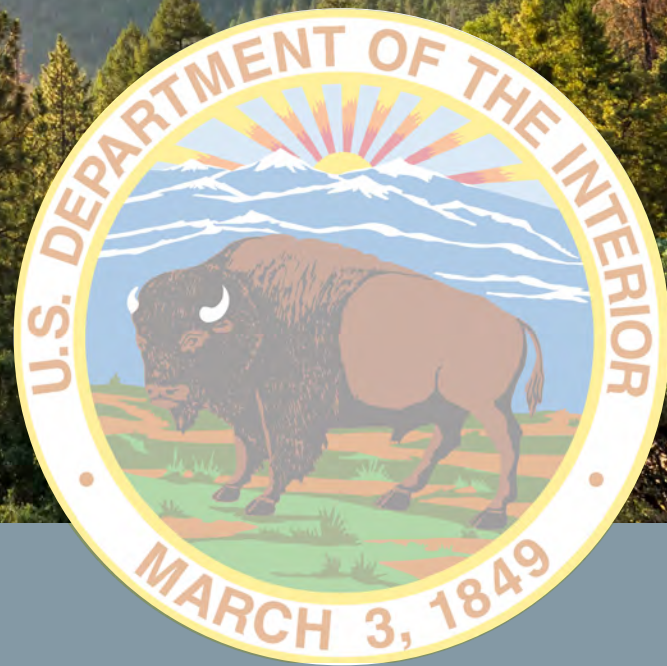




OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR



Management Advisory




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

FEB 13 2025

Memorandum

To: Andrea L. Brandon
Deputy Assistant Secretary, Budget, Finance, Grants and Acquisition

From: Kathleen Sedney 
Assistant Inspector General for Audits, Inspections, and Evaluations

Subject: Final Management Advisory – *Risks Identified for U.S. Department of the Interior Grants Awarded to the Illinois Department of Natural Resources*
Report No. 2024-CGD-030

This management advisory highlights the risks associated with the U.S. Department of the Interior (DOI) awarding grants to the Illinois Department of Natural Resources (IDNR). Our ongoing audit of IDNR's use of Wildlife and Sport Fish Restoration Program (WSFR) funds from the U.S. Fish and Wildlife Service (FWS) found significant financial mismanagement and internal control deficiencies. These issues raise the concern that other DOI funds awarded to IDNR could potentially be mismanaged, including grants awarded under the Infrastructure Investment and Jobs Act (IIJA) for remediating abandoned mine lands and orphaned wells across the State. In fact, between fiscal years (FYs) 2021 and 2023, DOI awarded \$288 million in grants to IDNR for these remediation efforts alone. We are issuing this management advisory to notify you of the issues found with IDNR's internal controls for financial management and DOI's risk assessment process so that you can take appropriate actions to safeguard Federal funds.

Recent Audits of IDNR

FWS awarded approximately \$68.4 million in WSFR grants to IDNR from FY 2021 to FY 2023 to conserve, restore, and manage wildlife and sport fish resources.

During our ongoing audit, we found that for State FYs 2021 and 2022, IDNR did not comply with significant Federal regulatory requirements. This occurred because of insufficient financial management internal controls, most notably the removal of IDNR's legacy accounting system in December 2019 without establishment of a suitable replacement.

Consequently, IDNR did not properly (1) budget for WSFR grants, (2) track WSFR expenditures, and (3) request reimbursement on its WSFR grants via the drawdown process. These shortcomings led to systemic errors and inaccuracies in reporting the use of WSFR funds. For example, IDNR underused \$8.7 million in available Federal funding for four of its WSFR grants in State FYs 2021 and 2022 because it was not able to properly identify costs associated with its Federal awards. Had IDNR known the actual costs incurred on these grants and had adequate processes in place, it could have allocated resources to other conservation activities such as other WSFR grant objectives.

IDNR's insufficient financial management internal controls combined with a lack of documented guidance and oversight exacerbated these issues, ultimately impeding effective grant management and critical conservation efforts.

The Illinois Auditor General identified similar concerns with IDNR's internal controls. Its most recent compliance examination of IDNR¹ revealed 37 significant findings including major material weaknesses² related to inadequate control over accounts receivable, preparation of monthly reconciliations, voucher processing, and petty cash management. These weaknesses highlight deficiencies in IDNR's financial management, such as the usefulness and reliability of financial information and errors not being corrected in a timely manner due to a lack of monthly reconciliations. The Illinois Auditor General's compliance examination also included significant deficiencies³ in managing State awards and grants, payroll, and the Enterprise Resource Planning System, which IDNR uses for grants management and financial reporting. These issues increase the likelihood of inaccurate and untimely financial information, which can lead to inefficient use of funds. For example, IDNR's mishandling of State awards and grants raises the risk of fund misuse, undetected errors, and noncompliance with grant agreements. Further, many of these findings were recurring with some dating back to before 2010. The deficiencies led to an adverse opinion⁴ of the IDNR's internal controls. In our experience, adverse opinions are particularly uncommon for State compliance audits, so this compliance examination opinion further demonstrates the unique risks with IDNR in managing its Federal awards.

Additionally, in accordance with 2 C.F.R. § 200.501(a), a non-Federal entity that expends \$750,000 or more in Federal awards during the entity's fiscal year must have a single audit conducted annually, which includes an audit of both the entity's financial statements and compliance with Federal award requirements. Auditors conducting single audits are required to use a risk-based approach to determine which State programs are considered major programs and are therefore subject to the single audit. The issues identified by the single audit were similar to those discussed above, namely issues affecting IDNR's ability to manage its WSFR funds. While the most recent single audit report⁵ did not identify any IDNR programs as major programs, it identified problems that were generally attributed to the absence of a fully implemented enterprisewide accounting system with proper Statewide grants management functionality. The audit report findings included one disclaimer of opinion,⁶ one adverse opinion, and 12 qualified opinions⁷ for 14 programs reviewed, as well as 34 audit findings.

DOI Funds at Risk

WSFR is a well-established program that has been operating for over 85 years. Its FWS staff regularly engages with State counterparts who are likewise familiar with the program and its requirements. In light of IDNR's challenges in managing WSFR grants, its internal control shortcomings raise concerns about its ability to manage funding from less mature DOI grant programs.

To help DOI understand the magnitude of Federal funds potentially at risk, Figure 1 contains a summary of DOI grants awarded to IDNR from FY 2021 through FY 2023. We found that over \$288 million was awarded to IDNR during this time through four awarding agencies: FWS, the National Park Service (NPS), the Office of Surface Mining Reclamation and Enforcement (OSMRE), and the Orphaned Wells Program Office (OWPO).

¹ *State of Illinois Department of Natural Resources State Compliance Examination for the Two Years Ended June 30, 2022*, released in July 2023.

² A material weakness in internal control is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material noncompliance with the specified requirements will not be prevented or detected and corrected on a timely basis.

³ A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis.

⁴ An adverse opinion in a compliance audit means that the auditors concluded that errors, misstatements, and/or omissions are so significant and pervasive the agency did not comply with the assertions comprising a compliance examination.

⁵ *State of Illinois Single Audit Report for the Year Ended June 30, 2022*, released in December 2023.

⁶ A disclaimer of opinion is issued by auditors when they have restrictions on the scope of audit, such as an inability to obtain sufficient appropriate audit evidence or an inadequacy of accounting records.

⁷ A qualified opinion or adverse opinion is issued by an auditor when material instances of noncompliance related to a major program are detected. The greater the materiality of noncompliance, the likelier the opinion should be adverse as opposed to qualified.

Figure 1: Summary of DOI Grants Awarded to IDNR From FY 2021 Through FY 2023

Program	Awarding Agency	Awarded	Expended
Abandoned Mine Land Reclamation	OSMRE	\$116,078,056	\$46,621,289
Wildlife and Sport Fish Restoration Program	FWS	\$68,425,335	\$77,354,583
Great Lakes Restoration Initiative	FWS	\$34,865,226	\$17,372,150
Energy Community Revitalization Program	OWPO	\$25,000,000	\$0
Outdoor Recreation Acquisition, Development and Planning	NPS	\$15,048,161	\$3,085,200
Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining	OSMRE	\$9,833,727	\$9,795,607
Fish and Aquatic Conservation - Aquatic Invasive Species	FWS	\$8,369,623	\$4,018,520
State Wildlife Grants	FWS	\$5,422,591	\$5,089,102
Historic Preservation Fund Grants-In-Aid	NPS	\$4,424,925	\$5,548,287
Cooperative Endangered Species Conservation Fund	FWS	\$248,667	\$299,011
Clean Vessel Act	FWS	\$195,205	\$0
Endangered Species Recovery Implementation	FWS	\$102,413	\$0
White-Nose Syndrome National Response Implementation	FWS	\$53,331	\$81,481
Total		\$288,067,260	\$169,265,229

Source: DOI Office of Inspector General (OIG) created with data from DOI's Financial and Business Management System

As evidenced by our WSFR audit, IDNR has struggled to effectively manage WSFR grants due to its lack of policies, procedures, and defined job responsibilities; insufficient supervisory oversight and segregation of duties; and lack of communication about and ownership of processes. IDNR is one of the top five recipients of funding from the following DOI programs: Abandoned Mine Land Reclamation (AML), Great Lakes Restoration, Energy Community Revitalization (orphaned wells), and Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining. We also found that approximately one-third of the DOI grant funds received by IDNR is for IIJA programs that have expanded IDNR's responsibilities, provided a substantial increase in funding, or both.

While the Federal orphaned wells and AML programs have existed for years, both have expanded significantly in recent years.⁸ The Federal orphaned wells program's responsibilities grew under the IIJA to provide States with IIJA funding, and, although the AML program provided funding to States for mine reclamation in the past, it received a 407 percent increase in funding from FY 2022 to FY 2023. This is concerning because both

⁸ In 1991, Illinois established its Plugging and Restoration Fund Program for orphaned wells, which was funded through fees and forfeited bonds. The Energy Policy Act of 2005 created the Federal DOI orphaned wells program, which was specific to Federal lands. In 2021, the IIJA amended the Energy Policy Act and provided new Federal funding to plug, remediate, and reclaim orphaned wells on State lands.

circumstances—new programs and major funding increases in existing programs—heighten the risk of fraud.⁹ In addition, a program with a large influx of funding, such as IDNR’s AML program, requires greater capacity to meet grant requirements. It is unclear if IDNR can handle the influx of new grant funding. As of May 2024, IDNR lacked updated policies and procedures for managing Federal grants and its hiring process depended on another State agency beyond its control. This lack of capacity can affect its ability to manage and implement grant programs effectively.

Recent Evaluations’ Concern: DOI’s Risk Assessment of Grantees

Due to the increased risk associated with the AML and orphaned wells programs, we conducted two evaluations¹⁰ examining DOI’s ability to appropriately manage these programs. An important aspect of these evaluations was assessing the extent to which DOI properly and sufficiently conducts risk assessments of grantees. According to Federal regulations, awarding agencies are required to conduct risk evaluations and consider the applicant’s ability to adhere to statutory and regulatory requirements.¹¹ Our evaluation of DOI’s AML program specifically noted that DOI policy¹² “requires bureaus and offices to properly assess risk by completing a DOI Financial Assistance Risk Assessment Checklist . . . or an approved modified version prior to award.”¹³ DOI’s checklist includes assessing risks related to the type of single audit opinion received; whether the entity is a “going concern”; and the existence of significant deficiencies, material weaknesses, material noncompliances, and other single audit findings. Based on the assessed risk, DOI program offices may impose specific conditions on the award either before or after it is made.¹⁴ The criteria for these risk assessments are detailed in the relevant funding opportunity announcements, ensuring a consistent, risk-based approach to managing and mitigating potential issues effectively. We note that in July 2024, DOI revised its policy;¹⁵ however, this revision does not require a review of other audits if a single audit is available for the award recipient. Therefore, DOI bureaus and offices are not considering risks such as those presented in the Illinois Auditor General’s compliance examination of IDNR.

Our evaluation of DOI’s AML program¹⁶ also found that OSMRE¹⁷ did not conduct comprehensive risk assessments of grant applicants before making awards. From FY 2021 through FY 2023, OSMRE awarded \$116 million in funding to IDNR for its AML program. This included \$75.7 million in IIJA funding that significantly bolstered the IDNR AML program in FY 2023. Our evaluation report notes that, for FY 2022, OSMRE did not properly identify and analyze risk associated with single audit findings of grant recipients and did not consider other relevant risks. During this time, OSMRE rated IDNR as low risk. However, for FY 2023, OSMRE reevaluated and rated IDNR as high risk due to the results of the most recent State single audit. As part of this high-risk designation, OSMRE is taking actions to mitigate the increased risk level, including regular reviews of IDNR’s financial documentation. Our evaluation also highlighted that limitations of DOI’s checklist

⁹ The U.S. Government Accountability Office highlighted new programs and major changes in program funding as fraud risk factors in *Fraud Risk Management: 2018-2022 Data Show Federal Government Loses an Estimated \$233 Billion to \$521 Billion Annually to Fraud, Based on Various Risk Environments* (GAO-24-105833), issued in April 2024.

¹⁰ *The Office of Surface Mining Reclamation and Enforcement Should Improve Efforts for Expending Infrastructure Investment and Jobs Act Funds* (Report No. 2023-INF-014), issued September 2024. <https://www.doi.gov/reports/evaluation/office-surface-mining-reclamation-and-enforcement-should-improve-efforts>.

The Orphaned Wells Program Office Needs to Improve Its Oversight of the Infrastructure Investment and Jobs Act Funding to States (Report No. 2023-INF-025), issued December 2024. <https://www.doi.gov/reports/evaluation/orphaned-wells-program-office-needs-improve-its-oversight-infrastructure>.

¹¹ 2 C.F.R. § 200.206(b)(1).

¹² DOI-AAAP-0068, *Financial Assistance Recipient Risk Assessment and Award Monitoring*, dated August 17, 2016. In this policy, DOI includes a checklist of six questions. Two questions are related to findings in the entity’s external audit report (also referred to as a “single audit”) of its financial statements and compliance with Federal award requirements. The checklist also includes questions on financial capability, past performance, and reporting compliance. The checklist is included in Appendix 2.

¹³ DOI OIG, Report No. 2023-INF-014.

¹⁴ 2 C.F.R. § 200.206(c).

¹⁵ DOI-PGM-POL-0016, *Pre-Award Risk Assessment and Post-Award Monitoring*, dated July 1, 2024.

¹⁶ DOI OIG, Report No. 2023-INF-014.

¹⁷ OSMRE administers the AML program and is responsible for awarding \$11.2 billion in new funding for the existing AML Reclamation Fund.

still exist. Specifically, the checklist does not instruct staff to look for and document consideration of other risk factors, such as audit report findings beyond the single audit.

Our separate review of DOI's OWPO¹⁸ found that it did not ensure that IBC conducted comprehensive risk assessments of grant recipients were completed before making awards.¹⁹ From FY 2021 through FY 2023, OWPO awarded \$25 million in IJA funding for orphaned wells to IDNR. OWPO entered into an intra-agency agreement with the Interior Business Center (IBC) to conduct risk assessments of its grant recipients. IBC classified IDNR as low risk in FY 2022 and medium risk in FY 2023. In its most recent risk assessment, IBC explained that while there were many findings in the State single audit, none pertain to IDNR or DOI assistance listings²⁰ because they did not meet the major program threshold. Although the single audit findings did not pertain to major programs that fall under IDNR in particular, there may still be Statewide issues that affect IDNR. For example, the single audit highlighted Illinois' failure to fully utilize an enterprisewide accounting system for proper Statewide grants management. Federal regulations state that grant recipients and programs that were not recently audited may present a higher risk compared to a recipient or program that was recently audited without audit findings.²¹ Therefore, just because DOI's programs fell below the major program threshold, it does not inherently mean these programs are lower risk. Additionally, due to the previously discussed limitations of DOI's checklist, IBC did not consider other audits as part of its risk assessments, such as the Illinois Auditor General's compliance examination.

Based on the results of these evaluations, our review of DOI's checklist, and the amount of funding awarded, we are concerned as to whether DOI awarding agencies are properly assessing risks associated with grants made to IDNR.

Conclusion and Recommendations

The lack of comprehensive risk assessments by DOI awarding bureaus and offices, combined with the issues identified in our ongoing WSFR audit of IDNR, underscores the need for improved oversight of grants made to IDNR to ensure proper use of Federal funds and adherence to statutory and regulatory requirements.

We provided a draft of this management advisory to DOI for review. DOI concurred with all recommendations, and we consider both recommendations resolved. We determined that Recommendation 1 is significant and will be reported as such in our semiannual report to Congress in accordance with the Inspector General Act.²² Below we summarize DOI's responses to our recommendations, as well as our comments on its responses. See Attachment 1 for the full text of DOI's response; Attachment 2 lists the status of each recommendation.

We recommend that DOI require FWS, IBC, NPS, OSMRE, and OWPO to:

1. Reevaluate the risk for current grants awarded to the Illinois Department of Natural Resources in accordance with 2 C.F.R. § 200.206(c).

DOI Response: DOI concurred with the recommendation. On December 19, 2024, the Office of Grants Management (PGM) issued a formal notice requiring DOI bureaus and offices with awards to IDNR (including FWS, IBC, NPS, OSMRE, and OWPO) to reevaluate the risk for current grants and submit updated risk evaluations with supporting documentation to PGM. The target implementation date is July 31, 2025.

¹⁸ DOI OIG Report No. 2023-INF-025.

¹⁹ OWPO is responsible for awarding and overseeing \$4.7 billion in funding for FY 2022 through 2030 to plug, remediate, and reclaim orphaned wells on Federal, State, Tribal, and private lands.

²⁰ Assisting listings, formerly known as the Catalog of Federal Domestic Assistance, refers to the publicly available listing of Federal assistance programs managed and administered by the U.S. General Services Administration.

²¹ 2 C.F.R. § 200.519(b)(3).

²² The Inspector General Act of 1978, 5 U.S.C. § 405(b), requires inspectors general to prepare semiannual reports summarizing OIG activities during the immediately preceding six-month periods ending March 31 and September 30. It also states that these semiannual reports should include an identification of each "significant recommendation" described in previous semiannual reports on which corrective action has not been completed.

OIG Comment: Based on DOI's response, we consider this recommendation resolved. We will consider it implemented when PGM provides us with documentation to support that DOI bureaus and agencies have reevaluated risks associated with grants awarded to IDNR.

2. Develop and implement a monitoring plan that sufficiently addresses the increased risk with the Illinois Department of Natural Resources and determine the necessary adjustments or enhancements to oversight mechanisms on future DOI awards in accordance with 2 C.F.R. § 200.206(b).

DOI Response: DOI concurred with the recommendation and stated:

On December 19, 2024, PGM issued a notice . . . to DOI bureaus and offices with awards to the Illinois Department of Natural Resources including FWS, IBC, NPS, OSMRE, and OWPO which requires them to develop a monitoring plan to address the increased risk with the Illinois Department of Natural Resources. Per the PGM notice, DOI bureaus and offices will submit the monitoring plan to PGM and inform PGM of any changes or adjustments to be made to future awards. PGM will also update its risk assessment policy and checklist to enhance the ability of DOI bureaus and offices to assess and address grant risk.

The target implementation date is July 31, 2025.

OIG Comment: Based on DOI's response, we consider this recommendation resolved. We will consider it implemented when PGM provides us with documentation to support that DOI bureaus and offices with awards to IDNR have developed and implemented monitoring plans that sufficiently address the increased risk with IDNR and determine necessary adjustments or enhancements to oversight mechanisms on future DOI awards in accordance with 2 C.F.R. § 200.206(b).

We will track open recommendations for resolution and implementation. We will notify Congress about our findings, and we will report semiannually, as required by law, on actions you have taken to implement the recommendations and on recommendations that have not been implemented. In addition, the information in this management advisory will be included in our semiannual report to Congress, and we will post a public version of this report on our website, including your written response.

If you have any questions about this management advisory, please contact me at aie_reports@doioig.gov.

Attachments (2)

Attachment 1: Response to Draft Report

The U.S. Department of the Interior's response to our draft management advisory follows on page 8.



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

Memorandum

To: Nicki Miller
Acting Assistant Inspector General for Audits, Inspections, and Evaluations

Through: Andrea L. Brandon ANDREA BRANDON Digitally signed by ANDREA BRANDON
Date: 2024.12.26 13:21:02 -05'00'
Deputy Assistant Secretary- Budget, Finance, Grants and Acquisition

From: Joan M. Mooney **JOAN MOONEY** Digitally signed by JOAN MOONEY
Date: 2024.12.26 16:44:03 -05'00'
Principal Deputy Assistant Secretary- Policy, Management and Budget
Exercising the Authority of Assistant Secretary- Policy, Management and Budget

Subject: Draft Management Advisory- Risks Identified for U.S. Department of the Interior Grants Awarded to the State of Illinois Department of Natural Resources, Report No. 2024-CGD-0030

Thank you for providing us the opportunity to respond to the subject Office of Inspector General (OIG) Draft Management Advisory. The Draft Management Advisory identifies a total of two (2) recommendations for the Department of the Interior (DOI) to apply to the Fish and Wildlife Service (FWS), the Interior Business Center (IBC), the National Park Service (NPS), the Office of Surface Mining Reclamation and Enforcement (OSMRE) and the Orphan Wells Program Office (OWPO). The DOI's responses are outlined below.

Recommendation 1. Reevaluate the risk for current grants awarded to the Illinois Department of Natural Resources in accordance with 2 C.F.R. § 200.206 (c).

Response: Concur. On December 19, 2024, the Office of Grants Management (PGM) issued a notice (see attachment) to DOI bureaus and offices with awards to the Illinois Department of Natural Resources including FWS, IBC, NPS, OSMRE, and OWPO which requires them to reevaluate the risk for current grants awarded to the Illinois Department of Natural Resources and to submit the updated risk evaluation and supporting documentation to PGM.

Responsible Official: Cara Whitehead, Director, PGM.

Target Date: July 31, 2025.

Recommendation 2. Develop and implement a monitoring plan that sufficiently addresses the increased risk with the Illinois Department of Natural Resources and determine the necessary adjustments or enhancements to oversight mechanism on future DOI awards in accordance with 2 C.F.R. § 200.206 (b).

Response: Concur. On December 19, 2024, PGM issued a notice (see attachment) to DOI bureaus and offices with awards to the Illinois Department of Natural Resources including FWS, IBC, NPS, OSMRE, and OWPO which requires them to develop a monitoring plan to address the increased risk with the Illinois Department of Natural Resources. Per the PGM notice, DOI bureaus and offices will submit the monitoring plan to PGM and inform PGM of any changes or adjustments to be made to future awards. PGM will also update its risk assessment policy and checklist to enhance the ability of DOI bureaus and offices to assess and address grant risk.

Responsible Official: Cara Whitehead, Director, PGM.

Target Date: July 31, 2025.

If you have any questions or require additional information, please contact Cara Whitehead, Director, PGM at Cara.Whitehead@ios.doi.gov.

Attachment

cc: Andrea L. Brandon, Deputy Assistant Secretary for Budget, Finance, Grants and Acquisition
Cara Whitehead, Director of Grants Management



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

POLICY ADVISORY NOTICE

Title: Addressing Risks for Grants Awarded to the State of Illinois Department of Natural Resources

DOI-PGM-PAN Reference No: 2025-0035

Notification Date: This Policy Advisory Notice is effective upon issuance.

Purpose: The policy advisory notice requires DOI bureaus and offices with awards to the State of Illinois Department of Natural Resources, notably, U.S. Fish and Wildlife Service (FWS), Interior Business Center (IBC), National Park Service (NPS), Office of Surface Mining Reclamation and Enforcement (OSMRE) and the Orphan Wells Program Office (OWPO), to comply with the recommendations issued by the Office of Inspector General (OIG) in the Draft Management Advisory, *Risks Associated for U.S. Department of the Interior Grants Awarded to the State of Illinois Department of Natural Resources*, Report No. 2024-CGD-0030.

Background: On December 10, 2024, the OIG issued Draft Management Advisory, *Risks Associated for U.S. Department of the Interior Grants Awarded to the State of Illinois Department of Natural Resources*, Report No. 2024-CGD-0030. The Draft Management Advisory reveals the State of Illinois Department of Natural Resources (ILDNR) has significant internal control deficiencies which hinder their ability to manage DOI grants effectively, efficiently, and in accordance with statutory and regulatory requirements. The OIG report warns that DOI grant funds awarded to ILDNR are in jeopardy and cites the following sources: (1) audit of the Wildlife & Sport Fish Restoration funds issued to ILDNR revealed multiple instances of financial mismanagement due to limitations in ILDNR's accounting system; (2) the [Illinois State Compliance Examination](#) identified 37 findings and disclosed ILDNR's significant and pervasive internal control deficiencies; and (3) single audit report raised concerns about ILDNR's ability to effectively manage awards due to their lackluster accounting system. The OIG report also notes limitations in DOI's current risk assessment process and communicates recommendations for DOI to improve their evaluation of risk and oversight of ILDNR's grant awards.

Action: Pursuant to the OIG report and recommendations targeted to FWS, IBC, NPS, OSMRE, and OWOP, PGM is requiring all DOI bureaus and offices with grant awards to the ILDNR to comply with the following:

- Reevaluate the risk for current grants awarded to the ILDNR in accordance with [2 C.F.R. § 200.206 \(c\)](#), *Federal agency review of risk posed by applicants*.
- Develop and implement a monitoring plan that sufficiently addresses the increased risk with ILDNR and determine the necessary adjustments or enhancements to oversight mechanism on future DOI awards in accordance with [2 C.F.R. § 200.206 \(b\)](#).

- Submit the updated risk assessment, monitoring plan, any planned adjustments to current or future ILDNR awards, and supporting documentation to PGM by Monday, June 30, 2025.

In response to the OIG report, PGM will collaborate and coordinate with DOI bureaus and offices through the Financial Assistance Management Partnership (FAMP) to update and enhance the PGM Risk Assessment policy and checklist ([DOI-PGM-POL- 0016](#), *Pre-Award Risk Assessment and Post-Award Monitoring*).

Point of Contact: Please direct questions or concerns to Eunice Pierre, Office of Grants Management, at Eunice_Pierre@ios.doi.gov.

<div> <div> <div>CARA</div> <div>WHITEHEAD</div> </div> <div> <div>Digitally signed by CARA WHITEHEAD</div> <div>Date: 2024.12.19 17:54:05 -05'00'</div> </div> </div>	
<div> <div>Cara Whitehead, Director</div> <div>Office of Grants Management</div> </div>	<div>Date</div>

Attachment 2: Status of Recommendations

Recommendation	Status	Action Required
2024-CGD-030-01 We recommend that the U.S. Department of the Interior (DOI) require the U.S. Fish and Wildlife Service (FWS), the Interior Business Center (IBC), the National Park Service (NPS), the Office of Surface Mining Reclamation and Enforcement (OSMRE), and the Orphaned Wells Program Office (OWPO) to reevaluate the risk for current grants awarded to the Illinois Department of Natural Resources in accordance with 2 C.F.R. § 200.206(c).	Resolved	We will track implementation of the corrective actions.
2024-CGD-030-02 We recommend that DOI require FWS, IBC, NPS, OSMRE, and OWPO to develop and implement a monitoring plan that sufficiently addresses the increased risk with the Illinois Department of Natural Resources and determine the necessary adjustments or enhancements to oversight mechanisms on future DOI awards in accordance with 2 C.F.R. § 200.206(b).		



OFFICE OF
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REPORT FRAUD, WASTE, ABUSE, AND MISMANAGEMENT

The Office of Inspector General (OIG) provides independent oversight and promotes integrity and accountability in the programs and operations of the U.S. Department of the Interior (DOI). One way we achieve this mission is by working with the people who contact us through our hotline.

WHO CAN REPORT?

Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement involving DOI should contact the OIG hotline. This includes knowledge of potential misuse involving DOI grants and contracts.

HOW DOES IT HELP?

Every day, DOI employees and non-employees alike contact OIG, and the information they share can lead to reviews and investigations that result in accountability and positive change for DOI, its employees, and the public.

WHO IS PROTECTED?

Anyone may request confidentiality. The Privacy Act, the Inspector General Act, and other applicable laws protect complainants. Specifically, 5 U.S.C. § 407(b) states that the Inspector General shall not disclose the identity of a DOI employee who reports an allegation or provides information without the employee's consent, unless the Inspector General determines that disclosure is unavoidable during the course of the investigation. By law, Federal employees may not take or threaten to take a personnel action because of whistleblowing or the exercise of a lawful appeal, complaint, or grievance right. Non-DOI employees who report allegations may also specifically request confidentiality.

If you wish to file a complaint about potential fraud,
waste, abuse, or mismanagement in DOI,
please visit OIG's online hotline at **www.doioig.gov/hotline**
or call OIG's toll-free hotline number: **1-800-424-5081**