



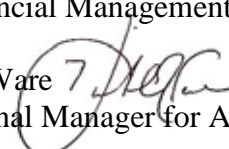
OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

September 16, 2013

Memorandum

To: Rhea Suh  
Assistant Secretary for Policy, Management and Budget

Attention: Eric Eisenstein  
Division Chief, Internal Control and Audit Follow-up  
Office of Financial Management

From: Hannibal M. Ware   
Eastern Regional Manager for Audits, Inspections, and Evaluations

Subject: Verification Review – Verify Implementation of Recommendation in the “U.S. Department of the Interior Program Startup Inspection: Bureau of Reclamation WaterSMART Grant Program” (Report No. ER-IS-BOR-0012-2011)  
Report No. VI-VS-BOR-0006-2013

The U.S. Department of the Interior (DOI), Office of Inspector General (OIG), completed a verification review of the one recommendation presented in the subject report. Our objective was to determine whether the Bureau of Reclamation (USBR) implemented the recommendation as reported to the Office of Financial Management (PFM), Office of Policy, Management and Budget. Our review determined that the recommendation is resolved and implemented.

**Background**

The November 10, 2011 report, “U. S. Department of the Interior Program Startup Inspection: Bureau of Reclamation WaterSMART Grant Program,” contained one recommendation focused on management of the grant program to ensure continuity should personnel changes occur.

In a December 9, 2011 memorandum to OIG, USBR concurred with the recommendation, agreeing to develop Directives and Standards (D&S) to provide clear, internal guidance on program requirements and procedures for the WaterSMART Grant Program. On December 15, 2011, we referred the recommendation to PFM for implementation tracking. PFM reported on September 13, 2012, that USBR had implemented the recommendation, and PFM subsequently closed the recommendation.

**Scope and Methodology**

Our scope was limited to determining whether USBR implemented the recommendation. We reviewed the supporting documentation provided by USBR officials. We did not perform any site visits or conduct fieldwork to determine whether the underlying deficiencies that were

initially identified have actually been corrected. As a result, this review was not conducted in accordance with the Generally Accepted Government Auditing Standards or the Quality Standards for Inspection and Evaluation as put forth by the Council of the Inspectors General on Integrity and Efficiency.

## **Results of Review**

USBR implemented the recommendation as indicated by its closure.

**Recommendation 1:** The Director of the Bureau of Reclamation should develop and implement clear internal programmatic policies and procedures that focus on managing the grant program to ensure continuity if personnel changes occur.

**Action Taken:** USBR developed a temporary D&S establishing Bureauwide policies and procedures focused on management of the WaterSMART grant program, including establishment of uniform requirements to promote consistency and efficiency in program implementation. The temporary D&S had the full force of a permanent D&S and became official policy on August 14, 2013. We consider the recommendation resolved and implemented.

## **Conclusion**

We informed USBR officials of the results of this review at an exit conference on August 26, 2013. USBR officials agreed with the results.

cc: Michael Connor, Commissioner, Bureau of Reclamation  
Rosa (Elaine) Ferrari, Audit Liaison Coordinator, Bureau of Reclamation  
Patrick McHugh, Staff Accountant, Office of Financial Management  
Nancy Thomas, Audit Liaison, Office of the Secretary