revise FY 2005 FAST data.

We question whether the original recommendations are now feasible given the underlying data quality challenges and the time passed since the E.O. 13423 baseline was established. Therefore, we consider both recommendations "Closed—Not Implemented." Rather than requesting reinstatement of the recommendations, we suggest that the Director, PAM:

- 1) Confer with DOE officials to determine mutually acceptable E.O. 13423 baseline estimates, and document the basis for these estimates.

We informed PAM officials of the results of this review on May 21, 2013. PAM officials agreed with the results of this review.

cc: Kathryn Bender, Chief of Staff, Office of Acquisition and Property Management  
Willie Davis, Agency Fleet Manager, Office of Acquisition and Property Management  
Nancy Thomas, Audit Liaison Officer, Office of the Secretary