



OFFICE OF INSPECTOR GENERAL



DEPARTMENT OF THE INTERIOR

RECOVERY OVERSIGHT ADVISORY

A Critical Point Evaluation Product



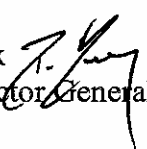


RECOVERY OVERSIGHT OFFICE

Washington, DC 20240

SEP 25 2009

To: Daniel N. Wenk
Acting Director, National Park Service

From: Robert A. Knox 
Assistant Inspector General, Recovery Oversight Office

Subject: Recovery Oversight Advisory – Concerns About National Park Service
Communications and Project Tracking (ROO-ROA-NPS-6001-2009)

Congress provided us with funding to oversee and ensure accountability of the \$3 billion appropriated to the Department of the Interior (Department or DOI) in the American Recovery and Reinvestment Act of 2009 (Recovery Act, Act, or ARRA). To safeguard these taxpayer dollars, we are focused on preventing fraud, waste, and mismanagement; early detection to reduce the impact of misuse when it does occur; and ensuring transparency in our oversight efforts. This advisory informs you of concerns we have about communication between acquisition and facilities staff at the National Park Service (NPS). We believe improving communications about acquisition plans for Recovery Act projects and the tools used to track their progress will ensure more successful implementation.

We contacted several regions and parks and discovered cases in which contracting officers were unaware of the level of support they were expected to provide for particular Recovery Act projects or when that support would be needed. The Recovery Act requires NPS to obligate all funds by September 30, 2010. Meeting this requirement could be jeopardized if acquisition staff does not have adequate information to plan support efforts, since most Recovery Act projects will be completed through contracts, grants, or cooperative agreements.

We also found NPS does not have a real-time tracking system for Recovery Act projects. Implementing such a system could facilitate communication between technical and acquisition staff. We make recommendations which, if implemented, would address these concerns.

Within 30 days of receipt of this advisory, please provide a written response detailing the corrective actions planned to implement the recommendations, including targeted completion dates.

We will also post this advisory on our website (www.doioig.gov) and Recovery.gov. Information contained in this advisory may also be included in our semi-annual report to Congress. Please contact me with any questions.

Background

In our audit of DOI's efforts to recover from Hurricane Katrina,¹ we found that NPS made poor progress in rebuilding damaged assets. More than two years after the storm, NPS had only obligated 24 percent of the \$74 million it received in supplemental funding. We found that one cause for NPS's poor response was a lack of coordination between staff responsible for planning projects and those responsible for implementing them.

Successfully carrying out Recovery Act projects presents a substantially greater challenge than that posed by Hurricane Katrina. NPS received \$750 million in Recovery Act funding, more than 10 times the funding it received for Hurricane Katrina. Timely and efficient acquisition support is essential for NPS to meet the September 30, 2010 obligation requirement.

We contacted three of NPS's seven regions—the Intermountain, Southeast, and Pacific West—which are responsible for more than half of the Recovery Act projects and dollars. NPS intends to use \$430 million in Recovery Act funds for 505 projects in these regions, with 57 of these estimated at more than \$344 million. Overall, NPS will provide 766 projects with Recovery Act funding.

We also visited Grand Teton and Yellowstone National parks. These parks are implementing 17 Recovery Act projects at an estimated cost of \$33.5 million. We spoke with acquisition staff and facility and project managers, reviewed progress on several projects, and discussed the parks' systems of assessing project status.

Coordination and Communication Between Program and Contract Offices

NPS acquisition function, according to NPS officials, is designed to be a coordinated effort between technical staff in individual parks and acquisition staff and officials, including the project management team. We identified effective planning and teaming as keys to successful Recovery Act implementation in our report titled *Addressing Past Areas of Vulnerability in the Department of the Interior Programs*.² The Federal Acquisition Regulation (48 C.F.R. § 7.104) and the Office of Management and Budget's April 3, 2009 (M-09-15) guidance on implementing the Recovery Act stress the importance of effective acquisition planning. Planning ensures projects are completed in an effective, economical, and timely manner.

Program staff is responsible for identifying projects, developing technical specifications, preparing government cost estimates, completing required compliance activities, and assembling information needed by acquisition staff at assigned Major Acquisition Buying Offices (MABOs). MABOs are made up of acquisition staff in the field, often at parks. Each MABO is headed by an experienced, lead acquisition professional, who provides guidance and reviews and oversees the work products of field staff. Once program staff provides information to the MABOs on a new acquisition requirement, the MABO head assigns staff to execute acquisition actions.

¹ DOI's *Hurricane Rebuilding Efforts*. September 2008. C-IN-MOA-0006-2007.

² DOI's *Addressing Past Areas of Vulnerability in the Department of the Interior Programs*. June 2009. ROO-ROA-MOA-1006-2009

In our discussions with regional acquisition staff, we noted several conditions that impact the timeliness of NPS Recovery Act's implementation:

1. Acquisition staff at the MABOs is not aware of the status of acquisition packages at parks and has no easy way to gauge when their support will be needed to execute actions.
2. The MABO structure is relatively new within NPS and there are still, according to staff, "growing pains" with policies and procedures, hiring new staff, and processes for interacting with parks.
3. Lack of communication between acquisition and technical staff early in the process results in a lack of technical information needed to support acquisitions. Specifications and other technical information are revised, often several times, to provide the acquisition staff everything necessary for proceeding.

Project Tracking

We reviewed the draft NPS Recovery Act Implementation Plan (the Plan), which describes specific data elements to be used for monitoring Recovery Act project schedules and costs (Exhibit G in the Plan). NPS uses as many as eight existing systems, as well as additional systems used by park or regional staff (Exhibit F in the Plan), to record this data.

In discussions with regional staff, we found there is no integrated NPS-wide tracking system for Recovery Act projects. Field staff track project status on spreadsheets maintained for different programs (deferred maintenance, trails, and construction). Finding specific information for NPS-wide summaries is difficult because there is no standard format for these spreadsheets. We also found that staff tends to spend substantial time and effort manipulating these spreadsheets to respond to various data calls, which takes time away from Recovery Act projects.

We confirmed what regional staff told us about tracking with field staff in Yellowstone and Grand Teton National parks. Both parks maintain spreadsheets to track their Recovery Act projects. Technical and acquisition staffs also meet on a weekly basis to review and update the status of each project, including planned obligation and project completion dates. This approach works well and provides a good example for addressing real-time issues. But, as with other locally developed spreadsheets, there is no simple way for NPS management to find information necessary for projects NPS-wide.

We found one exception to NPS's ineffective tracking system. Acquisition support for most Recovery Act construction projects will be provided by the Denver Service Center (the Center). We found that the Center uses a commercial, off-the-shelf system to track costs, expenditures, and progress throughout the life of construction projects. The system allows remote locations to update projects in real-time. Two NPS regions (Alaska and Pacific West) are implementing the system to track milestones on their construction projects.

Center officials believe this system was instrumental in its ability to increase its obligation rate from 36 percent in fiscal year FY 2001 to 81 percent in FY 2008. This rate is calculated by dividing funds obligated during the year by total funds appropriated for that year (e.g., if \$53 million is obligated in a year and \$89 million appropriated for that year, the obligation rate is 60 percent).

Recommendations

We recommend that NPS:

1. Provide access for regional acquisition staff to obtain information for Recovery Act projects and facilitate communication with parks, so acquisition support efforts can be more effective.
2. Establish a requirement for parks to communicate with acquisition staff early in the process of each Recovery Act project to ensure accurate and sufficient information is prepared before submission to MABO.
3. Implement an NPS-wide system to track costs, expenditures, and progress for Recovery Act projects. Consider the Denver Service Center system as a possible model.

cc: Senior Advisor to the Secretary for Economic Recovery and Stimulus
Assistant Secretary – Policy, Management and Budget
Director, Office of Acquisition and Property Management
Director, Office of Financial Management
Recovery Act Coordinator, National Park Service
Pacific West Region ARRA Lead – Deputy Regional Director/Chief of Staff
Southeast Region ARRA Lead – Deputy Regional Director for Operations
Intermountain Region ARRA Lead – Deputy Regional Director for Administration
National Park Service Audit Liaison Officer

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