



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

**REVIEW OF RECOMMENDATIONS FOR  
THE REPORT TITLED *NEW HORIZON:  
LOOKING TO THE FUTURE OF THE BUREAU  
OF OCEAN ENERGY MANAGEMENT,  
REGULATION AND ENFORCEMENT  
(CR-EV-MMS-0015-2010)***



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

Memorandum

OCT 04 2018

To: Allen Lawrence  
Division Chief, Internal Control and Audit, Follow-up Office of Financial Management

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

Subject: Verification Review – Recommendations 48, 49, 50, and 53 for the Report Titled *A New Horizon: Looking to the Future of the Bureau of Ocean Energy Management, Regulation and Enforcement* (CR-EV-MMS-0015-2010) Report No. 2018-EAU-022

The Office of Inspector General (OIG) has completed a verification review of Recommendations 48, 49, 50, and 53 from our evaluation report, *A New Horizon: Looking to the Future of the Bureau of Ocean Energy Management, Regulation and Enforcement*, issued December 7, 2010. Our objective of this review was to determine whether the Bureau of Safety and Environmental Enforcement (BSEE) implemented Recommendations 48, 49, 50, and 53 as reported to the Office of Financial Management (PFM), Office of Policy, Management and Budget. Based on our review, we consider recommendations 48, 49, 50, and 53 resolved, implemented, and closed.

### **Background**

Following the Deepwater Horizon explosion, the Minerals Management Service was divided into several entities, among them the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE), which is now the Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE). Our report, *A New Horizon: Looking to the Future of the Bureau of Ocean Energy Management, Regulation and Enforcement*, issued December 7, 2010, made 64 recommendations, with BSEE responsible for Recommendations 48, 49, 50, and 53.

BSEE concurred with the report's four recommendations on March 11, 2011, and detailed BSEE's plans to implement them. In an April 21, 2011 memorandum, we referred recommendations 48, 50, and 53 to the Assistant Secretary for Policy, Management and Budget (PMB) to track their implementation. We did not refer Recommendation 49 for implementation tracking because we had already determined that it had been resolved and implemented.

On July 6, 2015, we informed PMB that BSEE's Incident Investigations Program

found that recommendations 48, 49, 50, and 53 were closed but had not implemented. During our evaluation, BSEE's leadership agreed to have PMB reopen the recommendations.

On May 24, 2016, PMB informed us that BSEE had completed the actions required to close recommendation 48. On September 27, 2016, PMB likewise reported that BSEE had completed the actions required to close recommendations 50 and 53. On September 28, 2016, PMB reported that BSEE had completed the actions required to close recommendation 49.

## **Scope and Methodology**

We limited the scope of this review to determine whether the BSEE implemented the recommendations 48, 49, 50, and 53, reported closed by the PFM. To accomplish our objective, we reviewed the supporting documentation provided to the PFM, and collected and reviewed additional supporting documentation as required to independently verify each recommendation's implementation.

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

## **Results of Review**

Based on our current review, we found that BSEE implemented Recommendations 48, 49, 50, and 53.

**Recommendation 48:** Consider restructuring the accident investigation program to dedicate additional full-time staff with appropriate training in accident investigations.

**Action Taken:** BSEE initiated a reorganization that incorporated the National Program Manager model, which identified national program managers with direct lines of responsibilities for managing program functional areas, including incident investigations. The Safety and Incident Investigation Division (SIID) was created to assume the external review functions previously assigned to the Investigations and Review Unit, and to further expand and refine the Bureau's incident investigation capabilities. The reorganization also created the Gulf of Mexico Region's (GOMR) Office of Incident Investigations. This office is responsible for working collaboratively with SIID when investigating GOMR incidents, in accordance with national program office policies and procedures, to determine cause and to recommend actions to prevent recurrence. As staff members are hired for the GOMR Office of Incident Investigations, they undergo incident investigations training conducted by SIID.

At the district level, BSEE created the accident investigator (AI) position. Incident

investigations are the AIs' primary duty, and performing inspections is their secondary priority. AIs primarily handle all district level incident investigations. Based on these actions taken by BSEE, we consider recommendation 48 resolved, implemented, and closed.

**Recommendation 49:** Require operators to provide detailed descriptions of certain types of accidents (e.g., fires) to determine whether accident investigations or other corrective actions are necessary.

**Actions Taken:** On August 29, 2016, BSEE issued Bureau Interim Directive (BID) Number 2016-024N, which established policy and responsibilities for BSEE employees regarding reportable incidents that occur on the Outer Continental Shelf and subsequent review, investigation, and follow up of such reportable incidents by BSEE's National Investigations Program. The BID requires BSEE investigators or inspectors to take necessary actions with operators to gather detailed incident information in a consistent manner. BSEE updated its National Investigations Handbook to provide guidance to investigative staff regarding the information to be gathered when an incident is reported. The information to be gathered may vary depending on the nature of the incident. Based on these actions, we consider recommendation 49 resolved, implemented, and closed.

**Recommendation 50:** Develop and implement internal procedures to fully conduct and document accident investigations, including planning, basic investigation, evidence gathering protocol, and supervisory review.

**Actions Taken:** BSEE issued Bureau Interim Directive (BID) No. 2016-024N, which establishes policy and responsibilities for review, investigations, and follow up. BSEE also created a National Investigations Handbook, which provides guidance on how to conduct and complete investigations (e.g., fact finding, analysis, recommendation, and documentation). Both the BID and the handbook have been disseminated to BSEE investigators and discussed at a meeting with the investigative personnel. Based on these actions taken by BSEE, we consider recommendation 50 resolved, implemented, and closed.

**Recommendation 53:** Establish a system to track investigation recommendations for implementation and verify that they have been implemented.

**Actions Taken:** BSEE issued Interim Policy Document No. 2014-003 that defines policy, responsibilities, and procedures for review and documentation of recommendations in panel investigation reports. BSEE's panel report recommendations are entered into the BSEE Evaluation and Audit Tracking Tool, an in-house database that tracks panel investigation recommendations. The status of panel investigation recommendations will be reviewed at least once every 6 months until the recommendations are considered closed or resolved. This constitutes the verification process for implementing recommendation. Based on these actions, we consider recommendation 53 resolved, implemented, and closed.

## **Conclusion**

Based on our review, we determined that BSEE met the requirements for Recommendations 48, 49, 50, and 53, and we consider the recommendations resolved, implemented, and closed. We informed officials from BSEE and PFM of the results of this review on September 14, 2018.

We would like to thank BSEE for providing the information we requested during our review. If you have any questions concerning this memorandum, please contact me at 303-236-9243.

cc: Scott Angelle, Director, BSEE  
Nancy Thomas, Audit Liaison Officer, PFM  
Linh Luu, Audit Liaison Officer, BSEE  
Douglas Glenn, Director, PFM

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