



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

The U.S. Department of the Interior Has an Opportunity To Protect Its Research and Development



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

JAN 19 2023

Memorandum

To: Tommy Beaudreau
Deputy Secretary

From: Mark Lee Greenblatt
Inspector General

Subject: Final Management Advisory – *The U.S. Department of the Interior Has an Opportunity To Protect Its Research and Development*
Report No. 2022–CGD–023

This management advisory presents the results of our work to determine whether the U.S. Department of the Interior’s (DOI) conflicts of interest policies protect scientific research and development from foreign influence. Specifically, we assessed relevant policies and procedures of the DOI’s Departmental Ethics Office, Office of Grants Management (PGM), and the Office of Acquisition and Property Management (PAM) to determine if they addressed foreign government-sponsored talent recruitment programs and conflicts of commitment.¹

Overview

Federal research and development can be vulnerable to foreign government theft, and [National Security Presidential Memorandum–33](#) (NSPM–33) directs Federal agencies to take action to strengthen protections of U.S. Government-sponsored research and development.² According to NSPM–33, a “foreign government-sponsored talent recruitment program” is an effort in which a foreign government organizes, manages, or funds recruitment of science and technology professionals. Some of these programs operate with the intent to illicitly acquire proprietary technology, unpublished research, and intellectual property to further the foreign government’s military modernization or economic goals. Although these programs can raise a number of concerns, they specifically raise the possibility of creating conflicts of commitment, which occur when an individual incurs conflicting obligations with multiple employers or entities. For example, a conflict of commitment may occur when a Federal employee or a non-Federal employee dedicates more time to an outside entity than allowed by the Federal employer or funding agency, improperly shares research findings with an entity that did not fund the research, or withholds research findings from an employer or agency that funded the research.

¹ Attachment 1 contains the full definitions for “government-sponsored talent recruitment programs” and “conflicts of commitment.”

² NSPM–33, *Presidential Memorandum on United States Government-Supported Research and Development National Security Policy*, National Security and Defense, issued January 14, 2021 (<https://trumpwhitehouse.archives.gov/presidential-actions/presidential-memorandum-united-states-government-supported-research-development-national-security-policy/>).

Why We Conducted This Inspection

There are significant challenges to the security of Federal research: some foreign governments are working to illicitly acquire the most advanced technologies or hurt the economic security of other countries. More specifically, foreign governments have attempted to induce U.S. Government scientists to secretly conduct research programs on their behalf or to inappropriately disclose nonpublic results from federally funded research. For example, two recent U.S. Department of Justice (DOJ) convictions were related to foreign government-sponsored talent recruitment programs and nondisclosures of conflicts of interest.³ According to the DOJ press releases, the individual in one matter used approximately \$4.1 million in Federal funding to develop scientific expertise for China, and the individual involved in the other did not report \$500,000 in foreign income on his Federal income tax returns.

To address these challenges, Federal agencies have recently issued reports that highlight the importance of enhancing policies and procedures to address foreign influence and conflicts of commitment.⁴ For example, a 2020 U.S. Government Accountability Office (GAO) report recommended that the National Institutes of Health (NIH), the National Science Foundation (NSF), the National Aeronautics and Space Administration, the U.S. Department of Defense, and the U.S. Department of Energy address conflicts of commitment in their policies and develop written procedures to address employee failures to disclose required information.⁵ The report also helped shape NSPM-33.

Why This Matters

The Director of the Office of Science and Technology Policy (OSTP), through the National Science and Technology Council (NSTC), is developing guidance for the Federal Government as a whole to help protect research from conflicts of commitment. That guidance has not yet been issued, though, and given the significant resources dedicated to DOI research, the DOI should take focused, interim measures to ensure the security of its research and protect it from foreign influence. For fiscal year (FY) 2020, the DOI obligated research and development funding totaling \$844 million, and it estimated that, in FY 2021, it would increase that amount by \$46.7 million (see Figure 1). The amounts represent research and development activities that are conducted intramural (i.e., DOI employee efforts) and extramural (i.e., external agency efforts funded via grants, cooperative agreements, and contracts).

³ DOJ Press Release No. 21-439, [University Researcher Sentenced to Prison for Lying on Grant Applications to Develop Scientific Expertise for China](https://www.justice.gov/opa/pr/university-researcher-sentenced-prison-lying-grant-applications-develop-scientific-expertise), issued May 14, 2021 (<https://www.justice.gov/opa/pr/university-researcher-sentenced-prison-lying-grant-applications-develop-scientific-expertise>); Department of Justice Press Release No. 20-438, [Former Emory University Professor and Chinese “Thousand Talents” Participant Convicted and Sentenced for Filing a False Tax Return](https://www.justice.gov/opa/pr/former-emory-university-professor-and-chinese-thousand-talents-participant-convicted-and-sentenced-for-filing-a-false-tax-return), issued May 11, 2020 (<https://www.justice.gov/opa/pr/former-emory-university-professor-and-chinese-thousand-talents-participant-convicted-and>).

⁴ Attachment 2 identifies a number of these reports.

⁵ Report No. GAO-21-130, [Agencies Need to Enhance Policies to Address Foreign Influence](https://www.gao.gov/assets/gao-21-130.pdf), issued December 2020 (<https://www.gao.gov/assets/gao-21-130.pdf>). The DOI was not within the scope of the GAO’s report.

Figure 1: FY 2020 Obligated and FY 2021 Estimated Obligated Amounts for Research and Development by Bureau*

Bureau	FY 2020 Obligated Amount (\$)	FY 2021 Estimated Obligation Amount (\$)
U.S Geological Survey	664,814,999	691,270,000
Bureau of Land Management	72,851,012	81,700,634
U.S. Fish and Wildlife Service	32,650,000	32,650,000
Bureau of Reclamation	29,157,876	27,500,000
Bureau of Land Management	20,756,000	15,848,000
Bureau of Safety and Environmental Enforcement	13,374,639	29,728,583
National Park Service	10,230,999	10,230,999
Office of Surface Mining Reclamation and Enforcement	561,952	2,161,000
Total Obligated	\$844,397,477	\$891,089,216

* Data collected by the NSF on Federal funds for research and development. During the last collection period, the DOI provided FY 2020 obligations and FY 2021 estimated obligations. The collection period for FY 2021 obligations and FY 2022 estimated obligations had not commenced at the time of our fieldwork.

Failure to mitigate risks of foreign influence in research jeopardizes the DOI’s ability to protect the integrity of its taxpayer-funded research.

What We Reviewed

To assess whether the DOI’s conflicts of interest policies protect scientific research and development from foreign influence, we reviewed NSPM–33 and its guidance; reviewed relevant DOI policies; and interviewed DOI ethics officials, grant officials, and procurement officials. We conducted this inspection in accordance with the *Quality Standards for Inspection and Evaluation* as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our conclusions and recommendations.

NSPM–33 and Implementation Guidance

NSPM–33 instructs the Director of the OSTP, through the NSTC, to coordinate activities to protect federally funded research and development against interference from foreign

governments.⁶ The memorandum articulates requirements and processes for the appropriate disclosure of information related to conflicts of commitment and financial conflicts of interest, which, together with foreign government-sponsored talent recruitment programs, is an emerging area of focus for the Federal Government. NSPM–33 states that it is the policy of the United States to:

- Enhance awareness of research security risks and protections.
- Strengthen disclosure requirements and processes.
- Limit access and participation.
- Vet foreign students and researchers.
- Share information.
- Provide research security training.
- Identify and analyze risks.
- Promote and protect international research and development cooperation.

The NSTC Subcommittee on Research Security issued [guidance](#) to assist Federal departments and agencies in implementing NSPM–33.⁷ The guidance clarifies disclosure requirements and standardization, describes how agencies will incorporate individual digital persistent identifiers,⁸ provides guidelines for determining consequences for violating disclosure requirements, clarifies circumstances for sharing information about potential disclosure violations, and clarifies research security program requirements. The guidance also directs the NSTC Subcommittee on Research Security to develop award proposal disclosure forms and instructions to clarify expectations to both Federal and non-Federal researchers within 120 days of the guidance issue date, which was May 4, 2022. The DOI has two representatives serving on the NSTC Research Security Subcommittee.

⁶ The NSTC is the principal means by which the Executive Branch coordinates science and technology policy across Federal agencies. The NSTC membership is made up of the Vice President, the Director of the OSTP, Cabinet secretaries and agency heads with significant science and technology responsibilities, and heads of other White House offices. The NSTC includes the Joint Committee on Research Environment, which oversees the Subcommittee on Research Security assigned to develop the implementation guidance for NSPM–33. The Subcommittee on Research Security’s membership is drawn from 22 Government agencies.

⁷ NSTC, [Guidance for Implementing National Security Presidential Memorandum 33 \(NSPM–33\) on National Security Strategy for United States Government-Supported Research and Development](#), issued on January 4, 2022 (<https://www.whitehouse.gov/wp-content/uploads/2022/01/010422-NSPM-33-Implementation-Guidance.pdf>).

⁸ NSPM–33 defines “digital persistent identifier” as a unique digital identifier that permanently and unambiguously identifies a digital object or individual. NSPM–33 implementation guidance states that a digital persistent identifier enables researchers to create a single record that represents their curriculum vitae with relevant information (employment, education, funding, research outputs, etc.) to share with funders, publishers, researchers, and other organizations.

According to the NSPM–33 implementation guidance, agencies—including the DOI—should avoid major NSPM–33 implementation actions. It explains that “major” implementation actions include, for example, new regulations, requirements, and disclosure forms, unless coordinated through the NSTC. Agencies also should coordinate to ensure uniform implementation of NSPM–33 to the greatest extent practicable.

Department of the Interior Policies and Guidance

Currently, the DOI has several policies that cover conflicts of interest for employees as well as recipients of grants, cooperative agreements, and contracts. These policies are relevant to protecting against foreign influence because they provide employees with at least general guidance on proper and improper conduct in financial and nonfinancial matters alike.

First, the DOI has provided ethics guidance pertaining to these issues. The Departmental Ethics Office administers the DOI’s ethics program and issued an ethics guide.⁹ In addition to providing agency-specific information to the more than 75,000 permanent and seasonal DOI employees, the ethics guide summarizes the U.S. Office of Government Ethics’ *Standards of Ethical Conduct for Employees of the Executive Branch*, which apply to all Executive Branch employees. Among other topics, the ethics guide provides a summary of the guidance on financial conflicts of interest, impartiality, disclosures of financial interests, outside work and activities, and misuse of position.¹⁰ The ethics guide also includes guidance generally prohibiting acceptance of anything of value from a foreign government—including gifts of honoraria, travel, or per diem from foreign universities, which may be considered a part of a foreign government—in accordance with the U.S. Constitution’s “Foreign Emoluments Clause.”¹¹ The ethics guide explains that this clause also applies to spouses and dependent children of Federal employees.

In addition, the DOI’s *Departmental Manual* provides policy to guide and ensure the integrity of science and scientific products the DOI develops and uses. The policy defines conflicts of interest and directs DOI employees, volunteers, and outside parties against knowingly participating in a particular matter that causes a conflict of interest for themselves or others.¹²

There is also guidance specific to grants and related funding sources. In particular, the PGM issued policy requiring grantees to comply with 2 C.F.R. § 200, which covers conflicts of interest disclosures in grants and agreements.¹³ The office also requires employees who work on grantee proposal evaluations to certify that they are free from conflicts of interest and that they

⁸ [Ethics Guide for DOI Employees](https://www.doi.gov/sites/doi.gov/files/interim-update-to-2017-ethics-guide-for-doi-employees.pdf), interim update 2017 (https://www.doi.gov/sites/doi.gov/files/interim-update-to-2017-ethics-guide-for-doi-employees.pdf).

¹⁰ The *Standards of Ethical Conduct for Employees of the Executive Branch* addresses these items under 5 C.F.R. § 2635.502, “Impartiality in Performing Official Duties”; 5 C.F.R. § 2635.702, “Use of Public Office for Private Gain”; 5 C.F.R. § 2635.703, “Use of Nonpublic Information”; 5 C.F.R. § 2635.704, “Use of Government Resources”; and 5 C.F.R. § 2635.705, “Use of Official Time.”

¹¹ U.S. Const. art. I, § 9, cl. 8.

¹² 305 DM 3, “Integrity of Scientific and Scholarly Activities.”

¹³ PGM–POL, *DOI Standard Award Terms and Conditions*, revised June 19, 2020.

will inform the grants officer if any arise. PAM applies the Federal Acquisition Regulation (FAR) § 3.104, “Procurement Integrity,” and Department of the Interior Acquisition Regulation (DIAR) part 1403, “Improper Business Practices and Personal Conflicts of Interest,” for contracts.¹⁴

What We Found

Even with these general policies and procedures, the DOI currently has no policies or guidance specifically addressing foreign government-sponsored talent recruitment programs for its employees, grant or cooperative agreement recipients, or contractors, nor does it have detailed policies or guidance regarding conflicts of commitment for employees.¹⁵ Although NSPM–33 provides guidance to Federal agencies with respect to establishing robust policies and procedures and standardizing reporting requirements, the likely timeframe for implementation is uncertain. This is due in part because the NSTC Research Security Subcommittee is in the process of developing standard policies and forms for Federal agencies. The 120-day goal to develop model award proposal disclosure forms and instructions passed on May 4, 2022, and one DOI official on the subcommittee informed us that he could not provide an estimate on when the committee would complete this work. Moreover, according to two DOI officials, significant work is still required to develop clearly articulated requirements and processes for unique identification of researchers, determine consequences for violations of disclosure requirements, develop guidance for information sharing, and provide security over research.

Notwithstanding anticipated additional guidance for full implementation of NSPM–33, the DOI has an opportunity to protect research and development by issuing interim guidance to enhance its existing ethics policies and procedures. There are various approaches the DOI could take without executing “major” implementation actions such as new regulations or disclosure forms. For example, the DOI ethics guide for employees and the bureaus’ policies focus on conflicts of interest and impartiality, which cover financial interests and relationships among individuals, their families, and other entities that could be applied to relationships with foreign entities and can affect the design, conduct, reporting, or funding of research. Further, the DOI could improve awareness of existing policy related to gifts from foreign governments. In addition, current acquisition policy does not specifically address or define conflicts of commitment as they relate to awarding grants and contracts. To better protect against foreign risk, the DOI could expand DOI and bureau policy to include guidance relating to foreign influence and conflicts of commitment, which, in turn, would address conflicting obligations between or among multiple employers or other entities, including improper sharing of information. During interviews with DOI ethics officials, we learned that many DOI employees who are involved in research and development may not file an Office of Government Ethics Form 450, which could identify risks from foreign sources.

¹⁴ Attachment 2 compiles relevant policies and procedures.

¹⁵ After we had completed our fieldwork, PGM issued a Policy Advisory Notice (DOI–PGM–PAN, Reference No. 2022–0020) on July 19, 2022, to inform DOI bureaus and offices of NSPM–33; however, the document requires only that employees “become familiar with the NSPM-33 Guidance and be prepared to develop or modify existing policies.” The document also defines conflicts of commitment as “overextension of time to different projects or existing obligations to share or withhold information,” which, as discussed subsequently, does not directly align with the NSPM–33 definition.

The DOI also has an opportunity to look to other Federal research agencies that have issued guidance related to foreign influence and conflicts of commitment. For example, the NSF and the DOE have issued guidance prohibiting employees from participating in foreign government-sponsored talent recruitment programs. In addition, in response to the GAO's 2020 report, the NIH incorporated requirements for additional supporting documents for grant applications and certain reports submitted after January 25, 2022, including a requirement for recipients to report foreign personnel appointments and employment with a foreign institution. The NIH also plans to provide training on its policy updates to potential recipients of grants and contracts.¹⁶ Finally, in response to the GAO's 2020 report, the DOE developed an interim agencywide policy preventing potential conflicts of interest, which includes financial interests, conflicts of commitment, and outside employment that may undermine the DOE research enterprise.

By implementing interim guidance that addresses previously uncovered areas and by promoting existing policy, the DOI can better position itself to protect its scientific research and development.

What We Recommend

We make six recommendations to help the DOI protect scientific research and development from foreign influence. We provided a draft of this report to the DOI for review. The DOI partially concurred with five recommendations and did not concur with one recommendation. We consider Recommendations 4 and 6 resolved but not implemented and Recommendations 1–3 and 5 unresolved. Below we summarize the DOI's response to our recommendations, as well as our comments on their responses. See Attachment 3 for the full text of the DOI's response; Attachment 4 lists the status of each recommendation.

We recommend that the DOI:

1. Develop and implement a process through which relevant stakeholders (for example, a working group consisting of the Departmental Ethics Office, the U.S. Geological Survey, etc.) can identify and address potential conflicts of commitment relating to foreign risk pending the National Science and Technology Council issuance of National Security Presidential Memorandum–33 implementation guidance.

DOI Response: The DOI partially concurred with our recommendation, stating that it will “determine the best approach” for implementation when the NSTC issues guidance. The DOI further stated that it “will identify the relevant and impacted stakeholders across the Department and determine whether a working group is the most effective implementation approach.” The DOI gave a target date of 90 days after

¹⁶ In June 2022, the U.S. Department of Health and Human Services, Office of Inspector General, issued a report that found NIH grantees were not complying with Federal regulations and noted additional opportunities to strengthen oversight for foreign financial interests. Attachment 2 includes a list of other Federal agency policies, guidance, and related reports.

the finalization of NSTC guidance for it to “[i]nitiate the process to develop and implement” NSPM–33.

OIG Reply: Based on the DOI’s response, we consider Recommendation 1 unresolved. As summarized in our report, the DOI spent nearly \$900 million in research and development funding in FY 2021, but it currently has no policies or guidance specifically addressing foreign government-sponsored talent recruitment programs for its employees, grant or cooperative agreement recipients, or contractors or sufficient policies or guidance regarding conflicts of commitment for employees. Also, while NSPM–33 does provide guidance to Federal agencies for establishing robust policies and procedures and standardizing reporting requirements, the timeframe for implementation is uncertain. Given the potential significance of the issue, as we have set forth in our report, we believe it is advisable for the DOI to follow the example of other Federal agencies (see Attachment 2) and begin to develop processes across its bureaus to address these concerns.

2. Issue interim guidance defining potential conflicts of interest, including financial interests, conflicts of commitment, and outside employment that may affect DOI research.

DOI Response: The DOI partially concurred with our recommendation. It stated that the Departmental Ethics Office would coordinate with PGM, PAM, and the DOI’s Scientific Integrity Officer, among others, to “supplement the ethics guidance and information that is already currently available and provided to Department employees engaged in DOI research. Additionally, tailored ethics guidance and information will be provided and made available to employees engaged in DOI research about their personal ethics responsibilities, including additional guidance on” conflicts of interest, impartiality, outside employment, and emoluments. The DOI cited the pending NSTC guidance and stated that that it is not in its “best interest to issue interim DOI-specific ethics guidance to employees engaged in DOI research that precedes or overlaps with the broader Government-wide processes.” The DOI further stated that “[c]reating DOI-specific definitions and ethics guidance and interpretations of ‘conflicts of commitment’ at this point would not only duplicate Government-wide efforts, but also create the risk of inconsistency across agencies.”

OIG Reply: Based on the DOI’s response, we consider Recommendation 2 unresolved. We note that, contrary to the suggestion in this response, the DOI does not necessarily need to develop agency specific definitions—it could, for example, incorporate the OSTP’s definitions for conflicts of commitment and foreign government-sponsored talent recruitment programs that were issued in June 2020¹⁷ and also included in NSPM–33. Further, as noted in GAO–21–130, *Agencies Need to Enhance Policies to Address Foreign Influence*, OSTP officials believe it is important for agencies to define nonfinancial conflicts and address the issue in agencies’

¹⁷ OSTP, *Enhancing the Security and Integrity of America’s Research Enterprise*, June 2020 (<https://trumpwhitehouse.archives.gov/wp-content/uploads/2017/12/Enhancing-the-Security-and-Integrity-of-Americas-Research-Enterprise-June-2020.pdf>).

policies to identify and mitigate undue influence. We reiterate that in the absence of interim guidance, the DOI misses an opportunity to comprehensively protect agency and Federal resources. Finally, it is important to note that NSMP–33 guidance will not replace agency policy when it is finalized, and agencies will need to incorporate into their policies the standardization practices the OSTP provided.

3. Issue interim guidance regarding DOI employee participation in foreign government-sponsored talent recruitment programs.

DOI Response: The DOI did not concur with our recommendation, stating that following the release of final NSTC guidance, it “will identify and engage the appropriate stakeholder communities to consider the best approach to developing guidance for DOI employees.” The DOI further stated that it is not in its “interest to develop interim DOI-specific guidance that would duplicate Government-wide efforts and also create the risk of inconsistent guidance across agencies that could confuse employees and potentially undermine enforcement efforts.”

OIG Reply: Based on the DOI’s response, we consider Recommendation 3 unresolved. As set forth in our report, providing interim guidance on this particular topic would assist its employees in understanding the risks of foreign government-sponsored talent recruitment programs. As noted, these programs have been in place for some time; in June 2020, the OSTP issued an informational document that provided a definition of foreign government-sponsored talent recruitment programs, risks related to these programs, and examples. Moreover, the OSTP informational document noted that unreported participation in these programs is an unreported conflict of commitment, which could distort decisions about appropriate use of taxpayer funds and hide transfers of information, know-how, data, and time. In short, without issuing interim guidance during this period, the DOI is missing the opportunity to address this issue comprehensively and in alignment with other agencies that have already incorporated it into their policies and procedures (see Attachment 2) and to provide staff awareness of these programs and knowledge of how they operate.

4. Issue interim guidance addressing conflicts of commitment with respect to solicitations, notices of funding opportunities, and awards.

DOI Response: The DOI partially concurred with our recommendation and stated that it is not in its best interest to issue interim agency-specific guidance that overlaps with the development of the NSTC’s guidance. However, the DOI also stated that “PAM will issue interim guidance to increase awareness of these issues across the Department, and to prepare bureaus and offices to implement the Government-wide regulations.” Further, the DOI stated that on July 19, 2022, PGM issued Policy Advisory Notice No. 2022–0020, *National Security Presidential Memorandum 33 Implementation Guidance*, which “served as an early alert to bureaus and offices to be prepared to align their financial assistance actions during pre- and post-award stages

and enhance their protection of scientific research and development from foreign risk.”

OIG Reply: Based on the DOI’s response, we consider Recommendation 4 resolved but not implemented. Although we believe it is a productive first step to issue additional guidance to its contracting and grant offices, we reiterate that more generally available guidance to grantees and contractors, including those within higher education, would help reduce the risk of improper foreign influence and ensure that those grantees and contractors are following consistent reporting requirements for all DOI-funded research. Providing clarity for grantees and contractors as to their role, what they need to disclose, and how they should monitor for conflicts of commitment will help them to address issues related to the risk of foreign influence. Without specific guidance on this topic, grantees and contractors are less able to comply with reporting requirements and address these issues. In addition, without specific terms and conditions regarding conflicts of commitment for grants and contracts that may implicate these unique issues, each bureau and office is left to rely on researchers’ self-reporting. As noted subsequently, we believe that the DOI should follow the example of other Federal agencies that have adopted interim mechanisms to ensure conflicts of commitment are reported (see Attachment 2).

If the DOI does not define or address nonfinancial conflicts of interest, researchers may not fully understand what they need to report on their grant proposals. This could result in agencies receiving incomplete or inaccurate reporting on potential nonfinancial conflicts, which may impede agency efforts to assess such conflicts.

5. Develop a process to identify, review, and remediate foreign influence risk indicators for DOI employees.

DOI Response: The DOI partially concurred with our recommendation, stating that it “will consider the best approach to developing a process to identify, review, and remediate foreign influence risk indicators for DOI employees” after the final release of the NSTC’s guidance. The DOI did not provide a target date for implementation.

OIG Reply: Based on the DOI’s response, we consider Recommendation 5 unresolved. We encourage the DOI to move forward with developing a process, as doing so will help provide DOI employees with the tools to ensure that risk indicators can be identified, reviewed, and remediated in a timely and fair manner.

6. Provide training concerning foreign influence to contracting officials, grant officers, and offices involved with scientific integrity, including conflicts of interest as defined in the newly developed interim guidance, the U.S. Constitution’s “Foreign Emoluments Clause” (U.S. Const. art. I, § 9, cl. 8), and foreign government-sponsored talent recruitment programs.

DOI Response: The DOI partially concurred with our recommendation, stating that, as part of its implementation of NSPM–33, it coordinated with the Chair of Federal

Foreign Influence Investigations Working Group to provide training related to foreign affiliation fraud to approximately 176 DOI attendees in late October. The DOI further stated that it will coordinate between PAM, PGM, the Departmental Ethics Office, and other stakeholders to develop and provide additional training “but will not provide training on conflicts of commitment at this time.”

OIG Reply: Based on the DOI’s response, we consider Recommendation 6 resolved but not implemented. We commend the DOI for providing the foreign affiliation fraud training in October 2022 as part of its NSPM–33 implementation efforts. This recommendation can be closed when the DOI provides documentation demonstrating it has provided training on conflicts of interest as defined in the interim guidance it develops under Recommendations 2–4, including conflicts of commitment.

We will refer Recommendations 1 through 6 to the Office of Policy, Management and Budget for resolution and implementation tracking and to report to us on their status. In addition, 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. We will also post a public version of this report on our website.

If you have any questions about this report, please contact me, or your staff may contact Kathleen Sedney, Assistant Inspector General for Audits, Inspections, and Evaluations, at 202–208–5745.

Attachment 1: National Security Presidential Memorandum–33 Definitions

Conflict of Commitment	<p>A situation in which an individual accepts or incurs conflicting obligations between or among multiple employers or other entities. Many institutional policies define conflicts of commitment as conflicting commitments of time and effort, including obligations to dedicate time in excess of institutional or funding agency policies or commitments. Other types of conflicting obligations, including obligations to share improperly information with, or to withhold information from, an employer or funding agency, can also threaten research security and integrity, and are an element of a broader concept of conflicts of commitment.</p>
Foreign Government-Sponsored Talent Recruitment Programs	<p>Means an effort directly or indirectly organized, managed, or funded by a foreign government or institution to recruit science and technology professionals or students (regardless of citizenship or national origin, and whether having a full-time or part-time position). Some foreign government-sponsored talent recruitment programs operate with the intent to import or otherwise acquire from abroad, sometimes through illicit means, proprietary technology or software, unpublished data and methods, and intellectual property to further the military modernization goals and/or economic goals of a foreign government. Many, but not all, programs aim to incentivize the targeted individual to relocate physically to the foreign state for the above purpose. Some programs allow for or encourage employment at United States research facilities or receipt of Federal research funds while concurrently working at and/or receiving compensation from a foreign institution, and some direct participants not to disclose their participation to United States entities. Compensation could take many forms including cash, research funding, complimentary foreign travel, honorific titles, career advancement opportunities, promised future compensation, or other types of remuneration or consideration, including in-kind compensation.</p>

Attachment 2: Reports, Policies, and Procedures Relevant to Safeguarding Research

	U.S. Senate Permanent Subcommittee on Investigations report, <i>Threats to the U.S. Research Enterprise: China’s Talent Recruitment Plans</i> , issued on November 11, 2019.
Reports	National Science Foundation (NSF) Commissioned Report No. JSR-19-21, <i>Fundamental Research Security</i> , issued on December 6, 2019 (i.e., The JASON Report).
	U.S. Government Accountability Office (GAO) GAO Report No. GAO-21-130, <i>Agencies Need to Enhance Policies to Address Foreign Influence</i> , issued on December 17, 2020.
	U.S. Department of Health and Human Services Office of Inspector General, Audit Report No. OEI-03-20-00210, <i>Opportunities Exist To Strengthen NIH Grantees’ Oversight of Investigators’ Foreign Significant Financial Interests and Other Support</i> , issued June 2022.
	<i>Departmental Manual</i> , part 305, “Departmental Science Efforts,” Chapter 3, “Integrity of Scientific and Scholarly Activities,” effective December 16, 2014.
U.S. Department of the Interior (DOI) Policies and Guidance	<i>DOI Acquisition, Assistance, and Asset Policy (DOI-AAAP) 0008</i> , “Conflict of Interest and Mandatory Disclosures for Financial Assistance: Department of the Interior Implementation of 2 CFR Part 200, Sections 200.112 and 200.113,” effective December 22, 2014, and the attachment, “Conflict of Interest Certificate.”
	<i>Ethics Guide for DOI Employees</i> , interim update 2017.
	U.S. Geological Survey (USGS) policy, <i>General Terms and Conditions – Financial Assistance</i> , issued on May 11, 2020.
	Office of Grants Management policy (PGM-POL), <i>DOI Standard Award Terms and Conditions</i> , revised June 19, 2020, including attachment <i>Standard Award Terms and Conditions</i> , revised on October 27, 2020.
	USGS <i>Organizational Conflicts of Interest</i> , issued March 10, 2021.
	<i>Department of the Interior Acquisition Regulation</i> , part 1403, “Improper Business Practices and Personal Conflicts of Interest.”
	Department of Energy Order No. DOE O 486.1, <i>Department of Energy Foreign Government Talent Recruitment Programs</i> , issued on June 7, 2019.
Other Federal Agency Policies and Guidance	National Institutes of Health (NIH) Notice No. NOT-OD-19-114, <i>Reminders of NIH Policies on Other Support and on Policies related to Financial Conflicts of Interest and Foreign Components</i> , issued on July 10, 2019.
	NSF Policy, <i>Personnel Policy on Foreign Government Talent Recruitment Programs</i> , issued on July 11, 2019.
	NSF Policy No. NSF 22-1, <i>Proposal and Award Policies and Procedures Guide</i> , effective October 4, 2021.
	NIH, <i>Grants Policy Statement</i> , revised December 17, 2021.
	U.S. Office of Government Ethics’ <i>Standards of Ethical Conduct for Employees of the Executive Branch</i> , revised June 18, 2020

Attachment 3: Response to Draft Report

The U.S. Department of the Interior's response to our draft report follows on page 15.



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

Memorandum

To: Mark L. Greenblatt
Inspector General

Through: Andrea L. Brandon **ANDREA BRANDON**
Deputy Assistant Secretary – Budget, Finance, Grants and Acquisition

Digitally signed by
ANDREA BRANDON
Date: 2022.11.03
21:44:32 -04'00'

From: Joan M. Mooney **JOAN MOONEY**
Principal Deputy Assistant Secretary Policy, Management and Budget
Exercising the Delegated Authority of the Assistant Secretary - Policy,
Management and Budget

Digitally signed by JOAN
MOONEY
Date: 2022.11.04
13:48:01 -04'00'

Subject: Draft Management Advisory – *The U.S. Department of the Interior Has an Opportunity to Protect Its Research and Development*, Report No. 2022–CGD–023

Thank you for providing us the opportunity to respond to the subject Office of Inspector General (OIG) Draft Management Advisory. The Draft Management Advisory communicates a total of six recommendations for the Department of the Interior (DOI). The DOI's responses to the recommendations are outlined below.

Recommendation 1. Develop and implement a process through which relevant stakeholders (for example, a working group consisting of the Departmental Ethics Office, the U.S. Geological Survey, etc.) can identify and address potential conflicts of commitment relating to foreign risk pending the National Science and Technology Council issuance of National Security Presidential Memorandum–33 implementation guidance.

Response: Partially Concur. As stated in the Management Advisory, the White House Office of Science and Technology Policy, through the National Science and Technology Council (NSTC), is currently developing Government-wide guidance and regulations related to this topic. When this guidance is issued, the Department will determine the best approach for implementing the guidance and identifying and addressing potential conflicts of commitment relating to foreign risk. The Department will identify the relevant and impacted stakeholders across the Department and determine whether a working group is the most effective implementation approach.

Responsible Official: To Be Determined

Target Date: Initiate the process to develop and implement NSPM-33 within ninety days after the finalization of Government-wide guidance.

Recommendation 2. Issue interim guidance defining potential conflicts of interest, including financial interests, conflicts of commitment, and outside employment that may affect DOI research.

Response: Partially Concur. To address this recommendation, the Departmental Ethics Office in the Office of the Solicitor will coordinate with the Office of Grants Management (PGM), Office of Acquisition and Property Management (PAM), the Department’s Scientific Integrity Officer, and others as appropriate to supplement the ethics guidance and information that is already currently available and provided to Department employees engaged in DOI research. Additionally, tailored ethics guidance and information will be provided and made available to employees engaged in DOI research about their personal ethics responsibilities, including additional guidance on conflicts of interest as defined in 18 U.S.C. § 208; impartiality standards, as defined in 5 C.F.R. § 2635.502; the ethics requirements related to outside employment as set forth in both Government-wide and Department-specific regulations; and the requirements of the Emoluments Clause of the U.S. Constitution (Article I, Section 9, Paragraph 8).

As noted, the White House Office of Science and Technology Policy (OSTP), through the National Science and Technology Council (NSTC), is currently developing Government-wide guidance that will address “conflicts of commitment” with respect to solicitations, notices of funding opportunities, and awards. This policy is being developed through the Notice and Comment process via 87 Fed. Reg. 535051 (Aug. 31, 2022), with opportunity for the organizations which will be impacted to comment on the proposed language and approach. The due date for comments is October 31, 2022.

Additionally, as directed in Section 4(b) of *National Security Presidential Memorandum 33*, “[t]he Director of the Office of Management and Budget (OMB) shall work with OSTP, the Office of Government Ethics (OGE), and other agencies to coordinate the standardization of policies and forms related to disclosure of conflicts of interest and commitment.” The OGE has not to date provided guidance to agency ethics officials regarding policies and forms related to disclosure of conflicts of interest and commitment. Additionally, OGE has not defined the term “conflicts of commitment” or provided any guidance to agency ethics officials on the interpretation of this term within the framework of existing ethics laws, regulations, and authorities.

Accordingly, it is not in the Department’s best interest to issue interim DOI-specific ethics guidance to employees engaged in DOI research that precedes and overlaps with the broader Government-wide processes discussed above and required by Section 4(b) of *National Security Presidential Memorandum 33*, specifically with respect to the creation of a DOI-specific definition of “conflicts of commitment” or the provision of ethics guidance to employees about the interpretation of this term with respect to existing personal ethics obligations under ethics laws, regulations, and authorities. When this process is complete, the DOI Scientific Integrity Officer and other designated agency official(s), as appropriate, will be able to issue updated DOI-specific guidance and training on the concept of “conflicts of commitment.” Additionally, when OGE issues guidance to agency ethics officials regarding policies and forms related to disclosure of conflicts of interest and commitment, including both a definition of the term “conflicts of commitment” and guidance on the interpretation of this term within the framework

of existing ethics laws, regulations, and authorities, the Departmental Ethics Office will provide Department employees engaged in DOI research as well as other employees with additional ethics guidance and training as appropriate.

Creating DOI-specific definitions and ethics guidance and interpretations of “conflicts of commitment” at this point would not only duplicate Government-wide efforts, but also create the risk of inconsistency across agencies and inadequate enforcement mechanisms without either Government-wide guidance or the issuance of DOI-specific supplemental ethics regulations, as well as create the risk of employee confusion about the scope of ethics responsibilities and obligations.

Responsible Officials: Heather C. Gottry, Designated Agency Ethics Official, Departmental Ethics Office (DEO) and DOI Scientific Integrity Officer and other designated agency official(s), as appropriate.

Target Date: June 30, 2023

Recommendation 3. Issue interim guidance regarding DOI employee participation in foreign government-sponsored talent recruitment programs.

Response: Non-Concur. Following the release of final Government-wide guidance, the Department will identify and engage the appropriate stakeholder communities to consider the best approach to developing guidance for DOI employees. Pursuant to Section 10631 of the CHIPS and Science Act of 2022, the OSTP is directed to issue guidance to Federal research agencies to prohibit participation in “foreign talent recruitment programs” by agency personnel and provide additional clarification to the research community regarding which activities are considered “foreign Talent recruitment programs.” A working group has been formed to develop consistent Federal guidance. It is not in the Department’s interest to develop interim DOI-specific guidance that would duplicate Government-wide efforts and also create the risk of inconsistent guidance across agencies that could confuse employees and potentially undermine enforcement efforts. The OSTP is tasked with ensuring that the subsequent agency policies are consistent to the greatest extent practicable.

Responsible Official: To be determined consistent with OSTP guidance, and in coordination with appropriate stakeholders and national security officials.

Target Date: Within 90 days of the issuance of OSTP guidance and associated regulations.

Recommendation 4. Issue interim guidance addressing conflicts of commitment with respect to solicitations, notices of funding opportunities, and awards.

Response: Partially Concur. NSTC is currently developing Government-wide guidance that will address conflicts of commitment with respect to solicitations, Notices of Funding Opportunities (NOFOs), and awards. This policy is being developed through the Notice and Comment process via 87 Fed. Reg. 535051 (Aug. 31, 2022), with opportunity for the organizations which will be impacted to comment on the proposed language and approach.

Comments on the Notice are due by October 31, 2022. The Department will fully implement this guidance once it takes effect; however, it is not in the Department's best interest to issue interim agency-specific guidance that overlaps this process, specifically with respect to language for solicitations or NOFOs, or with respect to specific standards, disclosures, and representations for awardees, in advance of the Government-wide process. The Government-wide process will allow for full participation by awardees and ensures consistent application across all agencies for entities which work with more than one agency. Creating DOI-specific language would duplicate effort, create risk of inconsistency across agencies, and would not yield results in a shorter timeframe, as DOI would also need to go through a full Notice and Comment process.

To address this recommendation, PAM will issue interim guidance to increase awareness of these issues across the Department, and to prepare bureaus and offices to implement the Government-wide regulations and disclosure requirements and certifications once they are final. The PGM has already issued such interim guidance to financial assistance awarding officials. On July 19, 2022, PGM issued an initial policy to inform bureaus and offices about the conflict of interest and commitment requirements. Policy Advisory Notice 2022-0020, *National Security Presidential Memorandum 33 Implementation Guidance*, served as an early alert to bureaus and offices to be prepared to align their financial assistance actions during pre- and post-award stages and enhance their protection of scientific research and development from foreign influence.

Responsible Official: Cara Whitehead, Director, PGM, and Megan Olsen, Director, PAM

Target Date: June 30, 2023

Recommendation 5. Develop a process to identify, review, and remediate foreign influence risk indicators for DOI employees.

Response: Partially Concur. Following the release of final Government-wide guidance, the Department will consider the best approach to developing a process to identify, review, and remediate foreign influence risk indicators for DOI employees.

Responsible Official: To Be Determined.

Target Date: To Be Determined.

Recommendation 6. Provide training concerning foreign influence to contracting officials, grant officers, and offices involved with scientific integrity, including conflicts of interest as defined in the newly developed interim guidance, the U.S. Constitution's "Foreign Emoluments Clause" (U.S. Const. art. I, § 9, cl. 8), and foreign government-sponsored talent recruitment programs.

Response: Partially Concur. On October 26, 2022, the DOI Suspending and Debarring Official coordinated with the Chair of the Federal Foreign Influence Investigations Working Group to provide training relating to foreign affiliation fraud to approximately 176 DOI attendees. The training was provided as part of DOI's implementation of *National Security Presidential Memorandum 33*. Attendees reflected a mix of stakeholders, including PAM and

PGM employees, DOI counterintelligence officials, scientific integrity officials, solicitors, and program officials. The Department will coordinate internally between PAM, PGM, the Departmental Ethics Office, and other stakeholders to develop and provide additional training concerning foreign influence; conflicts of interest as defined in 18 U.S.C. § 208; impartiality standards, as defined in 5 C.F.R. § 2635.502; the ethics requirements related to outside employment as set forth in both Government-wide and DOI-specific regulations; and the requirements of the Emoluments Clause of the U.S. Constitution (Article I, Section 9, Paragraph 8) to awarding officials and other communities of practice as appropriate. For the reasons noted above, the Department has determined it is not appropriate to develop interim guidance or training on “conflicts of commitment” at this time.

We note that other Offices of Inspectors General routinely provide training on foreign influence and foreign government-sponsored talent recruitment programs, and plan to collaborate with the DOI OIG to provide future training opportunities on these topics.

Responsible Official: Megan Olsen, Director, PAM and Senior Procurement Executive; Cara Whitehead, Director, PGM and Senior Financial Assistance Executive; and Heather C. Gottry, Director, Departmental Ethics Office and Designated Agency Ethics Official.

Target Date: December 31, 2023.

If you have questions or require additional information, please contact Megan Olsen, Director, PAM, at (202) 513-0692 or megan_olsen@ios.doi.gov.

cc: Andrea L. Brandon, Deputy Assistant Secretary for Budget, Finance, Grants and Acquisition
Tonya Johnson, Deputy DOI Chief Financial Officer and Director, Office of Financial Management
Robert T. Anderson, Solicitor
Ann Marie Bledsoe-Downes, Principal Deputy Solicitor, Office of the Solicitor

Attachment 4: Status of Recommendations

Recommendation	Status	Action Required
4, 6	Resolved but not implemented	We will refer these recommendations to the Office of Policy, Management and Budget to track implementation.
1-3 and 5	Unresolved	We will refer these recommendations to the Office of Policy, Management and Budget for resolution.



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.



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

Who Can Report?

Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement involving the 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 the OIG, and the information they share can lead to reviews and investigations that result in accountability and positive change for the 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. Section 7(b) of the Inspector General Act of 1978 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.