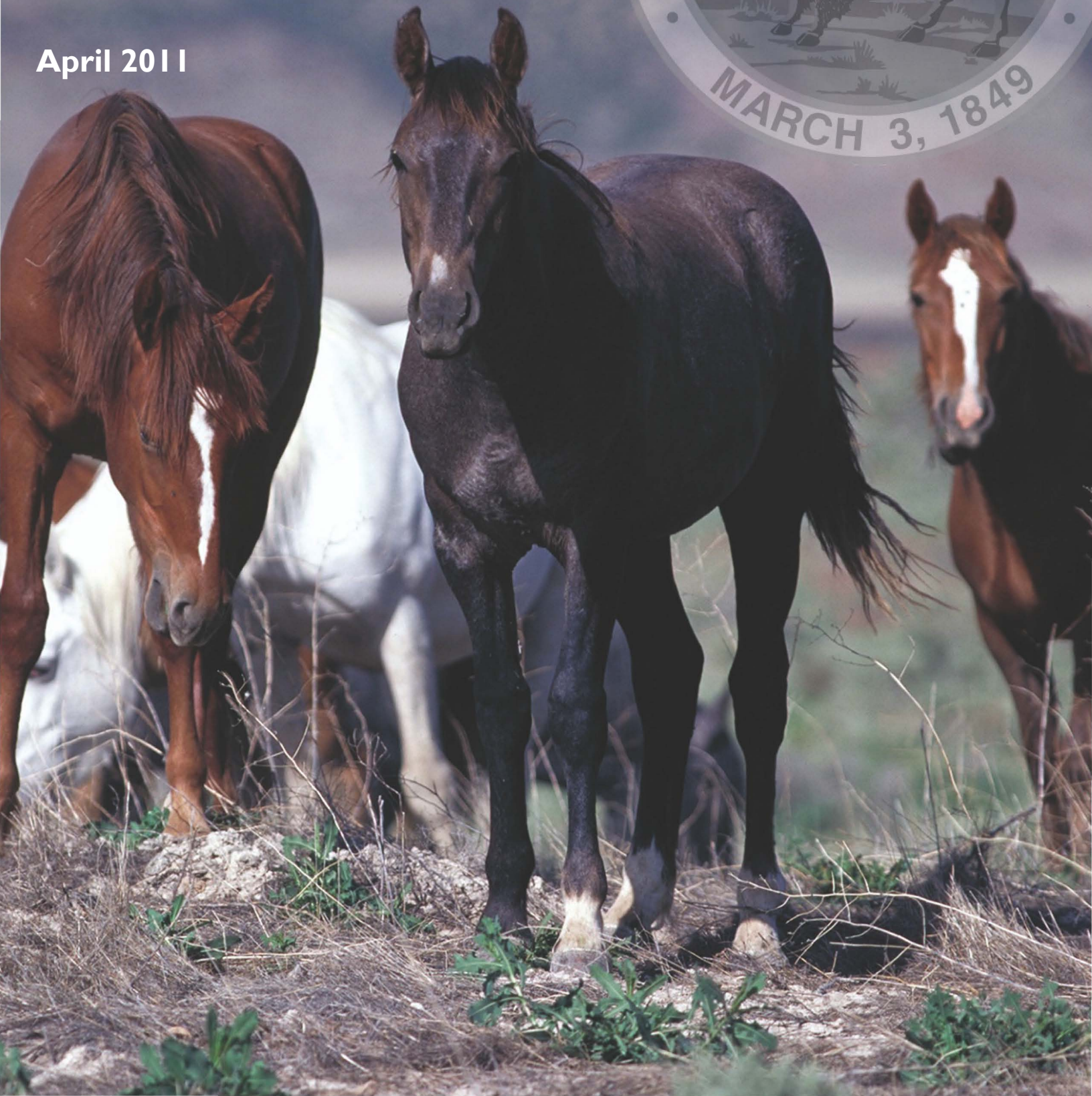
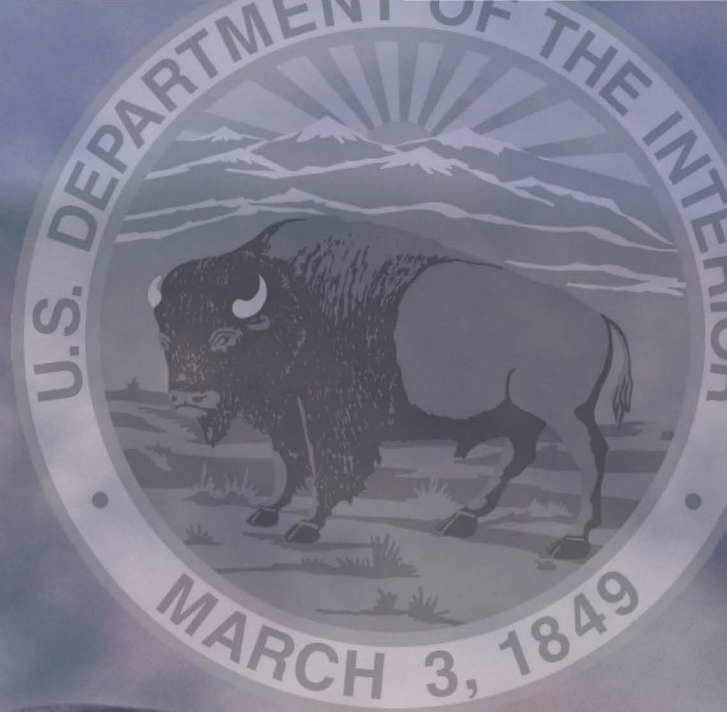




OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

Semiannual Report to Congress

April 2011





Cover photo of wild horses grazing on Federal lands,
courtesy Bureau of Land Management.





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

April 2011

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Editorial

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About DOI and OIG

The U.S. Department of the Interior (DOI) is a large, decentralized agency with employees and volunteers serving 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 is also responsible for a variety of water and underwater resources, including hundreds of dams and reservoirs and thousands of oil and gas leases on millions of 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.

Message from the Acting Inspector General



In the past few Semiannual Reports to Congress, OIG has identified trends, themes, and initiatives. If there are trends and themes apparent in our accomplishments of the past 6 months, they are that the breadth and diversity of the various missions in the U.S. Department of the Interior are remarkable: management of oil and gas production on Federal lands; land fractionation and detention centers in Indian Country; wild horse and burro and bison range operations; fraud in the Insular Areas and Indian Country; information technology security challenges; and sex crimes involving minors.

Sometimes, however, the expanse of our work blurs the view of its impact; and sometimes, we are reminded to take a step back and adjust our view.

We investigated a case referred to us by the Bureau of Indian Affairs (BIA) involving a BIA employee receiving computer images of child pornography on his Government computer. Following our investigation, which we conducted in cooperation with several other law enforcement entities, BIA terminated the employee for misconduct. This aspect of the investigation had a minor impact on the Department compared to the investigation's impact beyond DOI.

Far more important was its impact on the lives of two child victims. Upon conducting a search warrant at the home of the person from whom the BIA employee received the image, agents found pornographic digital images of the young children who lived in the home. The children were immediately taken into protective custody, and although they will certainly face difficulties recovering from horrific abuse, they are safe from those who perpetrated these crimes against them.

Had we not joined forces with other law enforcement entities, and had we limited our focus on only the BIA employee, we would not have had a role in changing the lives of two young children forever. This case provides an unambiguous view of far greater impact than might ever have been imagined.

Fortunately, we rarely have such traumatic cases or such dramatic results. A case such as this reminds us, however, that the impact of our efforts may well extend beyond the range of our vision. The importance of thorough, professional, independent, and objective work conducted by the Office of Inspector General cannot be overstated.

A handwritten signature in black ink, reading "Mary L. Kendall". The signature is fluid and cursive, with the first name "Mary" and last name "Kendall" clearly legible.

Mary L. Kendall
Acting Inspector General

OIG Operating Principles

Mission

The mission of OIG is to provide independent oversight and promote excellence, integrity, and accountability within the programs, operations, and management of the U.S. Department of the Interior.

Values

OIG operates as an independent oversight organization responsible to the American people, the Secretary, and Congress. We abide by the highest ethical standards and have the courage to tell our customers and stakeholders what they need to know, and not what they wish to hear. Our core values help us fulfill our mission and maintain high ethical standards. The OIG -

- Places highest value on objectivity and independence to ensure integrity in its workforce and products;
- Strives for continuous improvement; and
- Believes in the limitless potential of its employees.

Responsibilities

OIG is responsible for independently and objectively identifying risks and vulnerabilities that directly impact DOI's ability to accomplish its mission. We are required to keep the Secretary and Congress informed of problems and deficiencies relating to the administration of DOI programs and operations. By fulfilling our responsibilities, Americans can expect greater accountability and integrity in Government program administration.

Activities

OIG accomplishes its mission by conducting audits, inspections, evaluations, assessments, and investigations relating to DOI programs and operations. Our activities are tied to major Departmental responsibilities and assist DOI in developing solutions for its most serious management and program challenges. These activities are designed to ensure that we prioritize critical issues. Such prioritizing provides opportunities to influence key decisionmakers and increases the likelihood that we will achieve desired outcomes and results that benefit the public.

U.S. Department of the Interior



Proposed Civil Penalty Largest in BLM History

In April 2011, the Bureau of Land Management (BLM) announced its largest civil penalty settlement in the bureau's history. The \$2.1 million settlement resulted from a joint investigation conducted by OIG and BLM. The \$2.1 million civil penalty settlement by Berry Petroleum Company (BPC) resolved a proposed civil penalty issued by the bureau in July 2009.

The proposed civil penalty resulted from the OIG's investigative report, which determined that BPC disabled equalizer valves installed on more than 150 crude oil wells operating within the Brundage Canyon area in Utah. BPC disabled the valves by removing the internal mechanism from the valve housing during the wells' construction. This prevented the valves from being sealed during oil sales, even though they could still be made to look closed. As a result, all crude oil sale transactions from the wells directly violated BLM site security regulations intended to ensure the proper measurement and accounting of oil removed or sold from the lease. The wells in question produced crude oil from tribal lands under Federal jurisdiction.

The joint OIG and BLM investigation further disclosed that BPC submitted facility diagrams to BLM that falsely showed that the equalizer valves would be sealed shut when storage tanks were in the sales phase. The U.S. Attorney's Office, District of Utah, declined to pursue the matter in lieu of administrative remedies.

BLM Oil and Gas Production Inspections Fall Short of Established Inspection Strategy

OIG assessed the efficiency of the Bureau of Land Management's (BLM) inspection program for oil and gas production wells. Because of inadequate funding and resources, poor oversight and enforcement, and reliance on informal policy, BLM has fallen short of completing the required inspections as outlined in its inspection strategy. From fiscal years 2006 through 2009, BLM performed only 39 percent of its required annual inspections, and just 55 percent of its planned 3-year inspections.

Annual inspections are required on oil and gas wells that produce significant quantities of these resources or have a history of noncompliance. Federal law, however, does not define significant quantities, leaving BLM to make these determinations. We found that too much emphasis is placed on inspecting high-producing wells. While these inspections are critical, we recommended that BLM balance inspections of high- and low-producing wells, in addition to considering the operator's compliance history.

We conducted a survey of employees in the BLM inspections and enforcement program who indicated that BLM does not have the necessary resources to complete the required inspections and that program protocols are outdated. We recommended that BLM conduct a current workload and workforce analysis to determine the resources needed to complete inspections. Ten percent of inspector positions are currently unfilled and one in five employed inspectors is not certified. As a result of the understaffing problem and to balance the responsibilities of the inspection workforce, we recommended that BLM establish criteria for operators in good standing to conduct self-inspections.

Survey respondents also indicated that inspections are often unsupervised, which can result in falsified inspection reports, overlooked violations, and issuance of penalties that do not deter companies from repeat violations. We learned that some operators accumulated more than 100 violations in a single year, indicating that penalties are not severe enough to deter repeat violations. BLM officials must provide better oversight to ensure that inspection protocols are followed and that violations are issued when necessary. We recommended enhancing the deterrents for operator noncompliance to help ensure regulatory compliance and avoid repeat violations.

While the inspection and enforcement program cannot ensure full compliance, BLM must extend its resources and improve the quality of its inspections to effectively monitor industry compliance with laws and regulations.

BLM Employee Sentenced After Misuse of Public Funds

On March 18, 2011, a Bureau of Land Management (BLM) employee was sentenced to 5 years of probation and restitution in the amount of \$17,831 following an indictment on December 21, 2010, and a conviction by plea agreement. The employee pled guilty to theft of public money and merchandise acquired with a Government-issued purchase card. We initiated this investigation on March 3, 2010, after OIG was alerted by a senior BLM law enforcement official that the employee was suspected of misusing a Government credit card.

Coordination of Efforts to Address Indian Land Fractionation

On December 8, 2010, Congress approved the settlement of the long-running *Cobell* class-action lawsuit involving the Department. The *Cobell* plaintiffs challenged the Government's management of and accounting for more than 300,000 individual American Indian trust accounts. Among the outcomes, the settlement provides for establishment of a \$1.9 billion fund to buy back and consolidate fractionated land interests.

Fractionation, which is an increase in co-ownership due to land interests passing from original owners to multiple heirs across generations, negatively impacts a tribe's ability to make productive use of the land. The Federal Government also has faced significant costs administering approximately 4.1 million fractionated interests in 99,000 tracts. In some instances, a tribe's need to seek approval from unnamed heirs and from the Government before leasing a tract has essentially stopped economic development on some tribal lands.

In the first of a series of advisories on the Indian land consolidation provisions of the *Cobell* settlement, we reported that improving communication and identifying resources were two primary opportunities for DOI to ensure successful land consolidation. We found that the Bureau of Indian Affairs (BIA) and the Office of the Special Trustee for American Indians would benefit from greater information sharing on the extent of fractionation, tract identification, and tract valuation. In addition, we found that DOI must address workload capacity within all offices affected by the settlement as part of its plan to identify the resources needed to implement the *Cobell* settlement.

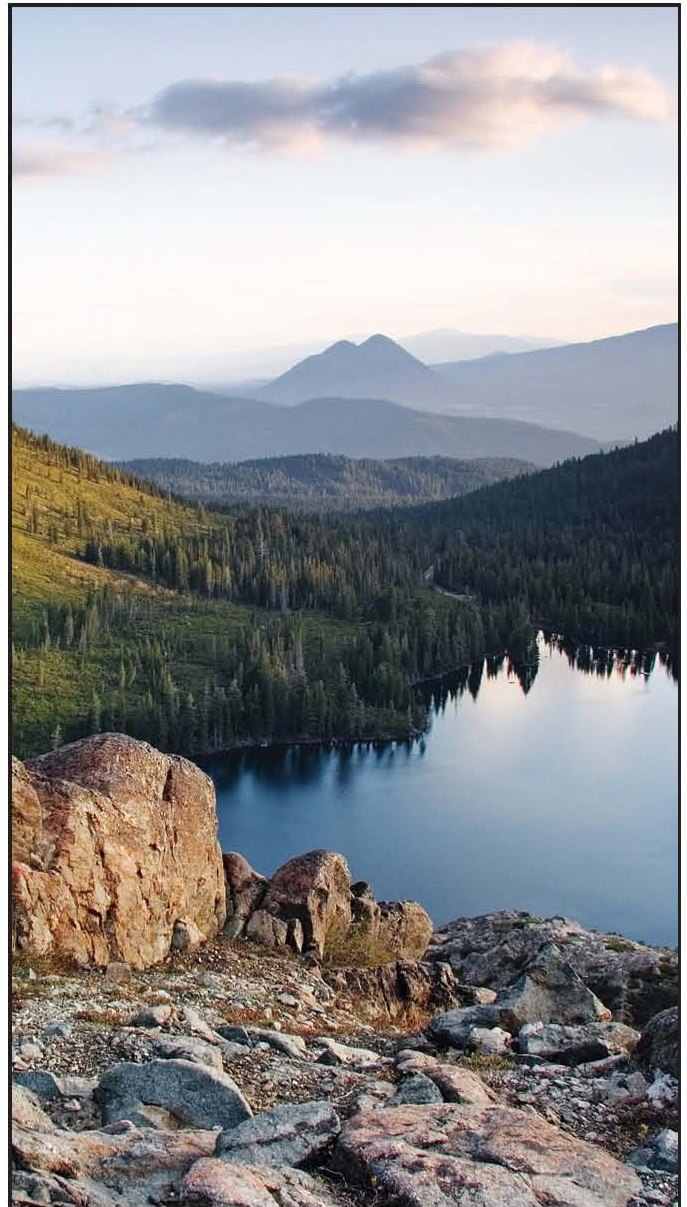


Photo courtesy Bryan Brazil



Photo courtesy stock photography

In response to our recommendations, DOI stated its intent to treat implementation of the *Cobell* settlement as a unique project, not merely as a settlement reached through established procedures for resolving land fractionation. As part of this effort, DOI intends to have government-to-government consultations with tribes. DOI plans to revisit all policies and approaches under the prior land consolidation program in order to develop the new, scaled-up program. The Department also recognizes workload issues that may be associated with implementation of this program.

Gulf Oil Spill Indicates Need for Stricter Oversight and Enforcement

In the wake of the April 2010 oil spill resulting from the explosion and sinking of the Deepwater Horizon rig in the Gulf of Mexico, OIG examined then Minerals Management Service (now Bureau of Ocean Energy Management, Regulation and Enforcement, or BOEMRE) policies and procedures to determine how offshore permitting and drilling operations could be improved.

In a joint effort with the Energy Reform Team, OIG led a review of Outer Continental Shelf (OCS) operations to ensure they were conducted in a safe manner to protect human life, health, and the environment. In reviewing BOEMRE's Federal offshore oil and gas program areas, OIG identified the drilling and production permit approval process, inspection and enforcement activities, training, environmental protection, post-accident investigations, and safety as critical components.

The joint team's fieldwork included interviews of more than 140 BOEMRE employees; 2 online surveys sent to nearly 400 BOEMRE employees; a review of over 2,000 documents, including statutes, regulations, policies, procedures, and guidance; and a detailed analysis and synthesis of the information to address issues pertinent to OCS operations management, regulation, and oversight.

We identified deficient areas, but our recommendations focused on change and improvement for more accountability, efficiency, and effectiveness in a bureau charged with significant responsibilities. Among many other recommendations, we suggested that BOEMRE conduct a workload and workforce analysis throughout the bureau to identify areas that needed additional resources. These included increasing staff in permit approval and inspections and enforcement and improving training for inspectors. In addition, we noted that poorly documented policies and procedures led to inconsistencies across BOEMRE's regions. We recommended that standardizing policies and procedures bureau-wide would foster a more cohesive approach to the inspections and enforcement program.

Understaffed Facilities Remain an Issue for BIA Detention Program

OIG conducted a follow-up evaluation of the Bureau of Indian Affairs' (BIA) detention program to determine how BIA spent additional funding it received to address staffing shortages documented in a 2004 OIG report. Funding for detention increased 48 percent from \$43.8 million in 2005 to \$64.7 million in 2009.

We learned that as a result of poor supervision, an in-custody death occurred at the Pine Ridge Detention Center in South Dakota, and correctional officers were attacked at the Crow Law Enforcement Center in Montana. Officers told us these incidents occurred because there were too few officers available to monitor the inmates.

We could not determine how BIA used the increased funding it received because BIA's financial management system and tracking tools do not identify and account for detention funding expenditures by activity, such as staffing or the number of corrections officers by facility. BIA uses several financial management systems to identify, accumulate, and report on detention funding down to the agency level. We found that these systems as a whole do not provide the necessary management information to address funding and staffing concerns. We recommended developing a single financial management system that reports detention funding priorities, budget allocations, and expenditures bureau-wide.



Photo courtesy Bureau of Land Management

Not only are BIA facilities understaffed, but the physical conditions of the buildings also need improvement. We consider more than half of the detention facilities we visited to be in unsatisfactory or poor condition. We observed leaky roofs; defective heating, fire safety, and security systems; non-detention grade doors, windows, and fencing; rust-stained sinks, toilets, and showers; and an overall lack of cleanliness.

BIA recognizes its staffing shortages and has placed an emphasis on hiring for the Division of Corrections. It has enhanced the pay grades of all Division of Corrections field positions to align more closely with other Federal agencies, which has led to an increase in applicants. BIA also acknowledges that its facilities need upgrades and repairs, and it is working to ensure that the facilities receive necessary improvements.

Wild Horse and Burro Population Grows, Necessitates Gathers

Bureau of Land Management (BLM) lands cannot sustain the growing population of wild horses and burros. BLM estimated that as of February 2009, almost 37,000 wild horses and burros inhabited approximately 32 million acres across the Western United States. In its review, OIG determined that wild horse and burro gathers, or the herding and corralling of the animals, are necessary and justified as an essential means to control the population.

By law, BLM must protect, manage, and control wild horses and burros. BLM wild horse population models estimate that herd sizes double every 4 years. Since hunting wild horses is prohibited and the population is not effectively controlled by natural predators, external intervention is necessary to manage the wild horse and burro population.

BLM uses helicopters and motorized vehicles to herd the animals on public lands. After the horses and burros are gathered, BLM administers anti-fertility measures before returning animals to the range. Animals not returned to the range are sold, adopted, or sent to long-term holding facilities.

Funding levels, however, cannot sustain the current program. With an almost 50 percent reduction in adoptions between 2004 and 2010, the numbers of wild horses and burros held in long-term facilities increased drastically and resulted in the need for increased funding.

Controversy also surrounds the program because of concern over alleged mistreatment of the animals. We determined that the animals are not treated inhumanely, and BLM does not send excess wild horses or burros to slaughter. BLM continues to improve the program by implementing a Wild Horse and Burro Management Handbook, and inviting stakeholders to offer their opinions and suggestions. The National Academy of Sciences is also independently reviewing the program to ensure that BLM is using the best science available to manage the population.

Child Pornographer Charged in U.S. District Court

On March 31, 2011, an individual pled guilty in Federal District Court to 27 counts of allowing a child to be used in the production of child pornography and the production, possession, transportation, and receipt of child pornography. Two minor children, who were also victims, were removed from the man's home and placed in protective custody.

The individual admitted that he knowingly caused children to engage in sexually explicit conduct for the purpose of taking pictures and that he traded images of child pornography. The individual previously pled to multiple state counts relating to child abuse and is expected to be sentenced for all charges in June 2011.

This investigation, a cooperative effort with U.S. Immigration and Customs Enforcement, the National Center for Missing and Exploited Children, and the local police department, was initiated in January 2010, after the DOI Office of the Chief Information Officer notified OIG that they had captured email correspondence exchanged between the individual and a Bureau of Indian Affairs (BIA) employee pertaining to the sexual exploitation of a minor. BIA terminated the employee upon learning of this misconduct.

USBR Must Enforce Compliance with Exclusive Use Regulations

OIG conducted a follow-up review of the Bureau of Reclamation's (USBR) management of exclusive use recreation to determine if recreational use of USBR lands benefits the public and maintains USBR's responsibility to protect resources. Exclusive use involves private use of any USBR lands that excludes other members of the public at large for extended periods of time. Examples include privately leased or permitted cabin sites, boat docks, or trailers.

In 1995, OIG reviewed USBR's management of residential exclusive use activities. We identified issues related to both the public's restricted access to recreation lands and the presence of environmental and health and safety risks. In our 1995 review, we recommended that USBR develop guidelines to help determine whether residential exclusive use should continue. We followed up to determine whether USBR took steps to reduce the impact that residential exclusive use has on USBR land, and whether USBR provides effective oversight of residential exclusive use activities.

Continuation of residential exclusive use, which is authorized in six USBR-managed recreation areas as well as other non-Federally managed areas, depends on USBR's compatibility determination – a measurement of the use's compatibility with public needs and authorized project purposes. Only half of the USBR officials interviewed indicated that they had conducted a formal compatibility determination for the recreation areas under their purview.

Title 43 Code of Federal Regulation, Part 429, requires USBR to conduct compliance reviews of environmental and health and safety issues, as well as the financial obligation for authorizations of exclusive use. Simply identifying that an authorization holder is current in their lease payment is insufficient USBR oversight, but neither Part 429 nor other USBR requirements adequately define when residential exclusive use authorizations are in compliance.

In order to provide a comprehensive look at its recreation activity, USBR implemented a Recreation Use Data Report (RUDR) system to track data for all USBR-managed Federal lands, including lands managed by non-Federal partners. The system identifies the most commonly charged entrance, visitor center, or use authorization fees. The system also allows USBR to focus on the financial obligations related to residential exclusive use activities.

Our report concluded that USBR must: (1) ensure that compatibility determinations are conducted and documented consistently; (2) identify standard features to be inspected as part of compliance reviews; (3) monitor the RUDR system for variations in specific recreation features to determine if more frequent compatibility determinations are needed; and (4) complete scheduled reviews of the RUDR system to ensure improvement.

National Bison Range Operations Evaluated

The National Bison Range, part of the National Wildlife Refuge System, was established in 1908 to preserve the American bison at a time when these animals faced extinction. The refuge site is located within the Flathead Indian Reservation, home to the Confederated Salish and Kootenai Tribes (CSKT), which claim an ancestral connection to the origins of the bison herd.

The U.S. Fish and Wildlife Service (FWS) and CSKT entered into annual funding agreements for joint site operation in accordance with provisions of the Indian Self-Determination Act Amendments of 1994 (Tribal Self-Governance Act). A funding agreement, signed in June 2008 and set to expire in September 2011, was in effect during our evaluation. It specified substantive management activities to be conducted by CSKT, while FWS maintained the supervisory staff positions of refuge manager and deputy refuge manager.

Allegations by Public Employees for Environmental Responsibility (PEER) led to our evaluation, which focused on law enforcement coverage, bison containment, pesticide application, work planning, and management. We found deficiencies in work planning activities required by the annual funding agreement, as PEER alleged. We did not find any current evidence to support allegations of operational deficiencies in the other program areas identified by PEER.

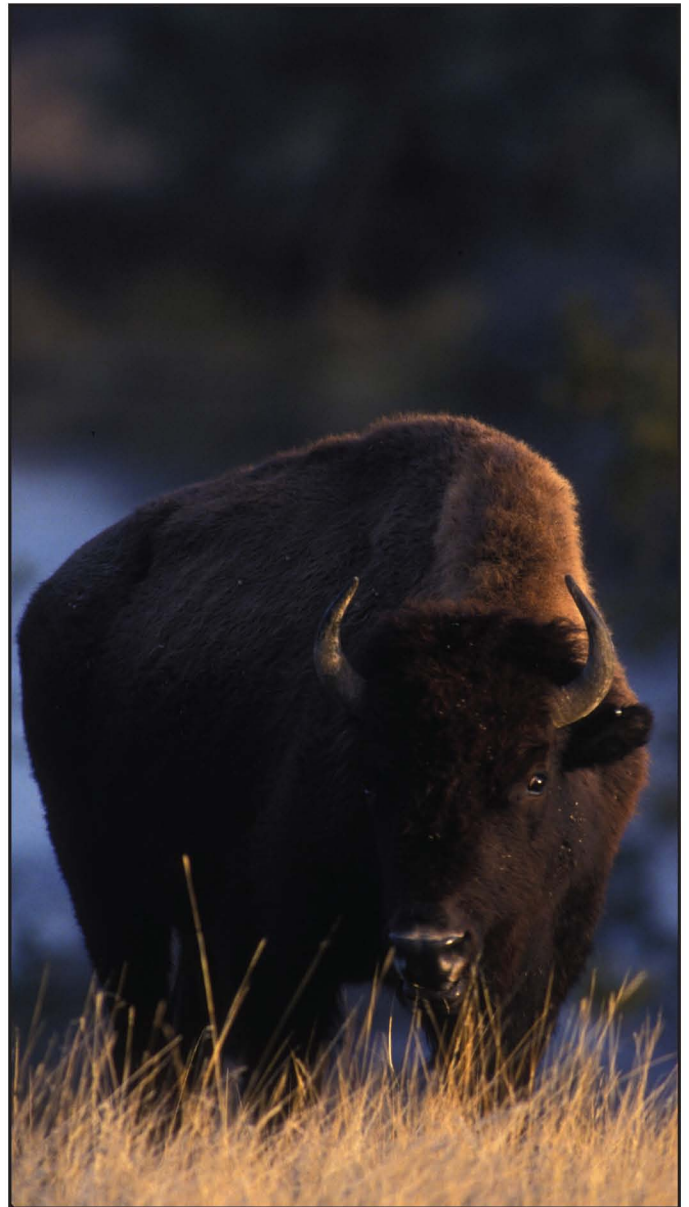


Photo courtesy U.S. Fish and Wildlife Service

American Samoa Official Involved in Conspiracy to Defraud Government

On January 4, 2011, a Department of Education employee in American Samoa pled guilty to conspiracy for his role in a scheme to defraud the American Samoa Government.

The OIG investigation established that the employee conspired with others to create phantom purchase orders for school bus parts and services that were never delivered. He and his co-conspirators then pocketed the money from the false transactions.

The employee admitted creating false purchase orders, falsifying receiving documents, and sharing in the proceeds from the scheme.

Nay Ah Shing School Grant Embezzled by MLBO Employee

A former Mille Lacs Band of Ojibwe Indians (MLBO) employee and a contractor hired by the band were sentenced after pleading guilty to involvement in a scheme to embezzle grant funds. These funds were awarded by the Bureau of Indian Affairs' (BIA) Office of Indian Education Programs. In July 2007, OIG began the investigation after receiving information that an MLBO employee conspired with a contractor from Heinlen Construction, Inc., to embezzle grant funds appropriated to the band by BIA.

On January 4, 2011, the contractor was sentenced to 5 years of probation that included 8 months in a half-way house with work release privileges. On February 22, 2011, the MLBO employee was sentenced to serve 30 months in prison followed by 36 months of probation. In addition, the two men were ordered jointly to pay \$625,240 in restitution to BIA.

BLM Manager Pleads Guilty to Enticing a Minor

On November 2, 2010, a former Bureau of Land Management (BLM) human resources manager was sentenced to 120 months in prison after pleading guilty to online enticement of a minor. Investigators determined that the employee used his Government computer to entice a 14-year old girl to meet him to engage in sexual activity. The girl's parents intercepted the communications and notified authorities. OIG, U.S. Immigration and Customs Enforcement, and the local police department jointly conducted the investigation.

FISMA Evaluation Reveals Major Inconsistencies

The Federal Information Security Management Act (FISMA) requires annual review by inspectors general and others with oversight responsibility of Federal agencies' information technology (IT) security programs. The results of this review are then reported to the Office of Management and Budget for inclusion in an annual report to Congress.

Fiscal year 2010 saw the greatest changes to FISMA requirements since its inception in 2002, and DOI has not managed to keep pace. We found weaknesses in fundamental areas of DOI's IT security program that remain unresolved. These reflect DOI's decentralized approach to IT security where each bureau manages its own security program.

We found DOI systems missing or not clearly identified in inventory databases, as well as potentially helpful investments sitting idle on shelves. We also identified key program areas that were inconsistently implemented, such as incident response, configuration management, and remote access. For example, unannounced tests of DOI's incident response capabilities revealed network access through social engineering, as well as access to sensitive information following requests to reset passwords for key personnel. We also found that bureaus have multiple Web browsers that are noncompliant with the Federal Desktop Core Configuration standards.

The information available to authorizing officials, used as the basis for their operating decisions, appeared to be either incomplete or inaccurate. Generally, authorized officials received a package of data containing the system security plan, security assessment reports, and plans of actions and milestones. More than half of these packages were either incomplete or lacked the data necessary to provide officials with an accurate view of security needs.

We noted that 76 percent of employees and 23 percent of contractors used personal identity verification cards when they logged into the DOI network, a positive direction for DOI IT security.

Appendices



Statistical Highlights

Investigative Activities

Cases Closed	276
Cases Opened	244
Hotline Complaints/Inquiries Received	121

Criminal Prosecution Activities

Indictments/Informations	12
Convictions	5
Sentencings	19
Jail	436 months
Probation	732 months
Community Service	300 hours
Criminal Penalties	\$21,880,874
Criminal Matters Referred for Prosecution	13
Criminal Matters Declined this Period	4

Civil Investigative Activities

Civil Referrals	1
Civil Declinations	4

Administrative Investigative Activities

Removals	5
Resignations	2
Suspensions	7 (189 days)
Reprimands/Counseling	12
Reassignment/Transfers	2
General Policy Actions	18
Contractor Suspensions	2
Contractor Debarments	5
Administrative Compliance Agreements	2
Regulatory Penalty	\$2,100,000
Bureau Non-responsive*	19
(BIA 18, BIE 1)	

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

Statistical Highlights

Audit and Evaluation Related Activities

Reports Issued	26
Performance Audits, Financial Audits, Evaluations, Inspections, and Verifications	16
Contract and Grant Audits	9
Single Audit Quality Control Reviews	1

Audit and Evaluation Impacts

Total Monetary Impacts	\$14,068,249
Questioned Costs (includes unsupported costs)	\$13,956,085
Recommendations That Funds Be Put to Better Use	\$112,164
Audit and Evaluation Recommendations Made	257
Audit and Evaluation Recommendations Closed	94

Recovery Oversight Office Activities

Products Issued	26
Recovery Oversight Advisories	15
Other Products*	11
Recommendations Made	17
Recommendations Closed	53

*Other Products are not listed in Appendix 2 and are not published.

Reports Issued During the 6-Month Reporting Period

This listing includes all reports issued by the Office of Audits, Inspections, and Evaluations, and the Recovery Oversight Office during the 6-month period that ends March 31, 2011. It provides report number, title, issue date, and monetary amounts identified in each report (*Funds To Be Put to Better Use, **Questioned Costs, and ***Unsupported Costs).

Audits, Evaluations, and Verifications

Bureau of Land Management

WR-IN-BLM-0003-2010

Follow-up to Office of Policy Analysis Report, "Review of Selective Aspects of the Federal Helium Program," June 2010 (10/18/2010)

CR-EV-BLM-0001-2009

Evaluation Report of the Bureau of Land Management's Oil and Gas Inspection and Enforcement Program (12/02/2010)

C-IS-BLM-0018-2010

Bureau of Land Management Wild Horse and Burro Program (12/13/2010)

Bureau of Ocean Energy Management, Regulation and Enforcement

CR-EV-MMS-0015-2010

A New Horizon: Looking to the Future of the Bureau of Ocean Energy Management, Regulation and Enforcement (12/07/2010)

Indian Affairs

WR-EV-BIA-0002-2010

Evaluation - Coordination of Efforts to Address Indian Land Fractionation (01/04/2011)

WR-EV-BIA-0005-2010

Final Evaluation - Bureau of Indian Affairs' Detention Facilities (03/31/2011)

Multi-Office Assignments

X-SP-MOI-0008-2010

Inspector General's Statement Summarizing the Major Management and Performance Challenges Facing the Department of the Interior (10/15/2010)

ER-IS-MOA-0004-2010

Inspection Report: Freedom of Information Act (10/25/2010)

X-IN-MOA-0001-2011

Independent Auditors' Report on the U.S. Department of the Interior Special-Purpose Financial Statements for Fiscal Years 2010 and 2009 (11/15/2010)

X-IN-MOA-0004-2010

Independent Auditors' Report on the U.S. Department of the Interior Financial Statements for FY2010 and FY2009 (11/15/2010)

X-IN-MOA-0003-2011

Independent Auditors' Management Letter on the U.S. Department of the Interior Financial Statements for Fiscal Years 2010 and 2009 (01/21/2011)

Office of the Special Trustee for American Indians

X-IN-OST-0005-2010

Independent Auditors' Report on the Tribal and other Trust Funds and Individual Indian Monies Trust Funds Financial Statements for FY2010 and FY2009 (11/09/2010)

X-IN-OST-0002-2011

Management Letter Concerning Issues Identified During the Audit of the Office of the Special Trustee for American Indians Tribal and Other Trust Funds and Individual Indian Monies Trust Funds Financial Statements for Fiscal Years 2010 and 2009 (11/12/2010)

U.S. Bureau of Reclamation

WR-FL-BOR-0007-2010

Follow-up - Bureau of Reclamation's Management of Exclusive Use Recreation Areas (02/24/2011)

U.S. Fish and Wildlife Service**ER-IS-FWS-0017-2009**

U.S. Fish and Wildlife Service Division of International Conservation
(10/20/2010) *\$5,447

NM-EV-FWS-0001-2010

Evaluation - The National Bison Range (03/30/2011)

Contract and Grant Audits**Bureau of Ocean Energy Management, Regulation and Enforcement****K-CX-BOEM-0001-2011**

Final Costs Incurred by Accenture, LLP, under Contract No. M99PC14572,
with the Bureau of Ocean Energy Management (02/15/2011) ***\$10,300,000

National Park Service**WR-CX-NPS-0008-2011**

Contract Audit - L&N/MKB, Joint Venture Settlement Proposal for
Termination for Convenience of the Government under Contract No.
1443C2011101190 with the National Park Service (03/16/2011)
\$130,529 *\$65,816

U.S. Bureau of Reclamation**K-CX-BOR-0002-2010**

Martin Brothers Construction, Inc. Request for Equitable Adjustment
under Contract No. R10PC20747, Modification No. 7, with the Bureau
of Reclamation (11/23/2010) **\$216,071 ***\$800,632

K-CX-BOR-0003-2010

Martin Brothers Construction, Inc. Request for Equitable Adjustment
under Contract No. R10PC20747, Modification No. 2, with the Bureau of
Reclamation (03/24/2011) **\$53,466 ***\$2,163,092

U.S. Fish and Wildlife Service

R-GR-FWS-0007-2010

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Commonwealth of the Northern Mariana Islands, Department of Lands and Natural Resources, From October 1, 2007, Through September 30, 2009 (10/05/2010) **\$57,630

R-GR-FWS-0011-2010

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Wisconsin, Department of Natural Resources, From July 1, 2007, Through June 30, 2009 (11/22/2010) **\$96,534

R-GR-FWS-0013-2010

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of West Virginia, Division of Natural Resources, From July 1, 2007, Through June 30, 2009 (11/22/2010) *\$106,717 **\$72,315

R-GR-FWS-0012-2010

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Commonwealth of Kentucky, Department of Fish and Wildlife Resources, From July 1, 2007, Through June 30, 2009 (11/29/2010)

R-GR-FWS-0002-2011

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Missouri, Department of Conservation, From July 1, 2008, Through June 30, 2010 (02/15/2011)

Single Audit Quality Control Review

Multi-Office Assignment

B-QC-MOA-0004-2010

Strom & Associates Audit of Chippewa Cree Construction Corporation Fiscal Year Ending September 30, 2009 (2/10/2011)

Recovery Oversight Office Advisory Reports

Bureau of Land Management

ROO-ROA-BLM-3005-2010

Recovery Oversight Advisory - Bureau of Land Management's National Operations Center (11/01/2010)

Indian Affairs

ROO-ROA-BIA-2010-2010

Bureau of Indian Affairs Contract Procurement Personnel (10/13/2010)

RO-J-BIA-127-2010

Bureau of Indian Affairs Architect-Engineering Multiple Award Indefinite-Delivery Contracts CBM00070015 (02/03/2011)

RO-E-BIA-029-2010

Bureau of Indian Affairs, Office of Facilities Management and Construction (02/08/2011)

Multi-Office Assignments

ROO-ROA-MOA-1021-2010

Recovery Oversight Advisory - Monitoring of Limitations on Subcontracting Clause on 8(a) (10/13/2010)

ROO-ROA-MOA-1020-2010

Project Lists Posted on Department of the Interior Recovery Web Site and the Non-competitive and Non-fixed-price Report Posted on Recovery.gov (10/18/2010)

ROO-ROA-MOA-1022-2010

Recovery Oversight Advisory – Compliance with Davis-Bacon Act Requirements (10/20/2010)

ROO-ROA-MOA-A001-2010

Summary of Data Quality Review Efforts (10/20/2010)

RO-B-MOA-098-2011

Recovery Oversight Advisory - Youth Related Recovery Act Projects
(12/22/2010)

RO-C-MOA-023-2011

Contacting Recipients that Repeatedly Fail to Report (12/22/2010)

ROO-ROA-MOA-1023-2010

Review of Significant Cost Increases to Recovery Act Projects (01/19/2011)

RO-C-MOA-044-2011

Whistleblower Posters for ARRA Awards (01/25/2011)

U.S. Bureau of Reclamation

ROO-ROA-USBR-4002-2010

Recovery Oversight Advisory - Weber Siphon Complex (12/13/2010)

RO-J-USBR-090-2011

Recovery Oversight Advisory - Bureau of Reclamation Private Wells
Contracts (01/11/2011)

RO-J-USBR-063-2011

Recovery Oversight Advisory - Bureau of Reclamation's Use of
Memoranda of Agreements (01/20/2011)

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.	2	\$27,510,965	\$200,965
B. Which were issued during the reporting period.	7	\$13,890,269	\$13,329,540
Total (A+B)	9	\$41,401,234	\$13,530,505
C. For which a management decision was made during the reporting period.	5	\$28,243,182	\$800,632
(i) Dollar value of recommendations that were agreed to by management.		\$28,243,182	\$800,632
(ii) Dollar value of recommendations that were not agreed to by management.		\$0	\$0
D. For which no management decision was made by the end of the reporting period.	4	\$13,158,052	\$12,729,873

*Note: Does not include non-Federal funds.

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.	2	\$2,496,504
B. Which were issued during the reporting period.	2	\$112,164
Total (A+B)	4	\$2,608,668
C. For which a management decision was made during the reporting period.	2	\$2,594,717
(i) Dollar value of recommendations that were agreed to by management.		\$2,594,717
(ii) Dollar value of recommendations that were not agreed to by management.		\$0
D. For which no management decision had been made by the end of the reporting period.	2	\$13,951

*Note: Does not include non-Federal funds.

Summary of Reports Over 6 Months Old Pending Management Decision

This listing includes a summary of audit, inspection, and evaluation reports that were more than 6 months old on March 31, 2011, and still pending a management decision. It provides report number, title, issue date, and number of unresolved recommendations.

Audits, Evaluations, and Verifications

Indian Affairs

NM-EV-BIE-0001-2008

Evaluation of Controls to Prevent Violence at Bureau of Indian Education Operated Education Facilities (08/01/2008); 3 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

Insular Areas

P-EV-FSM-0001-2007

Kosrae State, Federated States of Micronesia: Property Accountability Process Needs To Be Improved (10/17/2007); 3 Recommendations

VI-EV-VIS-0002-2009

Evaluation Report - Energy Production in the Virgin Islands (12/28/2009); 4 Recommendations

VI-IN-VIS-0003-2009

Final Audit Report - Capital Improvement Projects Administrative Functions - Procurement Deficiencies Plague the Virgin Islands Port Authority (09/08/2010); 1 Recommendation

VI-IS-VIS-0004-2009

Inspection Report - Security Improvements at the Governor's Private Residence (01/19/2010); 4 Recommendations

Multi-Office Assignment

C-IN-MOA-0004-2007

Abandoned Mine Lands in the Department of the Interior (07/24/2008);
1 Recommendation

Office of Insular Affairs

VI-IN-OIA-0004-2010

Final Audit Report - Capital Improvement Projects Administrative
Functions: Procurement Deficiencies Plague the Virgin Islands Port
Authority (09/08/2010); 1 Recommendation

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

WR-EV-OSS-0012-2009

Evaluation Report on the Department of the Interior's Appraisal Operations
(12/23/2009); 2 Recommendations

U.S. Fish and Wildlife Service

C-IS-FWS-0007-2010

Inspection Report - Museum Collections: Preservation and Protection
Issues with Collections Maintained by the Fish and Wildlife Service
(01/29/2010); 1 Recommendation

Contract and Grant Audits

Insular Areas

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

U.S. Fish and Wildlife Service**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-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

Recovery Oversight Office Advisory Report**U.S. Fish and Wildlife Service****ROO-ROA-FWS-S001-2009**

Concerns About Grants.gov Announcement FWSPIO6 (06/17/2009); 1 Recommendation

Summary of Reports Over 6 Months Old Pending Corrective Action

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

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

CR-EV-BLM-0002-2009

Evaluation of Bureau of Land Management's Oil and Gas Lease Auction Process (08/26/2009); 5 Recommendations

Bureau of Ocean Energy Management, Regulation and Enforcement

C-IN-MMS-0007-2008

Final Audit Report - Minerals Management Service: Royalty-in-Kind Program's Oil Volume Verification Process (05/25/2010);
2 Recommendations

Indian Affairs

2003-I-0055

Evaluation of the Bureau of Indian Affairs' Process to Approve Tribal Gaming Revenue Allocation Plans (06/11/2003); 1 Recommendation

NM-IS-BIA-0002-2008

Inspection of the Implementation of the Motor Vehicle Operation Policy, Bureau of Indian Affairs (07/31/2008); 4 Recommendations

WR-IV-BIA-0001-2009

BIA Alaska Regional Indian Reservation Roads Program Rife with Mismanagement and Lacking Program Oversight (02/09/2009); 2 Recommendations

ER-IN-BIA-0014-2009

Office of Inspector General's Independent Report on the "ONDCP [Office of National Drug Control Policy] Performance Summary Report - BIA" (11/10/2009); 6 Recommendations

C-IS-BIA-0004-2010

Inspection Report - Museum Collections: Preservation and Protection Issues with Collections Maintained by the Bureau of Indian Affairs (01/29/2010); 2 Recommendations

NM-EV-BIE-0003-2008

Evaluation Report - School Violence Prevention (02/03/2010); 4 Recommendations

Multi-Office Assignments**2002-I-0045**

Recreational Fee Demonstration Program - National Park Service and Bureau of Land Management (08/19/2002); 1 Recommendation

E-EV-MOA-0008-2004

Department of the Interior Workers' Compensation Program (05/09/2005); 1 Recommendation

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

C-IN-MOA-0004-2007

Abandoned Mine Lands in the Department of the Interior (07/24/2008);
3 Recommendations

C-EV-MOA-0009-2008

Evaluation Report on Oil and Gas Production on Federal Leases: No Simple Answer (02/27/2009); 4 Recommendations

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);
2 Recommendations

WR-EV-MOI-0008-2008

Employee Relocation, U.S. Department of the Interior (09/21/2009);
3 Recommendations

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);
1 Recommendation

C-IN-MOA-0010-2008

Audit Report - Department of the Interior Museum Collections: Accountability and Preservation (12/16/2009); 12 Recommendations

C-EV-MOA-0003-2009

Evaluation Report - Department of the Interior Roads Programs: The Dangers of Decentralization (02/01/2010); 1 Recommendation

CR-IS-MOA-0004-2009

Inspection Report - BLM and MMS Beneficial Use Deductions (03/08/2010); 8 Recommendations

C-IN-MOA-0004-2009

Evaluation Report - Geothermal Royalties (03/09/2010);
4 Recommendations

C-IN-MOA-0001-2009

Final Audit Report - Department of the Interior's Management of Land
Boundaries (07/16/2010); 9 Recommendations

ER-EV-MOA-0012-2009

Wildland Urban Interface: Community Assistance (07/30/2010);
3 Recommendations

National Park Service**I998-I-0406**

Follow-up of Recommendations Concerning Utility Rates Imposed by
the National Park Service (04/15/1998); 5 Recommendations

C-IN-NPS-0013-2004

The National Park Service's Recording of Facility Maintenance
Expenditures (01/26/2005); 2 Recommendations

Office of Insular Affairs**WR-EV-OIA-0007-2008**

Evaluation of Office of Insular Affairs' Program Management
(05/25/2010); 2 Recommendations

Office of the Special Trustee for American Indians**WR-IS-OST-0006-2009**

Whereabouts Unknown: An evaluation of actions taken to locate
Whereabouts Unknown individuals by the Office of the Special Trustee
for American Indians (06/10/2010); 6 Recommendations

Office of the Secretary**WR-EV-OSS-0005-2009**

Aviation Maintenance Tracking and Pilot Inspector Practices - Further
Advances Needed (04/14/2009); 1 Recommendation

ER-IN-OSS-0009-2009

Audit of the International Technical Assistance Program (07/21/2010);
6 Recommendations

U.S. Bureau of Reclamation

C-IS-BOR-0006-2010

Inspection Report - Museum Collections: Preservation and Protection
Issues with Collections Maintained by the Bureau of Reclamation
(01/29/2010); 1 Recommendation

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-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); 2 Recommendations

Insular Areas*

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

VI-IN-VIS-0003-2009

Final Audit Report - Capital Improvement Projects Administrative Functions - Procurement Deficiencies Plague the Virgin Islands Port Authority (09/08/2010); 1 Recommendation

Recovery Oversight Office Advisory Report**ROO-ROA-GSV-7001-2010**

Concerns about IDIQ Contract 08ERCN0017 (09/28/2010); 3 Recommendations

*These Insular Areas reports contain recommendations made specifically to Insular Areas governors and Insular Areas 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 for Policy, Management and Budget.

Cross-References to the Inspector General Act

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*N/A: Not applicable to this reporting period.



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