

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

Semiannual Report to the Congress

Message From the
Inspector General

OIG Initiatives

Significant
Narrative
Summaries

October 2008





Symbol of freedom, the bald eagle is one of the most photographed birds in the United States. It appears as iconography on everything from coins to statuary. Featured on the cover of the October 2008 *Semiannual Report to the Congress*, the eagle reminds us of our responsibilities to fulfill the ethical vision of the founders of the nation.

Staff

Editorial

Katie Balestra
Donald Cairns
Scott Culver
Sally Dadjou
Joann Gauzza
Roy Kime
Mary Maruca
Gary Mitchell

Photography

Bryan Brazil
Stock Photos

Production

Mary Maruca

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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 OIG promotes excellence, integrity, and accountability in these programs. With less than 300 employees, the organization is driven by a keen sense of mission and dedicated to providing products and services that impact mission results.

Images on the following pages remind readers of the diversity of the Department's stewardship responsibilities and the high ethical standards to which DOI must adhere in conducting the business of government in the best interest of their employers, the American public.



Message From the Inspector General



I am pleased to present the accomplishments of the Office of Inspector General for the Department of the Interior from April 1, 2008, through September 30, 2008.

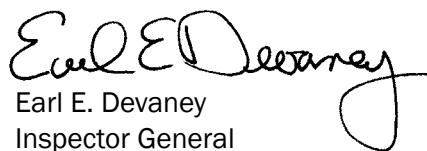
Several of the accomplishments highlighted in this *Semiannual Report* that concern the Minerals Management Service (MMS) investigations have received considerable press coverage, as well as congressional attention. Our earlier evaluation of MMS' management of oil sales, however, shed far more substantive light onto the Royalty-in-Kind program operations.

This report also contains some of the first products issued by our new Inspections and Evaluations unit. For example, one of our inspection reports found Fortune 500 companies were included in the DOI's Small Business Goals; this was followed by a front page story in the *Washington Post*, which ran the third week in October, addressing the same issue throughout the federal government.

We also highlight significant activity in Indian Country and the Insular Areas this reporting period, with our focus ranging from health care delivery in island communities to contract fraud to preparedness for violence in Indian schools.

Finally, beyond the sensationalism generated by the MMS investigative reports, we report on other cases of ethics failures, which will remain steady in our sights until they are eradicated.

The results and accomplishments we have highlighted in this report demonstrate our continued commitment to preventing and detecting fraud, waste and mismanagement as well as effecting positive change.


Earl E. Devaney
Inspector General

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 the Department of the Interior (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 assure the accountability of DOI 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, which greatly influences key decision-makers and increases 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.

As much a symbol of the West as Half Dome, horses continue to play a major part in rangeland issues for many DOI bureaus.



Office of Inspector General



OIG Trends, Themes and Initiatives

Ethics in Government

Some trends and themes we would prefer not to see. Ethics violations would be one of these. Unfortunately, this report contains more than its share of highlights pertaining to ethics violations. Some of these incidents have already received significant coverage in the press and by the Congress. Others have not.

Headlines, however, have never been our goal. Rather, our goal has always been, and is today, to effect positive change. To this end, we credit Secretary Kempthorne and his senior leadership for their receptiveness and responsiveness to the findings and recommendations contained in all of our reports and particularly for taking swift action in response to the most serious misconduct exposed by our investigations. Implementing controls and competencies, however, is far easier than imparting character. The OIG remains committed to effect positive change in the ethical culture of DOI.

Responsibilities to American Indians and Insular Area Citizens

While our investigations into ethics violations are reactive, our efforts in regard to DOI's responsibilities to American Indians and Insular Area citizens were much more proactive. We reviewed the implementation of Indian Affairs' motor vehicle policy to ensure that the bureau was protecting the lives of its employees and the public. We focused on safety in Indian schools, and we targeted health care in the Insular Areas.

Overall, these programs and policies intended to serve American Indians and Insular Area citizens are failing to deliver. Indian Affairs has ineffectively implemented the motor vehicle policy, has failed to consistently perform background checks on Indian school employees, and is woefully unprepared to address potential violence in Bureau of Indian Education-operated educational facilities. In the Insular areas, we found alarming financial mismanagement at a Virgin Island hospital, which, in turn, resulted in the firing and indictment of the chief financial officer, chief executive officer, counsel and board chair. Overall, the shocking state of health care delivery in the Insular Areas served as the centerpiece to a Health Care Summit hosted by Secretary Kempthorne and attended

by representatives from the Departments of Health and Human Services, Veterans Affairs, and Defense, culminating in a Joint Statement of Resolve to improve health care services in the Insular Areas.

New OIG Herndon Leadership Training Center

OIG opened its new leadership training center in Herndon, on schedule, August 1, 2008. This small, but state-of-the-art, center is capable of video conferencing among three major OIG offices – Herndon, Denver, and Sacramento. Already fully booked well into 2009, the center will be made available to employees from other OIG offices for community-wide training events, such as the American University Leadership Course Sessions and “Honest Services Fraud Awareness” training that will be scheduled in December of this year.

Construction of the Capitol was initiated under President George Washington in 1793 on a site chosen by Pierre L'Enfant. The building was the focal point around which the city was designed.



Department-wide Issues



DOI Has Failed To Address Abandoned Mine Land Hazards

We are gravely concerned that the Department of the Interior (DOI) has put the public's health and safety at risk by not addressing hazards posed by abandoned mines on federal lands. Mines located primarily in the western states of California, Arizona, and Nevada have dangerously dilapidated structures, serious environmental hazards, and gaping cavities, some of which are capable of swallowing an entire vehicle. We identified serious environmental and safety hazards where members of the public had been killed, injured, or exposed to dangerous environmental contaminants. The potential for more deaths and injuries is ominous. Growth of the population and use of off-road vehicles in the West will increase the likelihood of additional deaths or injuries.

At several Bureau of Land Management (BLM) sites we visited, we found dangerous levels of environmental contaminants, such as arsenic, lead, and mercury. These contaminants are easily accessible to visitors and local residents, often without their knowledge. Even more disturbing, we found that BLM supervisors told staff to ignore these problems, and that employees were either criticized or threatened with retaliation for identifying contaminated sites. While BLM has the clear majority of abandoned mine sites on DOI lands, we also found that it has an ineffective program to address them. BLM's abandoned mines program has long been neglected and marginalized by poor management practices, insufficient staffing, and a lack of resources.

In contrast, NPS has mitigated many of its high-risk, easily accessible abandoned mine sites. However, hundreds, if not thousands, of sites still remain and need to be addressed. At one park, the abandoned mine inventory includes more than 600 sites, and NPS officials have inspected less than half of the sites on the park's 1.4 million acres. Current funding is inadequate to address these hazards, and NPS has failed to develop a credible estimate of the total cost of mitigation.

The overall solution for cleaning up abandoned mines is not simple. It calls for a complex and concerted effort on the part of DOI, including the immediate mitigation of known hazardous sites, a calculated effort to identify and inventory unknown sites, a methodical design to address abandoned mines comprehensively, and a strategy to secure the necessary funding for this costly endeavor.

Leasing Crisis Looms

GSA issued a new bulletin in November 2007 on delegated leases. Under these new leasing regulations, federal agencies are no longer permitted to lease general purpose space in excess of 19,999-square feet without first receiving GSA approval. They also must notify GSA 18 months prior to exercising options to extend existing leases. Most DOI bureaus use the delegation of leasing authority, which allows them to assume leasing responsibilities and avoid relying on GSA to obtain space.

While DOI has taken steps to respond to the new regulation, weak oversight, errors, and gaps in the bureaus' leasing data will impact DOI continuity of operations if they are not promptly addressed. We found that:

- ◆ DOI must prepare for the expiration of 118 delegated leases on June 30, 2009, by requesting new delegations or leasing space through GSA.
- ◆ Leasing data pertaining to DOI and DOI bureaus are neither reliable nor readily available. In early April 2008, we asked the seven DOI bureaus for the expiration dates of all leases. GSA had requested similar information in mid-March 2008. Most of the bureaus had difficulty providing this information. Eventually, all bureaus provided us with lease expiration dates, except the National Park Service (NPS). Only the National Business Center was able to provide timely and accurate data.
- ◆ Several bureaus incorrectly classified the types of delegations used to lease space. For example, the Fish and Wildlife Service (FWS) misclassified approximately 99 of its current leases. Of these, 86 leases for office space, warehouses, and family housing were obtained under a special purpose delegation that FWS is not authorized to use. In another example, NPS inappropriately reported 8 leases for office space and 17 leases for warehouse space under the categorical delegation. If NPS is obtaining office space without a general purpose delegation from GSA, then it is violating GSA rules.

Fortune 500 Companies Included As Part Of Small Business Goals

In the Small Business Act of 1953, Congress voiced its conviction that the federal government should “aid, counsel, assist, and protect ... the interests of small business concerns ... to insure that a fair proportion of the total purchases and contracts ... be placed with small business enterprises.” Each federal agency establishes an annual goal representing the maximum practicable opportunity for small business concerns to participate in the performance of contracts let by that agency.

OIG found about \$5.7 million in awards to large businesses for which DOI received small business credit in Fiscal Years 2006 and 2007. Several of these businesses were obviously large, such as Dell, Home Depot, John Deere, Sherwin Williams, Waste Management, and Xerox. These awards were included in the accomplishments reported by DOI’s Office of Small and Disadvantaged Business Utilization and in the SBA’s Goaling Reports for Fiscal Years 2006 and 2007.

OIG determined that contracts to large businesses were incorrectly coded as small business contracts primarily as a result of data entry mistakes, reliance on incorrect data, and failure on the part of contracting officers to verify business size.

OIG Reports Improper Relationships At OST

In May 2006, OIG reported on its investigation of allegations concerning improper relationships between senior Office of Special Trustee (OST) officials and the principals of Chavarria, Dunne & Lamey (CD&L), an OST contractor. This investigation determined that, over a period of years, OST had awarded and continued to extend and expand without competition a CD&L contract for trust fund accounting and risk management services. This occurred while the three most senior officials in OST engaged in extensive outside social activity with CD&L executives. We also found that OST contract personnel felt pressured by senior OST officials to continue to award work to CD&L. In our 2006 case, the appearance of preferential treatment was noticeably apparent.

This investigation was followed by a 2-year probe into allegations that Delano J. Lords, Deputy Special Trustee, OST, provided preferential treatment in the award of a \$2.4 million contract to CD&L. The investigation determined that an OST selection panel had unanimously recommended another vendor for the award based on the vendor's lower bid and technical score. Although Lords had previously recused himself from matters involving CD&L because of his personal relationships with CD&L officials, he used his position and authority to order subordinates to award the 2005 contract to CD&L. Lords' involvement in awarding the contract came 2 months after he had resided with one of CD&L's principal officers. The investigation determined that Lords failed to report his acceptance of free lodging on the Public Financial Disclosure Report he filed with DOI.

Our investigation also found that Margaret Williams, Deputy Special Trustee for Trust Accountability, OST, improperly accepted and incorporated language provided by CD&L into the statement of work for a 2007 contract in which CD&L was involved as a subcontractor.

In June 2008, the matter involving Lords and Williams was referred to DOI for appropriate administrative action subsequent to a DOJ decision not to prosecute the case. Administrative action remains pending in this matter. The OIG investigation led to the OIG audit that focused on contract deliverables by CD&L.

Chavarria, Dunne, and Lamey, LLC, Contract Deliverables Questioned

DOI could neither consistently demonstrate that it received full value for the money spent, nor substantiate the receipt of timely and quality deliverables on contracts with Chavarria, Dunne & Lamey LLC, (CD&L). Specifically, we found:

- ◆ Four cases, totaling approximately \$5 million, where DOI could not demonstrate that it received full value for money spent on CD&L contracts because the contracts contained ill-defined requirements or were insufficiently monitored.
- ◆ Two cases valued at \$201,764 where DOI could not substantiate the receipt of timely and quality deliverables from CD&L.

DOI suffered an increased vulnerability to waste because most CD&L contracts were time-and-materials contracts in which contractors received funds based on level of effort rather than on completion or progress toward completion of defined contract deliverables. Time-and-materials contracts are the least desirable contracting type because

they provide no positive profit incentive to the contractor to control costs or promote labor efficiency. DOI did not sufficiently describe the scope of work for these contracts or provide adequate monitoring of contractor performance. In fact, contracting officials told us they felt pressured by senior managers to continue to award work to CD&L and to approve invoices without review or validation.

In addition to the issues associated with time-and-materials contracts, we also found inappropriate sole-source awards to CD&L. For example, additional work was improperly sole-sourced to CD&L by modifying an existing contract. The contract was modified 57 times, increasing its value from \$150,000 to approximately \$6.6 million (a 4,300-percent increase) and extending the period of performance by more than 5 years.

Hurricane Rebuilding Effort Reviewed

The hurricanes of 2005 greatly impacted DOI, which received approximately \$283 million in supplemental funding to address hurricane damage. Our audit of these funds focused primarily on the major repair and rebuilding efforts by NPS and FWS.

We found that NPS had made little progress in its rebuilding efforts by the end of Fiscal Year 2007. NPS had only obligated or spent 24 percent of its \$74 million of supplemental funding. We found many projects to be incomplete or not even started. Lack of prioritization and coordination could cause NPS to run out of funds before all hurricane damage can be repaired.

FWS made significantly more progress in its rebuilding effort than NPS did. At the end of Fiscal Year 2007, FWS had spent \$145 million (90 percent) of its \$162 million in supplemental funding. Our site visits showed extensive work in progress to address hurricane damage. However, we found FWS lacked adequate documentation to support its decisions to rebuild and expand certain facilities. We also found that FWS had not required the collection of hazard insurance proceeds totaling \$153,000 that were available on a concessioner-operated facility damaged by a hurricane.

Our audit did not disclose any instances where NPS or FWS inappropriately spent hurricane funds on assets not damaged in the 2005 hurricane season.

FISMA Evaluation Completed for DOI

The Federal Information Security Management Act (FISMA) requires agencies to complete an annual independent evaluation of their

information security programs and practices, and report the results to the Office of Management and Budget. FISMA states that the independent evaluation is to be performed by the agency Inspector General (IG) or an independent external auditor as determined by the IG. Our Fiscal Year 2008 FISMA evaluation showed that DOI continued to be noncompliant with several key elements of FISMA legislation. While documentation of policy and process related to information security improved, implementation lagged. The misalignment of authority and non-compliant organizational hierarchy impaired the overall efficiency and effectiveness of DOI's information security program.

DOI Progress Implementing IT Recommendations Evaluated

OIG conducted an evaluation to determine DOI progress in implementing IT security corrective actions recommended during Fiscal Year 2007. At that time, our office issued reports containing a total of 37 recommendations. DOI reported that 15 recommendations had been resolved and 22 remained open. Our subsequent testing resulted in disagreement regarding one of the 15 recommendations reported to be resolved and closed. In addition, our evaluation determined that a report issued by our office, which had contained 8 recommendations, had been lost by DOI. This resulted in no progress toward implementation of the recommendations contained in that report. Overall, we concluded that DOI had made progress implementing recommendations pertaining to the issuance of guidance. However, little substantive progress had been made implementing that guidance.

Six Sentenced in Multimillion Dollar Contract Fraud and Bribery Scheme

Six individuals were sentenced for their roles in a conspiracy to commit bribery and fraud in the manipulation of multiple government contracts. Previously, a federal grand jury in U.S. District Court, Western District of Texas, indicted these individuals in connection with a multimillion dollar bribery scheme centered on fixing U.S. government contracts for the U.S. Army Medical Department located at Fort Sam Houston.

- ◆ Ignacio Ruelas Torres, an infrastructure coordinator and project officer with the U.S. Medical Command (MEDCOM) at Fort Sam Houston, was sentenced to 7 years in prison and ordered to pay \$498,200 in restitution.

- ◆ William John “Bill” Strout, Sr., a civilian contracting officer at the U.S. Army Medical Information Technology Center, was sentenced to 7 years in prison and ordered to pay \$498,200 in restitution.
- ◆ Johnnie Flores, owner of Sphinx Consultant and Associates, a Small Business Administration (SBA) certified 8(a) firm in San Antonio, was sentenced to 5 years and 2 months in prison and ordered to pay \$498,200 in restitution.
- ◆ Francisco Quinata Cruz, a San Antonio contractor consultant, was sentenced to 7 years in prison and ordered to pay \$498,200 in restitution.
- ◆ William John “Will” Strout, Jr., the son of William John “Bill” Strout, Sr., a former civilian contracting officer also at the U.S. Army Medical Information Technology Center, was sentenced to 5-1/2 years in prison and ordered to pay \$498,200 in restitution.
- ◆ Andrew Delancey Waring, II, a contract government employee with the U.S. Army Medical Information Technology Center at Fort Sam Houston, was sentenced to 5 years in prison and ordered to pay \$265,560 in restitution.

The defendants conspired to ensure that Flores’ company ultimately received multiple government contracts. During the period of the scheme, the defendants corrupted more than \$18 million in U.S. contracts. One such contract was awarded by DOI GovWorks agency to an Oklahoma tribally owned business, Muscogee Nation Business Enterprise. According to the indictment, the conspirators also attempted to fix other contracts administered by GovWorks by sharing confidential bid information.

This case was investigated by the DOI OIG, the Federal Bureau of Investigation (FBI), the Internal Revenue Service, the Army Criminal Investigation Command, the General Services Administration (GSA) OIG, the Defense Criminal Investigative Service, the SBA-OIG and the U.S. Department of Justice (DOJ).

Bureau of Indian Affairs



Implementation of Motor Vehicle Operation Policy Inspected to Determine Progress

Two couples vacationing from Nebraska were killed in Albuquerque, New Mexico, on January 25, 2002, by a Bureau of Indian Affairs (BIA) employee. The deaths occurred because the employee drove a government truck the wrong way on Interstate 40 after consuming a 12-pack of beer. In the ensuing lawsuit, evidence showed that numerous employees and supervisors in the BIA Navajo Region had drunk driving citations and convictions. Following the lawsuit, BIA implemented the Motor Vehicle Operation Policy to establish clear responsibilities for employees, supervisors, and managers to promote the safe and prudent operation of vehicles while performing official duties.

We conducted our inspection to ensure BIA had implemented the Motor Vehicle Operation Policy. We found:

- ◆ Regional safety offices did not implement the policy in a manner that allowed for timely, effective monitoring of driver histories and training.
- ◆ Untimely and ineffective implementation of the policy has resulted in inconsistent safety performance and has allowed employees to continue driving when their driving history should have precluded the continuance of driving privileges.

We also found that employee-reported driving history was not typically validated against information available on the National Highway Traffic Safety Administration's National Driver Registry. This registry, which reports license revocations, suspensions, or serious traffic violations reported by any state, was used by one safety officer to validate employee reported driving histories. We believe that this is a "best practice" that other offices should emulate.

Advisory Report Completed on Motor Vehicle Operation Policy and Tribal Contractors

BIA has no assurance that tribal police officers, school bus drivers, and other individuals with whom it contracts or with whom the Bureau of Indian Education (BIE) contracts are safe drivers. Under current laws, there is no way to compel tribal government operations, under contract with BIA and BIE, to establish vehicle usage policies or certification programs, or even to require them to comply with policy.

Despite DOI's inability to compel tribal governments to establish or follow vehicle usage policies, DOI is financially responsible for claims arising from driving accidents caused by tribal government employees working under these arrangements, according to the Federal Tort Claims Act.

To address this situation, BIA can persuade tribal recipients of its funds to take certain safety measures by negotiating funding agreements that include these requirements. Alternatively, BIA can terminate contracts or grants based on endangerment to the health, safety or welfare of the public and tribal school children. Additionally, BIA should work with Congress to amend existing laws governing agreements with tribal governments to mandate driver certification programs.

Contractor Convicted of Theft and Bribery

On May 7, 2008, former Leech Lake Tribe Chairman Peter White was convicted in Minnesota Federal Court of two counts of theft and bribery. The conviction follows an investigation into casino development and contracting corruption involving the Leech Lake Band of Ojibwe in 2003 and 2004. Business owner Craig Potts and former Leech Lake Tribe Chairman Peter White were indicted on February 14, 2008, on multiple charges stemming from the investigation. These included theft and bribery, wire fraud, and conspiracy to defraud the United States.

The indictment stated that during 2003 and 2004, Potts owned a business named Cash Systems, Inc., that provided check-cashing and other gaming services to the Leech Lake tribe. During that time, Potts allegedly negotiated with the tribe to participate in new casino development on lakefront property near Walker, Minnesota. Potts then wired money to the tribe's gaming director. Another associate, Michael Johnson, pled guilty to wire fraud in November 2007. White awaits sentencing.

Saguaro cacti, symbols of endurance in the face of difficulties, are often associated with life in the West. A saguaro is considered mature when it reaches 125 years of age.



Bureau of Indian Education



Controls to Prevent Violence Evaluated at Education Facilities

During the 2005 to 2006 school year, 78 percent of public schools nationwide experienced one or more violent crimes that included rape, sexual battery, and physical attacks. In a 2000 report focusing on BIE schools, 37 percent of students reported carrying a gun to school during the previous month. These statistics indicated that BIE might be dangerously unprepared to prevent violence and ensure the safety of students and staff at education facilities. To determine whether or not this was still true, we evaluated controls at BIE-managed facilities, only to find that these education facilities remained unprotected and underserved, and that BIE still was unprepared to prevent violence and ensure staff and student safety.

We visited 9 BIE-operated education facilities and compared safety measures in place against 18 critical mainstream measures. We found that:

- ◆ Critical safety measures were absent at all BIE facilities we visited. At more than half of these education facilities, we walked around campuses unchallenged by staff and/or entered classroom buildings through unsecured exterior doors. While several facilities had security cameras, these were unmonitored. Additionally, several facilities did not have central alarm systems or intercoms to warn students and staff of emergencies.
- ◆ None of the education facilities visited had adequate emergency preparedness plans to deal with violent incidents, such as bomb threats, shootings, fights, and hostage situations. Plans did not adequately address emergency and/or all-clear procedures, evacuation meeting locations, staff responsibilities or validation that all students and staff were safe. We requested that facilities run lock-down and evacuation drills during our visits. Several facilities could not run the drills because they had no safe means to lock-down and/or evacuate the facility. Other facilities would not run them because they believed the drills could cause too much chaos or frighten the students. During those drills that were conducted, responsible personnel could not always operate available alarm systems, all students and staff were not accounted for, doors were not locked, and safe meeting locations were not identified.

Responsible BIE officials acknowledged the seriousness of school safety. One official stated it was a matter of “when and where” – not “if” – a violent act would happen. Another official acknowledged that some facilities give safety only minimal attention.

E-Rate Program Contractor Companies Convicted of Fraud

Two contract companies, Global Network Technologies and Computer Training and Associates, were convicted of fraud on September 8, 2008, in North Dakota Federal Court. Each was sentenced to provide restitution in the amount of \$241,000. Both companies, along with their respective representatives, Tyrone Pipkin and Gloria Harper, had been indicted in October 2007 on conspiracy and fraud charges. These charges stemmed from an investigation into the theft and misuse of grant funds received from the federally funded E-Rate program. This program seeks to ensure affordable access to advanced telecommunications for schools and libraries. Prosecution of Pipkin and Harper is pending.

Based on a concurrent investigation of embezzlement allegations at the Twin Buttes School, DOI-OIG initiated an investigation of the E-Rate program. Pipkin, Harper and their respective companies conspired to bill the government for services and equipment they never delivered to Twin Buttes Elementary School. They also conspired to overcharge the government for the services and equipment they did provide. Pipkin and Harper allegedly falsified documents in order to receive government reimbursement, subsequently submitting these documents to the Federal Communications Commission.

Audit Completed on Background Investigations

Our audit found that appropriate background checks were not always performed on employees and other individuals who have regular contact with or control over children at Indian education facilities. At BIE-operated facilities, for example, we estimate:

- ◆ FBI fingerprint checks were not conducted for 6 percent of BIE employees hired since January 1, 2004.
- ◆ Character background checks were not conducted for 5 percent of employees hired since January 1, 2004.
- ◆ Required background reinvestigations were not conducted for 60 percent of BIE employees with more than 5 years on the job.

The situation at non-BIE operated schools we visited was even worse. These schools did not conduct FBI fingerprint checks for 43 percent of the individuals in our sample. Also, they did not conduct character background checks for 77 percent of these individuals.

We found that individuals were often allowed access to children prior to completion of the required FBI fingerprint check or before background investigations were completed. Many of these individuals were later found to have criminal records. For example:

- ◆ At one South Dakota school, FBI fingerprint reports on seven employees revealed criminal records that included assault and battery, domestic violence, domestic assault, arson, furnishing liquor to a minor, distribution of marijuana, resisting arrest, and driving under the influence. The remaining 13 employees in our sample either had no security file or were missing background documentation or FBI fingerprint reports.
- ◆ An education technician at a BIE-operated facility hired in November 2006 was accused of sexually abusing a student in January 2007. According to the accusation, the abuse occurred when the employee was driving the student, unsupervised, to sports practice. The technician should not have been alone with the student when the alleged abuse occurred because the BIE Security Office had not completed his background check.
- ◆ A teacher hired in August 2006 at a BIE-operated facility was accused of verbally and physically abusing her students from the time she was hired. No other information on the accusations could be found in her file. However, the BIE Security Office still had not adjudicated the individual's background as of our review in October 2007.

Bureau of Land Management



Action Needed to Stop Inappropriate Use of Cooperative Agreements

The Helium Privatization Act of 1996 (P.L. 104-273) required the Bureau of Mines (now the Bureau of Land Management) to divest itself of all helium sale operations except the helium storage facility at the Bush Dome Reservoir in northern Texas. The Act allows the Secretary of the Interior to store, transport, and withdraw crude helium, and to maintain and operate crude helium storage facilities. It also requires that all monies received under the Act be credited to the Helium Production Fund, which carries out the provisions of the Act.

We found that BLM improperly used two 15-year cooperative agreements to establish a relationship with a contractor who represents several large helium refiners on the BLM helium pipeline. This improper use of cooperative agreements exposed the government to potential fraud and mismanagement, as well as large monetary losses from overcharging, potential double billing, costly short-term financing, and unjustified allocation of equipment costs.

As soon as these abuses were identified, we suspended the review and provided BLM with five recommendations. These recommendations, when implemented, will require BLM to stop any effort to renew the two cooperative agreements and to use appropriate procurement guidelines to select the proper contractual legal document. In addition, BLM must evaluate whether all paid costs are allowable, whether the contractor's payment billing process double-bills costs, and whether the government has fully paid for all equipment costs.

Bureau of Reclamation



Progress Is Made On Recommendations

OIG evaluated the Bureau of Reclamation (BOR) to determine its progress implementing IT security corrective actions recommended during Fiscal Year 2007. At that time, we issued one report to BOR that contained 13 recommendations. BOR later reported that seven recommendations had been resolved and six remained open. Our testing verified BOR's update. BOR has made progress implementing recommendations made by our office and has reported accurately on their improvements.

Minerals Management Service



Weak Business Practices Uncovered in RIK Oil Sales

As a result of an OIG investigation into alleged misconduct involving various Minerals Management Service (MMS) personnel, we evaluated the Royalty-In-Kind (RIK) Program to determine whether controls ensured the fair and effective management of oil sales. Our evaluation concluded that while MMS has improved its controls over the oil sales process, more progress is needed to ensure an effective and fair RIK Program. Most importantly, MMS should establish governing criteria to guide the RIK oil sales process.

We found weak business practices, such as undocumented and inconsistent procedures, uncontrolled access to critical bid data, and incomplete sales files. These weak business practices resulted in MMS improperly allowing companies to revise their bids instead of awarding contracts to the highest bidder. We also found:

- ◆ The RIK program operated its multibillion dollar oil sales program with little regard for legal advice. RIK had not sought legal counsel on critical and fundamental contract documents and, in one case, disregarded legal advice intended to protect the government's interests.
- ◆ Inadequate personnel planning could put the entire oil sales process at risk. The program has been operated without sufficient staff, making sudden or unanticipated absences of key employees capable of disrupting operations.
- ◆ MMS should consider alternative methods for selling the royalty oil, such as a simultaneous multiple round auction process, which would strengthen controls and possibly increase overall revenue collections.

MMS generally concurred with our findings and recommendations, but expressed some reluctance to explore alternative sales methods.

RIK Director Retires During Investigation

OIG initiated this investigation in late 2006 based on allegations from a confidential source that Gregory W. Smith, the program director of the MMS Royalty in Kind Program (RIK), Lakewood, Colorado, had demonstrated misconduct in the execution of his duties. The confidential source alleged that Smith had engaged in outside employment that conflicted with his RIK position, that he accepted gifts from the oil and gas industry, and that he engaged in sex and drug use with subordinates.

Our investigation disclosed that between April 2002 and June 2003, Geomatrix Consultants, Inc (Geomatrix), an environmental and engineering consulting firm, paid Smith more than \$30,000 for marketing Geomatrix to various oil and gas companies. However, their business relationship with RIK should have labeled these companies prohibited sources.

We also confirmed that Smith received almost \$1,000 in gifts from the oil and gas industry and that he engaged in sex with two subordinates and used drugs with at least one subordinate. When interviewed, Smith minimized the drug use and sexual activity. In addition, we learned that he suggested to other RIK employees that they should lie to OIG investigators.

Smith retired from MMS during the course of this investigation. We provided our results to DOJ in March 2008 for prosecutorial consideration. In May 2008, DOJ advised us that it declined to prosecute Smith.

MMS Oil Marketing Group Made Ethical Missteps

Allegations of improprieties within the MMS RIK program led us to open this investigation in July 2006. Specifically, we were told that RIK marketers had developed inappropriate relationships with oil company representatives doing business with DOI. We also learned that these inappropriate relationships included RIK employees frequently attending oil and gas industry social functions and accepting gifts from company representatives.

Our investigation confirmed that between January 1, 2002, and July 2006, 19 RIK marketers and other RIK employees – approximately one-third of the entire RIK staff – socialized with and received a wide array of gifts from oil and gas companies with whom the employees were conducting official business. With respect to eight specific RIK employees, these gifts exceeded the allowable limits.

We also discovered that two of the RIK employees who accepted gifts also held unauthorized outside employment. Both of these employees failed to seek MMS approval for their outside work and to report the income from this work on their financial disclosure forms. In addition, we learned that one MMS employee not affiliated with the RIK Program had received approval for outside work but failed to report the extra income.

Finally, our investigation revealed an organizational culture failing in its acceptance of government ethical standards, one that was replete with inappropriate personal behaviors and devoid of the necessary internal controls to prevent future unethical or unlawful behavior. Our report has been forwarded to the Assistant Secretary for Land and Minerals Management for whatever adverse action he deems appropriate for these DOI employees.

Federal Business Solutions Investigated

In June 2005, a person requesting anonymity telephoned the DOI-OIG to report that former MMS Senior Executive Service (SES) employees had been rehired by MMS' Minerals Revenue Management (MRM) division for high six-figure salaries.

Based upon our investigation, we determined that current MRM Associate Director Lucy Querques Denett conspired with Jimmy Mayberry, her former special assistant, to create a competitive contract for Mayberry after his MMS retirement in January 2003. Moreover, we determined that Mayberry drafted the statement of work for the contract while still employed by MMS, thus impacting his own future personal financial interest while still an employee of the Executive Branch of the federal government.

Our investigation also implicated former MMS Deputy Associate Director Milton Dial, who participated personally and substantially in the contract awarded to Mayberry starting in June 2003 by serving as the contracting officer's technical representative for 1.5 years until he retired in September 2004. Six months later, in March 2005, Dial began working for Mayberry, knowingly participating in communications and representations with MMS on behalf of Mayberry's company, Federal Business Solutions (FBS).

Ultimately, the contract could not have been created for Mayberry, nor could its funding have been increased to allow Dial's employment had it not been for the direct involvement of Denett. Denett personally orchestrated the creation of the contract with Mayberry, served on the Technical Proposal Evaluation Committee that rated FBS as "excellent," and personally sought the contract modification for increased funding that allowed Dial to start working for FBS in 2005.

Mayberry pled guilty to a felony based on his conduct in relation to the creation of the contract, and Dial pled guilty to a felony based on his employment under the contract. DOJ declined to prosecute Denett for her conduct.

Former MMS Chief of Information Systems Charged With Submitting False Vouchers and With Theft of Government Funds

Suzan Bacigalupi, a former chief of information systems, was charged on August 27, 2008, in a 4-count indictment by a Federal Grand Jury in the Eastern District of Louisiana, of making false statements and theft of government property. The indictment alleged that Bacigalupi knowingly submitted 2 government travel vouchers with fraudulent receipts, claiming she paid \$2,960 for lodging shortly after Hurricane Katrina.

Our investigation determined that Bacigalupi created two false lodging receipts and claimed the incurred charges for accommodations while on leave from September 12 through October 14, 2005. This investigation also determined that Bacigalupi actually resided at the home of a personal friend during that time and that she voluntarily paid her friend \$1,000 for the accommodations. Bacigalupi kept the remaining \$1,960 for herself.

A summons has been issued that requires Bacigalupi to appear before a U.S. Magistrate Judge and answer to the charges. This indictment is consistent with the zero tolerance position that DOJ has adopted in Hurricane Katrina cases.

Pacific Offshore Operators, Inc., Pleads Guilty

Concluding a multi-year investigation by OIG, working closely with MMS, Pacific Offshore Operators, Inc (Pacific), pled guilty in open court on May 19, 2008, to providing a false statement to MMS regarding gas lift line (GLL) usage in its offshore oil platform operation.

The GLL runs from an onshore processing plant to two oil rigging platforms located off the coast of Santa Barbara, California. In 1999, an independent test of the GLL discovered three areas where the walls had degraded 80 percent or more. On February 10, 2000, MMS told a Pacific supervisor that, based on test results, the GLL was unfit for service. Pacific learned that continued use would require the company to repair the line according to an approved MMS plan.

In October 2002, a former Pacific employee informed MMS that the GLL continued to be used to store gas during “upsets.” Subsequent MMS inspections and efforts during this investigation determined that the GLL continued to be used even though a Pacific supervisor claimed that company policy would not permit them to introduce gas into the GLL for any reason. Since the GLL had been deemed out of service, he saw no operational need to store gas in the GLL and, to the best of his knowledge, no such storage had occurred.

Pacific admitted to using the out-of-service GLL to store and transport natural gas, a knowing and willful violation of regulations and orders issued by the MMS and a violation of Title 43. On September 23, 2008, Pacific Operators Offshore, LLC, was sentenced to pay a \$450,000 criminal fine and serve a 5-year probationary period.

Water remains one of the world's most critical resources, reinforcing the need for careful stewardship, whether the focus is on offshore drilling precautions or water rights in the West.



National Park Service



NPS Scientist Misrepresents Research

In April 2007, Kevin and Nancy Lunny requested an investigation into the actions of Point Reyes National Seashore Superintendent Donald Neubacher. Specifically, the Lunny family, which owns and operates the Drakes Bay Oyster Company (DBOC) and the G Ranch, located within Point Reyes, alleged that Neubacher had undermined and interfered with their family's businesses and had slandered their family's name. Further, they believed that Neubacher and local environmentalists planned to shut down the family's oyster farm by crippling the family financially. We opened an investigation shortly after receiving these allegations.

During the OIG's investigation, we interviewed nearly 80 people from California, Colorado, Maine, and the Washington, D.C., area. We also conducted a voluntary search of the Point Reyes senior science advisor's office, retrieved and analyzed computer files from the superintendent's and the senior science advisor's government computers, and reviewed more than 1,100 documents and e-mail messages.

Our investigation determined that Point Reyes published a report on Drakes Estero, where the Lunny family farms oysters. The report contained several inaccuracies regarding the source of sedimentation in the estuary. After receiving complaints from Corey Goodman, a neurobiologist, NPS removed the report from its Web site on July 23, 2007. Two days later, it posted an "acknowledgement of errors" in its place.

Our investigation determined that in this report as well as in a newspaper article, Point Reyes Senior Science Advisor Sarah Allen misrepresented sedimentation research completed in the 1980s by U.S. Geological Survey scientist Roberto Anima. In addition, we determined that she failed to provide a copy of a germane e-mail message between Anima and herself in response to a FOIA request that specifically sought such correspondence and she stated in a public forum that NPS had more than 25 years of seal data from Drakes Estero when in fact this statement proved to be inaccurate.

While Allen denied any intentional misrepresentation of Anima's work, our investigation revealed that she had information that differed from her characterization of Anima's findings in the *Sheltered Wilderness Report* and other public releases. She also did nothing to correct the information before its release to the public. The results of our investigation were forwarded to NPS for the consideration of administrative action.

Harpers Ferry Center History Collection in Jeopardy

When an NPS investigator questioned accountability at the Harpers Ferry Center, we initiated an evaluation to determine whether the Center is adequately safeguarding museum property held in its trust. Some of the more significant collection items include Ansel Adams photographs, records and journals of Civil War General Abner Doubleday, and the first NPS uniforms. During our evaluation, we learned that:

- ◆ Lax security and poor physical conditions at storage facilities are compromising museum artifacts at the Harpers Ferry Center.
- ◆ Poor documentation hinders Center ability to detect damage, destruction, or loss of artifacts—such documentation includes accession records that lack detailed descriptions of accession content or fail to identify NPS ownership.
- ◆ Collection usefulness for purposes of research and cultural education is adversely affected by poor facility conditions and documentation.

We recommended that NPS stabilize the situation by moving collection items to a more environmentally secure facility. They also should consider the purpose of the history collection and who should have custody so as to preserve and promote its use. In addition, we recommended developing and implementing detailed plans to document and catalog collection items. If implemented, these actions should help reduce the possibility of damage, loss, or theft of the artifacts currently at risk.

Office XXXXX Terminated

On July 25, 2008, the NPS Office of Business and Finance XXXXXXXXXXXX XXXXXXXX* was removed from government service for abusing his government credit card. An audit of XXXXXX charge card usage between 2000 and 2007 left investigators unable to account for 82 charges. Of these 82 charges, 32 were determined to be fraudulent and in violation of NPS and DOI policy. They included personal expenditures for fuel, as well as cash withdrawals with no associated official business. XXXXX excessive misuse of his government charge card also included partial and late payments, in addition to delinquency charges and past-due billings.

*identity redacted due to a 2010 settlement agreement.

Ancient charcoal kilns in Death Valley National Park once transformed juniper and pine into coal.



Office of Insular Affairs



Medical Center Management Shirks Fiscal Responsibility

In this joint audit of the Roy Lester Schneider Regional Medical Center (Medical Center) in St. Thomas, Virgin Islands, the DOI-OIG and the Virgin Islands OIG found that the District Board (Board) shirked its fiscal responsibility in many ways. Most importantly, the Board colluded with senior Medical Center executives to divert Medical Center funds for personal gain, while fostering an environment of secrecy within an entity of the Government of the Virgin Islands (GVI).

Specifically, the Board awarded lucrative compensation packages to senior executives and allowed payments to the chief executive officer that exceeded employee contract amounts. The Board then kept the true amounts paid to these executives from the GVI executive and legislative branches, which based their oversight and scrutiny of Medical Center funding on faulty information.

Top level Medical Center executives also demonstrated fiscal irresponsibility when they used official credit cards for personal gain, used funds due to insurers, allowed patients and insurers to be overbilled for air ambulance services, and allowed contractual discounts to be inappropriately applied. In addition, they failed to exercise good judgment in approving credit card purchases and reimbursable expenses, determining the amount of refunds actually owed to patients and insurers, and maintaining proper controls over the processing of refunds.

The report includes six recommendations essential to continuing health care delivery, efficient use of funding, and restoration of trust in this public institution. The Governor of the Virgin Islands concurred with the recommendations and has initiated the steps necessary to correct the deficiencies noted in this report. These steps include removing five Board members and terminating the Medical Center's chief executive and chief financial officers. An ongoing criminal investigation stemming from the report has resulted in the arrest of two former executive officers, the former chief financial officer, and the former Board chairperson.

Insular Areas Hospital Report Leads To Increased Awareness

In December 2007, at the annual meeting between the DOI-OIG and the Public Auditors for insular area islands, the group decided to undertake a joint evaluation of health care and its delivery in the U.S. territories and compact nations. Interviews of health care officials and providers in seven insular locations began in June 2008, as the OIG and public auditors worked together to capture “snapshots” of the conditions affecting health care delivery in these unique geographic locations.

Conditions proved to be shocking as we discovered that the insular areas are unable to provide comprehensive health care services to their citizens. The islands’ extremely remote locations and less competitive physician salaries stand as significant obstacles to physician recruitment and to maintaining adequate staffing levels. Sizeable nursing vacancies stretch the workdays and eliminate vacation time for nursing staff. Specialty physicians, who sometimes serve as the only one of their kind for an island’s entire population, are on call 24 hours a day, 7 days a week, year round.

This significant shortage of nurses, physicians, and specialists creates an environment where critically ill patients have to board planes and cross thousands of miles of ocean to obtain medical services.

Some facilities continuously struggle to cover the monumental costs of air transport for off-island medical services; others are forced to leave this expense to their patients.

It is not only staffing levels that fall short for insular areas’ hospitals. Medical supplies, such as IV pumps, incubator lights, bedside commodes and even gloves, are available in such limited quantities that nurses and physicians must sometimes purchase them with their own money. Medical equipment is antiquated and unreliable.

Understanding that no simple solution could lend itself to correct the startling trends we observed, the September 2008 report, *Insular Area Health Care: ‘At the Crossroads of a Total Breakdown,’* recommended five areas of focus: the shortage of fundamental supplies and equipment, inadequate management of patient records, staffing shortages, inadequate and damaged infrastructure, and inappropriate disposal of biohazardous waste.

As a basis for meaningful discussion and development of long-term solutions, the report was part of the discussion at a health care summit on

September 28, 2008, hosted by Secretary of the Interior Dirk Kempthorne. The Secretary was joined by senior federal officials including the Secretary for Veterans Affairs James B. Peake, M.D., Under Secretary of Defense for Personnel and Readiness David S. Chu, and Health and Human Services Assistant Secretary for Health Joxel Garcia, M.D., in a Joint Statement of Resolve, confirming their commitment to improve health care services in the insular areas.

From this summit a task force known as the Interagency Coordinated Assets for Insular Health Response was also formed. This task force is set to be a sub-working group of the Interagency Group on Insular Areas, established by President Bush in May 2003.

Colorful beauty of the Insular Areas reflected in this Bird of Paradise does not diminish the challenge living in these areas represents to island peoples.



U.S. Fish and Wildlife Service



Employee Pays Restitution After Resigning

On March 8, 2008, Deborah A. Pasha, an administrative support assistant at the Green Lake National Fish Hatchery in Ellsworth, Maine, resigned her position following allegations of government credit card misuse. Pasha is in the process of repaying approximately \$6,800 to the government. An investigation of Pasha's actions supported allegations that she used the government charge card assigned to an agency vehicle leased from GSA to purchase fuel for her own car. She also misused her government charge card and purchase authority to buy personal items and services.

U.S. Geological Survey



Facility Manager Resigns

On August 6, 2008, Steven T. Castille, the facility manager of the National Wetlands Research Center in Lafayette, Louisiana, left government service following allegations of cyberstalking. The Lafayette Parish Sheriff's Office contacted investigators regarding Castille's alleged stalking of a female resident. A forensic examination of computer equipment seized during the execution of search warrants supported the allegations. The termination process began after the U.S. Attorney's Office accepted the criminal case. Castille resigned in lieu of termination. Prosecution is pending.

USGS Evaluated On Progress

OIG evaluated USGS progress made toward implementing IT security corrective actions recommended during Fiscal Year 2007. At that time, we issued a report containing seven recommendations. USGS reported one recommendation had been resolved and six remained open. Our testing verified that the vulnerabilities identified by our office had been mitigated. However, similar vulnerabilities existed elsewhere. Testing determined that USGS' vulnerability management efforts may not be sufficient to detect all vulnerabilities. In addition, we were unable to verify USGS' progress implementing intrusion detection capabilities since our testing activities were monitored by USGS, which misrepresented their ability to detect our scanning. We concluded that USGS had made little progress implementing OIG recommendations, and had attempted to deceive us regarding its implementation of one recommendation.

Robert Thom Sentenced

Robert Thom, a USGS Information Technology specialist in San Diego, California, was arrested on August 23, 2007, for allegedly submitting false and forged documents, claiming that he suffered from a malignant brain tumor. He did this in order to apply for and receive 995 hours of annual leave from the Federal Voluntary Leave Transfer Program. Misled by Thom's false medical documents, the USGS placed him on its national donation list from December 14, 2006, through August 23, 2007, so that Thom could receive donations of annual leave from all USGS employees. Thirty USGS employees, including 10 outside of California, donated their annual leave, worth \$40,550, so that Thom could continue to receive his federal salary and benefits.

Thom was indicted on September 6, 2007, by a Federal Grand Jury in the U.S. District Court for the Eastern District of California on 10 counts of wire fraud. Then, on December 6, 2007, he appeared in the U.S. District Court, Eastern California, where he pled guilty. On May 9, 2008, he was sentenced in connection with his guilty plea to 12 months of imprisonment, 36 months of probation, and \$35,329 in restitution. Also, in September 2007, Thom's employment with the USGS was terminated.

Appendices



STATISTICAL HIGHLIGHTS

Investigative Activities

Cases Closed	220
Cases Opened	194
Hotline Complaints/Inquiries Received	72

Criminal Prosecution Activities

Indictments/Informations	10
Convictions	11
Sentencings	14
- Jail	464 months
- Fines	\$455,000
- Criminal Restitutions	\$3,635,067
- Probations	492 months
- Community Service	2500 hours
- Special Assessments	\$3,950
Criminal Matters Referred for Prosecution	32
Criminal Matters Declined This Period	47

Civil Investigative Activities

Civil Referrals	3
Civil Declinations	7

Administrative Investigative Activities

Removals	2
Downgrades	1
Resignations/Retirements	8
Suspensions	1 (10 days)
Reprimands/Counseling	13
Reassignments/Transfers	2
General Policy Actions	19
Administrative Recoveries	\$15,015
Bureau Non-Responsive*	14

* 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	44
Performance Audits, Financial Audits, Evaluations, and Verifications	29
Contracts and Grant Audits	13
Single Audit Quality Control Reviews	2

Audit and Evaluation Impacts

Total Monetary Impacts	\$21,768,935
Questioned Costs (includes unsupported costs)	\$4,089,140
Recommendations That Funds Be Put to Better Use	\$10,779,905
Lost or Potential Additional Revenues	\$203,288
Wasted Funds*	\$6,696,602
Audit and Evaluation Recommendations Made	147
Audit and Evaluation Recommendations Resolved	360

* Wasted Funds is a category used to classify funds that were wasted and cannot be recovered.



Reports Issued During the Six-Month Reporting Period

This listing includes all reports issued during the 6-month period that ended September 30, 2008. It provides report number, title, issue date, and monetary amounts identified in each report (* *Funds To Be Put To Better Use*, ** *Questioned Cost*, *** *Unsupported Cost*, **** *Lost or Potential Additional Revenues*, and ***** *Wasted Funds*).

Audits, Evaluations, and Verifications

Bureau of Indian Affairs

Q-IN-BIA-0005-2007	Bureau of Indian Education Background Investigations (04/25/2008)
NM-IS-BIA-0002-2008	Inspection of the Implementation of the Motor Vehicle Operation Policy, Bureau of Indian Affairs (07/31/2008)
NM-EV-BIE-0001-2008	Evaluation of Controls to Prevent Violence at Bureau of Indian Education Operated Education Facilities (08/01/2008)
NM-IS-BIA-0004-2008	Advisory Report - Motor Vehicle Operation Policy and Tribal Contractors (08/25/2008)

Bureau of Land Management

WR-VS-BLM-0001-2008	Verification Review of Seven Recommendations Considered Implemented From Our February 2004 Report Audit of Oil and Gas Permitting Process, Bureau of Land Management (05/30/2008)
WR-IV-BLM-0003-2008	Immediate Action Needed to Stop the Inappropriate Use of Cooperative Agreements in BLM's Helium Program (08/19/2008)

Departmental Offices

X-IN-OSS-0007-2008	Management Letter Concerning Issues Identified During the Audit of the Departmental Offices Financial Statements for Fiscal Years 2007 and 2006 (06/18/2008)
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W-EV-OSS-0006-2008 Letter to Senator Baucus and Memorandum to Secretary of the Interior on Recommendations Stemming from Congressional Request Regarding the Montana Fish and Wildlife Conservation Trust (08/07/2008)

Minerals Management Service

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

Multi-Office Audits

C-VS-MOA-0003-2008 Review to Verify the Implementation of the Six Recommendations Contained in the Evaluation Report Titled *Department of the Interior Workers' Compensation Program* (E-IN-MOA-0008-2004) (05/16/2008)

W-EV-MOI-0003-2008 Interior Misstated Achievement of Small Business Goals by Including Fortune 500 Companies (07/01/2008)

C-IN-MOA-0004-2007 Abandoned Mine Lands in the Department of the Interior (07/22/2008)

Y-EV-MOA-0003-2008 Absent Immediate Action the Department of the Interior Faces Looming Leasing Crisis (07/31/2008)

C-IN-MOA-0005-2008 Survey of the Department of the Interior's Recreational Fees (08/28/2008)

C-IN-MOA-0006-2007 DOI's Hurricane Rebuilding Efforts (09/03/2008)
****\$153,000

X-ST-MOI-0018-2008 Inspector General's Statement Summarizing the Major Management and Performance Challenges Facing the Department of the Interior for Fiscal Year 2008 (09/29/08)

National Park Service

C-VS-NPS-0004-2008 Review to Verify Implementation of the Two Recommendations Contained in the Evaluation Report Titled *Administration of the Chesapeake Bay Gateways Network and Grant Program, National Park Service* (W-IN-NPS-0006-2005) (04/30/2008)

B-EV-NPS-0007-2008	DC Water and Sewer Payment – 2nd Quarter 2008 (06/02/2008)
W-EV-NPS-0007-2008	Close Out of the Evaluation of the National Park Service – Washington Contracting Office’s Contracting for Private Sector Temporaries (06/18/2008)
Y-EV-NPS-0004-2008	History Collection in Jeopardy at Harpers Ferry Center (07/25/2008)
B-EV-NPS-0012-2008	DC Water and Sewer Payment - 3rd Quarter 2008 (08/05/2008)
C-VS-NPS-0002-2008	Review to Verify the Implementation of the Six Recommendations Contained in the Audit Report Titled <i>Modified Water Deliveries to Everglades National Park</i> (C-IN-MOA-0006-2005) (08/15/2008)

Office of Insular Affairs

V-EV-VIS-0001-2008	Verification of Watch Quota and Jewelry Quota Data for Calendar Year 2007 Submitted by Firms Located in the U.S. Virgin Islands (04/10/2008)
W-VS-OIA-0008-2007	Verification Review of Five Recommendations From our May 2005 Audit Report Grants for Waste Disposal Projects, Department of Public Works, Government of the Virgin Islands (V-IN-VIS-0072-2004) (07/02/2008)
HI-EV-OIA-0001-2008	Insular Area Health Care At The Crossroads of a Total Breakdown (09/09/2008)
V-IN-VIS-0001-2007	Administrative Functions, Roy Lester Schneider Regional Medical Center, Government of the Virgin Islands (07/28/2008) *\$9,893,400 **\$3,639,900 *****\$1,706,500

U.S. Fish and Wildlife Service

Y-RR-FWS-0012-2007	Program Assessment Rating Tool Progress Evaluation - U.S. Fish and Wildlife Service Migratory Bird Management and Conservation Program (04/14/2008)
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Y-RR-FWS-0007-2007	Program Assessment Rating Tool Progress Evaluation - U.S. Fish and Wildlife Service Endangered Species Program (06/03/2008)
B-EV-FWS-0014-2008	Management Advisory – Clarification Needed on Reporting Barter Transactions Conducted Under U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants (08/06/2008)

Contract and Grant Audits

National Park Service

K-CX-NPS-0001-2008	Audit of the Great Basin Heritage Area Partnership Financial Management System Under National Park Service Cooperation Agreement H8420070043 (07/29/2008)
K-CX-NPS-0002-2008	Agreed Upon Procedures Between the Office of Inspector General and National Park Service for the Review of Seven Resorts, Inc., Under National Park Service Concession Contract CC-LAME003-74 (09/26/2008)

Office of the Special Trustee

Q-CX-MOA-0001-2007	Management Advisory - Review of Office of the Special Trustee for American Indians Requisition 76030070002 (06/27/2008)
Q-CX-MOA-0005-2006	Chavarria, Dunne, and Lamey LLC Contract Deliverables (06/27/2008) **\$136,100 *****\$4,990,102

U.S. Fish and Wildlife Service

R-GR-FWS-0017-2007	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Louisiana, Department of Wildlife and Fisheries, From July 1, 2004, Through June 30, 2006 (04/29/2008)
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R-GR-FWS-0013-2007	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Vermont, Agency of Natural Resources, Fish and Wildlife Department, From July 1, 2004, Through June 30, 2006 (06/03/2008) ***\$8,809
R-GR-FWS-0002-2008	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Florida Fish and Wildlife Conservation Commission From July 1, 2005, Through June 30, 2007 (06/05/2008)
R-GR-FWS-0007-2007	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Alaska, Department of Fish and Game, From July 1, 2004, Through June 30, 2006 (06/23/2008) **\$61,677
R-GR-FWS-0015-2007	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of New York, Department of Environmental Conservation, Division of Fish, Wildlife and Marine Resources, From April 1, 2005, Through March 31, 2007 (06/27/2008) *\$20,537 **\$32,506
R-GR-FWS-0014-2007	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Tennessee, Wildlife Resources Agency, From July 1, 2004, Through June 30, 2006 (07/02/2008) *\$846,283 **\$153,360
R-GR-FWS-0018-2007	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Indiana, Department of Natural Resources, Division of Fish and Wildlife, From July 1, 2004, Through June 30, 2006 (07/29/2008) *\$19,685 **\$52,154 ***\$4,634 *****\$50,288
R-GR-FWS-0004-2008	U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Montana, Department of Fish, Wildlife and Parks, From July 1, 2005, Through June 30, 2007 (08/04/2008)

R-GR-FWS-0005-2008 U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Wyoming, Game and Fish Department, From July 1, 2005, Through June 30, 2007 (09/26/2008)

Single Audit Quality Control Reviews

B-QC-MOA-0008-2008 Joseph Eve CPA Audit of Oglala Sioux Tribe for the Year Ended December 31, 2004 (07/15/2008)

B-QC-MOA-0011-2008 Mikunda Cottrell Audit of Bristol Bay Native Association for the Year Ended September 30, 2006 (07/15/2008)



Monetary Impact of Audit and Evaluation Activities During the Reporting Period

Activity	Questioned Costs*	Funds To Be Put To Better Use	Potential Additional Revenue	Wasted Funds	Total
Insular Affairs	\$3,639,900	\$9,893,400	0	\$1,706,500	\$15,239,800
Multi-Office	0	0	\$153,000	0	\$153,000
Office of Special Trustee for American Indians	\$136,100	0	0	\$4,990,102	\$5,126,202
U.S. Fish and Wildlife Service	\$313,140	\$886,505	\$50,288	0	\$1,249,933
Total	\$4,089,140	\$10,779,905	\$203,288	\$6,696,602	\$21,768,935

*Unsupported costs are included in questioned costs.

Non-Federal Funding Included in Monetary Impact of Audit and Evaluation Activities During the Reporting Period

V-IN-VIS-0001-2007

Administrative Functions, Roy Lester Schneider Regional Medical Center, Government of the Virgin Islands, dated July 28, 2008. The report identified \$15,239,800 as monetary impact, consisting of \$3,639,900 questioned costs, \$9,893,400 funds to be put to better use, and \$1,706,500 wasted funds. All of the funds were Insular funds.



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.	39	\$17,548,429	\$6,635,834
B. Which were issued during the reporting period.	6	\$449,240	\$13,443
Total (A+B)	45	\$17,997,669	\$6,649,277
C. For which a management decision was made during the reporting period.	9	\$2,986,105	\$1,380,064
(i) Dollar value of recommendations that were agreed to by management.	6	\$1,623,051	\$783,819
(ii) Dollar value of recommendations that were not agreed to by management.	3	\$1,363,054	\$596,245
D. For which no management decision had been made by the end of the reporting period.	36	\$15,011,564	\$5,269,213
E. For which no management decision was made within 6 months of issuance.	31	\$14,624,001	\$5,255,770

*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.	17	\$28,181,391
B. Which were issued during the reporting period.	3	\$886,505
Total (A+B)	20	\$29,067,896
C. For which a management decision was made during the reporting period.	5	\$13,004,328
(i) Dollar value of recommendations that were agreed to by management.	3	\$2,778,600
(ii) Dollar value of recommendations that were not agreed to by management.	2	\$10,225,728
D. For which no management decision had been made by the end of the reporting period.	15	\$16,063,568
E. For which no management decision was made within 6 months of issuance.	12	\$15,177,063

Monetary Resolution Activities

**Table III: Inspector General Reports
With Lost or Potential Additional Revenues**

	Number of Reports	Dollar Value
A. For which no management decision had been made by the commencement of the reporting period.	3	\$40,325,640
B. Which were issued during the reporting period.	2	\$203,288
Total (A+B)	5	\$40,528,928
C. For which a management decision was made during the reporting period.	0	0
(i) Dollar value of recommendations that were agreed to by management.	0	0
(ii) Dollar value of recommendations that were not agreed to by management.	0	0
D. For which no management decision had been made by the end of the reporting period.	3	\$40,528,928
E. For which no management decision was made within 6 months of issuance.	3	\$40,325,640

Monetary Resolution Activities

**Table IV: Inspector General Reports
With Wasted Funds**

	Number of Reports	Dollar Value
A. For which no management decision had been made by the commencement of the reporting period.	2	\$28,856,706
B. Which were issued during the reporting period.	1	\$4,990,102
Total (A+B)	3	\$33,846,808
C. For which a management decision was made during the reporting period.	1	\$4,990,102
(i) Dollar value of recommendations that were agreed to by management.	1	0
(ii) Dollar value of recommendations that were not agreed to by management.	0	\$4,990,102
D. For which no management decision had been made by the end of the reporting period.	2	\$28,856,706
E. For which no management decision was made within 6 months of issuance.	2	\$28,856,706

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, 2008, and still pending a management decision. It provides report number, title, issue date, number of unresolved recommendations, and unresolved amount of monetary benefits identified in the report.

Audits and Evaluations

Bureau of Indian Affairs

C-IN-BIA-0008-2007	Flash Report - Bureau of Indian Affairs and Bureau of Indian Education: Schools in Need of Immediate Action (05/31/2007); 3 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

Multi-Office Audits

X-IN-MOA-0018-2005	FY2005 Department of the Interior Purchases Made on Behalf of the Department of Defense (01/09/2007); 2 Recommendations
W-IN-MOA-0086-2004	Proper Use of Cooperative Agreements Could Improve Interior's Initiatives for Collaborative Partnerships (01/31/2007); 3 Recommendations
X-IN-MOA-0012-2007	Independent Auditors' Report on the Department of the Interior Financial Statements for Fiscal Years 2007 and 2006 (11/13/2007); 1 Recommendation
W-EV-MOA-0001-2007	Sole Source Contracting: Culture of Expediency Curtails Competition in Department of the Interior Contracting (02/08/2008); 3 Recommendations
C-IN-MOA-0011-2006	Health and Safety Concerns at Department of the Interior's Facilities (03/26/2008); 6 Recommendations

National Park Service

X-IN-NPS-0017-2006	Independent Auditors' Report on the National Park Service's Financial Statements for Fiscal Years 2006 and 2005 (02/08/2007); 4 Recommendations
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

Office of the Secretary

X-IN-OSS-0016-2006	Independent Auditors' Report on the Departmental Offices' Financial Statements for Fiscal Years 2006 and 2005 (02/05/2007); 2 Recommendations
X-IN-OSS-0014-2007	Independent Auditors' Report on the Departmental Offices' Financial Statements for Fiscal Years 2007 and 2006 (01/28/2008); 1 Recommendation

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); 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

Contracts and Grants

National Park Service

2000-E-0607	Costs Billed By Harrison & Palmer, Inc., From April 1, 1996, Through June 23, 1999, Under National Park Service Contract 143CX300094906 (08/08/2000); 1 Recommendation; \$52,703 Unresolved
2000-E-0706	Audit of Costs Billed by Southern Insulation, Inc., From November 21, 1994, Through June 1, 1999, Under National Park Service Contract 1443CX300094906 (09/29/2000); 1 Recommendation; \$86,262 Unresolved
2001-E-0035	Audit of Costs Billed by Callas Contractors, Inc., From January 1, 1997, Through June 1, 1999, Under National Park Service Contract 1443CX300094906 (11/07/2000); 1 Recommendation; \$16,425 Unresolved
2001-E-0036	Audit of Costs Billed by Capitol Mechanical Contractors, Inc., From January 1, 1997, Through June 1, 1999, Under National Park Service Contract 1443CX300094906 (11/07/2000); 1 Recommendation; \$98,194 Unresolved
2001-E-0244	Audit of Costs Billed by E.M.S. Consultants, Inc., From May 1, 1996, Through June 1, 1999, Under National Park Service Contract 1443CX300094906 (02/27/2001); 1 Recommendation; \$327,330 Unresolved
2001-E-0336	Audit of Costs Billed by JCM Control Systems, Inc. From January 1, 1994, Through July 16, 1999, Under National Park Service Contract 1443CX300094906 (04/23/2001); 1 Recommendation; \$109,865 Unresolved

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 (03/21/2004); 1 Recommendation
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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-0014-2004	U.S. Fish and Wildlife Service Federal Assistance Grants Administered by the Commonwealth of Puerto Rico, Department of Natural and Environmental Resources, From July 1, 2001, Through June 30, 2003 (09/19/2005); 9 Recommendations; \$38,577 Unresolved
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; \$519,469 Unresolved
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; \$553,977 Unresolved



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); 6 Recommendations

Bureau of Land Management

2000-I-0377	Native American Graves Protection and Repatriation Activities Bureau of Land Management (05/05/2000); 1 Recommendation
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); 6 Recommendations

Bureau of Reclamation

1999-I-0133 Audit Report on the Identification of Unneeded
Acquired Lands (12/21/1998);
1 Recommendation

Minerals Management Service

X-IN-MMS-0010-2005 Independent Auditors' Report on the Minerals
Management Service's Financial Statements for
Fiscal Years 2005 and 2004 (12/08/2005);
1 Recommendation

Multi-Office Audits

E-IN-MOA-0008-2004 Department of the Interior Workers' Compensa-
tion Program (05/09/2005); 3 Recommendations

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

W-IN-MOA-0002-2005 Hazardous Fuels Reduction Program,
Department of the Interior (04/17/2006);
1 Recommendation

X-IN-MOA-0018-2005 FY2005 Department of the Interior Purchases
Made on Behalf of the Department of Defense
(01/09/2007); 3 Recommendations

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

W-IN-MOA-0008-2005 Private Uses of Public Lands, National Park
Service and Bureau of Land Management
(04/10/2007); 6 Recommendations

X-IN-MOA-0012-2007 Independent Auditors' Report on the Department
of the Interior Financial Statements for Fiscal
Years 2007 and 2006 (11/13/2007);
2 Recommendations

X-IN-MOA-0006-2008 Management Letter Concerning Issues Identified
During the Audit of the Department of the Inte-
rior Financial Statements for Fiscal Years 2007
and 2006 (02/15/2008); 12 Recommendations

Y-EV-MOA-0001-2008	Controls Over the Transit Benefit Program at the Department of the Interior (03/18/2008); 5 Recommendations
C-IN-MOA-0011-2006	Health and Safety Concerns at Department of the Interior's Facilities (03/28/2008); 6 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
C-IN-NPS-0013-2004	The National Park Service's Recording of Facility Maintenance Expenditures (01/26/2005); 2 Recommendations
X-IN-NPS-0009-2005	Independent Auditors' Report on the National Park Service's 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); 5 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); 6 Recommendations
C-IN-NPS-0007-2007	Flash Report - National Park Service: Hazardous Condition of Yosemite's Wawona Tunnel Endangers Lives (06/20/2007); 3 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);
11 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

U.S. Fish and Wildlife Service

1997-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);
3 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

Summary of Insular Area Reports With Open Recommendations More Than 6 Months Old

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.

Federated States of Micronesia

P-EV-FSM-0001-2007	Kosrae State, Federated States of Micronesia: Property Accountability Process Needs to be Improved (10/17/2007); 5 Recommendations
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Northern Mariana Islands

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); 4 Recommendations
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P-GR-NMI-0004-2005	Evaluation of Office of Insular Affairs Oversight of Capital Improvement Projects, Commonwealth of the Northern Mariana Islands (06/08/2007); 3 Recommendations; \$1,240,144
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U.S. Virgin Islands

V-IN-VIS-0004-2005	Controls Over Video Lottery Terminal Operations, Government of the Virgin Islands (06/08/2007); 2 Recommendations
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V-IN-VIS-0011-2006	Collection of Outstanding Taxes and Fees, Government of the Virgin Islands (01/10/2008); 3 Recommendations
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*N/A: Not applicable to this reporting period

Contact Us

By Mail

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

By Internet

www.doioig.gov

By Phone

202.208.4618

By Fax

202.208.6062

