



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

RECOVERY

# RECOVERY OVERSIGHT ADVISORY

Tribal Expansion of Bob Hope Drive




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INSPECTOR GENERAL**  
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**MAY 20 2011**

Memorandum

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 – Tribal Expansion of Bob Hope Drive  
Report No. RO-J-BIA-064-2010

This advisory regarding the Bureau of Indian Affairs' (BIA) Indian Reservation Roads program (IRR) is part of our ongoing effort to oversee and ensure the accountability of funding appropriated to the U.S. Department of the Interior (DOI) in the American Recovery and Reinvestment Act of 2009 (Recovery Act).

In March 2010, the DOI Office of Inspector General received information regarding the proposal of the Agua Caliente Band of Cahuilla Indians, Palm Springs, CA, to expand Bob Hope Drive using IRR program funds. The IRR funds were an additional allocation made available to the tribe by the Recovery Act. Under an agreement with the tribe, the City of Rancho Mirage agreed to expand this road. A Federal Register notice described the program and stated,

The IRR Program is a part of the Federal Lands Highway Program established to address transportation needs of tribes. The program is jointly administered by the Bureau of Indian Affairs (BIA) and Federal Highway Administration's (FHWA) Federal Lands Highway (FLH) Office. It expands transportation activities available to tribes and tribal organizations and provides guidance for planning, designing, constructing, and maintaining transportation facilities.

Tribes can receive IRR funding for repair and maintenance of roads in their tribal inventory through a formula that includes variables such as tribal population, frequency of use, total cost to construct, and relative need. Approximately 62,217 miles were attributable to the IRR program roads inventory in fiscal year 2004, and approximately 129,350 miles were attributable to the program in fiscal year 2009. The standard that BIA uses to determine if a road can be added to a tribal inventory is "any public facility that the tribe and/or tribal members use on a daily basis."

Section 1604 of the Recovery Act states, however, that "none of the funds appropriated or otherwise made available in this Act may be used by any State or local government, or any private entity, for any casino or other gambling establishment..." We determined that the expansion project was designed to add a single northbound lane to Bob Hope Drive, which ends

at Casino Drive directly in front of the Agua Caliente Casino. In addition, in a previously filed Memorandum of Understanding between the tribe and the City of Rancho Mirage, the Bob Hope Drive expansion project appeared to be part of Agua Caliente's larger casino enhancement project.

Contracting personnel within BIA were resistant to advancing the \$1.8 million allocated to the tribe using Recovery Act funds because of an apparent agreement in place between the city of Rancho Mirage and the tribe to use part of the \$1.8 million to repay a loan, a concern that some of the work may have begun prior to the money being obligated, and a disparity between the city's estimated cost for the project and the tribe's claimed cost.

BIA contracting personnel eventually advanced approximately \$800,000 to the tribe, despite the tribe's failure to produce requested documentation pertaining to the project. Contracting personnel did not issue a Notice to Proceed. BIA Central Office personnel reportedly made the decision to release these funds.

During our review, the Department and BIA chose to retract the Recovery Act funds for this project, which is now funded by another source. As a result, the tribe paid back the \$800,000 of Recovery Act funding it had received.

We do not require a response. We will post this advisory on our Web site ([www.doioig.gov/recovery/](http://www.doioig.gov/recovery/)) and [Recovery.gov](http://Recovery.gov). Information contained in this advisory may also be included in our semiannual reports to Congress. We performed our work in accordance with the applicable Quality Standards 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  
Director, Office of the Executive Secretariat and Regulatory Affairs  
Assistant Secretary, Policy, Management and Budget  
Assistant Secretary, Indian Affairs  
Director, Office of Acquisition and Property Management  
Acting Director, Office of Financial Management  
Departmental GAO/OIG Audit Liaison  
Audit Liaison, Office of the Secretary  
Audit Liaison, Indian Affairs  
Recovery Coordinator, Assistant Secretary – Indian Affairs

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