



OFFICE OF INSPECTOR GENERAL



DEPARTMENT OF THE INTERIOR

# RECOVERY OVERSIGHT ADVISORY

*A Critical Point Evaluation Product*



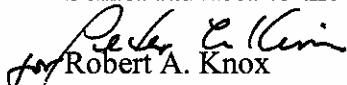


## RECOVERY OVERSIGHT OFFICE

Washington, DC 20240

FEB 4 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 — Review of the U.S. Fish and Wildlife Service (FWS) Construction and Capital Improvement Programs (ROO-ROA-FWS-5003-2010)

To safeguard taxpayer dollars, Congress provided us with funding to oversee and ensure accountability of the \$3 billion appropriated to the Department of the Interior (DOI) in the American Recovery and Reinvestment Act of 2009 (Recovery Act). We are focused on: preventing fraud, waste, and mismanagement; reducing misuse of dollars through early detection; and ensuring transparency in our oversight efforts. In our effort to collaborate with the Department, this memorandum highlights our observations of the U.S. Fish and Wildlife Service's (FWS) efforts to manage the Construction and Capital Improvement (CCI) programs. We found that program milestones are frequently changed and inconsistently tracked in different systems; financing for projects is sometimes combined with non-Recovery Act funds; and maintenance funds for a new visitor center have not been secured.

Please provide, within 30 days receipt of this advisory, a written response detailing the corrective actions that the Department or the FWS plan to take to implement the recommendations, including targeted completion dates.

We will post this advisory on our website ([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 semi-annual reports to Congress. Please contact me if you have any questions.

**Background**

Our goal was to assess how CCI programs are managed at different levels in FWS. We interviewed the CCI program manager, select regional staff, and specific project-level personnel. We focused on how the program was managed and implemented, how project milestones were set, and how changes in those milestones and projects were made and approved.

The CCI programs involve \$69,121,000 in Recovery Act funding for 43 projects and are managed by the same principal program manager, according to the April 2009 FWS Recovery Act Program Plan (Plan) and the September 30, 2009 FWS project list.

## **Findings**

We found that the Plan was generally regarded at the Headquarters (HQ) level as an early description of the programs and did not necessarily reflect current planning or conditions. Conversely, staff in the regions considered the Plan a requirements document for their efforts.

We found that project managers and contracting officers in selected regions were confident that the Recovery Act obligation deadline of September 30, 2010, could be met but that interim milestones leading to that deadline were changed with little documented support. If interim milestones are too flexible, we are concerned that the bureau may not meet its important accelerated milestone of mobilizing projects by the Secretary's June 30, 2010 goal.

We found many systems in use for tracking milestones. HQ keeps a monthly status report in the form of an Excel spreadsheet, regions are implementing an automated system (SharePoint) requiring users to justify milestone changes, and the Plan describes an enterprise planning system in which milestones are set at the beginning of the year and rarely changed.

At HQ, we reviewed the program manager's monthly Excel status report and found several "red" projects, meaning the milestones were behind their target dates. We received a copy of the status report several weeks later and all interim milestones were rated "green," meaning the dates were on target. FWS did not appear to be using a rigorous control process that justified such changes.

We were impressed by the "Sharepoint" system being implemented in the regions, its rigorous change control procedures and its potential for becoming the bureau's "official" tracking system.

We found that many projects are being carried out with hurricane relief and Recovery Act funds, during our visit to Region 2 on December 2, 2009. We also learned that project managers are responsible for all aspects of their projects, including planning, preparing work statements, and inspecting. Combining relief and Recovery Act monies raises concerns about the tracing and accounting of the funds, and combining program managers' duties increases the risk of fraud and waste.

We reviewed plans for a new visitor's center during a December 3, 2009 visit to the Rocky Mountain Arsenal. We noted that the project will be funded by the Recovery Act and revenue from land sales. This again raises a concern regarding accountability and traceability of funds. We also found that ongoing maintenance funds for the new visitor center were requested, but have not been secured. Failing to secure maintenance funds could add to the FWS deferred-maintenance backlog or jeopardize operation of the center.

## **Recommendations:**

We recommend that the Director, FWS:

1. Ensure milestone completion dates are consistent in different tracking systems and that formal change-control processes are used to modify them.

2. Ensure that funds are segregated appropriately when Recovery Act and non-Recovery Act funds support the same project.
3. Ensure that sufficient funding is budgeted for ongoing maintenance of new facilities built with Recovery Act funds.

cc: Deputy Secretary, Department of the Interior  
Assistant Secretary – Policy, Management, and Budget  
Director, Office of Acquisition and Property Management  
Director, Office of Financial Management  
Departmental GAO/OIG Audit Liaison  
Audit Liaison, Office of the Secretary  
Audit Liaison, Fish and Wildlife Service  
Recovery Coordinator, Fish and Wildlife Service  
Bureau Procurement Chief, Fish and Wildlife Service  
Region 2, ARRA Implementation Lead  
Region 6, ARRA Implementation Lead  
Refuge Director, Rocky Mountain Arsenal  
Fish and Wildlife Service Program Manager, ARRA Construction

# **Report Fraud, Waste, and Mismanagement**



Fraud, waste, and mismanagement in government concerns everyone: Office of Inspector General staff, Departmental employees, and the general public. We actively solicit allegations of any inefficient and wasteful practices, fraud, and abuse related to Departmental or Insular Area programs and operations. You can report allegations to us in several ways.



---

## **By Mail:**

U.S. Department of the Interior  
Office of Inspector General  
Mail Stop 4428 MIB  
1849 C Street, NW  
Washington, D.C. 20240

## **By Phone:**

24-Hour Toll Free	800-424-5081
Washington Metro Area	703-487-5435

## **By Fax:**

703-487-5402

## **By Internet:**

[www.doiioig.gov/hotline](http://www.doiioig.gov/hotline)