



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

RECOVERY

RECOVERY OVERSIGHT ADVISORY

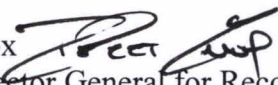
Contacting Recipients that Repeatedly Fail to Report



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DEC 22 2010

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

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

Subject: Recovery Oversight Advisory – Contacting Recipients that Repeatedly Fail to Report
Report No. RO-C-MOA-023-2011

The Office of Inspector General (OIG) recently assisted the U.S. Department of the Interior (DOI) on two separate instances where recipients failed to report on FederalReporting.gov in accordance with Section 1512 of the American Recovery and Reinvestment Act of 2009 (Recovery Act). We commend DOI for regularly informing recipients of the importance of reporting in a timely manner.

As of June 2010, the National Park Service (NPS) and the Bureau of Land Management (BLM) each had a recipient who failed to report for two consecutive quarters. NPS sent the recipient a letter of noncompliance. The NPS letter mirrored the template, which was developed in the Department of the Interior Acquisition Guidance (DIG) release ARRA-2010-02, amended May 19, 2010. The letter reiterated reporting requirements, noted the recipient's failure to meet those requirements, and contained the following language regarding potential consequences to the recipient:

The failure to enter the required quarterly reporting data in FederalReporting.gov, can result in action which may include onsite review of your organization by the Inspector General, termination of your award, suspension and debarment throughout all federal government agencies and reclaiming of funds.

BLM handled their noncompliant recipient differently. After the recipient failed to report for a second quarter, BLM sent only emails requesting that a manual report be sent to BLM. BLM received no response and then followed up with standard reminders to report the next quarter, which they sent to every recipient. This approach was operationally less effective than the NPS approach.

We recommend that DOI:

- Ensure that all bureaus within DOI use the standard letter template provided within DIG ARRA-2010-02 for final noncompliant notification;
- Use more definitive language within the letter. Such language would include: "Failure to report next quarter will result in the OIG recommending suspension or debarment of your firm.";

- Develop specific clauses for the letter based on the situation. For example, if the contract is ongoing, a clause could be inserted that states the Department will withhold future payments until all reporting requirements are met;
- Follow up with the recipient several days before the next reporting period opens to reiterate the consequences of not reporting; and
- Establish standard procedures to inform the OIG of recipients that repeatedly fail to report.

Please provide a written response to this advisory within 30 days of receipt detailing the corrective actions DOI will implement to meet 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.doioig.gov/recovery/) and Recovery.gov. Information contained in this advisory may also be included in our semiannual reports to the Congress. We performed our work in accordance with the Quality Standards for Inspections adopted by the Council of the Inspectors General on Integrity and Efficiency. Please contact me if you have any questions.

cc: Deputy Secretary, U.S. Department of the Interior
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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