



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

JUL 29 2016

Memorandum

To: Kristen J. Sarri  
Principal Deputy Assistant Secretary for Policy, Management and Budget

From: Amy R. Billings *Amy R. Billings*  
Central Region Manager for Audits, Inspections, and Evaluations

Subject: Verification Review – Recommendations for the Report, “Bureau of Land Management’s Helium Program”  
(Audit No. C-IN-MOA-0010-2011)  
Report No. 2016-CR-037

The Office of Inspector General (OIG) has completed a verification review of the three recommendations presented in our November 2012 audit report “Bureau of Land Management’s Helium Program” (Report No. C-IN-MOA-0010-2011). Our objective for this review was to determine if the Bureau of Land Management (BLM) implemented the three recommendations as reported to the Office of Financial Management (PFM), Office of Policy, Management and Budget. Based on our review, we conclude that the report’s recommendations have been resolved, implemented, and closed.

In our 2012 audit, OIG staff reported that BLM did not have the capability to identify and maintain market value prices for its helium reserve, had restricted its ability to determine market value for its sales, and managed nongovernmental helium sales without the formal procedures needed to guide program operations. Our report included the following three recommendations related to strengthening the Bureau’s management of its helium inventory:

**Recommendation 1:** BLM should work with Office of Minerals Evaluation (OME) to develop a process to identify the fair market value price of helium sold to nongovernmental buyers.

**Recommendation 2:** To ensure a fair return, BLM should implement the new helium pricing process by the end of 2013.

**Recommendation 3:** BLM should prepare and implement comprehensive procedures for managing its helium sales to nongovernmental buyers.

Between March 2014 and August 2014, PFM reported to OIG that BLM had addressed, implemented, and closed the three recommendations. We limited the scope of our review to determine if BLM implemented the recommendations reported closed by PFM. We reviewed the supporting documentation that BLM officials provided to PFM, and collected and reviewed additional supporting documentation necessary to verify each recommendation’s implementation independently.

We did not test internal controls, visit sites, or conduct fieldwork to determine whether the underlying deficiencies that we initially identified have been corrected. As a result, we did not conduct this verification review in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States, or Quality Standards for Inspection and Evaluation issued by the Council of the Inspectors General on Integrity and Efficiency.

We informed BLM officials of the results of this review on July 7, 2016.

cc: Olivia Ferriter, Deputy Assistant Secretary for Policy, Management and Budget  
Douglas Glenn, Director, Office of Financial Management  
Allen Lawrence, Division Chief, Internal Control and Audit Follow-up, Office  
of Financial Management  
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