



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

INSPECTOR GENERAL'S STATEMENT

Summarizing
the Major
Management
and Performance
Challenges Facing
the U.S. Department
of the Interior

FISCAL YEAR 2021





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

Memorandum

NOV 05 2021

To: Deb Haaland
Secretary of the Interior

From: Mark Lee Greenblatt 
Inspector General

Subject: Final Report – *Inspector General’s Statement Summarizing the Major Management and Performance Challenges Facing the U.S. Department of the Interior, Fiscal Year 2021*
Report No. 2021-ER-039

In accordance with the Reports Consolidation Act of 2000, we are submitting what we have determined to be the most significant management and performance challenges facing the U.S. Department of the Interior (DOI) for inclusion in the DOI’s *Agency Financial Report* for fiscal year 2021. We have organized this report around three main challenge areas—“Managing Spending,” “Delivering Core Services,” and “Ensuring Health and Safety”—but note that some topics span multiple challenge areas.

If you have any questions, please call me at 202-208-5745.

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Source: iStockphoto

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INTRODUCTION AND APPROACH

In accordance with the Reports Consolidation Act of 2000, we are reporting what we have determined to be the most significant management and performance challenges facing the U.S. Department of the Interior (DOI). Pursuant to that statute, this report is required to be included in the DOI's *Agency Financial Report*.

Last year, we focused on the COVID-19 pandemic's cascading effect on the DOI's multiple mission areas and functions. Many of those same challenges continue to affect the DOI, and our work during this fiscal year accordingly addressed these concerns. In this year's report, however, we have returned to the topical framework we used previously and have integrated our analysis of pandemic-related issues into these topics. Our fiscal year (FY) 2021 report is organized in three sections: "Managing Spending," "Delivering Core Services," and "Ensuring Health and Safety." In

each section, we summarize topics relevant to the challenge area. Some areas of concern span multiple challenge areas, serving as a reminder of the complex nature of the DOI's mission. For example, infrastructure challenges include managing funding availability and accountability as well as ensuring the health and safety of DOI employees and the public. Additionally, we recognize that climate change is a cross-cutting issue that affects the DOI's mission with respect to tribal communities, land use, water resources, wildlife and their habitats, and the frequency and severity of natural disasters.

Throughout the report, we use "action boxes" to highlight examples of plans and progress the DOI has made in addressing specific topics. In the figure below, we summarize the themes that apply within each challenge area.

CROSS-CUTTING THEMES WITHIN EACH CHALLENGE AREA

Challenge Area: Managing Spending



Challenge Area: Delivering Core Services



Challenge Area: Ensuring Health and Safety



This report is primarily based on Office of Inspector General (OIG) and U.S. Government Accountability Office (GAO) reviews (including the GAO's [High-Risk List](#)), as well as our general knowledge of the DOI's programs and operations. We link to the OIG reports related to the challenge areas throughout the report—a full list of reports cited is included in the appendix. Additional reports can be viewed on [our website](#). Our analysis generally considers the DOI's challenges and progress as of September 30, 2021, unless otherwise noted.

The DOI is organized into 11 bureaus:

- Bureau of Indian Affairs (BIA)
- Bureau of Indian Education (BIE)
- Bureau of Land Management (BLM)
- Bureau of Ocean Energy Management (BOEM)

- Bureau of Reclamation (BOR)
- Bureau of Safety and Environmental Enforcement (BSEE)
- Bureau of Trust Funds Administration (BTFA)
- National Park Service (NPS)
- Office of Surface Mining Reclamation and Enforcement (OSMRE)
- U.S. Fish and Wildlife Service (FWS)
- U.S. Geological Survey (USGS)

In addition to these bureaus, there are a number of offices that fall under the Office of the Secretary and other components, such as the Office of Natural Resources Revenue (ONRR), Office of Wildland Fire, Office of Law Enforcement and Security, and Office of Insular Affairs.



Source: iStockphoto

CHALLENGE AREA

Managing Spending

The DOI manages significant financial assets, including contracts and financial assistance awards (grants and cooperative agreements), as well as property, buildings, and other resources.

The DOI's FY 2022 budget request includes more than \$17 billion to carry out its wide-ranging programs. The budget document articulates a focus on increasing climate resilience and adapting to climate change; creating jobs and economic development; using science to inform decisions; strengthening tribal nations' self-determination; expanding inclusion of historically underserved communities; promoting environmental justice; delivering the DOI's core services; and providing effective stewardship of America's natural resources and cultural heritage.

CROSS-CUTTING THEMES

-  **Financial Management**
-  **Public Safety and Disaster Response**
-  **Responsibility to American Indians**
-  **Infrastructure**
-  **Climate Change**

Below we summarize the DOI's challenges, plans, and progress in managing spending related to emergency funding and infrastructure.

Emergency Funding

Over the years, the DOI has received funding to respond to a variety of emergencies such as hurricanes, wildfires, hazardous spills, and the impacts from COVID-19. As the frequency and severity of extreme weather events increase due in part to climate change, as noted in the [Fourth National Climate Assessment](#) (a required Federal report prepared every 4 years), the DOI may see increases in emergency funding to respond to these events. In addition, each emergency situation presents its own unique characteristics and has the potential to grow rapidly in size, scope, or complexity.

In March 2020, the COVID-19 pandemic was declared a national emergency. Since then, the

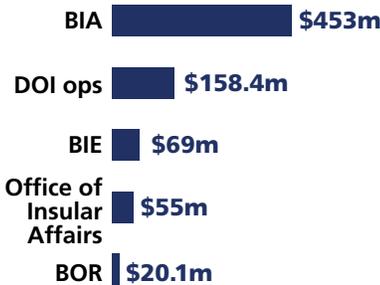
Emergency supplemental funding presents a heightened risk of misuse and vulnerability to fraud.

U.S. Congress enacted several pandemic relief laws that provided funds to Federal agencies, States, tribes, territories, businesses, grantees, and the public for coronavirus preparedness and pandemic response. Together, these laws provided the DOI with \$3.2 billion in funding as of September 19, 2021. More than \$2.8 billion of the funding appropriated to the DOI was to address pandemic conditions in Indian Country, provide direct aid to tribal nations, fund assistance and social programs, and respond to COVID-19. See Figure 1 for a breakdown of funds the DOI received.

Figure 1: Snapshot of Pandemic Relief Laws That Have Provided Funding to the DOI*

Coronavirus Aid, Relief, and Economic Security Act (Effective March 27, 2020)

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) included direct apportionments of **\$756 million** to support the needs of DOI programs, bureaus, Indian Country, and the Insular Areas, specifically:



DOI ops = DOI operations (Office of the Secretary)

In addition, the U.S. Department of Education transferred **\$153.8 million** to the BIA.



The U.S. Department of Health and Human Services transferred **\$33 million** to the BIA.



In a [March 2021 report](#), we reported on the DOI's CARES Act obligations and expenditures through January 31, 2021.

Coronavirus Response and Relief Supplemental Appropriations Act (Effective Dec. 27, 2020)

As part of the 2021 Consolidated Appropriations Act, the Coronavirus Response and Relief Supplemental Appropriations Act provided additional pandemic relief. Specific to the DOI:

The U.S. Department of Health and Human Services transferred **\$97 million** to the BIA to support childcare and development via direct childcare, virus mitigation practices, and grants to childcare providers affected by COVID-19.



The Federal Highway Administration transferred **\$66 million** to the BIA to address the significant impacts of COVID-19 on the Nation's transportation systems.

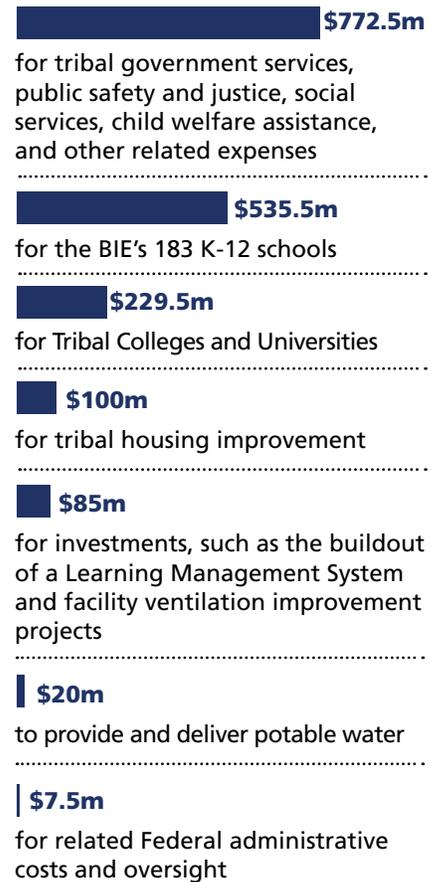


The U.S. Department of Education transferred **\$409 million** from the Education Stabilization Fund to the BIE to support COVID-19 response and recovery at BIE schools and Tribal Colleges and Universities.



American Rescue Plan Act (Effective March 11, 2021)

The American Rescue Plan Act provided the DOI **\$1.75 billion** in emergency funding for American Indian and Alaska Native programs to respond to the COVID-19 pandemic. The Act authorized **\$900 million** for Indian Affairs and the BIA and **\$850 million** for the BIE to support a wide range of COVID-19 response activities:



TOTAL TO THE DOI



* Additional COVID-19 funding may have been provided directly to tribes or to programs outside the DOI's control.

Our previous work has consistently identified financial management as an overall area in need of improvement. In a recent example, in a [March 2021 audit](#) we found that the Interior Business Center had weaknesses in both maintaining pre-award procurement files and monitoring the pre-award process. These weaknesses and related oversight risks are increased for supplemental funding for emergency response because awards are made quickly and often without competition. In another [March 2021 audit](#), we found that the DOI used FY 2019 natural disaster relief funds for purchases that were not associated with permissible purposes and did not always have the required documentation for its purchases. We made eight recommendations to help the DOI and its bureaus resolve questioned costs and strengthen internal controls over disaster relief funds and the Government charge card program.

Our work has found that when recipients face a crisis and receive multiple sources of substantial funding, accountability mechanisms and safeguards may become ineffective because of time and resource constraints. We anticipate that pandemic relief will present these same oversight challenges that we have identified before. In a [March 2021 management advisory](#), we reported that a significant number of transactions related to COVID-19 appeared to be impermissible split purchases and might reflect possible misuse of DOI purchase cards. For example, we found that cardholders at several bureaus conducted multiple transactions on the same day with the same vendors, which might indicate purchases were split to avoid exceeding the micropurchase threshold. We made three recommendations to help the DOI prevent fraud, waste, and mismanagement in its Government purchase card program.



Source: iStockphoto

Infrastructure

DOI assets, many of which have historic or cultural significance, include approximately 43,000 buildings and 80,000 structures with a combined replacement value of more than \$330 billion. The DOI is responsible for maintaining and repairing diverse and mission-critical assets, such as visitor centers, schools, power generating facilities, housing, campgrounds, fire stations, roads, trails, water and wastewater treatment plants, and more. In addition, many aging facilities and other structures require repair and restoration to mitigate risks to public health and safety. The [Fourth National Climate Assessment](#) states that as extreme weather events become more common with climate change, maintenance and repair needs will likely increase.

Over the years, the DOI has stated that it has not had sufficient funding for annual maintenance, resulting in a deferred maintenance backlog and posing a risk to public safety. In addition, Congress has at times sought additional

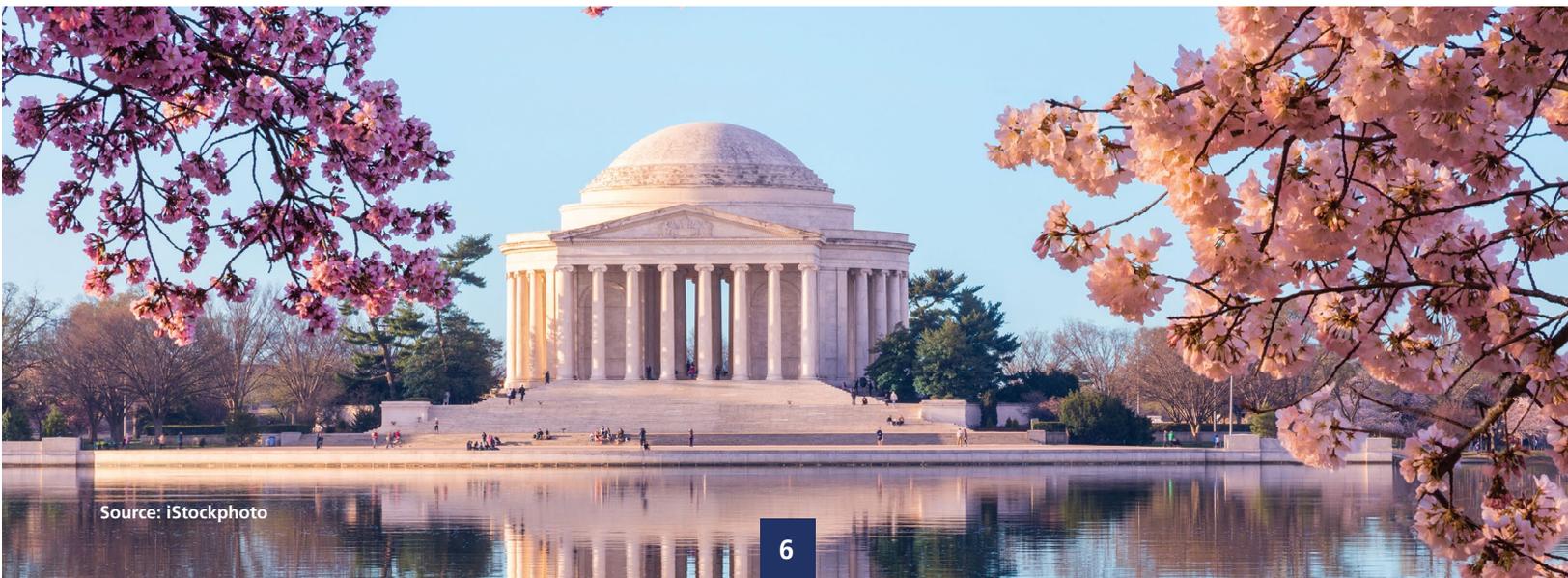
In total, the DOI is responsible for nearly 100,000 miles of roads, nearly 4,000 bridges, 63 tunnels, 123 transit systems, and more than 50,000 miles of trails and primitive roads.

information on the level and use of maintenance funds (see [Congressional Research Service Report No. R43997](#)). Performing annual maintenance is more cost effective than deferred maintenance, because delayed repairs grow in scope and cost. Approximately half of the total backlog relates to transportation assets—roads, bridges, tunnels, parking areas, trails, and related infrastructure—managed by the DOI’s bureaus. In FY 2020 (the most recent data available), the NPS deferred maintenance backlog was reported as the largest among Federal land management agencies and was estimated at nearly \$14.4 billion. Figure 2 presents the bureaus with the greatest deferred maintenance backlogs as of FY 2020.

Figure 2: DOI Deferred Maintenance Backlog as of FY 2020



Abbreviation: IA = Indian Affairs (including the BIA and the BIE).



In August 2020, the Great American Outdoors Act (GAOA) became law. The Act provides Federal agencies with \$9.5 billion over 5 years for deferred maintenance needs via the new National Parks and Public Land Legacy Restoration Fund—85 percent of which will be distributed to the NPS, the FWS, the BLM, and the BIE for maintenance projects. Secretarial Order No. 3383 outlined steps for the DOI to take to oversee the policy, programmatic, and process changes necessary to carry out provisions of the GAOA. We anticipate performing work that assesses the DOI's

compliance with this order and the steps it has taken to develop a strategy to maximize the impact of GAOA funding.

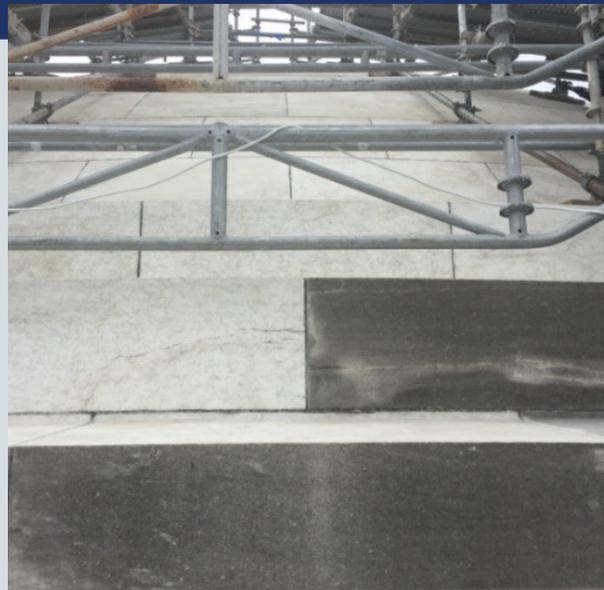
Further, Congress is currently considering the draft Infrastructure Investment and Jobs Act, which includes funding for the NPS and the FWS to make infrastructure investments such as roadway improvements and drainage systems, drought relief, and wildfire risk reduction; it also includes tribal-specific funding for transportation, water, and energy infrastructure in Indian Country.

DOI ACTION

National Parks and Public Land Legacy Restoration Fund Projects

In April 2021, the DOI announced plans to invest \$1.6 billion from the GAOA's National Parks and Public Land Legacy Restoration Fund for 165 FY 2021 projects across its bureaus to address critical deferred maintenance and improve transportation and recreation infrastructure in national parks, national wildlife refuges and recreation areas, and at Indian Country schools. In that announcement, the DOI estimated that FY 2021 GAOA spending would support about 19,000 jobs and contribute about \$2 billion to the national gross domestic product.

In one GAOA project, the DOI will complete the exterior restoration of the Jefferson Memorial in Washington, DC, which includes using specialized lasers to remove black biofilm (a microbial



Source: NPS.gov

This photo from the Jefferson Memorial shows a stone with black biofilm on the right and the restored stone on the left.

colony of algae, fungi, and bacteria), clean the memorial, and restore its appearance.

CHALLENGE AREA

Delivering Core Services

Each DOI bureau and office has a unique mission and set of responsibilities to deliver core services in support of the DOI mission. These services support responsibilities that include managing public lands, protecting the Nation's natural resources and cultural heritage, conserving land and water, addressing the impacts of climate change, and upholding tribal trust and related responsibilities. The DOI must balance competing priorities—for example, balancing different land uses such as conservation, energy production, recreation, forestry, and habitat protection.

The DOI itself has identified climate-related environmental conditions as an issue that will affect its responsibilities as manager of 20 percent of the Nation's lands, and it has emphasized the extent to which this implicates virtually every aspect of its mission, ranging from conserving plants, fish, and wildlife to fulfilling trust responsibilities to American Indians and Alaska Natives. In 2021, the DOI published its [Climate Action Plan](#), which emphasizes its commitment to using science to inform understanding of climate change risks, impacts, and vulnerabilities.

CROSS-CUTTING THEMES

-  **Public Safety and Disaster Response**
-  **Infrastructure**
-  **Workplace Culture and Human Capital**
-  **IT Security**
-  **Energy Management**
-  **Water Programs**
-  **Climate Change**
-  **Responsibility to American Indians**

Below we summarize the DOI's challenges, plans, and progress in delivering core services related to wildfire response, IT security, energy and mineral resources, water and power management, and the climate impact on tribal communities.

Wildfire Response

According to a [White House fact sheet](#), this year's wildfire season has outpaced last season in terms of the number of large fires to date. The [Fourth National Climate Assessment](#) states that the higher temperatures associated with climate change have resulted in drier soils, increased likelihood of

In FY 2020, DOI fire suppression costs totaled \$510 million, with 58,950 fires burning more than 10 million acres across the United States.

drought, and a longer fire season. From mid-July through September 2021, the National Interagency Fire Center reported that national wildland fire preparedness was at Level 5 (the highest), which is the longest period at that level since record-keeping began in 1990. The center also reported that although fire activity began to moderate in September across the West, severe drought conditions remain for much of the Northwest and Northern Rockies Geographic Areas as well as northern portions of the Great Basin and Rocky Mountain Geographic Areas, impacting 90 percent of the West. A [White House fact sheet](#) stated that these wildfires overwhelm response capabilities, resulting in billions of dollars in economic losses, damage to natural resources, devastation to communities, destruction of wildlife habitat, and the tragic loss of human life.

With fire seasons now extended throughout the calendar year, the DOI has stated that there is a need for a year-round workforce that

can respond at any time. The DOI's wildfire management program is composed of the Office of Wildland Fire (responsible for oversight) and the four bureaus with wildland fire management responsibilities—the BIA, the BLM, the FWS, and the NPS. These DOI bureaus deploy firefighters every year to support wildfire response, which requires significant collaboration across a wide range of Federal agencies, States, tribes, local land managers, and other stakeholders. In our FY 2020 management challenges report, we noted formidable challenges that the COVID-19 pandemic posed to firefighter health and safety and the DOI's wildfire response efforts. We recognize that the same challenges have continued into FY 2021, which resulted in the DOI continuing additional precautions—such as using screening programs, disinfectants, quarantine periods, and personal protective equipment when appropriate—to protect firefighters and other personnel at fire camps from COVID-19.

DOI ACTION

DOI Firefighter Hiring Reforms

In August 2021, the Secretary of the Interior announced the implementation of pay initiatives for wildland firefighters, which will increase the amount paid to approximately 3,500 DOI firefighters and ensure all firefighters are paid at least \$15 an hour. The Office of Personnel Management also recently approved seasonal DOI wildland fire employees to work additional hours beyond their terms. In FY 2021, the DOI also committed to hiring 210 new employees and converting 575 employees from career seasonal to fulltime to support the wildland fire program. As of September 23, 2021, the DOI reported that 149 new hiring actions and 530 conversions were either completed or in progress.



Source: National Interagency Fire Center

IT Security

The DOI spends about \$1.2 billion annually on IT systems to support bureau operations and programs. However, the DOI continues to face challenges in implementing an enterprise IT security program that balances compliance, cost, and risk while enabling bureaus to meet their diverse missions. The FY 2020 annual [independent Federal Information Security Modernization Act audit](#) identified weaknesses in the DOI's information security programs related to risk management, configuration management, identity and access management, the data protection and privacy program, the security training program, and contingency planning. The report included 32 recommendations to assist the DOI in strengthening its information security program.

The DOI relies on complex, interconnected IT systems to carry out its daily operations.

In response to the COVID-19 pandemic, the DOI transitioned to a maximum telework posture in March 2020, following the implementation guidance provided by the U.S. Office of Management and Budget. Since that time, demands on IT staff and systems have increased, requiring the DOI to adjust its approach to managing IT systems while prioritizing the demands of a predominantly remote workforce. The resulting widespread use of virtual private networks and other remote-access technologies increases the risk of security breaches of remotely stored and transmitted data.

In previous reports on management challenges, we identified delays in the DOI's implementation of its Continuous Diagnostics and Mitigation (CDM) program, a Governmentwide initiative that provides dynamic capabilities and tools to fortify defenses against cyber threats and to help systems and networks become more resilient against cyber attacks. In an [evaluation report](#) issued in March



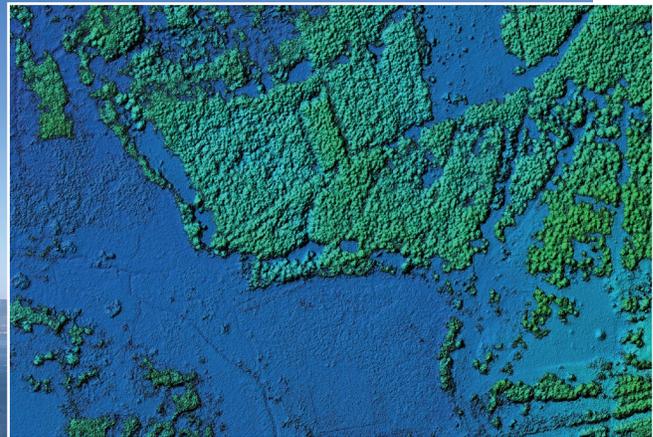
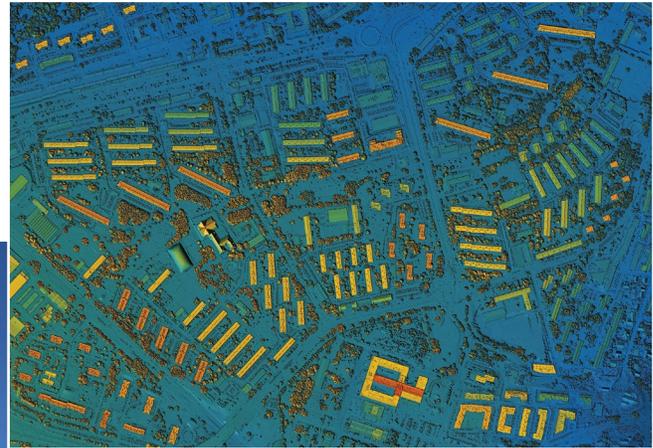
Source: NPS

2021, we reported that the DOI did not provide effective oversight of its CDM program. Our testing revealed control deficiencies for hardware asset management and configuration management that could leave systems exposed to vulnerabilities. We also found the DOI did not implement software blacklists or whitelists to help ensure that unapproved, unsupported, or potentially malicious software was not present. We made eight recommendations to improve monitoring, documentation, and processes. In response to our recommendations, the DOI reported that it is currently working with the U.S. Department of Homeland Security to strengthen the CDM program implementation.

The DOI and its bureaus rely on geospatial data to accomplish many different missions, and the DOI is a major producer, provider, and buyer of

geospatial data—spending more than \$100 million per year purchasing geospatial data and services from third parties. Although the DOI has made progress complying with National Geospatial Data Act requirements, it still faces challenges. In an [evaluation report](#) issued in October 2020, we found that the DOI did not implement Departmentwide controls to ensure that geospatial data purchased from third-party contractors met Federal quality standards and did not ensure bureaus regularly search available geospatial data before expending Federal funds to purchase geospatial data. As a result, the DOI risks using poor-quality data to support decision making and resource allocation, with the potential to adversely

affect mission outcomes, and expending funds for geospatial data that may already be available at no cost. We made two recommendations to strengthen the DOI’s governance practices for its geospatial data program. In response to our recommendations, the DOI reported to us that it has hired additional staff to strengthen management and oversight of geospatial data.



Sources: iStockphoto

Energy and Mineral Resources

As the steward of Federal energy resources—including oil, gas, coal, hydropower, and renewable energy—the DOI has responsibility for balancing conservation and energy production. Revenue from energy resources is distributed to several Federal programs, as well as to States, Indian tribes, and Indian mineral owners. However, energy development can pose significant risks to the environment. The DOI is challenged to manage complex energy operations, including collecting revenues, overseeing leasing, and ensuring that development is safe, efficient, and sustainable (see Figure 3 for a breakdown of bureau and office roles).

The DOI manages lands, subsurface rights, and offshore areas that produce approximately 19 percent of the Nation's energy.

ONRR collects lease, sale, and production revenues for natural resources on the Outer Continental Shelf and onshore Federal and tribal lands. All of the collected revenue is deposited into the U.S. Treasury before it is distributed to several Federal land conservation and restoration programs, including the Land and Water Conservation Fund, the Historic Preservation Fund, and the newly established National Parks and Public Land Legacy Restoration Fund, as well as to States, Indian tribes, and Indian mineral owners. ONRR data show that year-to-date revenues (from rents, royalties, penalties, fees, and bonuses) for the period of October to July dropped by 35 percent from FY 2019 to FY 2020. Although revenues can fluctuate from year to year due to factors affecting leasing, prices, and production, the pandemic was a significant factor during FY 2020 and FY 2021. Revenues over the same period for FY 2021 have surpassed the FY 2020 numbers but are still below the FY 2019 amount (see Figure 4). Offshore oil and gas revenues for FY 2020 were

Figure 3: DOI Bureaus and Offices With Roles in Energy Production and Management

BIA

Oversees leasing of tribal and Indian land for energy development

BLM

Administers onshore energy and subsurface minerals on certain public lands

BOEM

Oversees offshore oil, gas, and wind development

BOR

Produces hydroelectric power in the United States

BSEE

Oversees oil and gas activities and environmental protection offshore

ONRR

Collects revenue from energy production and development

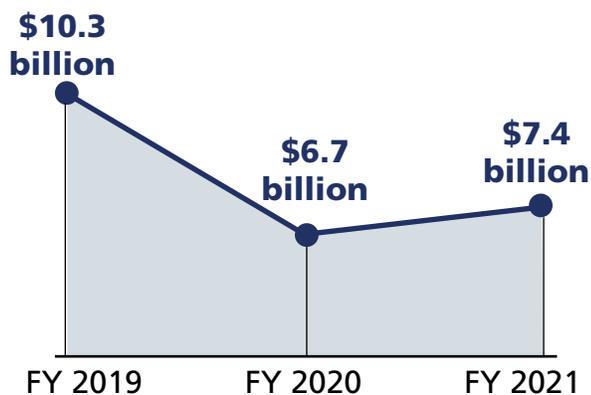
OSMRE

Works with States and tribes to oversee coal mining operations

sufficient to fund these programs at their specified or maximum amounts; however, any significant decline in revenues in the future may result in underfunded programs.

Figure 4: Fluctuations in ONRR Revenues Since FY 2019

Revenues shown reflect the period of October to July for FYs 2019 through 2021.



In a [January 2021 Executive Order](#), the President paused new Federal oil and gas leases, pending a review of Federal leasing and permitting practices and their potential climate impacts. In June 2021, a district court issued a preliminary injunction requiring the Federal onshore and offshore oil and gas leasing program to continue leasing pending the outcome of litigation. The resolution of this matter will likely have an effect on oil and gas leasing revenues and on the programs for which they provide funding.

Further, ONRR faces ongoing challenges in verifying the accuracy of royalty revenue collection. The GAO has included determining and collecting oil and gas revenue on its [High-Risk List](#). For example, the GAO noted that while ONRR has taken steps to improve its compliance activities by creating and documenting procedures related to the case selection process, it lacks a goal for tracking the amount of oil and gas royalties subject to compliance efforts and does not have an effective risk model for improving compliance case assignments. Without a strong process in place to ensure the accuracy of adjustments to royalty reporting, ONRR is at risk of losing revenue owed to the Federal Government.

BSEE oversees oil and gas activities, including design, installation, and operation, as well as

decommissioning. When oil and gas infrastructure is no longer in use, the DOI requires lessees to permanently plug all wells, remove all platforms and other structures, remove or bury all pipelines, and clear the seafloor of all obstructions. BSEE develops decommissioning cost estimates and works with BOEM to secure financial assurances from operators in advance of offshore oil and gas exploration and development. This process is intended to protect the Government from incurring additional costs if an operator is unable to perform required pipeline decommissioning. Historically, BSEE has struggled to develop accurate decommissioning cost estimates, which could potentially lead to the Government covering shortages if operators are unable to pay the actual costs of decommissioning.

Decommissioning is the process of ending oil and gas operations across infrastructure (including platforms, wells, and pipelines) and returning the lease or pipeline right-of-way to a condition that meets requirements.

In March 2021, [the GAO reported](#) that BSEE does not have a robust process to address the environmental and safety risks posed by leaving decommissioned pipelines in place on the sea floor, due to the cumulative effects of oversight gaps before, during, and after the decommissioning process. The GAO has also reported that since the 1960s, BSEE has allowed the offshore oil and gas industry to leave 97 percent of pipelines, or approximately 18,000 miles of pipeline, on the sea floor when no longer in use. Our investigatory and related work has identified concerns associated with failure to verify that an offshore site was cleared of debris. In addition, passing hurricanes can move pipelines long distances, which may cause habitat damage and create navigational hazards. For example, after Hurricane Katrina, a pipeline segment was found about 4,000 feet from its original location. If pipelines decommissioned-in-place are later found to pose risks, there may be no funding source for removal.

Water and Power Management

The BOR is the largest supplier and manager of water in the Nation and the second largest producer of hydroelectric power. The BOR delivers 10 trillion gallons of water to more than 31 million people each year and provides water to irrigate 10 million acres through the 491 dams and 338 reservoirs it manages. Multiple factors affect water management and use, both short- and long-term, including funding, infrastructure, conservation, and partnerships.

As the largest wholesaler of water in the country, the DOI must reconcile competing demands on its water resources.

The DOI has stated that water flows are at historic lows, including in areas like the Klamath River Basin and the Colorado River Basin. For example, the Colorado River is experiencing the driest

21-year period in more than 100 years of historical records, and water demands have been exceeding natural flows. The Colorado River Basin provides water, power production, fish and wildlife habitats, and recreation, among other uses. A majority (70 percent) of basin water is used to irrigate 5.5 million acres of land; the basin also supplies water to millions of Americans and at least 22 federally recognized tribes, 7 national wildlife refuges, 4 national recreation areas, and 11 national parks.

Lake Mead is one of the main reservoirs on the Colorado River, and at capacity would hold more than 9 trillion gallons of water. Water levels have declined since a high in 2000, and as of August 2021, the lake was filled to just 35 percent of its capacity. Figure 5 shows the conditions at Lake Mead and the upstream face of Hoover Dam in 2001 and 2015.

Figure 5: Water Supply in Lake Mead, in 2001 (left) and in 2015 (right)



Source: DOI

Note: Lake Mead was last full in 2000. Water elevation in 2001 was 1,196 feet (left photo), and in 2015 was 1,075 feet (right photo). On September 30, 2021, the elevation was recorded as 1,068 feet.

In August 2021, the BOR released the results of a 24-month study on the Colorado River Basin. The study found that low runoff conditions will necessitate reduced downstream releases from Glen Canyon Dam and Hoover Dam in 2022. These drought conditions raise concerns about potential decreases in water supplies. As water levels drop, so will the delivery of water to Arizona, Nevada, and even parts of Mexico. Dropping water levels will also affect hydroelectric

power generation for parts of Arizona, California, and Nevada. The [Fourth National Climate Assessment](#) stated that climate change, including warmer temperatures and altered precipitation patterns, may further increase the likelihood of prolonged drought in the basin. The DOI faces challenges in managing the delivery of water, protection of fish and wildlife habitat, and the generation of hydroelectric power during this ongoing historic drought.

DOI ACTION

Ongoing DOI Water Projects

In April 2021, the National Climate Advisor asked the Secretaries of the DOI and the U.S. Department of Agriculture to head the newly formed Drought Relief Interagency Working Group to address worsening drought conditions in the West and support farmers, tribes, and communities affected by ongoing water shortages. According to the DOI, the working group will identify and disburse immediate financial and technical assistance for impacted irrigators and tribes.

In July 2021, the BOR launched a [web portal](#) that provides real-time drought-related information and details of drought actions taken to increase public and media understanding.

According to the BOR, it also makes financial assistance awards through its WaterSMART



Source: BOR

program to support actions that increase water supply. The BOR launched a new WaterSMART grant opportunity for environmental water resources projects in 2022. Projects that have environmental benefits and are developed as part of a collaborative process between a State, tribe, irrigation district, or water district and a nonprofit conservation organization may be eligible for up to 75 percent Federal funding via these grants.

Addressing Climate Impact on Tribal Communities

In its 2021 [Climate Action Plan](#), the DOI recognizes its role in protecting and mitigating impacts to the public and tribal lands and in ensuring that climate adaptation and mitigation strategies are implemented effectively and equitably. Further, the DOI states that as the primary Federal agency charged with carrying out the United States' trust responsibility to American Indians and Alaska Natives, the potential effects of climate change are highly relevant to the DOI's mission.

The intersection of the agency's own mission with the effects of climate change is described in the [Fourth National Climate Assessment](#), which emphasizes that the intertwined social and ecological systems that American Indians and Alaska Natives rely on for the health of their communities may be uniquely and disproportionately impacted by rapidly changing climates and extreme weather events. The location of tribal lands and tribes' high dependence on

their lands and natural resources to sustain their economic, cultural, and spiritual practices leaves tribes disproportionately affected by climate change. Major vulnerabilities include food insecurity due to decreases in traditional food availability, the loss of traditional knowledge due to changing ecological conditions, changing water availability, and relocation from homelands. Nearly all tribes have economies linked with climate-sensitive resources or are located in (1) coastal and river flood plains, or (2) areas prone to extreme weather events. Most Alaska Native communities fall under all these categories. Climate impact on Alaska Native communities is further exacerbated due to Alaska warming at a rate that is twice as fast as the rest of the country. Alaska is home to 40 percent (or 229) of the federally recognized tribes in the United States.

The GAO has included the management of climate change on its [High-Risk List](#) since 2013, highlighting the significant fiscal risk



Source: FWS



Source: NPS

for the Federal Government. In addition, the [Fourth National Climate Assessment](#) explains that, as climate change continues to harm tribal communities and force relocation, these communities will need to navigate complex issues, including the lack of clearly defined authorities and governmental structures that are typically necessary for Federal, State, and local actors to coordinate effectively. The DOI itself has identified that it has an important role to play in addressing these concerns, and in April 2021, the Secretary of the Interior established a climate task force to address the impacts of climate change. The task force has as its goal ensuring that the DOI appropriately engages with tribes, accelerates renewable energy development, and properly analyzes climate change.

The DOI provides services to 574 federally recognized tribes with a population of about 2 million American Indians and Alaska Natives. The DOI also has trust responsibilities for mineral resources on 56 million surface acres and 59 million subsurface acres of tribal land.

In August 2021, the Institute for Tribal Environmental Professionals Tribes and Climate Program and the BIA Tribal Climate Resilience Program published the [Status of Tribes and Climate Change Report](#), which argues that inadequate funding remains one of the greatest barriers for tribes planning for and adapting to climate change, as at least \$6.2 billion will be needed over the next 50 years to protect, replace, and move existing tribal infrastructure. The draft Infrastructure Investment and Jobs Act (described previously in the “Infrastructure” section) includes funding for tribes for climate resilience, adaptation, community relocation, and projects that address climate challenges impacting tribal communities.

CHALLENGE AREA

Ensuring Health and Safety

Carrying out the DOI mission depends on protecting the health and safety of the workforce and the public. The DOI employs almost 70,000 people who support and serve nearly 500 million visitors to public lands per year.

Ensuring employee and public safety is complex and spans many DOI responsibilities, including law enforcement, emergency response, public land management, infrastructure and facilities maintenance, and upholding trust responsibilities or commitments to American Indians, Alaska Natives, and Insular Areas. The COVID-19 pandemic has also presented the DOI with challenges in ensuring a safe environment and healthy workforce.

Below we summarize the DOI's challenges, plans, and progress on health and safety issues related to

CROSS-CUTTING THEMES



Public Safety and Disaster Response



Responsibility to American Indians



Workplace Culture and Human Capital



Infrastructure



Climate Change

law enforcement, Indian Country schools, and the future of work.

Law Enforcement

The DOI's law enforcement responsibilities include Indian Country communities as well as resource protection, visitor safety, special event management, and crowd control across jurisdictions. Among executive branch departments, the DOI has the fourth largest law enforcement component, totaling approximately 4,000 law enforcement officers in five bureaus:

- The BIA works to ensure safety within Indian Country through uniformed police, criminal investigation, and corrections (e.g., detention facilities).

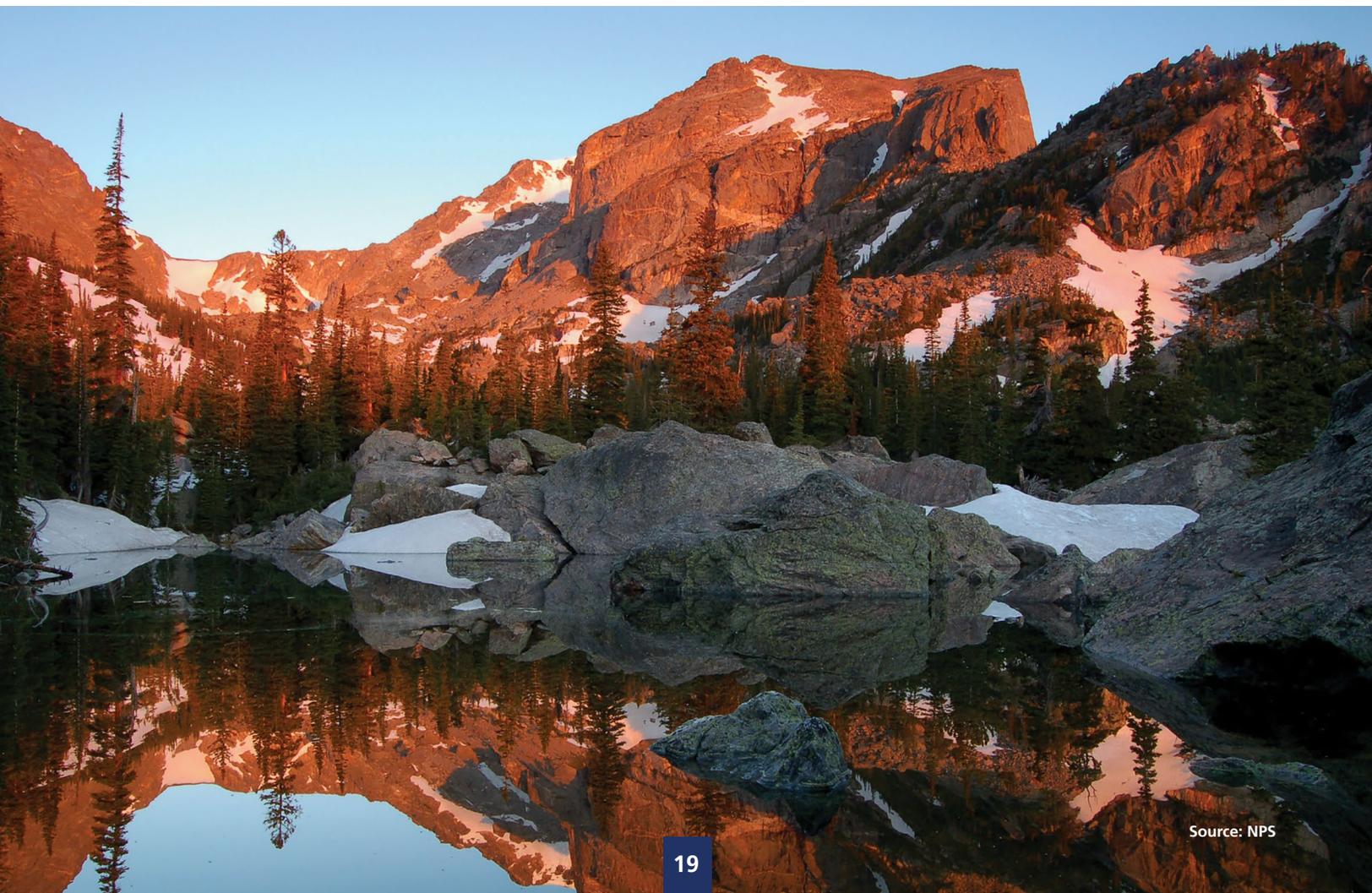
- The BLM works to support emergency response and provide a safe environment for employees and visitors on BLM-managed public lands.
- The BOR provides for the security of dams, facilities, and resources under its jurisdiction.
- The FWS serves National Wildlife Refuge System lands and enforces Federal wildlife laws throughout the United States.
- The NPS' law enforcement rangers protect national parklands and enforce agency regulations. Also under the NPS, the

U.S. Park Police (USPP) oversees law enforcement on national parklands, primarily in Washington, DC; New York City; and San Francisco, CA. The USPP also works to ensure public safety during hundreds of First Amendment demonstrations on Federal lands, including the National Mall.

The DOI's law enforcement responsibilities have continued to expand at the same time that law enforcement priorities and accountability have received public attention and congressional interest. In May 2018, the DOI and the U.S. Border Patrol established long-term operations and staffing plans to increase the presence of DOI law enforcement officers on DOI-managed lands along the United States border with Mexico. In addition, the DOI told us that recruiting, hiring, and retaining law enforcement officers can be challenging and time consuming. As of September 2021, the DOI estimated a vacancy rate as high as 20 percent across its law enforcement programs.

The DOI is responsible for the safety of almost 70,000 employees, as well as members of the public who visit or live near more than 500 million acres of DOI-managed lands.

We have devoted considerable resources to overseeing law enforcement-related issues. In a [January 2021 inspection report](#), we outlined the significant challenges detention facilities face in overcoming COVID-19 outbreaks because inmates live, work, eat, and participate in activities in close proximity to each other and detention officials. In a [June 2021 special review](#), we found that the USPP needed detailed policies that defined procedures for law enforcement operations when responding to protests. We made two recommendations to help the USPP improve its policies and communications related to similar operations and to promote operational consistency. We anticipate conducting related work during this fiscal year. In





Source: iStockphoto

addition, in July 2021, the Secretary of the Interior established a law enforcement task force to focus on ways to strengthen public trust in DOI law enforcement; improve policy and oversight; recruit and retain an inclusive and diverse workforce; and provide resources for officers' mental health, wellness, and safety.

Maintaining a law enforcement program with policing practices that promote accountability, transparency, and public trust can be a challenge for the DOI. For example, in a [January 2018 evaluation](#), we found that the DOI's draft body

camera policy lacked critical industry standards and put implementation of a successful body camera program at risk. The DOI's policy did not include standards for controls over body camera recordings, prohibition of manipulating and sharing recordings, requirements to note recordings in incident reports, requirements to document when a recording is not made or not completed, and requirements for supervisors to review recordings. We are in the process of evaluating the extent to which the agency complied with recommendations from our earlier evaluation of body camera policies.

DOI ACTION

The BIA Office of Justice Services' Missing & Murdered Unit

In April 2021, the Secretary formed a Missing & Murdered Unit in the BIA's Office of Justice Services to address what is described as the longstanding crisis of violence against Indigenous peoples and to build on the multi-agency task force created in November 2019 to enhance the criminal justice system within

Indian Country. This unit is intended to provide leadership and direction for cross-departmental and interagency work involving missing and murdered American Indians and Alaska Natives.

The DOI designated new positions to support the investigative needs of the unit, including the collection and analysis of performance data and coordination of services with the families of victims.

Indian Country Schools

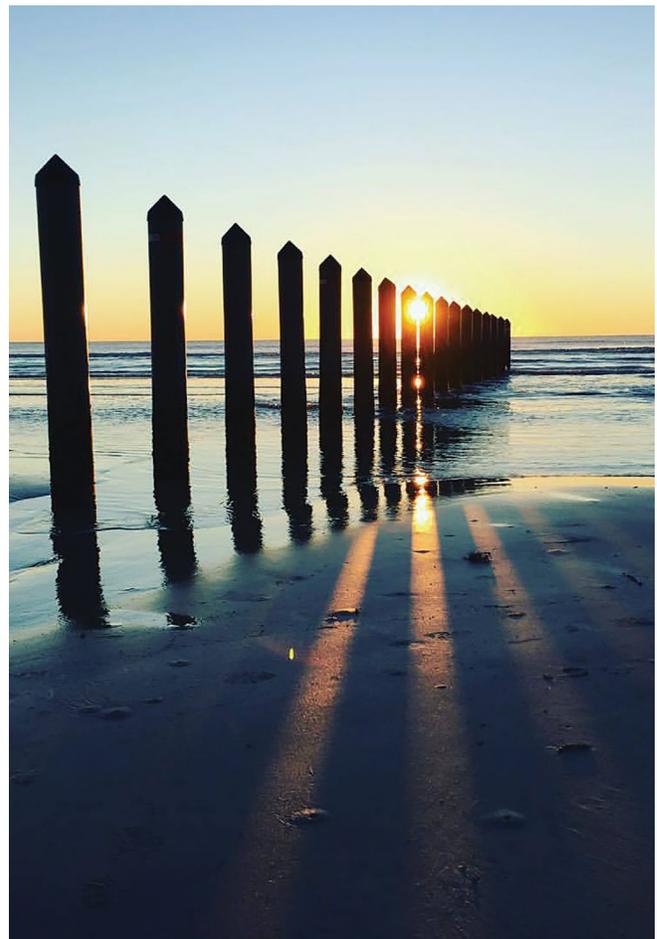
The BIE has faced challenges in providing high-quality education to its students for decades. We have identified and reported on poor conditions at BIE school facilities and provided recommendations to improve educational achievement efforts in our previous work, and other sources such as the GAO have reported on similar issues in recent years. Additionally, since 1969, various witnesses have testified before Congress that schools within Indian Country have been underfunded and have questioned the adequacy of the students' education.

The BIE provides education services to about 46,000 students in 183 Indian Country schools.

According to the BIE, as of October 2021, 71 kindergarten through 12th grade school sites had a facility condition index rating of "poor condition." The BIE also stated that 43 of those 71 school sites are in an active facility improvement program, such as programs under the GAOA or No Child Left Behind Act or programs for capital improvement or facility replacement. The BIE estimated that rebuilding the schools in poor condition would cost on average \$62 million per school. Our own work has identified many of these issues and made extensive recommendations for improvement of longstanding concerns. For example, in an April 2021 [followup inspection](#), we found that a school we first inspected in 2016 still had not addressed extensive water damage and mold in the library and kindergarten classroom that we identified in the 2016 report. We also found new safety, health, and security risks, including that portable buildings used regularly by staff and students showed signs of water damage, had odor issues, and had damage that caused a toilet to partially sink into the floor. We made 13 recommendations to address these issues and reiterated two issues from our earlier report. In

addition, the GAO has included management weaknesses and facility safety issues at BIE schools on its [High-Risk List](#) since 2017.

Additionally, academic performance at BIE schools often lags behind that of public schools. For example, according to a [2013 GAO report](#), Indian students who attended public schools were more likely to graduate from high school than Indian students who attended BIE schools. Analysis published by ProPublica in 2021 also found that BIE students performed more than two grade levels below the national average on standardized tests. In a congressional hearing held in 2015 titled "Examining the Challenges Facing Native American Schools," the chairman noted that these challenges are due, in part, to poor



Source: NPS

condition of facilities, poor management, and a lack of resources and services—all of which can negatively impact students’ academic performance as well as their overall health. GAO reports have also found that students in BIE schools are not always provided the services and tools needed for a quality education:

- In April 2020, the [GAO reported](#) that the BIE needs to improve its management of the Johnson-O’Malley program, which provides assistance to meet the unique educational needs of American Indian and Alaska Native students. Specific oversight issues include a failure to maintain a complete list of contractors who provide services to students, a lack of training for contractors to meet program requirements, and the absence of clearly defined staff roles and responsibilities.
- In a [May 2020 report](#), the GAO found that students with disabilities or health

impairments in BIE schools were not always provided with special education and related services.

- In an [April 2021 report](#), the GAO found that most students in distance learning programs during the 2020-2021 school year due to the COVID-19 pandemic did not have laptops at the beginning of the school year, and by March 2021, the schools had not yet distributed 20 percent of the laptops they had ordered.

Furthermore, in yearly evaluations of how the BIE provides services to students with disabilities, since 2014 the U.S. Department of Education has reported that the BIE did not meet the requirements and purposes of the Individuals with Disabilities Education Act and either “needed intervention” or “needed assistance” implementing those requirements.

DOI ACTION

BIE School Standardization and Modernization

In April 2020, the BIE established a new rule that is intended to assist in creating a standardized system to hold BIE schools accountable for students’ academic achievements by establishing uniform academic standards and assessments.

Additionally, in January 2021, the BIE received funding through the GAOA to address deferred maintenance and deficiencies at its schools. The BIE announced it would use those funds to modernize two schools: Many Farms Community School in Arizona and Cheyenne-Eagle Butte School in South Dakota.

Indian Affairs also established the Education Construction Site Assessment and Capital



Source: BIE

The Many Farms Community School in Arizona is one of two schools the BIE plans to modernize using GAOA funds.

Investment Program to assess the conditions of BIE schools and to determine a site-by-site solution to address deficiencies, with a goal that all school facilities reach “good” condition rating in accordance with the facility condition index.

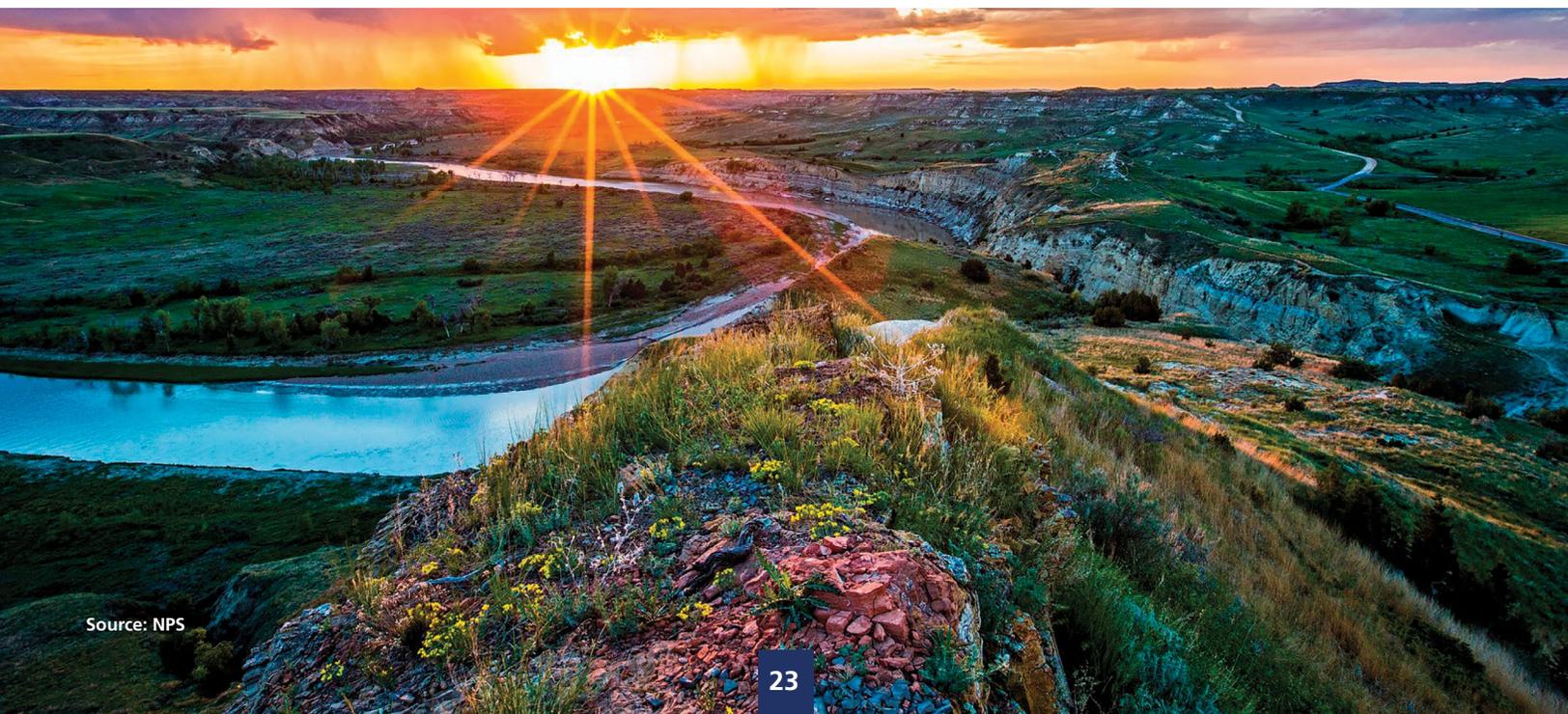
The Future of Work

As COVID-19 response efforts continue, the DOI workforce will be affected by the DOI's planning for the post-pandemic work environment and reentry plans. In July 2021, the DOI issued a revised *COVID-19 Workplace Safety Plan*, which outlines the DOI's strategy to prepare for and respond to the pandemic. The goals of the plan include halting the spread of COVID-19 by relying on data and science-based public health measures; prioritizing the health and safety of the Federal workforce; and sustaining the DOI's mission. Additionally, the DOI built and maintains an information portal to assist employees and managers with responding to COVID-19. As pandemic conditions fluctuate, the DOI will need to continue to assess risks, adjust plans, and respond to a changing environment.

In May 2021, the DOI conducted a "Future of Work" survey to inform its transition to the post-pandemic workplace. Responses indicated that employees value flexibility, want safe workspaces, and may need additional training or technology.

As the DOI plans to return employees to worksites, it will face challenges in ensuring a safe environment and healthy workforce. On September 9, 2021, the President signed [Executive Order No. 14043](#), which requires COVID-19 vaccination for Federal employees (with some exceptions). The Executive Order states that it is essential that Federal employees take all available steps to protect themselves and avoid spreading COVID-19 to coworkers and the public. Accordingly, the DOI has stated that it is working to implement the Executive Order and other guidance provided by the Safer Federal Workforce Task Force. The guidance established deadlines for vaccinations and the documentation that agencies must collect to verify employee vaccination status. The DOI acknowledged that it is addressing how to ensure that its bureaus and offices consistently apply the vaccination guidance and policies.

The DOI will face challenges in capitalizing on the lessons learned during the pandemic and finding the right balance of telework, remote work, and in-person work to accomplish its mission. As the DOI continues to assess the future of work, many of these same issues will also present challenges



as it seeks to leverage workplace flexibilities as a strategy to combat the impacts of climate change. The Office of Personnel Management (OPM) specifically drew this connection in its [Climate Action Plan](#) in September 2021, stating that it “will provide agencies with the tools they need to continue to deliver services to the American people in the face of disruptions caused by climate change.” Specifically, the OPM committed to providing robust guidance on strategies to optimize telework, technical assistance for managers, and an examination of HR regulations. The OPM noted that increased telework not only limits Federal employees’ commutes and reduces commuting-based carbon emissions but supports continuity of operations so agencies can continue to work even during disruptions that prevent access to the worksite.

Within the DOI, particular bureaus are at the forefront of these issues. We specifically note that the BLM faces challenges in planning for the future of work as it rebuilds its headquarters workforce after experiencing a significant loss in staff in 2019. The [GAO reported](#) that the DOI’s FY 2019 decision to relocate the BLM

headquarters from Washington, DC, to Western States contributed to high vacancy rates among headquarters personnel. Specifically, out of the 328 positions that were relocated, 287 BLM employees opted to leave the bureau. The 41 employees who moved went from working in a single office to working in offices spread across 10 States. The [GAO also found](#) that the BLM did not substantially follow key practices for effective agency reforms when relocating employees and recommended that the DOI ensure its bureau leadership incorporate those practices before implementing reorganization activities at other DOI bureaus. The GAO specifically included the BLM’s human capital challenges resulting from this relocation in its 2021 [High-Risk List](#), and our own work from a [September 2020 investigation](#) concluded that DOI officials made misleading assertions related to the BLM’s headquarters relocation to Grand Junction, CO, and other Western States. The DOI announced in September 2021 that it will move the BLM’s headquarters and some senior officials back to Washington, DC. As of October 2021, however, approximately 80 headquarters positions remain vacant.

DOI ACTION

The DOI’s New Telework and Remote Work Guidance

In summer 2021, the DOI updated its telework policy and established an agencywide policy for implementing employee-initiated requests for remote work. With these new policies and the move toward a more virtual workplace, a hybrid environment in which some employees report to a worksite and others work remotely has become increasingly likely.

This hybrid work environment will require bureaus and offices to adopt updated HR approaches and use new technologies.



Source: Shutterstock

For example, the DOI may face challenges in identifying IT systems that can ensure employees are working effectively and feel connected, as well as investing in training and tools that provide managers and employees with the necessary resources to ensure the success of a hybrid work environment.

APPENDIX:

Related OIG Publications

Below we present the Office of Inspector General (OIG) work cited in this report (in order of appearance) related to major management challenges facing the U.S. Department of the Interior for fiscal year 2021. This list includes published final products (not work still in fieldwork or issued in draft).

Prior OIG reports on [major management challenges](#) and a [database of all OIG](#) reports can be found on the OIG website.

Managing Spending

[Report No. 2019-FIN-009](#), *The Interior Business Center's Procurement Preaward Practices Did Not Always Adhere to Federal Regulations or Internal Control Standards*, issued March 2021

[Report No. 2020-FIN-002](#), *The U.S. Department of the Interior Needs To Strengthen Charge Card Internal Controls When Using Disaster Relief Funds*, issued March 2021

[Report No. 2021-FIN-021](#), *Where's the Money? DOI Use of CARES Act Funds as of January 31, 2021*, issued March 2021

[Case No. 20-0436](#), *Apparent Misuse of and Lack of Internal Controls Over the Government Purchase Card Program During the Coronavirus Pandemic*, issued March 2021

Delivering Core Services

[Report No. 2020-ITA-032](#), *Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2020*, issued March 2021

[Report No. 2019-ITA-003](#), *Weaknesses in a USGS System Leave Assets at Increased Risk of Attack*, issued March 2021

[Report No. 2020-ITA-020](#), *The U.S. Department of the Interior Needs To Strengthen Governance Practices To Improve Its Management of Geospatial Data*, issued October 2020

Ensuring Health and Safety

[Report No. 2020-WR-044](#), *The Bureau of Indian Affairs' Coronavirus Response at Indian Country Detention Facilities*, issued January 2021

[Case No. 20-0563](#), *U.S. Park Police Actions at Lafayette Park*, issued June 2021

[Report No. 2017-WR-012](#), *U.S. Department of the Interior Law Enforcement's Body Camera Policy and Practices Are Not Consistent With Industry Standards*, issued January 2018

[Report No. 2019-CR-062](#), *Facility Improvements Still Needed at Pine Hill School*, issued April 2021

[Report No. 20-0099](#), *Statements Made to Congress Regarding the Bureau of Land Management's Office Relocation*, issued September 2020

Source: iStockphoto

