

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

Semiannual Report to the Congress

Message From the
Inspector General

OIG Initiatives

Significant
Narrative
Summaries

October 2009





Approximately 70 percent of the planet is covered by water—the same percentage, give or take, in the human body when it is at its most healthy. As the conservation of water becomes a primary global issue of the 21st century, we are reminded that caring for our water resources is caring for ourselves.

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About DOI and OIG

The U.S. Department of the Interior (DOI) is a large, decentralized agency with more than 67,000 employees and 236,000 volunteers located at approximately 2,400 operating locations across the United States, Puerto Rico, U.S. territories, and freely associated states. DOI is responsible for 500 million acres of America's public land, or about one-fifth of the land in the United States, and 56 million acres of Indian Trust lands. DOI also has responsibility for a variety of water and underwater resources, including 479 dams and 348 reservoirs and approximately 8,526 active oil and gas leases on 44 million acres of the Outer Continental Shelf. Approximately 30 percent of the nation's energy production comes from projects on DOI-managed lands and offshore areas. DOI scientists conduct a wide range of research on biology, geology, and water to provide land and resource managers with critical information for sound decisionmaking. DOI lands also provide outstanding recreational and cultural opportunities to numerous visitors worldwide.

The Office of Inspector General (OIG) promotes excellence, integrity, and accountability in these DOI programs. With fewer than 300 employees, the organization is driven by a keen sense of mission and dedicated to providing products and services that impact DOI mission results.

Images on the following pages remind readers of the Department's stewardship responsibilities for the nation's water resources, as well as the critical role that water plays for each of us. By its presence or its absence, water shapes landscapes and those who live on them. The OIG is responsible for ensuring that those who safeguard these resources practice the highest ethical standards when conducting the business of government in the best interest of the American public.



Message From the Inspector General



Eight months ago, the American Recovery and Reinvestment Act initiated a series of events that continue to influence the focus, direction, and accomplishments of the Office of Inspector General. With the departure of Inspector General Earl Devaney to chair the Recovery, Accountability and Transparency Board (RATB), we also lost a considerable number of key staff as detailees to the RATB. While we quickly reassembled to cover the responsibilities of departing staff, we also had to stand up an entirely new unit to provide specialized oversight for the \$3 billion of Recovery funds that the Department was to receive.

In the 8 months since its inception, the Recovery Oversight Office (ROO) has grown from a small unit scrambling to identify its oversight strategy to an efficient and effective organization creating products that dramatically improve the ability of DOI to prevent and detect ineffective and inappropriate use of Recovery monies.

ROO's structure and accomplishments have created a new model of oversight. Increasingly, we are drawing on the expertise of all our talented employees—investigators, auditors, evaluators, analysts, administrative staff, IT and other technical personnel—to work across boundaries and in teams to bring their abilities to bear on the way we execute OIG oversight responsibilities. Following ROO's example, the OIG is also extending itself in other arenas to work with other agencies to leverage resources and expand oversight coverage.

Overall, the accomplishments summarized in this Semiannual Report demonstrate our continued commitment to ensuring that the Department carries out its mission in the most efficient and effective way, protecting and preserving the natural resources and cultural legacy placed in its care.

A handwritten signature in black ink, reading "Mary L. Kendall". The signature is stylized with a large, looped "M" and "K".

Mary L. Kendall
Acting Inspector General

OIG Operating Principles

Mission

The mission of the OIG is to promote excellence, integrity, and accountability in the programs, operations, and management of DOI.

Values

The OIG operates as an independent oversight organization responsible to the American people, the Secretary, and the Congress to independently evaluate the operations of DOI. Our core values are: Honesty and Integrity, Independence and Relevance, Fairness and Objectivity, and Professionalism and Competence.

Goals

The goals of the OIG establish the framework to position the agency in such a way as to be relevant and respected for its expertise and products in the rapidly changing world of 21st century America. We continuously strive to evaluate our efforts to ensure DOI's accountability and our responsiveness to the needs of Congress and the American people. We seek to develop and maintain an organization whose ideas and performance results make us a leader in the federal government.

Responsibilities

The OIG is responsible for independently and objectively identifying risks and vulnerabilities that directly impact, or could impact, DOI's ability to accomplish its mission. We are required to keep the Secretary and the Congress fully and currently informed about problems and deficiencies relating to the administration of DOI programs and operations. Effective implementation of this mandate addresses the public's demand for greater accountability and integrity in the administration of government programs and operations and addresses the demand for programs that work better, cost less, and get the results Americans care about most.

Activities

The OIG accomplishes its mission by conducting audits, inspections, evaluations, assessments, and investigations relating to DOI programs and operations. Our activities are tied directly to DOI major responsibilities and are designed to assist DOI in developing solutions for its most serious management and program challenges, most notably cross-cutting or DOI-wide issues. These activities are also designed to ensure that we keep critical issues prominent, thus providing opportunities to influence key decisionmakers and increase the likelihood that we will achieve desired outcomes and results that benefit the public.

DOI Management Challenges

OIG programs help to meet DOI's Management Challenges: Financial Management; Information Technology; Health, Safety, and Emergency Management; Maintenance of Facilities; Responsibility to Indians and Insular Areas; Resource Protection and Restoration; Revenue Collections; and Procurement, Contracts, and Grants.

Wind and water are in motion across the wild lands of the Western Hemisphere as planetary rotation brings us toward winter. Here, sunlight on a mountain reminds us of the value of the resources we safeguard for future seasons and generations.



Office of Inspector General



The work of sculpture James Earle Fraser, the Guardian of the Law is positioned on the right side of the main entrance to the Supreme Court, gazing toward the Capitol.

OIG Trends, Themes, and Initiatives

In our April 2009 *Semiannual Report to the Congress*, we discussed the period of enormous change for the nation as a whole and all levels of government that resulted from enactment of the American Recovery and Reinvestment Act of 2009. The Recovery Act, commonly referred to as the stimulus program, not only generated huge public interest and media attention, but also led to structural changes for the OIG that saw Inspector General Earl Devaney assume the chairmanship of the Recovery, Accountability, and Transparency Board (RATB) that oversees the \$787 billion stimulus program. That, in turn, led to the creation of new programs and approaches at OIG that carry on Devaney's legacy while also moving us in new directions in the way we achieve our mission.

The past 6 months have been a period of rapid transformation, reevaluation, and accomplishment throughout the OIG in response to the requirements of the Recovery Act. Among the first and most significant changes was the creation of the Recovery Oversight Office (ROO). This innovative office provides a single point of focus for our work in preventing and detecting waste, fraud, and mismanagement of the \$3 billion in Recovery Act funds designated for DOI programs.

ROO has performed with vigorous enthusiasm, implementing a new and expanded collaborative model to help us more effectively conduct our oversight responsibilities for bureaus and agencies operating in an increasingly technological and fast-paced environment. The ROO program stresses early detection and notification of problems to DOI and its bureaus, and the enumeration of pinpoint solutions to ensure the best use of taxpayer dollars.

Working on many fronts simultaneously, ROO also has provided technical assistance and educational programs to DOI employees as well as to recipients of Recovery Act funds so that all involved groups are well informed of the responsibilities associated with tracking and using the public's money. Such end-user training has been coupled with a specific focus on the responsibilities of contracting officer's technical representatives. As a result, a course has been delivered through DOI University and other venues to disseminate this information. Specific audiences have received presentations on best practices and other strategies. Also, fraud awareness training has been delivered to components of each of the bureaus that received Recovery funds.

If education is one element of the ROO approach, a second is sharply focused reviews called critical point evaluations for major projects and

initiatives. ROO has found that these short duration evaluations, along with management advisories on key issues, help bureaus both acquire information quickly and remain alert to potential vulnerabilities. This facilitates the ability to take rapid action before trends manifest as serious problems.

While prevention is a significant part of the larger oversight mission, we will, undoubtedly, detect problems, including fraud, which will require audit and investigative responses. ROO coordinates closely with our Office of Audit, Inspection and Evaluation and Office of Investigations to refer matters that require a specifically focused, more detailed review of Recovery Act funds.

This three-pronged approach incorporates prevention, detection, and transparency through the mediums of education, rapid response reporting, and focused review, as required. ROO calls on a broad array of disciplines, using the skills of auditors, investigators, evaluators, information technology (IT) specialists and others, in a team environment to identify problems early and to alert DOI quickly about targeted solutions identified by these cross-cutting teams. Through collaboration, ROO, and in a larger sense the OIG itself, is demonstrating the value of reaching across boundaries and disciplines — whether administratively or programmatically — to help DOI more effectively and equitably conduct business and safeguard public resources.

Even as it is evolving new models for detection and prevention, OIG also continues to play an important role within the high-stakes environment of IT security preparedness. Accountability is a critical component of the OIG's interface with DOI. Annual evaluations help DOI determine its compliance with critical legislation such as the Federal Information Security Management Act (FISMA).

The OIG also evaluates the success of DOI's implementation of guidance that helps the Department maintain data security. As information security continues to grow in importance, the OIG is committed to helping DOI refine the effectiveness and efficiency of its overall information systems security program.

Finally, the responsiveness of DOI to the daily administrative responsibilities associated with the smooth functioning of government reinforces its overall commitment to conducting its mission effectively for the benefit of the American people. The OIG, through its analysis of the services provided by the National Business Center (NBC), including review of DOI's passport offices, helps ensure that protocols are followed for a secure workplace for all employees. Although this and similar responsibilities may be viewed as the traditional aspects of working for OIG, they underscore the very foundation of our commitment to the daily ethical, efficient, and transparent conduct of the business of government at DOI.

The winged figure of Democracy is part of the 15-foot marble monument to Christopher Columbus in front of Union Station in Washington, D.C. The monument faces the U.S. Capitol.



Department-wide Issues



Water is life, and its abundance or limitation defines the life forms found on the land. Here Ribbon Falls, Grand Canyon.

DOI Firearms Management Assessed for Accountability

Does DOI law enforcement have adequate measures in place to ensure accountability for the firearms its bureaus manage? To find out, we conducted an assessment, part of the OIG's ongoing efforts to examine DOI law enforcement programs and homeland security issues. DOI has eight law enforcement programs with more than 4,000 personnel commissioned to protect natural resources, national icons and monuments, millions of visitors, and more than 67,000 employees. Law enforcement firearms are expected to be properly inventoried and securely guarded by these commissioned employees.

All DOI bureaus have policies and procedures in place to control and safeguard property. Generally, these are consistent with DOI standards and other federal regulations. However, despite these policies and procedures, we found that most DOI law enforcement programs could not accurately account for their cached firearms. We found inventories to be inaccurate. We also found that those responsible for firearms accountability did not always follow established procedures for conducting periodic inventories or for reporting and investigating missing firearms.

Overall, we identified 373 inventory discrepancies out of a total 1,334 firearms that we physically handled. These discrepancies include firearms listed on inventories but not present, firearms present but not listed on inventories, and administrative errors such as lost and unprocessed paperwork or transposition errors. These results demonstrate that DOI cannot accurately account for the number of law enforcement firearms it has or for where those firearms are located.

In addition, 50 percent of the law enforcement personnel entrusted with maintaining firearms caches lacked property management and/or inventory training. DOI does not require that firearms property custodians receive such training. So most individuals either familiarize themselves with this information or have it passed down to them from their predecessors.

Firearms acquisition and disposal also vary depending on a bureau's operations and structure. Some bureaus manage the acquisition and disposal process nationally from a central location, while others leave these activities to regional or local offices.

Finally, DOI has no standards for the physical security of firearms caches. Although all firearms caches that we observed had been secured under some type of access control, the degree of physical security varied greatly among bureaus and intra-bureau locations. Some bureaus have installed multi-layered security systems as control measures. Others have minimal controls, thus leaving themselves vulnerable to theft.

Recovery Oversight

Overview

In February 2009, the OIG established a Recovery Oversight Office (ROO) to take primary responsibility for the OIG's oversight of the approximately \$3 billion appropriated under the American Recovery and Reinvestment Act (Recovery Act). ROO combats the increased risk for fraud, waste, and mismanagement under the Act with its "three-pronged approach" focused on preventing fraud, waste, and mismanagement; detecting instances of fraud, waste, and mismanagement when they occur; and ensuring transparency in all oversight efforts. A key aspect of ROO oversight is the integration and deployment of combined audit and investigative teams to improve opportunities to prevent and detect fraud.

ROO identified six areas of high risk for Fiscal Year (FY) 2009: (1) financial assistance oversight and monitoring; (2) awards to high-risk tribes, particularly through Public Law 93-638 awards; (3) design-build construction; (4) Bureau of Reclamation (BOR) water and related resource projects; (5) acquisition and financial assistance planning; and (6) staff capacity. Involvement in these areas is based on past work, dollar value, initial reviews of bureau project lists and program plans, and on-going meetings with senior DOI officials.

To achieve its mission and address these high-risk areas, ROO developed, further refined, and implemented several innovative, collaborative techniques: technical assistance presentations; critical point evaluations and desk reviews; reviews and investigations of public concern; suspension and debarment referrals; collaboration with RATB; and weekly meetings with senior officials. All products that result from these activities and can be publicly distributed are posted on our Web site and on Recovery.gov to ensure transparency to the American public. These techniques enable OIG to work collaboratively with DOI and its bureaus to ensure prudent use of Recovery funds, rather than initiate reviews after program waste has occurred. Our work is described in greater detail below.

Technical Assistance

OIG developed and has been implementing an unprecedented series of technical assistance programs aimed at educating DOI employees and fund recipients as to their Recovery Act responsibilities. The OIG currently offers technical assistance, training, and outreach in six areas: fraud awareness, single audit compliance, whistleblower protection, suspension and debarment, Davis-Bacon compliance, and Insular Area risks. In many cases, the OIG targets its technical assistance so as to focus on tribal entities and recipients in Insular areas who receive Recovery funds from DOI and other federal agencies. By September 2009, the OIG delivered training to or conducted outreach activities for more than 7,400 people.

Fraud Awareness. In stand-alone presentations and as a component of DOI University's Contracting Officer's Technical Representative Course, presenters teach DOI employees how to recognize and report indicators of potential fraud. OIG delivered fraud awareness training to approximately 5,300 employees from all six agencies receiving Recovery funds. OIG also delivered special presentations by request to members of the Navajo Nation, tribal school boards, the Bureau of Indian Education, and other DOI agencies.

Whistleblower Protection. The Act prescribed new protections for employees of nonfederal entities receiving Recovery funds and who report the fraud, waste, or mismanagement of these dollars. The whistleblower protection awareness presentation provides an overview of these protections. OIG officials delivered this training to more than 1,000 DOI contracting officers, program managers, and budget and finance personnel. Jointly with the Department of Justice and other Inspectors General, the DOI OIG gave this presentation to 440 California state employees responsible for nearly \$50 billion of Recovery money.

Suspension and Debarment. Nearly 200 DOI employees attended the OIG ROO seminars on suspension and debarment. The seminar covers suspension and debarment purposes and procedures, the DOI OIG's role in coordinating investigations with other federal agencies, and the ways in which the DOI suspension and debarment official implements OIG recommendations for action. Training is offered to law enforcement officers, DOI OIG employees, and contracting and financial assistance personnel.

CPA Outreach on Single Audit Compliance. Two CPA firms with significant tribal single audit caseloads participated in ROO training sessions on Recovery Act and DOI's single audit review process. The sessions also included a roundtable discussion for firms and Bureau of Indian Affairs (BIA) employees to share emerging issues affecting tribal audits.

Davis-Bacon and Related Acts. The OIG developed a course on Davis-Bacon Act requirements for paying prevailing wages on federal construction contracts, and Copeland "Anti-Kickback" Act compliance reporting provisions. With \$1 billion of recovery funds available, contractors completing BOR projects are directly affected by these laws.

Insular Affairs. ROO made presentations in July 2009 at the 20th Annual Association of Pacific Island Public Auditors conference in Guam. The presentations examined strategies to comply with the Recovery Act and implement best practices for spending and oversight of Recovery funds. More than 300 people attended the sessions.

Critical Point Evaluations and Desk Reviews

The OIG's detection efforts are focused primarily on performance of Critical Point Evaluations, which are limited scope reviews of planned and ongoing major projects and initiatives. Reviewing projects as DOI plans and implements them allows ROO to recommend corrections for issues before they become problems. ROO also performs desk reviews of solicitations and announcements of contracts, as well as financial assistance in the pre-award and award stages. In addition, RATB sends referrals to the OIG for review of potential problems with contract solicitations and financial assistance announcements. The OIG communicates the results of these reviews both formally and informally in timeframes that allow for quick action by DOI. As of September 30, 2009, ROO had provided DOI with 22 advisories, memoranda, or other products concerning Recovery Act funds or programs that could impact Recovery Act implementation. ROO also responded in a formal memorandum to four referrals received from RATB on specific solicitations. The reviews covered every bureau that received Recovery funding, as well as Departmental operations and policies.

Most ROO products are posted on the OIG Web site (doioig.gov) and Recovery.gov. The exceptions include products with sensitive or proprietary information, or information that could help DOI ensure more thorough compliance, but that would not significantly impact Recovery Act implementation.

OIG focuses on areas of greatest risk. In June 2009, the OIG issued a report on past DOI vulnerabilities that could impact the success of Recovery Act implementation. Key factors were planning and implementation of contracts and financial assistance awards. The majority of the funding will be awarded under contracts and financial assistance agreements. DOI spent approximately \$6.9 billion in FY 2008 on contracts and financial assistance awards. It will award up to \$3 billion in FY 2009 and 2010 in contracts and financial assistance under the Recovery Act alone, a significant increase over annual appropriations in these fiscal periods. The amount of money that will be awarded and the pace at which it will be awarded heightens the vulnerability of contracts and financial assistance awards to fraud, waste, misuse of funds, and poor performance.

Due to the focus on and potential at-risk status of contracts and financial assistance awards under the Recovery Act, the majority of the 26 products ROO had issued as of September 2009 identify ways to mitigate these risks or to enhance the activities DOI currently is taking. For example, ROO's first advisory recommended that DOI issue guidance prohibiting bureaus and offices from considering applications for financial assistance from suspended or debarred entities, a recommendation that DOI already has implemented. The advisory also recommended that DOI revise its Departmental Manual to exclude suspended and debarred entities from consideration for financial assistance awards. The implementation of this recommendation is underway.

Changes to Departmental Manual policies concerning acquisition are written by DOI Office of Acquisition and Property Management (PAM), which has responsibility “for all policy aspects of Department-wide functions related to acquisition and Federal Assistance,” as well as other duties. We issued an advisory recommending additional clarity concerning PAM’s role in Recovery Act implementation, given the office’s vital role in acquisition policy development and implementation. We also observed that both PAM and the Solicitor’s Office may need additional staff to conduct reviews of acquisitions funded with Recovery Act monies. Both offices hired additional staff.

ROO issued four advisories focused on mitigating the risk of fraud, waste, and mismanagement, in the awarding and implementation of financial assistance agreements. The advisories suggested that DOI leverage existing monitoring mechanisms to oversee funds awarded through financial assistance agreements. Single audits — mandatory reviews of entities that received federal assistance funds — offer one such mechanism, provided the audits include DOI’s Recovery Act programs in their scopes. Ensuring programs that receive Recovery funding are included in the Office of Management and Budget’s Compliance Supplement also can improve single audit oversight. Finally, developing and using a recipient risk-assessment instrument throughout the award period can help DOI focus its monitoring efforts.

In addition to reports and advisories on acquisition trends, planning, and policy, ROO issued seven products on specific solicitations, awards, and projects associated with Recovery Act funding. Leads for these reviews came from four primary sources: RATB referrals, FedBizOps.gov and Grants.gov postings, DOI referrals of potentially at-risk projects, and project lists developed by DOI bureaus. ROO staff looks for projects that fall into categories of higher risk (e.g., design-build construction, national icons, and projects implemented through cooperative agreements). In this way, we have prevented problems such as a Fish and Wildlife Service (FWS) plan to obtain rented office space through a financial assistance agreement rather than through a contract, as prescribed by regulation. We also identified instances in which awards classified as fixed-price contracts appear actually to be labor hour (time and materials) awards. The Recovery Act clearly identifies a preference for fixed-price contracts. Correctly classifying awards is vital to meet heightened transparency requirements of the Act, as well as to properly administer the awards.

Awards to tribal entities present an additional area of risk. ROO issued a restricted release advisory to DOI and BIE regarding tribal schools scheduled to receive Recovery funding that were at risk of fraud, waste, and mismanagement. ROO also issued an advisory on the Bureau of Indian Affairs’ road maintenance program, a program operated by the same unit in which we identified significant problems with road construction in the past.

In a spirit of collaboration and early detection, the OIG also issued advisories and memoranda on early DOI Recovery Act implementation policy and plans. The advisories covered the expenditure and tracking of administrative costs, ensuring accountability by incorporating Recovery performance goals into senior executive service (SES) and senior manager plans, bureau program plans submitted to the Office of Management and Budget, guidance DOI issued to the bureaus on selecting projects classified as “youth” or “treasured landscapes” that could receive funding under the Recovery Act, and initial project lists developed by the bureaus. DOI and its bureaus have taken action on such OIG suggestions as revising administrative cost guidance, revising program plans to add clarity, incorporating Recovery performance goals in SES plans, and revising or explaining project lists.

In addition to these published advisories, ROO collaborated with RATB and the Department of Commerce OIG to administer an extensive survey to DOI on the capacity of the acquisition and financial assistance workforce to handle Recovery Act activities, as well as the impact of these activities on that workforce. Results were shared with the Commerce OIG and will be incorporated into an advisory on the acquisition workforce and Recovery Act implementation. ROO will continue to collaborate with RATB on similar joint activities in FY 2010.

Investigative Assists and Hotline Complaints

Reviews and investigations of public concerns resulted from ROO’s interaction with the OIG’s hotline staff, who receive and refer complaints of suspicious activity related to recovery funds and activities. In one such review, ROO staff obtained information on the Central Utah Water Conservancy District, which had been accused of building a pipeline to nowhere and commencing construction based on an outdated study. ROO found the claims unsubstantiated and issued a memorandum to DOI summarizing the complaint and its findings.

Suspension and Debarment Referral Function

ROO developed a suspension and debarment referral function. Suspending or debarring irresponsible entities from doing business with the government provides one way to help prevent waste of Recovery Act funds. The OIG made 35 suspension and debarment referrals to DOI during this semiannual period. Action was taken on six referrals during this period.

Departmental Meetings

The ROO Assistant Inspector General (AIG) met weekly with DOI’s Recovery Act coordinator and senior procurement executive (also the director of the Office of Acquisition and Property Management). He also continued to

meet with the Assistant Secretary – Policy, Management, and Budget on a biweekly basis. These meetings provide opportunities to share information and observations made during reviews of Recovery Act activities. The relationships developed through these meetings contributed to timely DOI responses on the observations made about Recovery Act implementation.

OIG Evaluates Status of Royalty Recommendations Made to DOI

During the past 3 years, the Subcommittee on Royalty Management (Subcommittee), the Government Accountability Office (GAO), and the OIG have made numerous recommendations to DOI for royalty program improvements. The Subcommittee issued one report. GAO issued 12 reports and testimonies. OIG issued six audit and evaluation reports during the period October 1, 2005, through February 9, 2009, all of which focused on royalty collections. A total of 137 recommendations were generated from these reports. Our recent evaluation found that of the 137 royalty related recommendations made since FY 2006, only 59 recommendations had sufficient actions taken to consider them implemented or closed. Of the remaining 78 recommendations, we confirmed 52 as having actions initiated towards completion, and 26 as having no action taken but a completion date established for the corrective action plan.

Passport Offices Fail to Manage and Secure Employee Passports

The OIG conducted a series of unannounced inspections at NBC, the U.S. Geological Survey (USGS), and BOR passport offices. The purpose was to determine whether DOI had collected passports from separating employees and disposed of them appropriately, as well as whether secured passports, visas, and passport applications had been handled in accordance with federal and departmental regulations.

Diplomatic and official passport records maintained by these three offices are subject to the Privacy Act of 1974. To protect the privacy of U.S. citizens, the Privacy Act places limitations on agencies' collection, disclosure, and use of personal information maintained in systems of records, such as passport and passport-related documents.

We noted that at least 49 former DOI employees may still possess valid official passports that identify them as representatives of the U.S. government. The seriousness of this issue is highlighted by an incident in which DOI failed to recover the official passport of a former DOI employee later convicted of a felony. We also found thousands of valid and expired passports, visas, and passport applications that were neither appropriately accounted for nor secured. In short, these DOI agencies' passport offices had committed multiple violations of the Privacy Act, the Departmental Manual, and other federal regulations that invite misuse of U.S. passports.

Former DOI Employee Sentenced

Jomoya Mobutu, a former Office of Surface Mining manager, misused his government credit card when he directed his staff assistant to use it to purchase such items as a pink laptop, digital cameras, calculators, a garment bag, briefcases and a gold plated ballpoint pen. Mobutu converted these items to personal use. They were later found at his home during the execution of a search warrant. On November 26, 2008, Mobutu accepted a plea agreement that included one count of theft and the voluntary resignation of his federal position. On April 3, 2009, Mobutu was sentenced to 24 months probation, 100 hours of community service, and restitution in the amount of \$4,919.

Working Capital Fund and Interior Franchise Fund Reorganized

We evaluated DOI's plan to expand the Interior Franchise Fund (IFF), which would move all NBC services and associated revenue from the Working Capital Fund (WCF) to the IFF. We sought to determine the legality of transferring these services, as well as whether or not policies and procedures were in place to ensure adequate accountability of the funds. We found that DOI has the authority to transfer only those lines of business that customer agencies and offices can choose to use (non-mandatory). Transferring mandatory services, such as payroll processing for DOI employees, would violate the Interior Appropriations Act's requirement that all IFF services be offered on a competitive basis. Further, we found that NBC has not established the operating and capital improvement reserves in a manner appropriate under the Appropriations Act. Specifically, NBC has failed to identify and document needed operating reserves.

We made five recommendations. The first two recommendations address issues that should be resolved before the transfer of any NBC lines of business from the WCF to the IFF. The final three recommendations should help NBC manage the IFF more effectively. DOI concurred with all recommendations.

OIG Evaluates DOI Challenge Cost Share Programs

DOI uses partnerships to manage, conserve, and protect America's natural, cultural, and historic resources. Bureau of Land Management (BLM), National Park Service (NPS), and FWS initiated the Challenge Cost Share (CCS) Program to develop and engage in partnerships with nonfederal entities to leverage bureau funding. We conducted an evaluation of approved and funded CCS projects from FY 2003 through 2008 to determine whether or not DOI's nonfederal partners provided the matching contributions required by the program.

We found that bureaus did not require, enforce, or monitor partners' matching contributions. In most cases, bureaus never confirmed partner contributions. Due to this lack of detailed partner contribution documentation and reporting, we could not confirm that approximately \$6 million in required and proposed matching partner contributions was received.

We made eight recommendations in our report to correct underlying programmatic deficiencies that have prevented DOI from maximizing the partnership and leveraging potential of this program.

Desktop and Laptop Computer Accountability Evaluated

Given DOI's diverse mission, varying and often opposing constituencies, and controversial issues (e.g., environmental and Indian Trust matters, infrastructure assets, and land and minerals management activities), information control is essential. Concerned about DOI's physical controls over desktop and laptop computers housing potentially sensitive information, the OIG conducted an evaluation to determine if these devices and the information stored on them are satisfactorily protected from loss and misuse.

We found that, overall, DOI could not account for the computers it had purchased. There existed no uniform policy either for tracking or for chain of custody for portable computer equipment. Specifically, our testing and validation of computer property revealed 13 missing computers. We also found that nearly 20 percent of the more than 2,500 computers sampled could not be located. Compounding DOI's lack of computer accountability, its absence of encryption requirements leaves DOI and its bureaus vulnerable to sensitive information and to personally identifiable information being lost, stolen, or misused. Our report contained four recommendations to address these computer information vulnerabilities.

Updates Needed in DOI Aviation Training and Maintenance Tracking

The NBC Aviation Management Directorate has seen several decades of successful reductions in aircraft accidents. Recently, however, aging aircraft and changing technology have challenged its ability to continue providing safe aircraft services. At the same time, such challenges also offer opportunities to improve procedures in order to ensure continued success with safety issues. The OIG conducted an evaluation to determine how practices could be improved to meet this goal.

We discovered a need to update current maintenance tracking systems and training requirements. The Aviation Directorate has two separate tracking systems, none of which adequately tracks maintenance of its diverse, complex, and changing fleet. Additionally, the directorate lacks standardization in its pilot inspector program. For example, the inspector's annual flight-hour training requirements lack specific training curriculum and oversight on the kind of training that needs to be accomplished. Without these standards, pilot inspectors and fleet pilots cannot consistently apply the curriculum and may misinterpret requirements. In our report, we made three recommendations to address these concerns and help NBC prepare DOI's fleet and pilots for the decades to come.

Integrated Information System Needed To Manage Employee Relocations

DOI spent more than \$57 million in FY 2008 to relocate employees critical to various programs and activities. Permanent change-of-station (PCS) relocations are generally managed by the bureau that benefits from the employee relocation.

We found that none of the bureaus used an integrated information system to manage PCS relocation financial and activity-related data. As a result, bureaus are unable to identify the cost of individual PCS relocations without extensive research using multiple systems and sources. We also noted that bureaus were not preparing comprehensive travel authorizations and service agreements to control PCS relocation payments.

On October 1, 2008, DOI issued a new PCS policy guide that significantly tightens PCS relocation requirements and applies these requirements uniformly across DOI. If the new policy guidance is not implemented using an integrated management information system, however, management will continue to ad-

minister the program in a piecemeal fashion, rather than as a whole. We offered three recommendations designed to further progress in managing employee relocation activities.

DOI Information Security Evaluation Completed

In FY 2008, our evaluation revealed that DOI was not in compliance with all elements of FISMA. Non-compliance continued in FY 2009. The DOI Chief Information Officer's (CIO) authority has not yet been established in accordance with FISMA, and personnel performing significant information security duties continue to be underqualified for the roles they have been assigned. As long as the CIO does not have authority to ensure compliance with FISMA and does not oversee personnel with significant information security duties pertinent to FISMA, DOI is not able to demonstrate full compliance. As a result, accountability for the program is lacking. The fundamental flaws in organizational structure and authority, as well as assignment of significant information security duties to underqualified personnel are detailed in our report.

In five out of ten measured categories, DOI fared worse in FY 2009 than in FY 2008. In addition, contrary to our determination in FY 2008, we found the quality of documentation in sampled information systems in need of improvement in FY 2009. We also found investments in information security underused and oversight lacking, even where technology existed to facilitate both of these needs. Bureau and office resistance to DOI guidance proved to be a substantial hurdle to overcome before improvements could be achieved. We also found that the fragmented approach to information security across DOI had led to waste.

Overall, the governance framework within DOI is inefficient, wasteful, and lacks accountability. The Information Technology Management Council (ITMC) continues to be the IT governing body within DOI. It is comprised of bureau and office CIOs who report to individual bureau and office directors. ITMC generally makes decisions that impact information security throughout DOI. However, implementation of ITMC decisions is sporadic and often incomplete. Delegating governance to ITMC is inconsistent with law and federal policy, and has led to waste as well as to a decrease in accountability.

The lack of adequate governance constitutes a weakness in DOI's overall information systems security program, which is a significant deficiency under FISMA. We recommend overhaul of the governance processes related to IT and IT security. Even though DOI has researched and discussed new IT governance frameworks throughout 2009, no changes resulting from recommendations offered in previous years have been applied.

Previous Recommendations Pertaining To IT Security System Verified

DOI has made only limited progress in implementing the OIG's previous recommendations related to information security. Our evaluation found that DOI oversight was inadequate. Lack of management oversight constitutes a weakness in the overall information systems security program. It is considered a significant deficiency under FISMA, and must be reported as a material weakness under the Federal Financial Management Improvement Act (FFMIA).

In FY 2007, the OIG made 125 recommendations to improve information security. In FY 2008, we reviewed progress in implementing those recommendations and determined little substantive progress had been made. Again, in FY 2009, we reviewed progress in implementing the 2007 recommendations. Our FY 2009 evaluation revealed that BLM and USGS had made no progress, while NBC made good progress. In all, nearly one-third of all recommendations from FY 2007 remain unresolved.

We concluded that DOI provided inadequate oversight of the implementation process for recommendations made by the OIG. In response to our FY 2008 evaluation, DOI established a new process for tracking open OIG recommendations. In 2009, we reviewed the effectiveness and efficiency of this new process. We found that DOI's Cyber Security Division (CSD) required bureaus and offices to submit evidence supporting closure of open recommendations but failed to test the corrective actions to determine if they were sufficient and accurately reported.

In 2006, DOI's Chief Information Security Officer had planned to establish a Compliance and Oversight Division to provide "independent review and examination." However, the plan was not approved. As a result, CSD does not conduct any inspections or technical tests to determine if corrective actions reported by bureaus and offices are accurate and functioning properly. CSD lacks the necessary resources and expertise to adequately perform required oversight.

IT System Configuration Evaluated

We initiated this evaluation to assess DOI's progress implementing mandatory guidance for all bureaus' and offices' computer configuration. As part of our evaluation, we visited 44 locations in six states, the District of Columbia, and the Virgin Islands. In all, we tested 560 computers. While conducting this fieldwork, we found several instances of non-compliance with DOI guidance. One such finding was sufficiently critical that we notified DOI's Chief Information Security Officer immediately by phone.

While some offices have made substantial progress in implementing guidance, others lag behind. Those lagging behind put the security of their own data at significant risk, while creating additional risk for other offices. Considering importance of all offices making progress, our sample indicated that DOI averaged 68 percent compliance with guidance that became mandatory in February 2008. During this same period, DOI self-reported to GAO that only 39 percent of their computers complied with the Federal Desktop Core Configuration.

Many issues identified during this evaluation easily could have been recognized by trained personnel. However, we found that DOI had not conducted any inspections of its own although it had expended considerable funds to provide technology that simply was not being used. Due to inadequate oversight, compliance is lagging and accountability is missing. No amount of legislation, policy, or mandatory standards will improve DOI's security posture if oversight is not established and measures taken to improve accountability.



Bureau of Indian Affairs



Sunrise at Mesa Arch, which spans 90 feet at the edge of a mesa thousands of feet above the Colorado River gorge, a reminder of our long natural resources heritage and the people who have lived on the land.

Former Officials Sentenced for Conspiracy and Misapplication of Restricted Funds

On April 24, 2009, Robert Newell, the former governor of the Passamaquoddy Tribe Indian Township Reservation, received a sentence of 60 months in prison and an additional 31 months to be served concurrently, 36 months probation, \$391,347 in restitution to BIA, and a special assessment payment of \$2,900. Several days later, on April 27, 2009, James J. Parisi, the former finance director at the Indian Township, received a sentence of 12 months in prison, 36 months probation, \$391,347 in restitution to BIA, and a special assessment payment of \$1,100.

Both were convicted on November 20, 2008, by a U.S. District Court jury in Bangor, Maine. Newell was convicted of 29 counts and Parisi of 11 counts, which included conspiring to defraud the United States, intentionally misapplying funds of a federal health care benefit program, making false statements, and submitting false claims to federal agencies. All charges were related to the misuse of restricted funds awarded to the Passamaquoddy Tribe when Newell was the Township governor and Parisi was the finance director. This case previously was reported in the April 2009 *Semiannual Report to the Congress*.

Contractor Indicted for Illegal Dumping

Contractor Michael Giacchetto was indicted in the Middle District of Florida on May 27, 2009, for depredation against U.S. property. This indictment followed his illegal disposal of petroleum products and metal drums on a Big Cypress Seminole Indian Reservation construction site.

An equipment operator for Harry Pepper & Associates, Giacchetto was working in the containment section of the site when he was tasked with others to relocate metal drums of oil and other hazardous materials. When the group encountered difficulty moving the drums, Giacchetto allegedly began spilling the contents into a pit. A supervisor alerted to his actions allegedly rendered assistance. Indictments of additional subjects are pending.

During his detention hearing, Giacchetto was considered a flight risk and remanded to pre-trial detention. On August 7, 2009, he pled not guilty and is awaiting trial.

Contractor Indicted for Embezzlement and Theft

On April 17, 2009, Contractor Jason Heinlen pled guilty in Federal District Court for the District of Minnesota to embezzlement and theft from an Indian tribal organization. The indictment stems from an investigation into employees and contractors of the Mille Lacs Band of Ojibwe Indians suspected of bid rigging, embezzlement of funds, and receiving or paying kickbacks. The funds were part of a BIA grant to the tribe for improvements and repairs to the Nay Ah Shing Schools. Investigation continues and additional subjects have been identified.

Tribal Employee Pleads Guilty To Public Assistance Fraud

Angeline Woodin, director of the Little Traverse Bay Band of Odawa Indian Tribe's Social Services Department, entered into a deferred prosecution agreement stemming from charges in the State of Michigan for failure to inform and false pretenses. Woodin neglected to properly record receipt of child support payments on her BIA application for assistance. Also, she neglected to report child support from the State of Michigan in addition to her federally and state-funded foster care payments. This resulted in welfare fraud as defined by the Michigan Criminal Code. Her reporting failure as well as a separate administrative error resulted in a total overpayment of \$67,524 from 1999 to 2007.

Under the agreement, Woodin will make restitution in the amount of \$17,000 to the State of Michigan and forego any further foster-care funding, providing a foregone repayment of \$26,605. Additionally, the tribe agreed to repay BIA an additional \$17,000 for their failure to properly invoice, which resulted in the administrative error. The total recovery through administrative, forgone and restitution was \$60,605.

Six Tribal Employees Indicted for Theft

Ten people were indicted on February 4, 2009, in Federal District Court for the District of Montana for felony violations of theft from an Indian tribal organization. Among those charged were two employees of the Blackfeet Credit Department (BCD) and four employees of the

Blackfeet Crystal Creek Lodge Treatment Center (LTC). Three tribal employees at the center of the fraud scheme (former BCD receptionist Alex Charles Good Rider, former BCD administrative assistant Clarice Ann Hall, and former LTC admissions clerk Bobie Jo Arnoux) were also charged with felony conspiracy. This case last was reported in the April 2009 *Semiannual Report to the Congress*.

We conducted our investigation at the request of the Blackfeet Tribe of Indians, determining that Good Rider, Hall, and Arnoux recruited co-workers, friends, and family members to participate in their scheme. They got recruits to submit a short-term loan application to the BCD through Good Rider, who ensured the loan application was processed and approved, as well as followed by a “loan” check. The check was transformed into cash at a local bank and distributed among scheme participants. In approximately 5 months, 46 fraudulent checks totaling \$62,270 were issued.

Ultimately, on April 21, 2009, Bonita Rose Plenty Horse pled guilty to theft from an Indian tribal organization. This was followed on May 4, 2009, by guilty pleas from Alex Charles Good Rider, Alvin Dale Lazyboy, Clarice Ann Hall, Durand Tyland Bear Medicine, and Seivert Daydrill Running Crane. Then, on May 12, 2009, Bobie Jo Arnoux also pled guilty to conspiracy and to theft from an Indian tribal organization.

On July 2, 2009, Lazyboy received a sentence of 3 years of probation, 40 hours of community service, and restitution of \$3,000. On August 3, 2009, Plenty Horse received a sentence of 3 years of probation, 40 hours of community service, and \$4,230 in restitution, jointly and severally with Good Rider. On August 24, 2009, Good Rider and Hoyt were sentenced. Good Rider received a sentence of 2 years in prison, 36 months of probation, 80 hours of community service, and \$60,770 in restitution, which he appealed to the Ninth Circuit Court of Appeals. Hoyt received a sentence of 5 years probation, 40 hours of community service, and \$7,500 in restitution.

On August 27, 2009, Hall and Running Crane were sentenced. Hall received a sentence of 3 years of probation, 40 hours of community service, and \$1,500 in restitution. Running Crane received a sentence of 5 years probation, 40 hours of community service, and restitution of \$5,900 jointly and severally with Good Rider. Heavy Runner failed to appear at his sentencing hearing and an arrest warrant was issued for him by the Court. On August 31, 2009, Arnoux received a sentence of 8 months in prison, 36 months of probation, 80 hours of community service, and restitution of \$38,900. Bear Medicine awaits sentencing.

Tribal Officer Indicted For Theft

On July 15, 2009, Emery Paul Nault, a Chippewa Cree Tribe fire management officer, was indicted by the Federal District Court for the District of Montana, charged with theft from a program receiving federal funds, as well as theft from an Indian tribal organization. The charges stemmed from Nault's admitted misuse of three tribal government-issued credit cards during a period from 2003 to 2006.

Our investigation disclosed that Nault misused his tribal government credit cards on 174 occasions to make personal purchases at stores, obtain cash advances at bars, and pay for personal accommodations at hotels. The total amount of unauthorized charges totaled \$10,849.

At his arraignment on September 8, 2009, Nault entered a plea of not guilty to both counts of the indictment. A trial date has not yet been scheduled.

Traditional pottery reflects the character of the people and places where it was created. Often native clay is used for its creation, and so the land and the water are reflected in the work of the potter's hands.





Bureau of Indian Education

The moist landscapes where land and water meet have been home to native people for generations. As caretakers for these places, they maintain some of the most pristine resources in the United States.

Contractors Charged In Bribery And Kickback Schemes

This investigation initially focused on the expenditure of approximately \$1 million in funds allocated to Crow Creek Tribal Schools (CCTS), Stephan, South Dakota, by the BIA Office of Facilities Management and Construction (OFMC) to finance construction of new dormitory and kitchen facilities to replace those destroyed by a campus fire in April 2005. Work on the project was completed in 2005.

The scope of our investigation subsequently expanded to review other CCTS financial transactions and construction projects completed between 2003 and 2006. CCTS received millions of dollars in additional construction money from OFMC for those projects. Our investigation established that the person responsible for administering the contracts on behalf of the school was Scott Raue, the former CCTS superintendent and chief executive officer.

As we reported in our April 2008 *Semiannual Report to the Congress*, indictments were initially filed in Federal District Court for the District of South Dakota in October 2007, followed by guilty pleas in March and April 2008. Then, in May 2008, a superseding indictment charged three school officials and two contractors with various criminal violations.

The three school officials charged in that superseding indictment included Raue, former CCTS counselor and grant writer Patsy Hawk, and former CCTS director of the alternative school Brady Hastings. Through that same superseding indictment, 25 counts of bribery, 9 counts of money laundering, and 1 count of fraud were added to charges previously filed against Raue. Hawk was charged with one count of theft, and Hastings with one count of theft and one count of money laundering. The charges involving Hastings and Hawk are associated with a fraudulent \$26,535 payment that CCTS paid to Hastings, who later shared it with Hawk and Raue.

The charges contained in the superseding indictment also relate to Raue's receipt of bribes and/or kickbacks from construction contractors he hired to complete projects at the school. The two contractors charged in the superseding indictment included Ed Patzer of Patzer Flooring, Pierre, South Dakota, and John Nystrom of Nystrom Electrical Contracting, also from Pierre. Patzer was previously charged in one of the initial indictments filed in this case. In the superseding indictment, he was charged with 13 counts of bribery and Nystrom with 7 counts of bribery. The charges resulted from tens of thousands of dollars in bribes that Patzer and Nystrom allegedly paid Raue during 2005 and/or 2006 to secure construction work at CCTS.

During September 2008, Patzer pleaded guilty to one count of bribery. Patzer cooperated in this investigation after pleading guilty.

In October 2008, Hastings pleaded guilty to one count of bribery and also cooperated in this investigation. In January 2009, Hastings was sentenced to 2 years of probation and restitution of \$7,935.

During April 2009, Craig McClatchey, a Broomfield, Colorado, architect who had worked on several federally funded projects for CCTS between 2002 and 2006, pleaded guilty to one count of bribery. The charge against McClatchey concerned \$80,000 to \$120,000 he paid to Raue between 2002 and 2005.

Also in April 7, 2009, Nystrom pleaded guilty to one count of misprision of felony and Raue to one count of bribery. Additionally, in April 2009, Kutz was sentenced to 24 months probation, 1,000 hours community service, and restitution to CCTS of \$50,000. Patzer was sentenced to 26 months in prison, 36 months probation, and \$6,000 in restitution to CCTS. In May 2009, Hawk pleaded guilty to one misdemeanor count of theft.

In July 2009, McClatchey was sentenced to 36 months of probation, 100 hours of community service, and restitution to CCTS of \$20,000. Nystrom was sentenced to 24 months of probation, a fine of \$5,000, 100 hours of community service, and restitution to CCTS of \$20,514. Raue was sentenced to 120 months in prison, 36 months of probation, and restitution to CCTS of \$129,467.

In September 2009, Hawk was sentenced to 24 months of probation, restitution to CCTS of \$1,806, a fine of \$500, and 50 hours of community service. This investigation was conducted by the OIG and FBI.

Contractor and Tribal Officials Charged

On November 19, 2008, an indictment was filed in Federal District Court for the District of South Dakota, that charged Archie Baumann, President, First Dakota Enterprises (FDE), Ft. Pierre, South Dakota, and Norman Thompson, Sr., Treasurer, Crow Creek Sioux Tribe (CCST), Ft. Thompson, South Dakota, each with one count of bribery concerning programs receiving federal funds.

On January 6, 2009, a superseding indictment was filed against Baumann, Thompson, Randy Shields, Sr. (CCST vice chairman) and Thomas Thompson (CCST secretary) with 23 counts of bribery concerning programs receiving federal funds.

Additionally, in that same superseding indictment, Thompson, Shields, and Thomas Thompson were charged with one count in violation of retaliation against a witness and informant and one count of conspiracy. The retaliation charges stemmed from actions taken by the tribal officials to suspend an individual from a tribal position because that individual had cooperated in the investigation.

On July 7, 2009, a second superseding indictment was filed that charged Baumann with two additional counts of bribery, Shields with one additional count of bribery, and Thompson, Sr. with one additional count of bribery. Additionally, this indictment charged Shields with one count of making false statements to OIG investigators when he was interviewed on November 24, 2008.

The bribery charges resulted from more than \$20,000 in check and cash payments that Baumann paid an OIG informant and the other tribal officials. These payments related to business transactions Baumann attempted to complete with CCST and/or other tribal entities. One of those transactions included a \$383,000 contract, executed with FDE but not paid out, awarding FDE the construction of three houses at Crow Creek Tribal Schools.

Trial for the above-named defendants is pending. This investigation was conducted by the OIG and FBI. So far this school year, Crow Creek Tribal Schools have received in excess of \$7 million from the Bureau of Indian Education for its programs and operations.

Bureau of Land Management



Much of the western landscape is comprised of public land administered by the Bureau of Land Management. Water rights are a major issue here.

BLM Urged To Work With Claimants

Last year, OIG expressed grave concerns regarding DOI's failure to mitigate hazards posed by abandoned mines on federal lands. As stated in that July 2008 report, "Mines located primarily in the Western States of California, Arizona, and Nevada have dangerously dilapidated structures, serious environmental hazards, and gaping cavities—some capable of swallowing an entire vehicle."

Mine operators were not required to mitigate the hazards they created until the 1976 passage of the Federal Land Policy Management Act (FLPMA). Prior to FLPMA, claimants left hundreds of thousands of abandoned mine sites on public lands. Today, many of these sites present serious safety hazards to the public, including open shafts and unstable tunnels, deadly gases, explosive and toxic chemicals, and rotting structures. Unfortunately, current claimants may not even be aware of abandoned mine hazards on their claims. Our current report presents the results of a second audit to determine how BLM might be more effective in working with claimants to mitigate the most serious preexistent physical safety hazards.

To successfully mitigate these sites and protect claimant rights, BLM must coordinate with current claimants even though these individuals and groups are not legally responsible for mitigating abandoned mine hazards on their claims. We found that BLM misses opportunities to enhance public safety in this way. It neither coordinates with claimants as it takes steps to identify and mitigate hazards on public lands itself, nor actively seeks claimant cooperation and assistance in mitigating hazards. Mitigation may include temporary measures, such as fencing and signs, or more permanent, costly measures, such as concrete or metal mine shaft covers.

Historically, BLM has rarely contacted claimants to request cooperation and assistance in mitigating hazards. Under federal law, claimants ultimately are not responsible for mitigating abandoned mine hazards. However, they may be interested in mitigating hazards for reasons that include concern for public safety, preservation of mining features, compliance with state laws, or avoidance of potential lawsuits due to liability associated with human injuries or deaths at hazard sites. Whatever their motivation, claimants are not likely to do anything about abandoned mine hazards unless BLM contacts them to request their assistance.

Bad-faith Bidders Jeopardize Lease Auction Process

OIG reviewed BLM's oil and gas lease auction process after a protestor disrupted a BLM lease auction by bidding for parcels without the intention to pay for or develop these leases.

OIG found that BLM did not consider bid-walkers a significant threat to the lease auction program and had few deterrents in place to limit the risk of occurrence. BLM's lease auctions are designed to maximize bidder participation by providing easy access for prospective bidders. This open process results in a higher risk that individuals with hidden agendas may participate in the auction and cause disruption.

OIG focused on BLM's implemented and proposed revised measures to its lease auction process, and obtained information on other federal and state auction processes to identify practices that could improve or enhance those of BLM. BLM took swift action to initiate improvements after the incident by drafting an instruction memorandum with new measures designed to reduce the likelihood of individuals participating in auctions without the intent to complete their purchases. Although the new measures should reduce the risks associated with bad-faith bidders, we recommended additional steps to further minimize the risks of fraudulent bidders and improve the lease auction process.

Fire Contractor Indicted

A joint investigation with BLM looked into allegations of fraud by private fire contractor David A. Monington, Midwest Fire Suppression, Miles City, Montana. Monington allegedly submitted false documents to BLM fire contractors in connection with his fire suppression training and employment qualifications.

This investigation revealed that Monington had ten forged certificates of training, nine forged fire position task books, and one forged employee performance rating that he used to obtain fire suppression-related supervisory employment. When interviewed, Monington admitted that 15 of these documents contained forged signatures, although he denied responsibility. He declared that he first learned of the forged documents in December 2006 while employed with the Miles City Fire Department. However, he used these documents through 2007.

On November 19, 2008, Monington was indicted in Federal District Court for the District of South Dakota on 2 counts of mail fraud and 1 count of wire fraud. Monington and his attorney are involved in plea negotiations with the U.S. Attorney's Office.



National Park Service

Great Sand Dunes National Park in Colorado, formed through time from deposits from the Rio Grande, is a biologically diverse, culturally rich park.

Federal Government Secures \$2.3 Million Civil Judgment

As previously reported in the April 2009 *Semiannual Report to Congress*, Ernest Robert McFarland, 66, of Fort Meyers, Florida, was indicted in Federal District Court for the District of Arizona on 29 counts of conspiracy, false claims, mail fraud, and false statements. Wayne George Heidle, 53, of La Habra, California, was also indicted on 23 counts for conspiracy, false claims, mail fraud, and false statements. McFarland was the owner and president of Pacific General, Inc., and Heidle the vice president. The investigation that uncovered evidence supporting the indictment was initiated in 2004, and conducted jointly with the FBI.

On January 28, 2008, Heidle pleaded guilty to information charging him with one count in violation of Title 18 USC, Section 4 (misprision of felony). In his plea agreement, Heidle admitted that he knew and concealed the fact that McFarland submitted false progress payment certification forms to receive contract payments. On May 5, 2008, Heidle was sentenced to 5 years of probation and ordered to pay \$69,730 in restitution to NPS.

On April 21, 2008, McFarland pleaded guilty to six counts of making false statements. In his plea agreement, he admitted to knowingly submitting progress payment certification forms to the Grand Canyon National Park, in which he falsely stated that he had used government funds to pay company subcontractors for NPS projects. On August 11, 2008, McFarland was fined \$5,000, sentenced to 5 years of probation, 4 months of home confinement, and ordered to pay restitution to the NPS in the amount of \$435,297.

On April 17, 2009, a civil complaint against McFarland was filed in the U.S. District Court, District of Arizona. The complaint alleged that McFarland was liable for treble damages and civil penalties under the provisions of the False Claims Act. On April 21, 2009, a consent order was filed in U.S. District Court, District of Arizona. The honorable U.S. District Judge Susan R. Bolton ordered judgment in favor of the United States against McFarland in the amount of \$2,346,600. McFarland was further ordered to provide and submit annual financial statement forms to the United States until such judgment amount is satisfied.

Colorado Man Sentenced For Glen Canyon Looting

In May 2009, Charles Lindsey was charged with one misdemeanor count of looting public lands, violating the Archaeological Resources Protection Act.

The federal government became involved when Lindsey's former wife contacted NPS regarding an annual family vacation to Glen Canyon National Recreation Area, Utah. There, she indicated, her former husband's family had looted Indian artifacts, petrified wood, dinosaur bones, and other park resources before returning to Colorado.


Following this report, federal search warrants were executed on Lindsey's residence and on the residence of his mother. Numerous archeological items were seized from both.

In June 2009, Lindsey pled guilty in U.S. District Court for the District of Colorado to excavating and removing archeological resources from Glen Canyon. Lindsey knowingly and unlawfully transported these archeological items from Utah to his Colorado home. He was sentenced to 6 months unsupervised probation.

Bryce Canyon National Park hoodoos are soft sedimentary rock topped by a harder, less easily water- and wind-eroded stone.



Office of Insular Affairs



Coral reefs are home to an estimated 4,000 fish species and provide goods and services worth approximately \$375 million annually. Yet they represent one of the most fragile ecosystems on the planet.

Former Employee Sentenced

Edgar Johnson, a former Office of Insular Affairs Technical Assistance Division director, was captured on video and audio surveillance accepting \$15,000 to arrange meetings on insurance contracts with U.S. Virgin Islands officials.

Johnson acknowledged accepting the money in exchange for services related to his official government position, as well as to understanding that his actions were illegal. During a search of Johnson's person, vehicles, office, and residence, he voluntarily provided the location of his ledger that documented and tracked the illegal money. He also provided the location of the remaining money and copies of electronic mail messages he had sent to a high-ranking Virgin Islands official to introduce contractors looking for business opportunities.

On January 30, 2009, Johnson pleaded guilty to wire fraud and honest services fraud. Then, on July 23, 2009, he was sentenced in Federal District Court for the District of Columbia to 48 months of probation, which includes radio frequency location monitoring for the first 12 months. Johnson received a \$5,000 fine.

U.S. Fish and Wildlife Service



The Hubbard Glacier is North America's largest tidewater glacier at 76 miles long and 7 miles wide. The wilderness area is home to wolves, migrating birds, and salmon, as well as minke and beluga whales.

Former Special Agent Sentenced

In the April 2009 *Semiannual Report to the Congress*, the OIG reported on its investigation that was initiated after a complaint by an Assistant U.S. Attorney (AUSA) in Abingdon, VA. The AUSA reported that former FWS Special Agent Kelly Holland might have stolen evidence that pertained to a federal/state investigation. Additionally, the AUSA informed the OIG that the agent gave false statements to his former supervisor, as well as during his Grand Jury testimony.

On February 4, 2009, former FWS Special Agent Holland was convicted of obstructing justice and possessing a stolen firearm. On June 1, 2009, Holland was sentenced to 36 months of probation and fined \$5,000.

Honolulu IT Office Evaluated

We evaluated the FWS Information Technology (IT) Office in Honolulu, HI, on the recommendation of the OIG Computer Crimes Unit. As part of their investigative activity, the unit found that federal computers lacked antivirus software and therefore were infected with viruses. The unit further found that backups of file servers and the email system serving the Pacific were not being accomplished. Lastly, the FWS computers examined were not securely configured.

We found that the FWS IT Office was not fully compliant with the Office of Management and Budget or with DOI policy. We also found that it did not adhere to all relevant standards and that it needed greater management attention and oversight. Overall, we found widespread assignment of administrative permissions to end users, use of non-standardized software, lack of protection for sensitive data (including Personally Identifiable Information), and systems that were not being backed up to prevent data loss in the event of disaster. In addition, one out of two senior administrators who support the Honolulu Office had not been physically present in the facility for more than 3 years. In our review of computer configurations, we also found that sampled computers only averaged 55-percent compliance with mandatory federal standards.

Appendices



STATISTICAL HIGHLIGHTS

Investigative Activities

Cases Closed	265
Cases Opened	271
Hotline Complaints/Inquiries Received	134

Criminal Prosecution Activities

Indictments/Informations	13
Convictions	17
Sentencings	22
- Jail	310 months
- Criminal Penalties	\$1,957,620
- Probation	762 months
- Community Service	1750 hours
Criminal Matters Referred for Prosecution	16
Criminal Matters Declined This Period	15

Civil Investigative Activities

Civil Referrals	2
Civil Declinations	4
Civil Judgments/Settlement	\$2,359,100

Administrative Investigative Activities

Resignations	3
Suspensions	4 (24 days)
Reprimands/Counseling	8
Reassignments/Transfers	2
General Policy Actions	14
Administrative Recoveries	\$271,106
Contractor Suspensions	4
Contractor Debarments	2
Bureau Non-Responsive*	3

* Bureau Non-Responsive is a category indicating failure by a bureau to respond to referral for administrative action.

STATISTICAL HIGHLIGHTS

Audit and Evaluation Related Activities

Reports Issued	37
Performance Audits, Financial Audits, Evaluations, Inspections, and Verifications	28
Contract and Grant Audits	8
Single Audit Quality Control Reviews	1

Audit and Evaluation Impacts

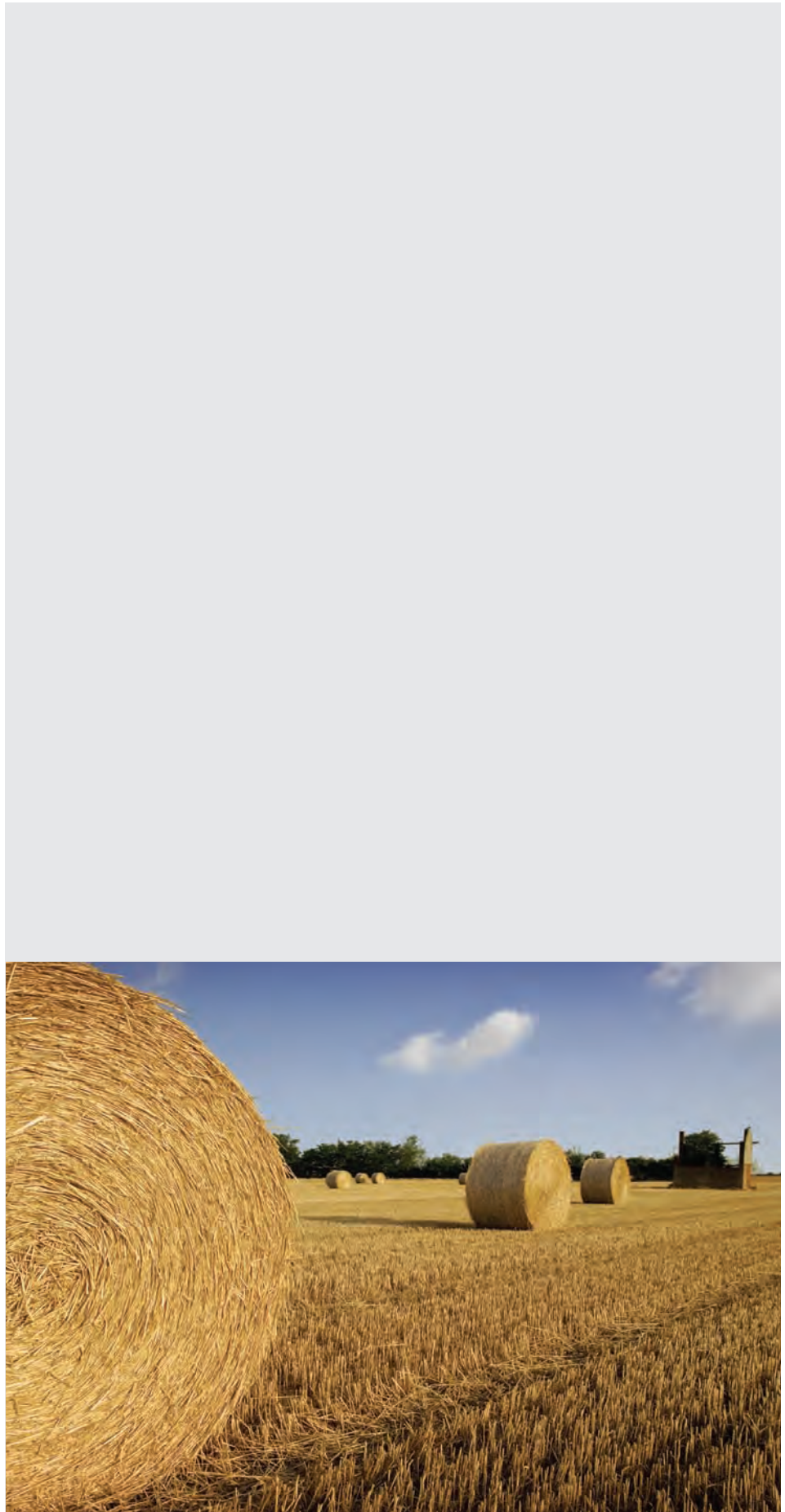
Total Monetary Impacts	\$3,361,960
Questioned Costs (includes unsupported costs)	\$362,897
Recommendations That Funds Be Put to Better Use	\$2,999,063

Audit and Evaluation Recommendations Made	125
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Audit and Evaluation Recommendations Resolved	212
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Recovery Oversight Office Activities

Products Issued.....	26
Advisories	18
Other Products	8



Reports Issued During the Six-Month Reporting Period

This listing includes all reports issued during the 6-month period that ended September 30, 2009. It provides report number, title, issue date, and monetary amounts identified in each report (* *Funds To Be Put To Better Use*, ** *Questioned Cost*, and *** *Unsupported Cost*).

Audits, Evaluations, and Verifications

Bureau of Indian Affairs

ER-RR-BIA-0001-2008	Program Assessment Rating Tool - Progress Evaluation of the Bureau of Indian Affairs (BIA) - Realty and Trust Program (04/23/2009).
ER-RR-BIA-0003-2008	Evaluation of the Use of Performance Information in the Bureau of Indian Affairs Office of Justice Services (04/24/2009).
ER-IN-BIA-0015-2009	Office of Inspector General's Independent Report on the Office of National Drug Control Policy 2008 Accounting Report - Indian Affairs (08/14/2009).
X-VS-BIA-0012-2009	Verification Review of the Three Recommendations Contained in the Audit Report Titled, "Bureau of Indian Affairs, Use of Facilities Improvement and Repair Funds" (08/31/2009).

Bureau of Land Management

C-IN-BLM-0011-2008	Bureau of Land Management - Mining Claimant Administration (05/04/2009).
WR-IV-BLM-0008-2009	Senator Feinstein's Earmark for California Abandoned Mine Lands (06/10/2009).
CR-EV-BLM-0002-2009	Evaluation of Bureau of Land Management's Oil and Gas Lease Auction Process (08/26/2009).

Multi-Office Assignments

CR-EV-MOA-0003-2009	Evaluation of Royalty Recommendations Made to the Department of the Interior Fiscal Year 2006 – February 2009 (04/15/2009).
WR-EV-MOI-0006-2008	Evaluation of the Department of the Interior’s Accountability of Desktop and Laptop Computers and their Sensitive Data (04/24/2009).
ER-IS-MOA-0010-2009	Wildland Fire Management Overview (05/05/2009).
ER-EV-MOA-0002-2008	Passport Offices Failing to Manage and Secure Employee Passports (05/19/2009).
X-VS-MOA-0010-2009	Verification Review of Four Recommendations Considered Implemented from our August 2007 Audit Report “Department of the Interior Internal Control Program” (Report No. C-IN-MOA-0002-2006) (08/31/2009).
X-IN-MOA-0021-2009	Independent Accountants’ Report on Applying Agreed-Upon Procedures (09/02/2009).
WR-EV-MOI-0008-2008	Employee Relocation, U.S. Department of the Interior (09/21/2009).
WR-EV-MOA-0004-2008	Evaluation of Department of the Interior Challenge Cost Share Programs (09/25/2009) *\$2,488,000.
WR-IS-MOA-0019-2009	Follow-up to OIG’s 2008 Evaluation Report, “Interior Misstated Achievement of Small Business Goals by Including Fortune 500 Companies, (Report No. W-EV-MOI-0003-2008)” (09/29/2009).
X-VS-MOA-0013-2009	Verification Review of Five Recommendations Considered Implemented from our February 2004 Audit Report “Fleet Management Operations, U.S. Department of the Interior” (09/29/2009).
WR-VS-MOI-0009-2009	Verification Review of Nine Recommendations from our February 2004 Audit Report “Improvements Needed to Ensure Safety and Program Performance - School Construction Program, Bureau of Indian Affairs (09/30/2009).

National Park Service

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| B-EV-NPS-0007-2009 | Payments to the District of Columbia Water and Sewer Authority January 1, 2009 through March 31, 2009 (04/29/2009). |
| VI-EV-NPS-0001-2008 | Review of Purchase Cards and Property Disposition, Virgin Islands National Park Service (06/04/2009). |
| B-EV-NPS-0008-2009 | Payments to the District of Columbia Water and Sewer Authority April 1, 2009 through June 30, 2009 (07/20/2009). |

Office of Insular Affairs

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| VI-EV-OIG-0001-2009 | Verification of Watch Quota and Jewelry Quota Data for Calendar Year 2008 Submitted by Firms Located in the U.S. Virgin Islands (04/07/2009). |
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Office of the Secretary

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| WR-EV-OSS-0005-2009 | Aviation Maintenance Tracking and Pilot Inspector Practices - Further Advances Needed (04/14/2009). |
| ER-EV-PMB-0001-2009 | Reorganization of the Working Capital Fund and the Interior Franchise Fund (06/09/2009). |

U.S. Fish and Wildlife Service

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| X-IN-FWS-0024-2006 | Independent Biennial Auditors' Report on the Expenditures and Obligations Used by the Secretary of the Interior in the Administration of the Wildlife and Sport Fish Restoration Programs for Fiscal Years 2003 Through 2004 and Fiscal Years 2005 Through 2006 (05/14/2009). |
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U.S. Geological Survey

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| X-IN-GSV-0016-2008 | Independent Auditors' Report on the U.S. Geological Survey Financial Statements for Fiscal Years 2008 and 2007 (04/17/09). |
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ER-EV-GSV-0002-2009	U.S. Geological Survey Store Not Protecting Payment Card Information (06/01/2009).
X-IN-GSV-0008-2009	Management Letter Concerning Issues Identified During the Audit of the U.S. Geological Survey for Fiscal Years 2008 and 2007 (06/03/2009).

Contract and Grant Audits

Bureau of Reclamation

K-CX-BOR-0001-2009	Audit of Costs Claimed by the San Luis & Delta-Mendota Water Authority under Bureau of Reclamation Cooperative Agreement No. 3-FC-20-10820 (04/09/2009).
K-CX-BOR-0002-2009	CH2M HILL, Inc. Settlement Proposal - Termination for the Convenience of the Government Under Bureau of Reclamation Contract No. 07CS340020 - Operation and Maintenance of the Yuma Desalting Plant (04/16/2009) **\$92,807.

U.S. Fish and Wildlife Service

R-GR-FWS-0009-2008	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Colorado, Division of Wildlife, From July 1, 2005, Through June 30, 2007 (04/01/2009) *\$511,063 **\$2,335 ***\$157,994.
R-GR-FWS-0002-2009	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of South Dakota, Department of Game, Fish and Parks, From July 1, 2006, Through June 30, 2008 (04/17/2009).
R-GR-FWS-0013-2008	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Rhode Island, Department of Environmental Management, Division of Fish and Wildlife, From July 1, 2005, Through June 30, 2007 (07/22/2009) **\$28,078.

R-GR-FWS-0012-2008	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Arkansas, Game and Fish Commission, From July 1, 2005, Through June 30, 2007 (08/05/2009) **\$37,010.
R-GR-FWS-0004-2009	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Minnesota, Department of Natural Resources, From July 1, 2005, Through June 30, 2007 (09/21/2009) **\$20,389.
K-CX-FWS-0004-2009	Costs Associated With the WECC, Inc., Request for Equitable Adjustment under Contract No. 401817C012 with the U.S. Fish and Wildlife Service (09/30/2009) **\$24,284.

Single Audit Quality Control Reviews

B-QC-MOA-0002-2009	QCR of Leal & Carter Audits of Kickapoo Traditional Tribe of Texas for the Years Ended September 30, 1998 Through September 30, 2002 (09/30/2009).
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Recovery Oversight Office Reviews

Bureau of Indian Affairs

ROO-ROA-BIA-2001-2009	Recovery Oversight Advisory - Indian Education Schools at Risk (06/01/2009).
ROO-ROA-BIA-2003-2009	Recovery Oversight Advisory – Observations on BIA Road Maintenance Program (06/29/2009).
ROO-RRB-MOA-R007-2009	Response to Recovery, Accountability, and Transparency Board Referral, Question on Recovery Act Project (09/11/2009).

Bureau of Land Management

ROO-ROA-BLM-S003-2009	Recovery Oversight Advisory – Concerns About Solicitation L09PS00662 (07/08/2009).
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Multi-Office Assignments

ROO-ROA-MOA-9002-2009	Recovery Oversight Advisory – Departmental Risk Assessments of Recovery Act Activities (04/01/2009).
ROO-ROA-MOA-1001-2009	Recovery Oversight Advisory – Department Manual on Allowing Federal Assistance Applications from Suspended and Debarred Applicants (04/03/2009).
ROO-ROA-MOA-1002-2009	Recovery Oversight Advisory - Senior Executive Service and Senior Management Performance Plans (04/08/2009).
ROO-ROA-MOA-9001-2009	Recovery Oversight Advisory — Single Audits of Recovery Act Programs (04/08/2009).
ROO-ROA-MOA-9003-2009	Recovery Oversight Advisory – Risk Assessments of Recovery Act Recipients (04/08/2009).
ROO-ROA-MOA-9004-2009	Recovery Oversight Advisory – Recovery Act Activities and the Compliance Supplement (04/08/2009).
ROO-ROA-MOA-1003-2009	Recovery Oversight Advisory - Lack of Clarity on Certain Project Elements in Department Recovery Act Guidance (04/20/2009).
ROO-ROA-MOA-1004-2009	Recovery Oversight Advisory – Observations on Initial Project Lists (04/20/2009).
ROO-ROA-MOA-1009-2009	Recovery Oversight Advisory – Observations on Administrative Cost Guidance (05/29/2009).
ROO-ROA-MOA-1006-2009	Addressing Past Areas of Vulnerability in Department of the Interior Programs (06/01/2009).
ROO-ROA-MOA-1005-2009	Recovery Oversight Advisory – Staffing of the Acquisition and Property Management Office and the Solicitor’s Office (06/17/2009).
ROO-ROA-MOA-1010-2009	Recovery Oversight Advisory – Bureau Program Plans (09/18/2009).

National Business Center

ROO-RM-NBC-0001-2009 Review of DOI National Business Center (NBC) Interagency Agreements (IA) and Award Action Policy (NBCM-AQD-6900-0046), dated May 15, 2009 (06/11/2009).

National Park Service

ROO-RRB-NPS-R004-2009 Response to Recovery, Accountability, and Transparency Board Referral, RATB-R-0030 (07/08/2009).

ROO-RM-NPS-6002-2009 Review of NPS Revised Leasing Policy and Leasing Reference Manual (08/06/2009).

ROO-RRB-NPS-R006-2009 Response to Recovery, Accountability, and Transparency Board Referral, RATB-R-0051 (08/26/2009).

ROO-RM-NPS-6003-2009 Review of the NPS Fort Jefferson Restoration Project (08/28/2009).

ROO-ROA-NPS-6001-2009 Recovery Oversight Advisory – Concerns About National Park Service Communications and Project Tracking (09/25/2009).

Response/Hotline Complaint

Hotline Complaint Concerning the Central Utah Water Conservancy District (09/25/2009).

U.S. Fish and Wildlife Service

ROO-ROA-FWS-S001-2009 Recovery Oversight Advisory – Concerns About Grants.gov Announcement FWSPIO6 (06/17/2009).

ROO-RRB-FWS-R005-2009 Response to Recovery, Accountability, and Transparency Board Referral, RATB-R-0047 (08/07/2009).

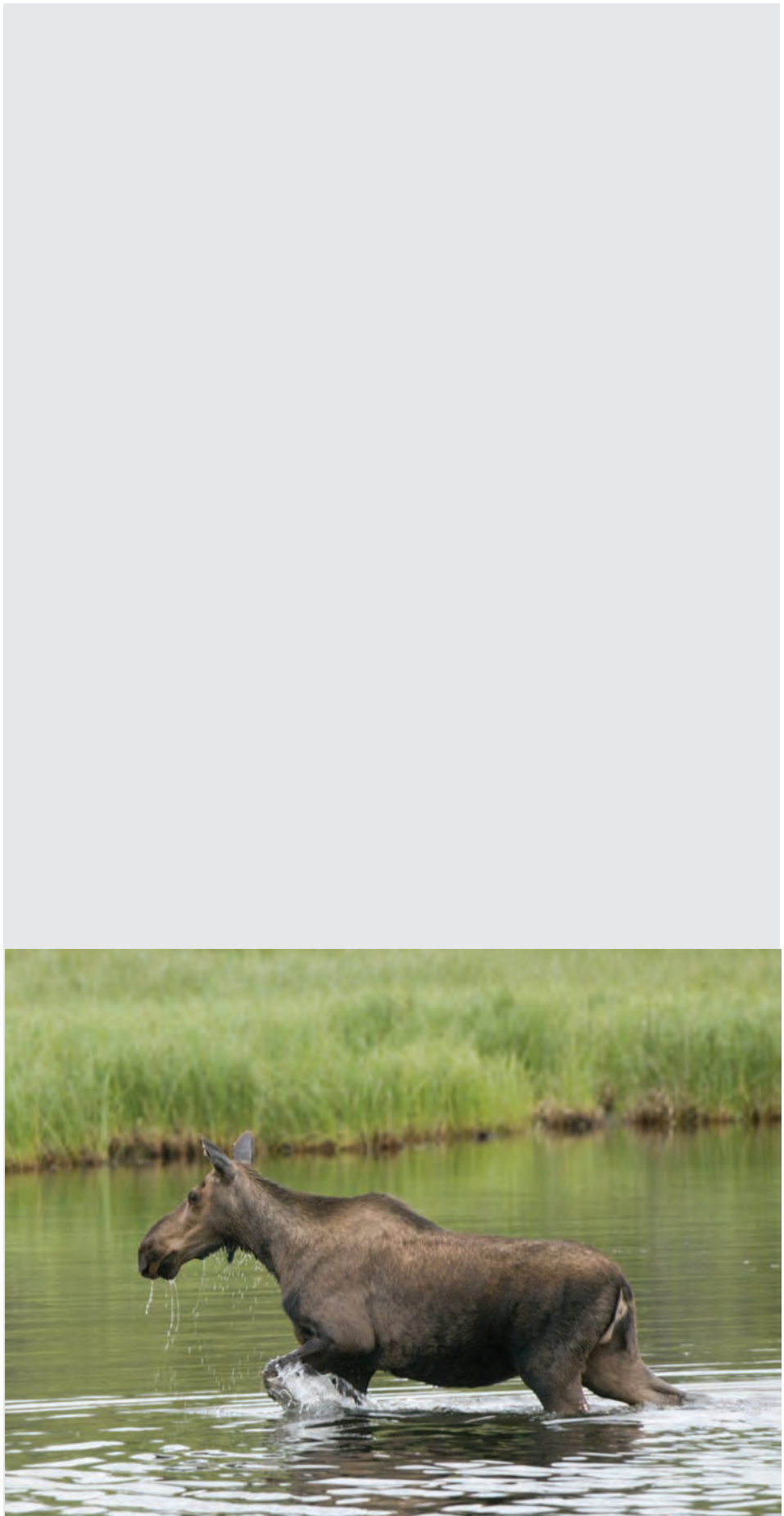
ROO-ROA-FWS-5002-2009 Recovery Oversight Advisory – U.S. Fish and
Wildlife Service Region Four Planning and
Early Implementation Efforts (09/25/2009).



Monetary Impact of Audit and Evaluation Activities During the Reporting Period

Activity	Questioned Costs*	Funds To Be Put To Better Use	Total
Bureau of Reclamation	\$92,807	0	\$92,807
Multi-Office Assignments	0	\$2,488,000	\$2,488,000
U.S. Fish and Wildlife Service	\$270,090	\$511,063	\$781,153
Total	\$362,897	\$2,999,063	\$3,361,960

*Unsupported costs are included in questioned costs.



Monetary Resolution Activities

Table I: Inspector General Reports With Questioned Costs*

	Number of Reports	Questioned Costs	Unsupported Costs
A. For which no management decision had been made by the commencement of the reporting period.	35	\$15,267,842	\$5,344,221
B. Which were issued during the reporting period.	6	\$362,897	\$157,994
Total (A+B)	41	\$15,630,739	\$5,502,215
C. For which a management decision was made during the reporting period.	16	\$2,884,179	\$237,636
(i) Dollar value of recommendations that were agreed to by management.		\$960,816	\$204,286
(ii) Dollar value of recommendations that were not agreed to by management.		\$1,923,363	\$33,350
D. For which no management decision had been made by the end of the reporting period.	25	\$12,746,560	\$5,264,579

*Unsupported costs are included in questioned costs.

Monetary Resolution Activities

Table II: Inspector General Reports With Recommendations That Funds Be Put To Better Use

	Number of Reports	Dollar Value
A. For which no management decision had been made by the commencement of the reporting period.	14	\$15,215,545
B. Which were issued during the reporting period.	2	\$2,999,063
Total (A+B)	16	\$18,214,608
C. For which a management decision was made during the reporting period.	4	\$1,117,585
(i) Dollar value of recommendations that were agreed to by management.		\$628,189
(ii) Dollar value of recommendations that were not agreed to by management.		\$489,396
D. For which no management decision had been made by the end of the reporting period.	12	\$17,097,023

Summary of Reports Over 6 Months Old Pending Management Decisions

This listing includes a summary of audit and evaluation reports that were more than 6 months old on September 30, 2009, and still pending a management decision. It provides report number, title, issue date, and number of unresolved recommendations.

Audits and Evaluations

Bureau of Indian Affairs

NM-IS-BIA-0002-2008	Inspection of the Implementation of the Motor Vehicle Operation Policy, Bureau of Indian Affairs (07/31/2008); 6 Recommendations.
NM-EV-BIE-0001-2008	Evaluation of Controls to Prevent Violence at Bureau of Indian Education Operated Education Facilities (08/01/2008); 3 Recommendations.
X-IN-BIA-0013-2008	Independent Auditors' Report on Indian Affairs Financial Statements for Fiscal Years 2008 and 2007 (02/04/2009); 3 Recommendations.
WR-IV-BIA-0001-2009	BIA Alaska Regional Indian Reservation Roads Program Rife with Mismanagement and Lacking Program Oversight (02/09/2009); 4 Recommendations.
X-IN-BIA-0005-2009	Management Letter Concerning Issues Identified During the Audit of the Indian Affairs Financial Statements for Fiscal Years 2008 and 2007 (03/09/2009); 8 Recommendations.

Multi-Office Assignments

X-IN-MOA-0011-2008	Independent Auditors' Report on the Department of the Interior Financial Statements for Fiscal Years 2008 and 2007 (11/15/2008); 1 Recommendation.
X-IN-MOA-0003-2009	Management Letter Concerning Issues Identified During the Audit of the Department of the Interior Financial Statement for Fiscal Years 2008 and 2007 (02/19/2009); 6 Recommendations.

National Park Service

X-IN-NPS-0017-2006	Independent Auditors' Report on the National Park Service Financial Statements for Fiscal Years 2006 and 2005 (02/08/2007); 4 Recommendations.
X-IN-NPS-0014-2008	Independent Auditors' Report on the National Park Service Financial Statements for Fiscal Years 2008 and 2007 (01/06/2009); 3 Recommendations.
X-IN-NPS-0006-2009	Management Letter Concerning Issues Identified During the Audit of the National Park Service Financial Statements for Fiscal Years 2008 and 2007 (02/18/2009); 17 Recommendations.

Office of Insular Affairs

HI-EV-GUA-0002-2008	Guam's Tax Collection Activities: Office of Insular Affairs Involvement Needed to Achieve Lasting Improvements (11/28/2008); 2 Recommendations.
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Office of Special Trustee

Q-IN-OST-0002-2008	Independent Auditors' Report on the Individual Indian Monies Trust Funds Financial Statements for Fiscal Years 2008 and 2007 (11/18/2008); 2 Recommendations.
Q-IN-OST-0004-2008	Independent Auditors' Report on the Tribal and Other Trust Funds Financial Statements for Fiscal Years 2008 and 2007 (11/18/2008); 2 Recommendations.

Office of the Secretary

WR-EV-OSS-0005-2008	Flash Report - Department of the Interior: Risking People and Property by Flying Airplanes in Excess of Federal Aviation Administration and Manufacturer Specifications (02/09/2009); 1 Recommendation.
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U.S. Fish and Wildlife Service

X-IN-FWS-0020-2006	Independent Auditors' Report on the U.S. Fish and Wildlife Service's Financial Statements for Fiscal Years 2006 and 2005 (08/14/2007); 2 Recommendations.
X-IN-FWS-0018-2007	Independent Auditors' Report on the U.S. Fish and Wildlife Service Financial Statements for Fiscal Years 2007 and 2006 (01/18/2008); 2 Recommendations.

Contracts and Grants

Insular Area Reports

P-GR-NMI-0003-2005	Evaluation of Saipan Public Health Facility Project: Oversight of Capital Improvement Projects, Commonwealth of the Northern Mariana Islands (06/08/2007); 1 Recommendation.
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U.S. Fish and Wildlife Service

R-GR-FWS-0029-2003	U.S. Fish and Wildlife Service Federal Assistance Grants Administered by the State of Washington, Department of Fish and Wildlife from July 1, 2000, through June 30, 2002 (03/31/2004); 1 Recommendation.
R-GR-FWS-0025-2003	U.S. Fish and Wildlife Service Federal Assistance Grants Administered by the State of New York, Department of Environmental Conservation, Division of Fish, Wildlife and Marine Resources, From April 1, 2000, Through March 31, 2002 (05/06/2004); 1 Recommendation.
R-GR-FWS-0008-2004	U.S. Fish and Wildlife Service Federal Assistance Grants Administered by the State of Idaho, Department of Fish and Game, From July 1, 2001, Through June 30, 2003 (09/30/2005); 15 Recommendations.

R-GR-FWS-0004-2005

U.S. Fish and Wildlife Service Federal
Assistance Grants Administered by the State
of Illinois, Department of Natural Resources,
From July 1, 2002, Through June 30, 2004
(03/31/2006); 12 Recommendations.



Summary of Reports Over 6 Months Old Pending Corrective Action

This is a listing of audit and evaluation reports more than 6 months old with management decisions for which corrective action has not been completed. It provides report number, title, issue date, and the number of recommendations without final corrective action. These audits and evaluations continue to be monitored by the Focus Leader for Management Control and Audit Follow-up, Assistant Secretary, Policy, Management, and Budget, for completion of corrective action.

Bureau of Indian Affairs

2003-I-0055	Evaluation of the Bureau of Indian Affairs' Process to Approve Tribal Gaming Revenue Allocation Plans (06/11/2003); 3 Recommendations.
X-IN-BIA-0006-2005	Independent Auditors' Report on the Bureau of Indian Affairs' Financial Statements for Fiscal Years 2005 and 2004 (12/20/2005); 1 Recommendation.
C-IN-BIA-0017-2005	Bureau of Indian Affairs, Radio Communications Program (01/31/2007); 2 Recommendations.
X-IN-BIA-0008-2008	Management Letter Concerning Issues Identified During the Audit of the Indian Affairs Financial Statements for Fiscal Years 2007 and 2006 (02/21/2008); 1 Recommendation.
X-IN-BIA-0013-2008	Independent Auditors' Report on Indian Affairs Financial Statements for Fiscal Years 2008 and 2007 (02/04/2009); 5 Recommendations.
WR-IV-BIA-0001-2009	BIA Alaska Regional Indian Reservation Roads Program Rife with Mismanagement and Lacking Program Oversight (02/09/2009); 3 Recommendations.

X-IN-BIA-0005-2009 Management Letter Concerning Issues Identified During the Audit of the Indian Affairs Financial Statements for Fiscal Years 2008 and 2007 (03/09/2009); 12 Recommendations.

Bureau of Land Management

C-IN-BLM-0013-2005 Public Safety Issues at the Saginaw Hill Property Bureau of Land Management (03/15/2005); 1 Recommendation.

C-IN-BLM-0012-2007 Flash Report - Environmental, Health and Safety Issues at Bureau of Land Management Ridgecrest Field Office Rand Mining District, CA (09/12/2007); 2 Recommendations.

C-IN-MOA-0004-2007 Abandoned Mine Lands in the Department of the Interior (07/24/2008); 2 Recommendations.

WR-IV-BLM-0003-2008 Immediate Action Needed to Stop the Inappropriate Use of Cooperative Agreements in BLM's Helium Program (08/19/2008); 5 Recommendations.

Minerals Management Service

C-EV-MMS-0001-2008 Minerals Management Service Royalty-In-Kind Oil Sales Process (05/30/2008); 2 Recommendations.

Multi-Office Assignments

E-IN-MOA-0008-2004 Department of the Interior Workers' Compensation Program (05/09/2005); 2 Recommendations.

C-IN-MOA-0049-2004 Department of the Interior Concessions Management (06/13/2005); 1 Recommendation.

C-IN-MOA-0007-2005 U.S. Department of the Interior Radio Communications Program (01/30/2007); 5 Recommendations.

W-IN-MOA-0086-2004	Proper Use of Cooperative Agreements Could Improve Interior's Initiatives for Collaborative Partnerships (01/31/2007); 1 Recommendation.
W-IN-MOA-0008-2005	Private Uses of Public Lands, National Park Service and Bureau of Land Management (04/10/2007); 6 Recommendations.
C-IN-MOA-0011-2006	Health and Safety Concerns at Department of the Interior's Facilities (03/26/2008); 2 Recommendations.
C-IN-MOA-0004-2007	Abandoned Mine Lands in the Department of the Interior (07/24/2008); 4 Recommendations.
C-IS-MOI-0008-2008	DOI Fuels Consumption Data is Incorrectly Reported (11/04/2008); 2 Recommendations.
X-IN-MOA-0011-2008	Independent Auditors' Report on the Department of the Interior Financial Statements for Fiscal Years 2008 and 2007 (11/15/2008); 22 Recommendations.
X-IN-MOA-0003-2009	Management Letter Concerning Issues Identified During the Audit of the Department of the Interior Financial Statement for Fiscal Years 2008 and 2007 (02/19/2009); 41 Recommendations.
C-EV-MOA-0009-2008	Evaluation Report on Oil and Gas Production on Federal Leases: No Simple Answer (02/27/2009); 5 Recommendations.
National Park Service	
1998-I-0406	Follow-up of Recommendations Concerning Utility Rates Imposed by the National Park Service (04/15/1998); 5 Recommendations.
2002-I-0045	Recreational Fee Demonstration Program - National Park Service and Bureau of Land Management (08/19/2002); 1 Recommendation.

P-IN-NPS-0105-2003	National Park Service Management of Selected Grants in Hawaii (07/30/2004); 2 Recommendations.
X-IN-NPS-0009-2005	Independent Auditors' Report on the National Park Service Financial Statements for Fiscal Years 2005 and 2004 (12/21/2005); 2 Recommendations.
P-IN-NPS-0074-2004	Hawaii Volcanoes National Park: Improved Operations Should Enhance Stewardship and Visitor Experience (03/31/2006); 2 Recommendations.
X-IN-NPS-0017-2006	Independent Auditors' Report on the National Park Service Financial Statements for Fiscal Years 2006 and 2005 (02/08/2007); 4 Recommendations.
X-IN-NPS-0005-2007	Management Letter Concerning Issues Identified During the Audit of the National Park Service Financial Statements for Fiscal Years 2006 and 2005 (03/01/2007); 4 Recommendations.
C-IN-NPS-0007-2007	Flash Report - National Park Service: Hazardous Condition of Yosemite's Wawona Tunnel Endangers Lives (06/20/2007); 1 Recommendation.
X-IN-NPS-0019-2007	Independent Auditors' Report on the National Park Service Financial Statements for Fiscal Years 2007 and 2006 (12/21/2007); 1 Recommendation.
C-IN-MOA-0004-2007	Abandoned Mine Lands in the Department of the Interior (07/24/2008); 2 Recommendations.
Y-EV-NPS-0004-2008	History Collection in Jeopardy at Harpers Ferry Center (07/25/2008); 3 Recommendations.

K-CX-NPS-0001-2008 Audit of the Great Basin Heritage Area Partnership Financial Management System Under National Park Service Cooperation Agreement No. H8420070043 (07/29/2008); 2 Recommendations.

C-IN-MOA-0006-2007 DOI's Hurricane Rebuilding Efforts (09/03/2008); 2 Recommendations.

X-IN-NPS-0014-2008 Independent Auditors' Report on the National Park Service Financial Statements for Fiscal Years 2008 and 2007 (01/06/2009); 1 Recommendation.

X-IN-NPS-0006-2009 Management Letter Concerning Issues Identified During the Audit of the National Park Service Financial Statements for Fiscal Years 2008 and 2007 (02/18/2009); 25 Recommendations.

Office of the Special Trustee for Indian Affairs

Q-IN-OST-0002-2005 Independent Auditors' Report on the Tribal and Other Trust Funds and Individual Indian Monies Trust Funds Financial Statements for Fiscal Years 2005 and 2004 Managed by the Office of the Special Trustee for American Indians (11/22/2005); 2 Recommendations.

Q-CX-MOA-0005-2006 Chavarria, Dunne, and Lamey LLC Contract Deliverables (06/27/2008); 2 Recommendations.

Office of the Secretary

X-IN-OSS-0014-2007 Independent Auditors' Report on the Departmental Offices Financial Statements for Fiscal Years 2007 and 2006 (01/28/2008); 2 Recommendations.

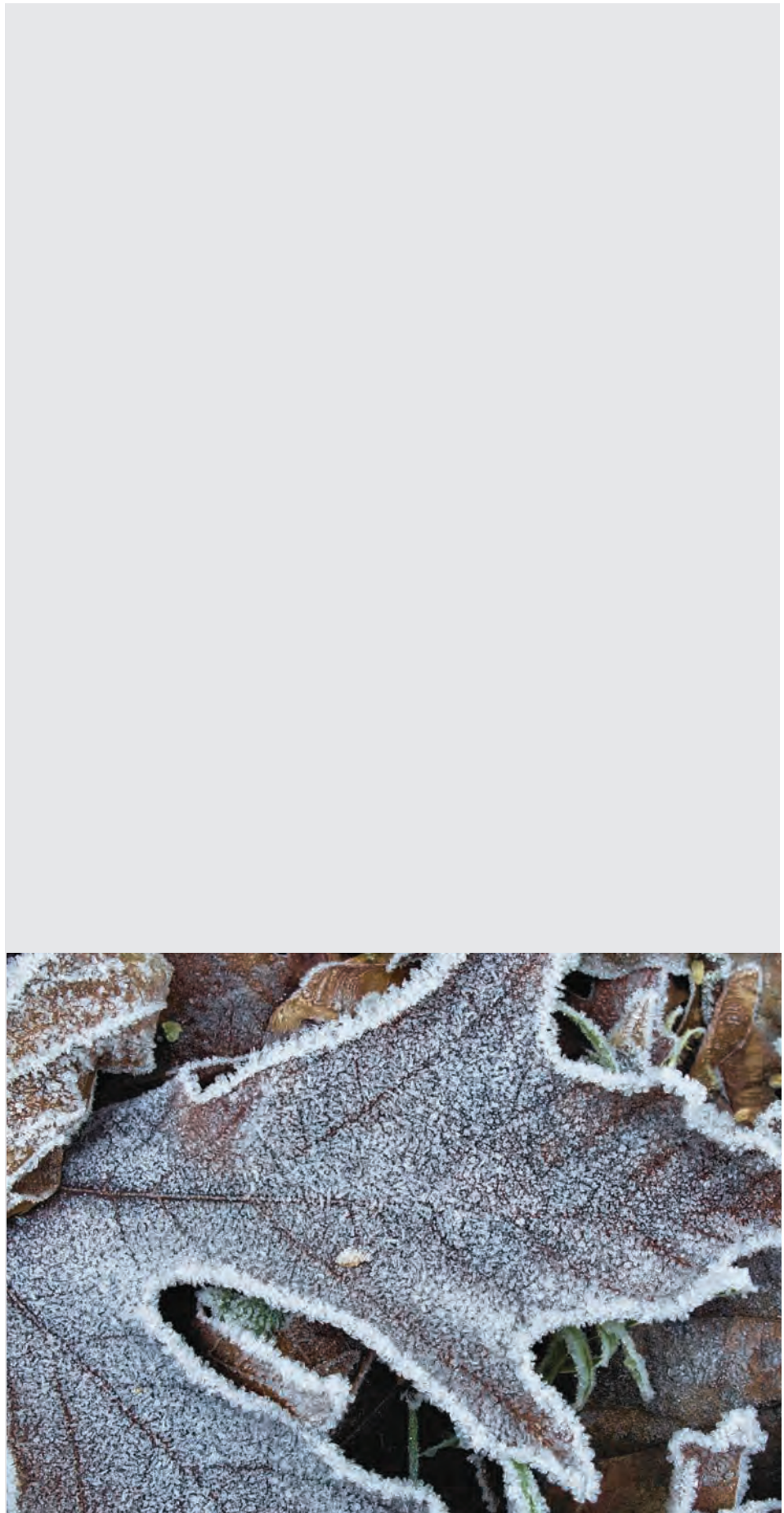
U.S. Fish and Wildlife Service

97-I-1305	Audit Report on the Automated Law Enforcement System, U.S. Fish and Wildlife Service (09/30/1997); 1 Recommendation.
X-IN-FWS-0003-2006	Management Letter Concerning Issues Identified During the Audit of the U.S. Fish and Wildlife Service's Financial Statements for Fiscal Years 2005 and 2004 (02/27/2006); 2 Recommendations.
C-IN-FWS-0009-2007	Flash Report - Fish and Wildlife Service: Jackson National Fish Hatchery In Need of Immediate Action (05/08/2007); 2 Recommendations.
X-IN-FWS-0020-2006	Independent Auditors' Report on the U.S. Fish and Wildlife Service's Financial Statements for Fiscal Years 2006 and 2005 (08/14/2007); 2 Recommendations.
X-IN-FWS-0018-2007	Independent Auditors' Report on the U.S. Fish and Wildlife Service Financial Statements for Fiscal Years 2007 and 2006 (01/18/2008); 1 Recommendation.
X-IN-FWS-0005-2008	Management Letter Concerning Issues Identified During the Audit of the U.S. Fish and Wildlife Service Financial Statements for Fiscal Years 2007 and 2006 (01/28/2008); 1 Recommendation.
C-IN-MOA-0006-2007	DOI's Hurricane Rebuilding Efforts (09/03/2008); 2 Recommendations.

Insular Area Reports*

V-IN-VIS-0004-2005	Controls Over Video Lottery Terminal Operations, Government of the Virgin Islands (06/08/2007); 2 Recommendations.
P-EV-FSM-0001-2007	Kosrae State, Federated States of Micronesia: Property Accountability Process Needs To Be Improved (10/17/2007); 5 Recommendations.
V-IN-VIS-0011-2006	Collection of Outstanding Taxes and Fees, Government of the Virgin Islands (01/10/2008); 3 Recommendations.
V-IN-VIS-0001-2007	Administrative Functions, Roy Lester Schneider Regional Medical Center, Government of the Virgin Islands (07/28/2008); 4 Recommendations.
P-EV-GUA-0002-2008	Tax Collection Activities, Government of Guam, Revitalized Tax Collection and Enforcement Effort Needed (11/26/2008); 2 Recommendations.
V-IN-VIS-0003-2007	U.S. Virgin Islands Workers' Compensation Benefits at Risk (11/28/2008); 3 Recommendations.
VI-IS-VIS-0002-2008	Final Evaluation Report Virgin Islands Police Department Evidence Integrity at Risk (03/31/2009); 10 Recommendations.

*These Insular Area reports contain recommendations made specifically to Insular Area governors and other Insular Area officials, who do not report to the Secretary of the Interior and who are not subject to the policy, guidance, and administrative oversight established by the Assistant Secretary, Policy, Management and Budget.



Cross-References to the Inspector General Act

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Section 5(a)(12)	Significant Management Decisions With Which the Inspector General Is in Disagreement	N/A
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*N/A: Not applicable to this reporting period.

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