



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

**PROMOTING EXCELLENCE,
INTEGRITY, AND
ACCOUNTABILITY**
for the American public, the
U.S. Congress, the DOI, and its
stakeholders

ANNUAL REPORT

Organizational Assessment

The Office of Inspector General (OIG) provides independent oversight for all of the programs and operations of the U.S. Department of the Interior (DOI).

What We Do

Improve the economy, efficiency, and effectiveness of DOI programs and operations

Deter, detect, and report on misconduct and mismanagement

Focus on high-risk
vulnerabilities affecting DOI and its programs

Proactively identify
violations and criminal conduct

Educate
agency employees and others about how to prevent and report fraud, waste, and abuse

Review
DOI programs and operations

Investigate
allegations of wrongdoing

Report
our findings and recommendations for action and transparency

Our Core Values

Objectivity and Independence. Objectivity and independence are the bedrock of our credibility. We gather facts, base our findings on evidence, and deliver conclusions with candor.

Integrity. Integrity builds trust. We emphasize ethics; treat people with dignity and respect; and are honest, reliable, and transparent.

Getting Results. Our work provides decision makers with nonpartisan information so they can take corrective actions. We strive for continuous improvement in our own organization and the DOI.

Message From the Inspector General



I am pleased to present the Office of Inspector General's annual organizational assessment. We publish this document to provide an overview of our mission, our organization, and some of our most significant accomplishments in overseeing the U.S. Department of the Interior.

Throughout the course of each year, we prepare and release many reports that provide detailed analysis and assessment of the Department's programs and operations and that present specific, actionable recommendations for improvement. We also conduct numerous investigations that address a wide range of alleged criminal, civil, and administrative misconduct. I view our organizational assessment as an important addition to this overall body of work because it enables us to tie all of our oversight work together and provide our stakeholders with a compelling snapshot of what we do and why it matters.

This assessment also helps contextualize our work within the broader framework of the Department's own extensive responsibilities. The Department has a remarkably broad portfolio that includes management of millions of acres of public lands; billions of dollars in acquisitions, energy production, and royalty collection; and obligations to American Indians and Alaska Natives. Our own oversight responsibilities are, as a result, equally broad both in terms of subject area and geographical scope. However, we fulfill those duties with less than one-half of one percent of the agency's budget. Accordingly, we must constantly prioritize our work and our resources to focus on the areas of greatest risk and where we can bring the most positive change through prevention and identification of fraud, waste, and mismanagement. This document helps explain how we have made those decisions over the past year as well as where we anticipate focusing over the coming year.

We are committed to providing independent and objective oversight of the DOI's programs and operations and providing clear explanations to our stakeholders of how we meet this commitment. I look forward to continuing this mission through the hard work of the many dedicated employees of this office.

Mark Lee Greenblatt
Inspector General

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DOI Bureaus and Select DOI Offices

Bureau of Indian Affairs (BIA) · Bureau of Indian Education (BIE) · Bureau of Land Management (BLM) · Bureau of Ocean Energy Management (BOEM)
Bureau of Reclamation (USBR) · Bureau of Safety and Environmental Enforcement (BSEE) · National Park Service (NPS) · Office of Insular Affairs (OIA)
Office of Natural Resources Revenue (ONRR) · Office of the Secretary (OS) · Office of Surface Mining, Reclamation, & Enforcement (OSMRE) · U.S. Fish and Wildlife Service (FWS) · U.S. Geological Survey (USGS)

Select OIG Offices

Audits, Inspections, and Evaluations (AIE) · Office of Investigations (OI)



Resources

	Discretionary Appropriations	Full-Time Employees
DOI	\$15,300,000,000	60,500
OIG	\$56,000,000	262

The **OIG** has a **broad oversight mandate** over the **wide breadth** of DOI programs.

Land Management



500 million acres of public lands
56 million acres of Indian trust lands

Tribal Trust



Services to 1.9 million American Indians and Alaska Natives

Contracts and Grants



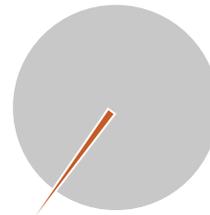
Approximately \$12 billion annually in contracts and grants

Energy

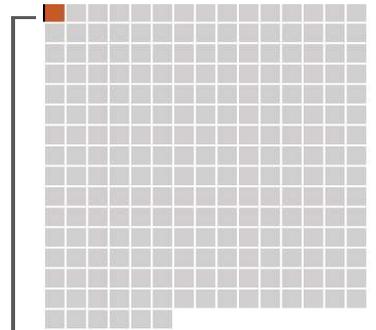


18 percent of U.S. energy production
More than \$7.6 billion in royalty collection and other natural resource revenue

With a **small fraction of the DOI's resources**, we must carefully prioritize our work.



The **OIG's budget** was **0.37%** of DOI's fiscal year (FY) 2020 enacted budget.



The OIG has **1 employee** for every 231 DOI employees.

When prioritizing work, among other factors, we consider impact on:

Employee and Public Trust

Vulnerable Populations

Financial Management

Health, Safety, and Security

Examples

Misconduct by high-level officials, law enforcement misconduct

Fraud, allegations of harassment in Indian Country

Grants and contracts, royalty collection, allegations of fraud

Cybersecurity, safety on public lands, wildfires, conditions in Indian schools

Prevention and transparency

Fraud prevention and a commitment to transparency help to deter wrongdoing, protect taxpayer dollars, and build public trust.

Our work protected U.S. taxpayers from those who pose business risks.

20 SUSPENSION AND DEBARMENT ACTIONS were taken by DOI based on OIG recommendations in FY 2020. These actions protect taxpayer dollars by preventing entities that engage in improper conduct or demonstrate serious poor performance from doing business with the Government for years. Also, we monitored the compliance of two corporations pursuant to two administrative agreements entered in lieu of debarments.

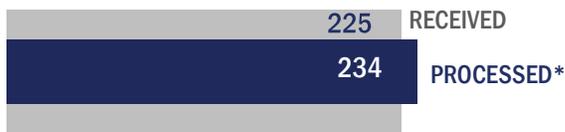
We provided fraud prevention training to over 1,000 individuals.

1,125 INDIVIDUALS WERE TRAINED during 44 outreach presentations in FY 2020. The 44 presentations were made to DOI employees and contractors and aim to prevent, detect, and deter wrongdoing and mismanagement.

With a commitment to transparency, we posted the majority of our work to our public website.

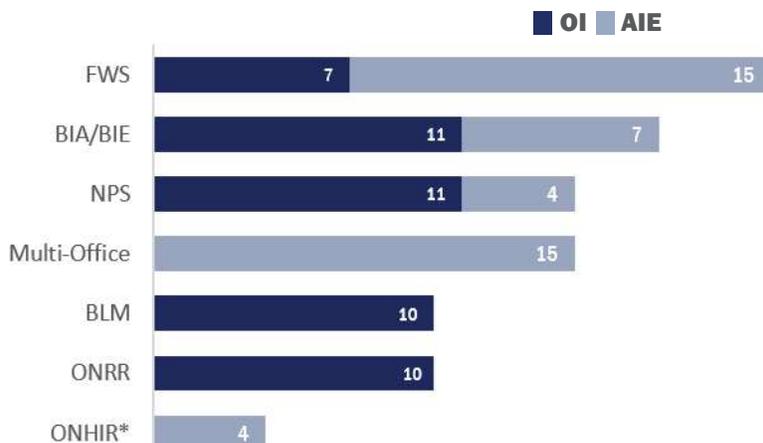
AIE 100% **OI 94%**

Part of transparency is being responsive. One area we focus on is responsiveness to Freedom of Information Act requests.



*includes 9 responses to requests received prior to FY 2020

FWS, BIA/BIE, and NPS were our most reviewed bureaus.



*The Office of Navajo and Hopi Indian Relocation

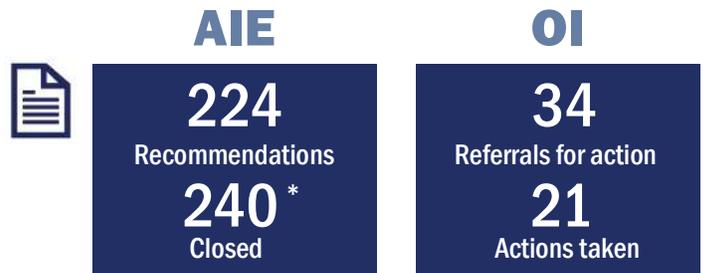
Impact

Our findings and recommendations provide information to decision makers to recover taxpayer dollars, take corrective action, and hold wrongdoers accountable.

In FY 2020, we identified almost \$60 million in wasted and defrauded funds that could be returned to the Federal Government and victims.



We identified areas for improvement where DOI has taken action by implementing recommendations and addressing information in investigative referrals.

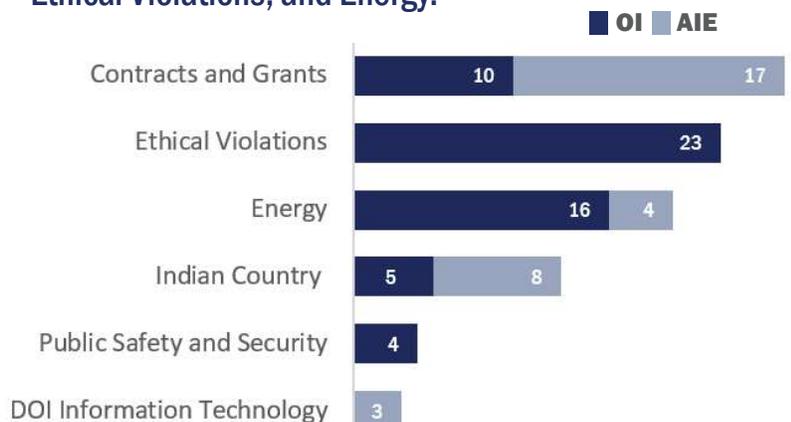


*Includes recommendations made in prior years

Our findings allowed decision makers to hold wrongdoers accountable



The majority of issued reports involved Contracts and Grants, Ethical Violations, and Energy.





Results in the News

Our work resulted in recovered funds and immediate corrective action.

Inmates working unsupervised in national parks acquired knives, contraband: IG

Interior Secretary Bernhardt orders immediate halt to practice
The Washington Times - Thursday, April 2, 2020

Inmates found with contraband

We determined that during the prison work detail at a national park, inmates—whose criminal histories included firearms- and drug-related convictions—were found with contraband after they had been left working unsupervised in the park's campground for approximately 2 hours.



Interior Department watchdog 'highly successful' at hacking agency's networks

-09/16/20 06:04 PM EDT

Using an Evil Twin attack, we intercepted and decrypted wireless network traffic

Using assembled portable test units, our office conducted reconnaissance and penetration testing of wireless networks representing each bureau and office. Our attacks simulated techniques of malicious actors and went undetected by security guards and IT security staff as we explored Department facilities. We intercepted and decrypted wireless network traffic in multiple bureaus.

Compliance News

Government Contractor Sentenced to 57 Months in Prison for \$3.7 Million Procurement Fraud Scheme

February 12, 2020

48 subcontractors defrauded of over \$3.7 million

We uncovered a scheme in which a contractor used aliases to create several companies to bid on and win over 105 Government contracts from the DOI and other Federal agencies. We found that he defrauded 48 subcontractors across the United States of over \$3.7 million.

Department of Justice
 Office of Public Affairs

FOR IMMEDIATE RELEASE

Thursday, August 31, 2017

Black Elk Energy Offshore Operations LLC. Convicted of Worker Safety and Clean Water Act Violations in Connection to Offshore Explosion

Black Elk Energy Offshore Operations LLC (BEE), a privately held limited liability company headquartered in Houston, Texas, was sentenced today on eight felony violations of the Outer Continental Shelf Lands Act (OCSLA) and one

Deadly explosion & oil spill

Three individuals and three companies negligently conducted welding operations aboard the offshore oil production platform, which resulted in an explosion that killed three platform workers and spilled oil in the Gulf of Mexico. Six parties pleaded guilty. Sentences resulted in a total of 168 months of probation and \$6.5 million in fines.

PDC Energy will pay \$688K to settle allegations that it tapped federal minerals without getting lease, permits

Federal officials say production occurred for nearly 6 years



Energy company pays \$688,500

An oil and gas company headquartered in Denver, Colorado, has paid \$688,500 to resolve allegations that it drilled, and later operated, an oil and gas well that removed Federal minerals without permission.

The Denver Post

June 17, 2020 at 5:42 p.m.

"The settlement reached during this investigation is the direct result of the OIG, Department of Justice, Bureau of Land Management, and Office of the Solicitor working collaboratively and diligently on behalf of all American citizens to ensure minerals removed from federal ownership are properly accounted for and public revenues are collected," said the Special Agent in Charge for the Department of the Interior, Office of Inspector General's Energy Investigations Unit.

CARES Act Oversight

We seek to determine whether DOI and its bureaus are effectively managing and overseeing the expenditure of the funds appropriated for response to COVID-19 under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and to prevent and detect fraud, waste, and mismanagement of these funds.

\$950 Million
amount of funding DOI received under the CARES Act.

Our Products

We focused our initial CARES Act work on making the funding received by DOI and its use transparent by publishing spending data on our website and in a series of "Where's the Money?" and funding snapshot reports. We identified ongoing challenges in lessons learned and management challenges reports. We informed decision makers and stakeholders of program response and areas to watch in program reviews and management advisories.



17 completed in just 6 months from April 2020 to September 2020, with additional work ongoing.

"Department of Interior watchdog Mark L. Greenblatt and his team issued this leading edge flash report on DOI's use of CARES Act funding. Transparency is key to good government and public trust."

- Robert A. Westbrooks, Executive Director of the PRAC

Coordination

Leading the Pandemic Response Accountability Community (PRAC) Data Sharing Working Group

Identifying, with other OIGs, overlapping appropriations at risk of recipients "multi-dipping" from multiple agencies

Working on agreements with the Department of Labor to share data that could identify current employees fraudulently claiming unemployment or workers' compensation

Sharing with other OIGs when flash reports can be most helpful in rapidly disseminating information to stakeholders



Education

Provided guidance to Insular Area public auditors overseeing CARES Act grants and spoke at the Association of Pacific Islands Public Auditors conference about our CARES work

Alerted DOI contracting officers to fraud trends and ways to counter fraud schemes

Educated nearly 600 attendees about how to identify a fraudster at a suspension and debarment workshop, which focused on strategies and best practices in a COVID climate

Presented at a Self-Governance Communication & Education Tribal Consortium on OIG's oversight plans for CARES Act funds that were provided to tribal governments

Our Current Focus

Proactively detecting and investigating wrongdoing and mismanagement.

Focusing on grant and contract spending, which can present substantial financial risks, especially when awarded as part of an emergency response.

Using data analytics to identify potentially fraudulent or mismanaged grants, contracts, and purchases on charge cards.



Fiscal Year 2021 Priorities

Financial Management

Great American Outdoors Act
\$9.5 billion over the next 5 years provides a new funding source for deferred maintenance for parks, other public lands, and Indian schools.
\$900 million in spending per year will preserve and create public lands via the Land and Water Conservation Fund.

CARES Act
\$950 million in emergency response under the CARES Act is at increased risk of fraud, waste, and mismanagement.

Grants and Contracts
\$12 billion annually to grants and contracts presents substantial financial risk.



Energy



An average of **\$9.1 billion** annually has been collected over the past 5 years in energy-related revenue for States, Indian mineral interest owners, and the public. We have identified energy management as a top management challenge for DOI.

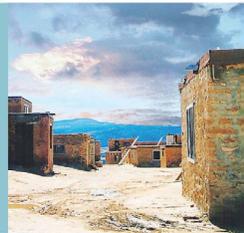
The management and regulation of the development of natural resources from lands and waters under DOI jurisdiction directly contribute to our Nation's economic health and security. Energy-related operations under Federal jurisdiction also impact the health and safety of industry workers, Federal regulators, waterways and water resources, wildlife, and public lands.

Responsibility to Native Americans

Fraud and mismanagement divert funds from those in need.

We will focus on preventing and detecting mismanagement of funding intended to benefit Native Americans.

Our work has found that weaknesses in oversight leave federally funded programs intended to benefit Native Americans susceptible to fraud, waste, mismanagement, and abuse.



Cybersecurity



The DOI continues to struggle to implement an enterprise IT security program that balances compliance, cost, and risk while enabling bureaus to meet their diverse missions.

An increased need for remote access to IT systems under COVID-19 restrictions exacerbated DOI's IT cybersecurity challenges.



OIG Strategy Map

Goal

1

Provide customers with top-quality products and services

Goal

2

Promote excellence, integrity, and accountability in DOI

Goal

3

Achieve operational excellence

Goal

4

Ensure effective stewardship of budget and resources



Objectives

- 1. Provide accurate and actionable information that is relevant and timely
- 2. Be responsive in an open and accountable manner



Objectives

- 3. Prevent, detect, and deter fraud
- 4. Identify and report waste and mismanagement



Objectives

- 5. Enhance productivity and collaboration to cultivate continuous improvement
- 6. Recruit, develop, and retain talented employees who maintain the highest professional standards of conduct
- 7. Practice planned, clear, and effective communication



Objectives

- 8. Effectively plan, manage, and use resources