



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

# **SEMIANNUAL REPORT TO CONGRESS**

For the period ending March 31, 2020



# Highlights

OFFICE of AUDITS, INSPECTIONS, and EVALUATIONS

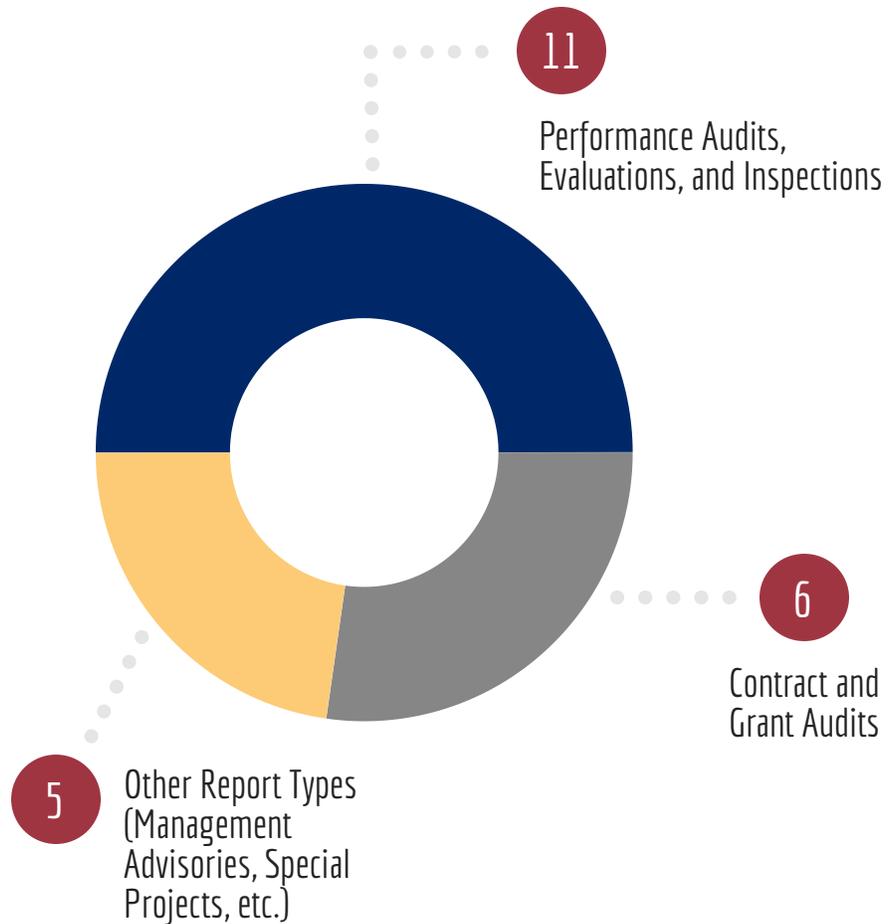
141

Recommendations  
Made

104

Recommendations  
Closed

## Reports Issued



**\$6,241,422**

Questioned  
and  
Unsupported Costs



**\$3,345,912**

Funds To Be  
Put to  
Better Use

# Highlights

OFFICE of INVESTIGATIONS



\$30,912,523.29

Criminal Fines &  
Restitution and Civil  
Settlements

2

Convictions

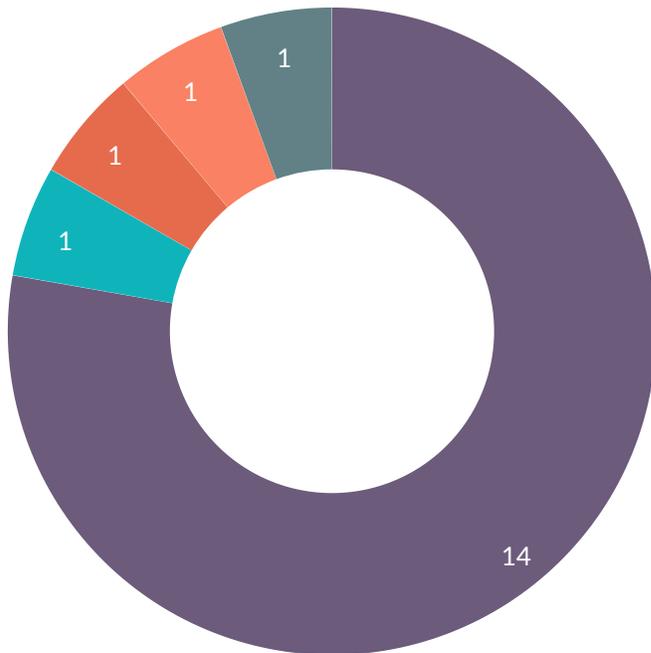


12

Criminal Matters  
Referred for  
Prosecution

11

Sentencings



## Administrative Investigative Activities

- Procurement Remedies (77.78%)
- Resignations (5.56%)
- Reassignment/Transfer (5.56%)
- Counseling (5.56%)
- Reprimands (5.56%)

Opened Investigations



Closed Investigations



Complaints Received



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## OUR OPERATING PRINCIPLES

**As the Office of Inspector General (OIG)** for the U.S. Department of the Interior (DOI), we provide independent oversight and promote excellence, integrity, and accountability within the programs, operations, and management of the DOI by conducting audits, inspections, evaluations, and investigations.

We keep the Secretary and Congress informed of problems and deficiencies relating to the administration of DOI programs and operations. As a result of us fulfilling these responsibilities, Americans can expect greater accountability and integrity in Government program administration.

Our core values define a shared OIG way, guiding employee behavior and decisions at all levels. Adhering to these values—objectivity and independence, integrity, and getting results—we build a foundation to develop trustworthy information that improves the DOI.

- **Objectivity and independence** define us and are the bedrock of our credibility. These concepts are closely related. Impairments to independence impact objectivity. We must remain independent from undue outside influence and approach work with intellectual honesty.
- **Integrity** is a character trait as well as a way of doing business. By acting with integrity in all we do, we build trust and a reputation for producing actionable and accurate work.
- **Getting results** depends on individual and team efforts. We positively impact the DOI by detecting fraud and other wrongdoing; deterring unethical behavior and preventing negative outcomes; confirming that programs achieved intended results with fiscal responsibility; and highlighting effective practices.

## A Message From Inspector General Mark Lee Greenblatt

It is my pleasure to submit this semiannual report detailing the work our office completed in review of the DOI's programs and operations between October 1, 2019, and March 31, 2020. This is the first report that highlights work completed under my tenure, and I am continually amazed at the breadth of our work, ranging from combatting sexual harassment and energy fraud, to overseeing the Bureau of Reclamation's (BOR's) massive water projects and the Bureau of Indian Affairs' grants to Native American tribes, and from rooting out ethics-related misconduct to auditing billions of dollars in Department contracts.

More specifically, our continued effort to help the DOI combat sexual harassment resulted in the conviction of an FWS employee who pleaded guilty to felony coercion and misdemeanor sex abuse, harassment, intimidation, and private indecency and was sentenced to 30 days in jail followed by 36 months of supervised probation. That guilty plea and sentencing just happened to occur 1 day before I testified before the House Committee on Natural Resources, Subcommittee on Oversight and Investigations, about sexual harassment at the DOI based on our office's prior investigative and evaluation work.

In addition, our investigation of gas marketing company B. Charles Rogers Gas, Ltd. revealed that the two co-owners, with a third co-conspirator, underreported natural gas liquid volumes and overcharged companies producing gas from Federal wells in New Mexico, which resulted in a loss of Federal and tribal mineral royalties. The three co-conspirators pleaded guilty, and in addition to jail time, were ordered to pay more than \$24.6 million in restitution to the victimized companies and \$4.375 million as a settlement to recover unpaid mineral royalties the subjects owed to the Federal Government.

Our Office of Audits, Inspections, and Evaluations reviews various departmental programs and operations and oversees the expenditure of millions of American tax dollars. Specifically, our evaluation of the BOR's management of the San Luis Demonstration Treatment Plant found that the BOR spent a reported \$67.8 million for a project that did not meet legal obligations or operational performance goals. In addition, in performing five audits on States' use of Wildlife and Sport Fish Restoration Program grant funds covering approximately \$425 million in claimed costs, we questioned more than \$7.5 million in unsupported costs. Overall, the office made 141 recommendations to the DOI that, if implemented, will improve its programs and operations.

We produce results such as these, in part, because our employees take pride in and feel a sense of ownership in their work. As such, I was not surprised that almost a third of the organization volunteered to help us build a data analytics program that will allow us to transform the increasingly abundant amount of digital data available on Federal Government spending and programs into meaningful insights for our auditors, investigators, and managers.

Employee enthusiasm and expertise allowed us to quickly start the process of building a cutting-edge three-tiered program. At the foundational level, we intend to foster a broad sense of ownership for incorporating data analytic tools and techniques into OIG work by increasing data literacy across our workforce. At the second tier, we will certify data specialists throughout the OIG. These employees will stay in their current positions and, using advanced data analytics skills, provide ongoing coaching and assistance to colleagues. At the top tier, we are developing a data unit comprised of employees who will apply skills in data engineering and data science to our most complex efforts, including data mining and visualization, trend analysis, and predictive risk modeling.

The contributions of data analytics will impact the work we report in future semiannual reports, but we have already seen how this effort can help us perform advanced analysis on departmental data, identify unusual patterns in spending to target potentially risky transactions, and build dashboards for internal decision making.

Looking forward to our work in the second half of fiscal year 2020, we will also focus on oversight of pandemic relief in accordance with the CARES Act. We are deploying a multidisciplinary team of auditors, evaluators, and investigators designed to ensure the \$755 million provided to DOI bureaus and offices are spent as intended and not subject to fraud, waste, abuse, or mismanagement.

As always, the accomplishments reflected in this semiannual report are a credit to the talented and committed staff that I have the privilege to lead, and I am proud of our ongoing work to address critical issues facing the DOI.



Inspector General

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# Testimony

Mark Lee Greenblatt, October 30, 2019: Testimony before the House Committee on Natural Resources, Subcommittee on Oversight and Investigations

## **“Sexual Harassment at the Department of the Interior”**

Chairman Cox, Ranking Member Gohmert, and Committee members, thank you for this opportunity to appear before you today. I stated throughout my confirmation process that helping to eradicate the Department of the Interior’s ongoing sexual harassment problem would be a priority for me. Therefore, it is fitting that my first testimony as Inspector General is about this important challenge, and the role the Office of Inspector General (OIG) can play in improving the culture at the Department of the Interior.

The OIG has taken a leadership role in identifying these problems over the last 4 years. In 2016, the OIG published an investigative report about widespread sexual misconduct at the Grand Canyon. That investigation sounded the alarm: there was a deep problem here. The investigation revealed that Park Service personnel had engaged in a long-term pattern of sexual harassment and fostered a hostile work environment in the Grand Canyon River District. In all, we identified almost 3 dozen individuals who endured or observed mistreatment ranging from verbal harassment to sexual assault at the Grand Canyon. Our investigation also highlighted a disturbing absence of strong leadership, which allowed the harassment to continue unchecked for 15 years.

The Grand Canyon investigation led to others. In total, the OIG has opened 22 sexual harassment investigations since 2016. We have uncovered sexual misconduct in parks as large as Yellowstone, and as small as Canaveral National Seashore; in a remote Bureau of Indian Affairs office and at the DOI headquarters; in locations stretching across the country from Georgia to Oregon; and involving behavior ranging from disturbing, inappropriate touching to outright sexual assault.

The Department—to its credit—has taken disciplinary action against 35 subjects as a result of OIG investigations and agency referrals. Sixteen of those 35 employees are no longer in Government service because they were removed, they resigned, or they retired while under investigation. The Department also took steps to change the culture. Just months after we published our Grand Canyon investigation, Secretary Jewell created an Employment and Labor Law Unit and released a new anti-harassment policy. DOI later conducted a Work Environment Survey, and Secretaries Zinke and Bernhardt took a number of meaningful actions to further address the problem.

As part of the OIG's ongoing mission to monitor the Department's progress, we recently released our evaluation of the DOI's efforts to address sexual harassment. We found that the DOI has taken meaningful steps to address sexual harassment by investigating complaints, issuing policies, requiring training, conducting surveys, establishing an advisory hotline, as well as developing a tracking system. All these measures aim to provide a safe work environment, encourage victims to report incidents, and improve management's preparation to address and investigate allegations brought to their attention.

We also found, however, there is more work to do. As we state in our evaluation, the DOI has an opportunity to improve sexual harassment investigations that it conducts or contracts:

1. Reports of investigation from the Department's investigators or their contractors do not always contain the necessary information for decisionmakers and advisors to make comprehensive decisions about potential corrective action. As a result, no action is taken, victims never see the resolution they deserve, and those who should be held accountable continue on without repercussions.
2. The DOI and its bureaus are not consistently tracking the timeliness of investigations.
3. Investigation costs may prevent employees from reporting an incident. The cost impact of an unforeseen, unbudgeted investigation on smaller offices can impact their ability to fund other activities such as training, travel, and awards.

We made 11 recommendations in this evaluation. The Department has resolved and implemented three of them, and has implementation plans for the remaining eight.<sup>1</sup> By making these improvements, the DOI could foster a safer working environment that seeks to reduce incidents of sexual harassment and improperly handled sexual harassment complaints.

As the Department continues its anti-harassment efforts, the OIG will remain committed to this issue. We currently have eight active cases and we will report on those upon completion. In addition, next month we will release our Top Management Challenges report, which will include a "Workplace Culture and Human Capital" section that highlights how the negative effects of harassment are widespread and sap productivity and trust out of an organization.

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<sup>1</sup> In addition to the 11 recommendations, we believe that the DOI should consider (1) including strategies to specifically address the U.S. Equal Employment Opportunity Commission's organizational risk factors in bureau action plans; and (2) formalizing the sharing of information about prior or pending allegations between bureaus.

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The OIG is exploring additional ways to add value in the future. For instance, the OIG is considering:

- Verifying whether the Department completed and tracked the mandatory training of supervisors – especially in its remote locations
- Conducting bureau-level inspections or evaluations to identify whether and to what extent bureaus have implemented their formal action plans to address and prevent sexual harassment. This could include focusing on specific offices/locations that are at risk under EEOC-identified risk factors for harassment
- Reviewing the misconduct tracking system (I-MART) to determine its effectiveness regarding what data is collected, its reporting features, the quality of the data, and whether it is consistently being used (as required)
- Tracking the continued expansion of the Employment and Labor Law Unit and its dedicated specialists

I commit to you that the OIG, under my watch, will continue to aid the Department in its efforts to foster a safe work environment free of sexual harassment and assault. And to all survivors and witnesses who may be listening today, please come forward through the OIG hotline or the departmental avenues available to you. OIG investigators take this work to heart and understand that this is a very personal issue. In fact, the supervisor of a survivor in one of our cases wrote:

I cannot say enough positive things about [OIG agents] or the way they interacted with both myself and [the survivor]. Their professionalism, tact, and responsiveness were eclipsed only by the gentle compassion and care with which they interacted with [the survivor].

We strive to have that impact on every case.

The seal of the Office of Inspector General, U.S. Department of the Interior, is a circular emblem. It features an eagle with its wings spread, perched on a shield. The shield contains a circular pattern of stars, similar to the European Union flag. The text "OFFICE OF INSPECTOR GENERAL" is written along the top arc, and "U.S. DEPARTMENT OF THE INTERIOR" is written along the bottom arc. The words "U.S. DEPARTMENT OF THE INTERIOR" are also written in a smaller font along the top arc.

# **Reporting Highlights**

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U.S. DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT



**Bureau of Land  
Management**

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# Bureau of Land Management

## **The Bureau of Land Management Has an Opportunity To Improve Its Procedures for Addressing Forced-Pooling Requests and Mineral Trespass**

During recent investigations into allegations of private companies (producers) accessing and producing unleased Federal minerals, we uncovered programmatic vulnerabilities that undermine the Bureau of Land Management's (BLM's) oversight of Federal mineral production and limit the U.S. Government's ability to address mineral trespass violations. We issued a management advisory to the BLM that summarized the vulnerabilities and provided recommendations to address the need for the BLM to respond to forced-pooling<sup>1</sup> requests and to reiterate our previous guidance regarding the referral of mineral trespass violations to our office.

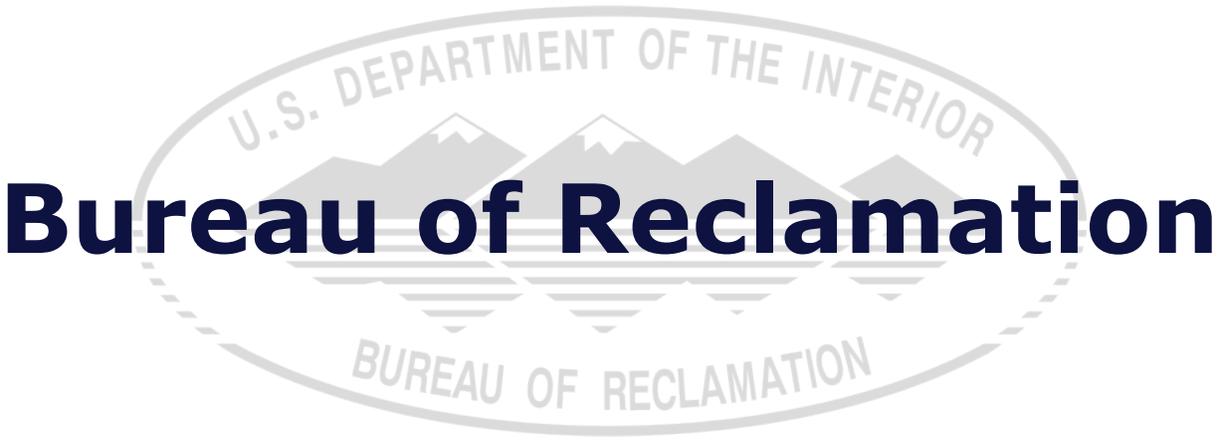
The BLM did not respond to producers' proposed drilling plans and forced-pooling participation requests based on State forced-pooling statutes for proposed units containing unleased Federal minerals. Subsequently, the producers improperly proceeded with drilling operations and initiated production from the wells without first obtaining Federal leases, resulting in Federal mineral trespasses.

In addition, we learned that one BLM office waited years to refer mineral trespass matters to our office, and in a separate matter, DOI personnel addressed trespass violations without a referral to our office.

We made three recommendations to help the BLM avert future mineral trespass violations, improve compliance with the BLM's mineral leasing process, and improve the Government's ability to recover lost revenues that result from mineral trespass violations.

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<sup>1</sup> Forced-pooling is the combining of mixed ownership land parcels to meet State acreage requirements for a drilling permit with the agreement to share the production cost and profits among the interest owners.



# **Bureau of Reclamation**

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# **Bureau of Reclamation**

## **The Bureau of Reclamation Did Not Effectively Manage the San Luis Demonstration Treatment Plant**

We evaluated the Bureau of Reclamation's (BOR's) management of the San Luis Demonstration Treatment Plant (Demo-Plant). The Demo-Plant did not provide the agricultural drainage services mandated by statute and presented in the San Luis Unit drainage planning documents and, as of the beginning of 2018, did not consistently meet operational performance goals referenced in the cooperative agreement. In addition, the BOR did not effectively oversee the cooperative agreement.

We, therefore, concluded that the BOR did not effectively manage the Demo-Plant, spending a reported \$67.8 million as of May 18, 2018, for a plant that did not provide the salt disposal critical to agricultural drainage services and did not consistently meet its operational performance goals. In addition, the drainage needs, environmental reviews, and cost estimates for the San Luis Unit area are out-of-date; thus, years of additional planning will be needed for any future drainage activities.

This report was the final in a series of three reports about the Demo-Plant. We made seven recommendations to address the weaknesses in the BOR's management of the Demo-Plant. Based on the BOR's response to our report, we considered one recommendation resolved but not implemented and six recommendations unresolved. We referred all seven recommendations to the Assistant Secretary for Policy, Management and Budget to track resolution and implementation.

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The logo for the Bureau of Safety and Environmental Enforcement (BSEE) is centered on the page. It features a large, light gray oval background. Inside the oval, there is a stylized illustration of an offshore oil rig on the left and a crane on the right. The text "BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT" is written in a large, bold, sans-serif font across the middle of the oval. Below this, the words "Bureau of Safety and Environmental Enforcement" are written in a smaller, lighter font, and "Environmental Enforcement" is written in an even smaller font at the bottom of the oval.

**Bureau of Safety and  
Environmental  
Enforcement**

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# **Bureau of Safety and Environmental Enforcement**

## **Negligent Supervisors Who Triggered Fatal Explosion in Gulf of Mexico Sentenced To Probation and Fines**

We investigated allegations that workers aboard an offshore oil production platform violated Federal regulations, which resulted in an explosion that killed three platform workers and spilled oil into the Gulf of Mexico in November 2012.

We found that three individuals and three companies—Black Elk Energy Offshore Operations, LLC (Black Elk), Wood Group PSN, Inc.; and Grand Isle Shipyards, Inc.—were negligent in their responsibility to safely conduct welding operations aboard the offshore oil production platform. We also found the parties involved did not comply with welding regulations issued by the Bureau of Safety and Environmental Enforcement (BSEE), which contributed to the fatal explosion.

The United States Attorney’s Office for the Eastern District of Louisiana prosecuted this matter, and all six parties pleaded guilty and were convicted of violations of the Clean Water Act. Black Elk also pleaded guilty to violations of the Outer Continental Shelf Lands Act. The criminal sentences for all six parties resulted in the combined total of 168 months of probation and \$6,505,000 in criminal fines.

We issued our report to the BSEE Director.



# **Indian Affairs**

# Indian Affairs

## **The Seminole Nation of Oklahoma Can Improve Financial Accountability for Federal Funds**

We audited four agreements between the Seminole Nation of Oklahoma and the Bureau of Indian Affairs (BIA) to determine whether: (1) the costs claimed by the Seminole Nation were allowable under applicable Federal laws and regulations, allocable to the contract, reasonable, and accurately supported by the Nation's records; and (2) the BIA oversaw the agreements in accordance with applicable Federal laws and regulations and BIA guidelines. During our audit, we tested \$1,688,387 in interim costs claimed by the Seminole Nation from October 1, 2016, through June 30, 2018.

We found the Seminole Nation underreported expenditures on its financial status reports, did not appropriately calculate indirect costs, and did not submit all required financial status and program reports to the BIA. We questioned \$1.23 million in costs due to unreported expenditures and indirect costs that were misapplied. In addition, while the BIA oversaw the agreements in accordance with applicable Federal laws and regulations, it can improve its review of financial status reports.

We made five recommendations to help the Seminole Nation improve its financial accountability and to help the BIA improve oversight for tribal agreements. In response to our draft report, the BIA concurred with all five recommendations with minor clarifications. Based on this response, we considered the recommendations resolved but not implemented. We referred the recommendations to the Assistant Secretary for Policy, Management and Budget to track implementation.

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## **Office of Navajo and Hopi Indian Relocation Background and Functions Overview**

This is the first in a series of reports we intend to issue to help decisionmakers make plans for the future of the Office of Navajo and Hopi Indian Relocation (ONHIR).

Our overall objective is to identify and report on ONHIR's responsibilities, functions, and current operations that could impact the closure and transfer of ONHIR responsibilities to the DOI or other successor agency (or agencies).

ONHIR is an independent Federal agency responsible for assisting with the relocation of Navajo people and Hopi people living within each other's boundaries as a result in part of a longstanding land dispute between the tribes. ONHIR has been actively providing relocation benefits for 38 years at a cumulative cost of more than \$598 million.

This initial report describes ONHIR's functions and provides information on funding and expenditures, current operations, and factors to be considered if ONHIR is closed.

In subsequent reports, we may evaluate other activities such as applicant appeals, use of land and property, building leases and permits, and operation of the Padres Mesa Demonstration Ranch (a cattle ranch for Navajo ranchers).

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## **Tribal Court Employees Misused BIA Program Funds**

We investigated allegations that a tribal chief judge and a tribal court administrator mismanaged BIA contract funds. Specifically, they allegedly purchased a \$44,804 vehicle that could not be located, paid a \$21,320 severance to an out-going judge who was a family member of the chief judge, and misused program funds.

We found that the chief judge improperly diverted \$44,804 of Federal funds that had been allocated for the purchase of a court vehicle to cover other tribal expenses. We also confirmed the \$21,320 severance; however, the tribal chairman authorized the payment using tribal funds, not BIA program funds. Further, we found that the court administrator misused approximately \$20,520 in program funds designated for the tribal court.

The BIA was aware of the misuse of program funds and already requested reimbursement from the Tribe. The United States Attorney's Office declined prosecution of this matter. The Tribe has removed the chief judge and the court administrator from their positions.

We issued our report to the acting BIA Director.

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## **Tribal Police Officer Stole Funds Designated for Youth Diversion Program**

We investigated allegations that Fort Peck Assiniboine & Sioux Tribal Police Officer Willard White stole \$40,000 from the Tribe. White allegedly obtained the funds under the pretense of creating a youth diversion program but spent the money on personal purchases and did not create the program.

We found the Tribe gave White \$40,000 to create a youth diversion program. White, however, spent the entire amount on personal purchases, none of which supported the establishment of the proposed program. In addition, White did not report the \$40,000 as income to the Internal Revenue Service (IRS).

White pleaded guilty in U.S. District Court for the District of Montana to one count of 18 U.S.C. § 1343, Wire Fraud, and one count of 26 U.S.C. § 7201, Income Tax Evasion. On October 9, 2019, White was sentenced to 6 months in prison and 2 years of supervised release and was ordered to pay \$40,000 in restitution to the Fort Peck Tribe, \$18,050 in restitution to the IRS, and a \$200 special assessment.

We issued our report to the BIA Director.

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### **Oglala Sioux Tribe Member Fraudulently Obtained BIA General Assistance Funds**

We investigated allegations that Oglala Sioux Tribe Member Monica Tyon fraudulently obtained BIA general assistance funds. She reportedly received general assistance while she was employed by the Oglala Sioux Tribe. Tyon did not qualify for assistance because of the income from her tribal employment.

We found that Tyon fraudulently received \$4,775. Tyon admitted she applied for general assistance even though she knew she was not eligible. Tyon pleaded guilty in U.S. District Court for the District of South Dakota, Western Division, to misdemeanor theft of Government funds. She will not serve prison or probation time, but was ordered to pay \$4,775 in restitution. Tyon was also debarred from participating in Federal procurement and nonprocurement programs until October 8, 2022.

We issued our report to the BIA Director.



# National Park Service

## **The National Park Service Needs To Improve Oversight of Residential Environmental Learning Centers**

We audited the National Park Service's (NPS') Residential Environmental Learning Centers (RELCs) to determine to what extent the NPS ensures the RELCs comply with agreements, statutes, and regulations.

We found that the NPS did not ensure that all activities and services provided by the RELCs complied with agreements, statutes, and regulations. Specifically, we found that the NPS did not consistently use the correct type of agreement or legal vehicle to authorize the RELCs. In addition, we found that the NPS allowed the RELCs to provide services and activities outside the scope of their agreements. We also found that the NPS did not monitor the RELCs to ensure they complied with financial assistance rules and regulations. We questioned costs of more than \$3.7 million in funding received from financial assistance that was not reduced for program income the RELCs received.

We made 12 recommendations that, if implemented, will help the NPS improve oversight of its RELC partnerships. The NPS concurred with all 12 recommendations. We considered one recommendation resolved and implemented, nine recommendations resolved but not implemented, and two recommendations unresolved. We referred the recommendations to the Assistant Secretary for Policy, Management and Budget to track resolution and implementation.

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## **Big Bend National Park Mismanaged More Than \$250,000 in Equipment Purchases**

We inspected purchases made during fiscal years 2013 and 2015 at Big Bend National Park in southwest Texas after receiving information that the park had purchased air conditioning units and shade shelters but never installed them.

We found that during fiscal years 2013 through 2015 the park purchased 22 air conditioning units and 26 shade shelters that it never installed, totaling more than \$250,000 that could have been put to better use. Given the park's reported nearly \$90 million in deferred maintenance, this raised concerns about the park's management of these funds.

We made two recommendations to the park to increase its management oversight of major facilities projects and to either use or dispose of the equipment to address the funds that could have been put to better use.

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## **NPS Supervisor Convicted of Embezzling Park Fee Funds at Mammoth Cave National Park**

We investigated allegations that Leslie Lewis, an NPS Supervisory Fee Management Specialist, embezzled fee deposit funds from Mammoth Cave National Park, KY.

We determined that from 2014 through 2018 Lewis embezzled \$169,322 from the park's fee collection program, using several schemes to conceal the thefts. We also found that, at the time of the thefts, the park's fee collection procedures did not conform to NPS policy governing such programs, but park officials have corrected the deficiencies.

The U.S. Attorney's Office for the Western District of Kentucky prosecuted Lewis, who pleaded guilty to theft in U.S. District Court. She was sentenced to 24 months of incarceration followed by 3 years of supervised release and ordered to pay \$169,322 in restitution.

We issued our report to the NPS Deputy Director for Operations.

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## **Theft of Solar Panels by NPS Employee**

We investigated an allegation that a Supply Technician for the NPS stole propane tanks, miscellaneous tools, and solar panels from parks that she was assigned to between 2013 and 2017.

We found that Kristy Ferguson stole three solar panels, which she used for her own personal benefit at her residence and the residence of a close family member. We found no evidence that she stole any other NPS property. Ferguson pled guilty to one misdemeanor count of 18 U.S.C. 641, Theft of Government Property, returned the solar panels, and paid \$280 in fines to the U.S. Attorney's Office for the District of Utah.

During our investigation, Ferguson left Government service. We issued our report to the NPS Director.



# **Office of Natural Resources Revenue**

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# Office of Natural Resources Revenue

## **Gas Marketing Company Conspired to Defraud Oil and Gas Companies on Leased Land**

We investigated allegations that a gas marketing company, B. Charles Rogers Gas, Ltd. (BCR), underreported natural gas liquid volumes and overcharged companies producing gas from Federal wells in New Mexico, which resulted in a loss of Federal and tribal mineral royalties.

We found that Billy Charles Rogers, Jr., and Wynon Rogers, co-owners of the BCR, and Thomas R. Lutner, III conspired to defraud approximately 30 oil and gas companies. From 2003 through 2015, the BCR purchased gas from companies with Federal, Indian, State, and private leases in the San Juan Basin area of New Mexico and Colorado. Lutner, who worked as a gas supply originator, then purchased aggregate gas packages from the BCR. The Rogerses and Lutner then provided producers false transaction statements in connection with the BCR's gas purchases that underreported the volume and value of the natural gas liquids that the BCR purchased. Lutner and the Rogerses knew the true volumes and prices for the natural gas liquids, but the BCR provided producers with false monthly statements and paid them far less than what the BCR owed. The Rogerses then shared the fraudulent profits with Lutner.

As a result of the BCR's fraud scheme, the victim companies relied upon the false gas marketing statements issued to them by the BCR and unknowingly failed to properly calculate mineral royalties associated with Federal and tribal leases. The companies thus paid less in royalties than they should have.

The U.S. Attorney's Office for the Northern District of Texas criminally prosecuted this case, resulting in guilty pleas by all three co-conspirators for violating 18 U.S.C. § 371, conspiracy to commit wire fraud. Charles and Wynon Rogers were each sentenced to serve 6 months in prison and 2 years of probation and ordered to pay joint restitution totaling \$7,718,876.60. Lutner was sentenced to serve 10 months in prison and 1 year of probation and ordered to pay restitution totaling \$16,900,737.66. As a result, over \$24.6 million was returned to the oil and gas companies victimized by this criminal conspiracy.

In addition, the three subjects paid approximately \$4.375 million to settle a civil false claims act case with the U.S. Department of Justice's Civil Division. The funds received recovered unpaid Federal mineral royalties the subjects owed to the Office of Natural Resources Revenue (ONRR).

We issued our report to the ONRR Director.

## **Gas Production Company Allegedly Violated Regulations and Undervalued Federal Gas**

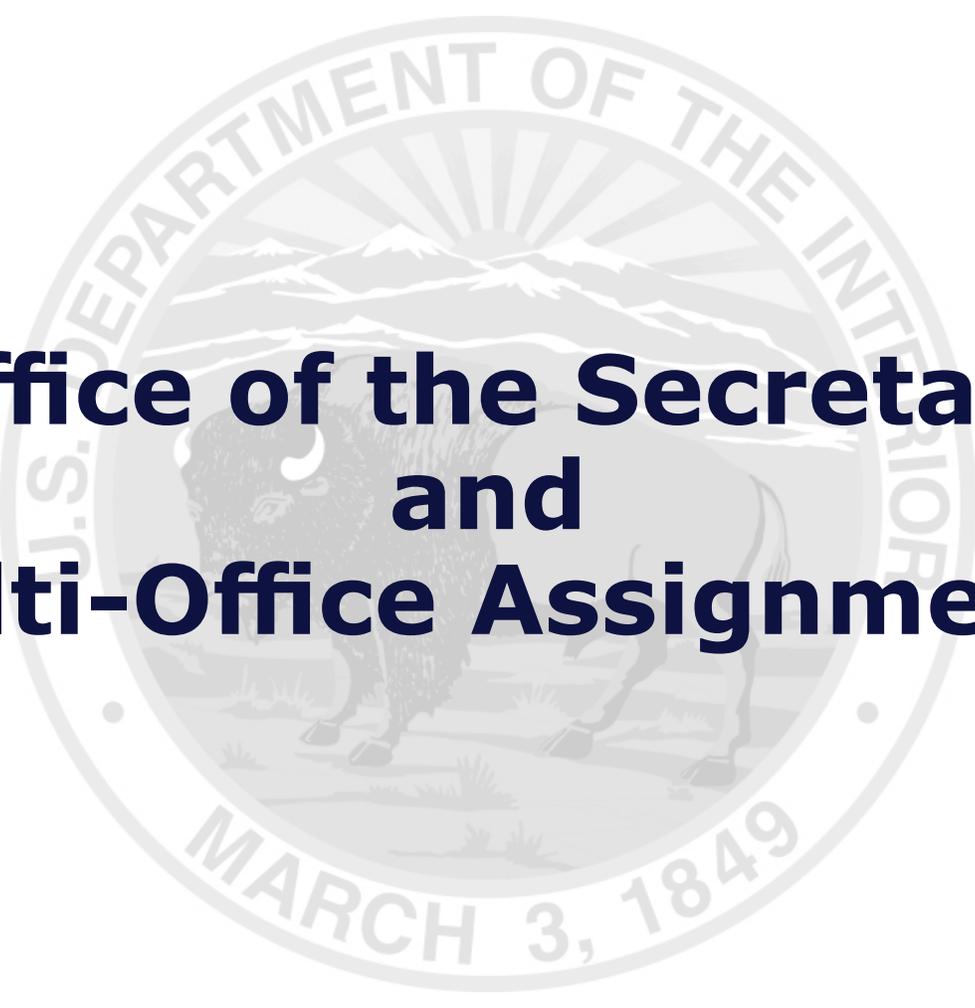
We investigated allegations that Somont Oil Company improperly reduced its Federal royalty obligations by deducting unallowable costs associated with its production and sale of natural gas extracted from Federal wells in Montana.

We alleged that Charles Jansky, the owner of Somont Oil Company, violated Federal regulations and improperly reduced the company's Federal mineral royalty obligations to ONRR by improperly designating sales with a related company as arm's-length and calculating and paying royalties to ONRR based on the correspondingly lower (non-arm's-length) prices and higher transportation and processing costs. We alleged he also deducted unsupported costs from royalty calculations, including costs incurred to place the gas into marketable condition, and failed to maintain records.

On September 27, 2019, the U.S. Attorney's Office for the District of Montana and ONRR settled the matter with Jansky for \$137,500, which resolved the violations.

We issued our report to the ONRR Director.

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The seal of the U.S. Department of the Interior is centered in the background. It features a bison standing in a landscape with mountains and a sunburst. The text "U.S. DEPARTMENT OF THE INTERIOR" is written around the top half of the seal, and "MARCH 3, 1849" is written around the bottom half. Two small dots separate the top and bottom text on the left and right sides.

# **Office of the Secretary and Multi-Office Assignments**

# Office of the Secretary and Multi-Office Assignments

## **Inspector General’s Statement Summarizing the Major Management and Performance Challenges Facing the DOI in Fiscal Year 2019**

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 DOI for inclusion in the DOI’s Agency Financial Report for fiscal year 2019.

Six challenge areas are included in this year’s report, namely financial management, workplace culture and human capital, responsibility to American Indians, energy management, IT security, and water programs. Each challenge area connects to the DOI’s mission and strategic plan, and reflects continuing vulnerabilities and emerging issues.

This report is based on specific OIG and U.S. Government Accountability Office reviews and other reports, as well as our general knowledge of the DOI’s programs and operations. We met with key DOI officials to gain their perspectives on the challenge areas and progress made under each.

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### **The DOI Needs To Improve Internal Controls Over the Purchase Card Program**

We audited purchase card transactions and governing internal controls at the DOI to determine whether (1) the bureaus implemented enhanced internal controls for the increase in the micropurchase limit from \$3,500 to \$10,000, (2) any cardholders in the audit sample of purchase card transactions misused their purchase cards, and (3) any cardholders used their purchase cards for purchases above \$3,500 and \$10,000.

We found that bureaus did develop enhanced internal controls for the increase in the micropurchase threshold, but we found issues with the purchase card transactions because the bureaus did not ensure that internal controls were implemented and did not fully comply with departmental and bureau policies. We questioned \$393,095 in transactions that had no receipt or insufficient documentation.

In addition, we found that 2,757 cardholders (approximately 15 percent) used their cards for purchases above \$3,500 and 16 cardholders (less than 1 percent) used their cards for purchases above the \$10,000 micropurchase threshold.

We made five recommendations to improve internal controls over purchase cards and compliance with DOI policy. We considered four recommendations resolved but not implemented, and one recommendation unresolved. We referred all five recommendations to the Assistant Secretary for Policy, Management and Budget to track implementation.

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## **Progress Made by the DOI in Implementing Government Charge Card Recommendations**

The Government Charge Card Abuse Prevention Act of 2012 (Public Law No. 112-194) requires all executive branch agencies to establish and maintain safeguards and internal controls for purchase, travel, and centrally billed accounts. The Act reinforced efforts to prevent fraud, waste, and mismanagement of Governmentwide charge card programs.

In addition, the Act requires agency OIGs to conduct periodic risk assessments of agency purchase card, convenience check, and travel card programs to analyze the risk of illegal, improper, or erroneous purchases and payments. We use these risk assessments to determine the necessary scope, frequency, and number of audits or reviews that we will perform related to these programs.

We are also required to report to the Director of the Office of Management and Budget on the DOI's progress in implementing our audit recommendations related to Government charge cards.

At the start of fiscal year 2019, there were no such open OIG recommendations. In fiscal year 2019, we issued two reports with five recommendations each related to internal controls over Government purchase cards. Four of these 10 recommendations were closed before the end of fiscal year 2019, leaving 6 open recommendations resolved but not implemented as of the end of fiscal year 2019.

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## **DOI DATA Act Submission for First Quarter Fiscal Year 2019**

We audited the DOI's fiscal year 2019 first quarter financial and award data submission in accordance with the Digital Accountability and Transparency Act of 2014 (DATA Act) and submission standards developed by the U.S. Department of the Treasury (Treasury) and the Office of Management and Budget (OMB).

We assessed the data and found that, while they contained most of the required information and conformed to the OMB and Treasury standards, there were small deficiencies in completeness, timeliness, and accuracy of the data we sampled. Specifically, we found in the 57 data elements for each of the 385 transactions that 3.45 percent were incomplete, 2.84 percent were not timely, and 11.34 percent were not accurate. These results were projected to the DOI's fiscal year 2019 first quarter submission, and the deficiencies were small enough to still meet the Council of the Inspectors General on Integrity and Efficiency Federal Audit Executive Council's "higher" quality standard.

We made three recommendations to help the DOI improve its submissions and comply with standards. We considered all three recommendations resolved but not implemented and referred the recommendations to the Assistant Secretary for Policy, Management and Budget to track implementation.

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## **Risk Assessment of the DOI's Grant Closeout Process**

We completed our risk assessment of the DOI's grant closeout process as required by the Grants Oversight and New Efficiency (GONE) Act of 2016 to determine whether an audit or review of the DOI's grant closeout process was warranted.

Our assessment revealed that the DOI's current closeout process is at high risk of inaccurate reporting and potential violation of the GONE Act. We identified five significant risks related to the DOI's grant closeout process and compliance with the GONE Act: the DOI had an unresolved Federal Managers Financial Integrity Act internal control material weakness to improve management and oversight of financial assistance and tribal awards made under Public Law 93-638 on its fiscal year 2018 Financial Agency Report; all required award data may not have been reported; some grants and cooperative agreements may have inaccurate information within the Financial and Business Management System; there are gaps in the closeout policy; and the DOI could not provide adequate support for the fiscal years 2017 and 2018 GONE Act reports.

Overall, we concluded that the DOI's risk of inaccurate reporting was high. As a result, we will initiate an audit of the DOI's grant closeout in fiscal year 2020. We will use this risk assessment, which contains one resolved and implemented recommendation, to determine the scope of the audit of the DOI's grant closeout process.

## **Weaknesses in the Office of the Special Trustee for American Indian's Death Record Process Threaten Fiduciary Responsibilities**

We inspected the Office of the Special Trustee for American Indians' (OST's) process for collecting death data to determine whether beneficiary deaths are accurately recorded to ensure that payments made after the death of a beneficiary are distributed correctly. The DOI has responsibility for more than \$5 billion held in trust by the Federal Government on behalf of American Indians and Indian Tribes. The OST manages the Indian fiduciary trust for the DOI, which includes approximately 3,500 trust accounts for 250 Indian Tribes and nearly 404,000 Individual Indian Money (IIM) accounts.

We found weaknesses in the OST's process for collecting death data. Specifically, we found the OST does not have a system that interfaces with the Bureau of Indian Affairs' (BIA's) probate tracking system, which may lead to inconsistent death data between DOI's agencies; does not reconcile or confirm the status of beneficiaries with the BIA or other sources to monitor accuracy of its death data; and does not educate Indian communities about providing death notifications to ensure timely and complete death data.

Without consistent, accurate, timely, and complete death data, the OST risks distributing payments to deceased beneficiary accounts and delaying the initiation of the probate process, which threatens the proper distribution of trust payments. We made three recommendations that, if implemented, will improve the consistency, accuracy, and completeness of the OST's beneficiary data. We considered the recommendations resolved but not implemented and referred the recommendations to the Assistant Secretary for Policy, Management and Budget to track implementation.

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## **The OST's Contract No. A14D7018C0001 for Trust Accounting Services**

We completed our evaluation of the OST's procurement of the Trust Funds Accounting System (TFAS) to determine whether the OST evaluated proposals to procure the TFAS and provided oversight of Contract No. A14D7018C0001 in accordance with applicable Federal laws and DOI regulations.

We determined the OST evaluated proposals for the TFAS and monitored Contract No. A14D7018C0001 in accordance with Federal laws and DOI regulations. While the OST planned to migrate the legacy accounting system over a 12-month period, the migration was delayed 7 months. The OST successfully migrated to the new system on October 7, 2019.

## **Independent Auditors' Reports on the Tribal and Other Trust Funds and Individual Indian Monies Trust Funds Statements for Fiscal Years 2018 and 2017**

This report details KPMG's findings of its audit of financial statements from the OST for fiscal years 2019 and 2018. The OST financial reports contain financial statements and notes for Tribal and Other Trust Funds (Tribal) and Individual Indian Monies Trust Funds (IIM).

KPMG issued a qualified opinion, consistent with prior years, on the Tribal financial statements because it was unable to satisfy itself as to the fairness of trust fund balances. KPMG issued an unmodified opinion on the IIM financial statements.

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## **Independent Auditors' Performance Audit Report on the DOI Federal Information Security Modernization Act for Fiscal Year 2019**

The Federal Information Security Modernization Act (FISMA) (Public Law 113-283) requires Federal agencies to have an annual independent evaluation of their information security programs and practices. This evaluation is to be performed by the agency's OIG or by an independent external auditor, at the OIG's discretion, to determine the effectiveness of such programs and practices.

KPMG, an independent public accounting firm, performed the DOI fiscal year 2019 FISMA audit under a contract issued by the DOI and monitored by the OIG. KPMG reviewed information security practices, policies, and procedures at the DOI Office of the Chief Information Officer and 11 DOI bureaus and offices. KPMG identified needed improvements in the areas of risk management, configuration management, identity and access management and contingency planning.

KPMG made 27 recommendations related to these control weaknesses intended to strengthen the DOI's information security program, as well as those of the bureaus and offices. In its response to the draft report, the Office of the Chief Information Officer concurred with all recommendations and established a target completion date for each corrective action.

## **Independent Auditors' Report on the DOI's Financial Statements for Fiscal Years 2019 and 2018**

KPMG LLP has completed the report on its audit of the DOI's financial statements for fiscal years 2019 and 2018. KPMG found the following:

- The financial statements were fairly presented, in all material respects, in accordance with U.S. generally accepted accounting principles
- One material weakness and three significant deficiencies in internal controls over financial reporting
- No instances in which the DOI's financial management systems did not substantially comply with the requirements of the Federal Financial Management Improvement Act of 1996
- No reportable noncompliance with provisions of laws tested or other matters

We reviewed KPMG's work and found no instances in which KPMG did not comply, in all material respects, with U.S. Generally Accepted Government Auditing Standards.

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## **Alleged Improper Influence by the Secretary of the Interior in the FWS' Scientific Process**

We investigated an allegation that Secretary of the Interior David Bernhardt, when he was the Deputy Secretary, interfered with the U.S. Fish and Wildlife Service's (FWS') scientific process during an assessment of the effects of pesticides on endangered species. We investigated whether Secretary Bernhardt exceeded or abused his authority by influencing consultations between the FWS and the U.S. Environmental Protection Agency on the proposed registration or re-registration of three pesticides, and whether his involvement in the consultations violated his ethics pledge or Federal ethics regulations.

We found that Secretary Bernhardt reviewed a draft FWS opinion on the potential biological effects one of the three pesticides could have on endangered species, and he instructed the FWS team developing the opinion to change its method for determining the potential effects. This change has delayed the completion of the opinion, but we found no evidence that Secretary Bernhardt exceeded or abused his authority or that his actions influenced or altered the findings of career FWS scientists. We also found no evidence that Secretary Bernhardt's involvement in this matter violated his ethics pledge or Federal ethics regulations.

## **Alleged Ethics Violations by the Assistant Secretary for Insular and International Affairs**

We investigated an allegation that Douglas Domenech, Assistant Secretary for Insular and International Affairs, violated his Federal ethics pledge under Executive Order No. 13770 by meeting with an official from his former employer, the Texas Public Policy Foundation (TPPF), during the required 2-year recusal period following Domenech's resignation from the TPPF.

Although we did not find that Domenech violated his ethics pledge as alleged, we found that he did violate Federal ethics regulations that prohibit Federal employees for 1 year from participating with their former employers in particular matters involving specific parties. Domenech, who began working for the DOI in January 2017 as a special Government employee (SGE), arranged and held two meetings with a TPPF attorney in April 2017 about issues in litigation between DOI bureaus and the TPPF. Domenech had a duty to consider whether his involvement in these meetings would cause a reasonable person to question his impartiality, and his failure to make that determination violated the regulation.

Domenech did not violate his ethics pledge, however, because he was an SGE when the meetings took place and thus was not required to sign the pledge at the time. He signed the pledge in September 2017, after he became a permanent DOI employee.

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## **Woman Stole Oil and Gas Royalty Income from Her Family Members**

We investigated allegations that Doris White, Cheyenne River Sioux Tribe, Eagle Butte, SD, stole trust income from her family members who had inherited income-generating land. The Bureau of Indian Affairs held the land in trust and the OST administered the income.

We substantiated the allegation. White admitted to us that her family members were not aware of the oil and gas royalty income generated by the land and that between 2005 and 2017, she stole nearly \$1.4 million from their accounts. She intentionally concealed the lease income by hiding, and eventually destroying, the family members' account statements. White said she used the stolen money on herself and her family members.

White pleaded guilty in U.S. District Court for the District of South Dakota, Central Division, to one count of larceny, 18 U.S.C. §§ 661 and 1153, and was sentenced to 3 months in prison. She agreed to pay \$1,398,713.83 in restitution to her family members. White was debarred from participating in Federal procurement and nonprocurement programs until November 19, 2022.

We issued our report to the Principal Deputy Special Trustee for the OST.

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## **Opportunity To Improve Charge Card Transaction Review and Billing Practices Identified During Investigation of Charge Card Misuse**

During a recent investigation into allegations that a former U.S. Geological Survey (USGS) employee charged more than \$14,000 in unauthorized transactions for personal gain, we learned of a U.S. Government charge/travel card (GTC) transaction review practice that could be beneficial if applied across the DOI. We also learned that training could help charge card reviewers at the DOI detect and prevent GTC misuse. In addition, we learned of a billing practice that makes it difficult for the Government to hold employees accountable for unresolved debts.

The USGS uses a budgeting software that allows it to monitor and identify questionable and unauthorized GTC charges in real time, rather than relying on the review of monthly GTC statements. Implementing real-time transaction review capabilities DOI-wide would help ensure that GTC charges are authorized and correct. We also learned during this and past investigations, that first-line supervisors and approving officials did not have the training to identify fraud schemes and indicators. With training, charge card reviewers would be better able to identify fraudulent charges. In addition, the USGS and other DOI bureaus issue bills for collection through email rather than certified or registered mail. Using certified or registered mail would allow the Government to ensure the intended party receives the bill and therefore better hold debtors accountable.

Our management advisory alerts the DOI to these opportunities. We recommend the DOI establish real-time monitoring of GTC transactions, train managers on GTC fraud indicators and reporting requirements, and ensure bills for collection are sent via certified or registered mail with a signature requirement.



# **U.S. Fish and Wildlife Service**

# **U.S. Fish and Wildlife Service**

## **Coercion and Sexual Abuse by a U.S. Fish and Wildlife Service Official in Oregon**

We investigated an allegation that Eric Rickerson, U.S. Fish and Wildlife Service (FWS) State Supervisor, Lacey, WA, sexually assaulted an FWS employee while the two were at an FWS conference. The assaulted employee said that she, Rickerson, and another male FWS employee shared a cabin with two bedrooms and a loft at the resort. The employee alleged that Rickerson came to her loft bedroom uninvited, exposed himself, and touched her inappropriately.

We found that Rickerson entered the employee's loft bedroom uninvited four times during the night, exposed himself to her multiple times, climbed into her bed naked, and touched her in a sexual manner more than once without her permission.

We referred our findings to the Deschutes County District Attorney and on October 29, 2019, Rickerson pleaded guilty to felony coercion and misdemeanor sex abuse, harassment, intimidation, and private indecency. Rickerson was sentenced to 30 days in jail and 36 months of supervised probation. He also must register as a sex offender and pay the employee \$5,856.07 in restitution.

The FWS suspended Rickerson without pay during the investigation; he resigned from his position with the FWS on November 5, 2019. We issued our report to the FWS Director.

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## **No Misuse of Funds or Ethics Violations by an FWS Official**

We investigated allegations that an FWS official awarded or manipulated a grant to a friend in return for a favor. It was further alleged that the official benefited from a different grant that the FWS awarded to a State agency and that he may have used inside knowledge to purchase and enroll land in a Government program so he could benefit financially.

We found no evidence that the FWS official awarded or manipulated any grants that benefitted himself or others. We also found no evidence that the FWS official violated any laws or rules by purchasing land and enrolling the land into a Government program.

We issued our report to the FWS Principal Deputy Director.



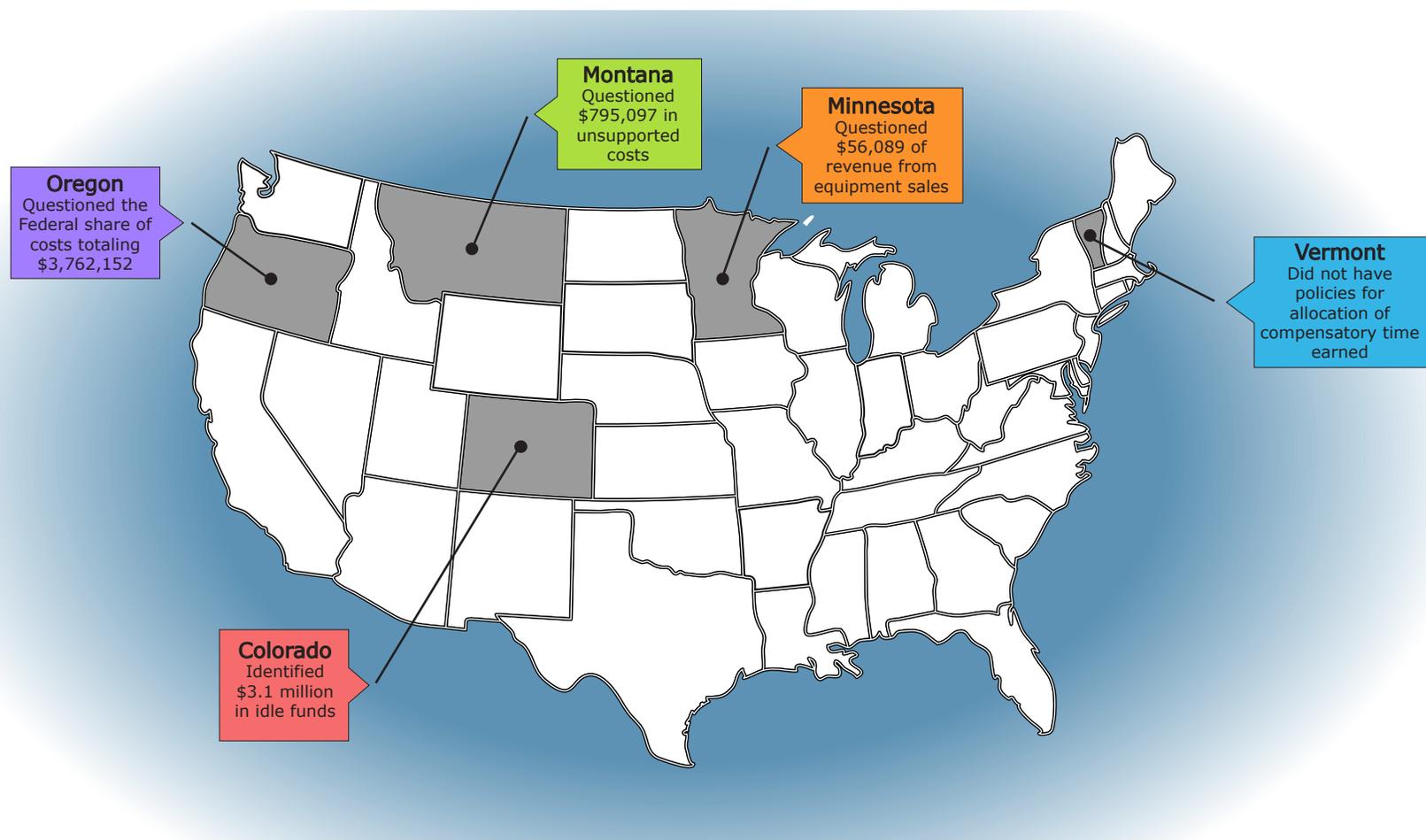
# **Wildlife and Sport Fish Restoration Program Audits**

# Wildlife and Sport Fish Restoration Program Audits

## Audits of Wildlife and Sport Fish Grants Covered More Than \$425 Million in Claimed Costs and Identified Potential Program Improvements

Through its Wildlife and Sport Fish Restoration Program (WSFR), the U.S. Fish and Wildlife Service (FWS) awards grants to States and Territories to support conservation-related projects, such as the acquisition and management of natural habitats for game species or site development for boating access. Under a reimbursable agreement with the FWS, we audit all States over the course of a 5-year cycle authorized by Federal law.

In this semiannual period, we audited agencies in five States covering more than \$425 million in claimed costs.



**Colorado Parks and Wildlife**

We audited claims totaling approximately \$87.5 million on 147 grants that were open during the State fiscal years that ended June 30, 2017, and June 30, 2018. We found that the Division complied, in general, with applicable grant accounting and regulatory requirements. We found, however, grant funds totaling approximately \$3.1 million that were idle since the Division does not require subrecipients to begin work on their projects within a reasonable time period from the grant start date. We also determined that the State potentially diverted license revenue in the amount of \$56,759 due to the loss of control of vehicles purchased with license revenue that were required to be transferred to State Fleet Management. In addition, we found that the Division had (1) unreported barter transactions, (2) difficulty identifying the funding source for equipment, (3) inadequate support for in-kind contributions, and (4) not completed the prior recommendation for its land inventory reconciliation.

**Minnesota Department of Natural Resources**

We audited claims totaling approximately \$153 million on 43 grants that were open during the State fiscal years that ended June 30, 2017, and June 30, 2018. We found that the Department complied, in general, with applicable grant accounting and regulatory requirements. We did, however, question costs totaling \$56,089 for potential diversion of license revenue related to the disposition of surplus equipment. We found the Department did not identify or report all its earned program income, and we found the Department had not reconciled its real property records with the FWS' real property inventory.

**Montana Fish, Wildlife, and Parks**

We audited claims totaling approximately \$82.7 million on 58 grants that were open during the State fiscal years that ended June 30, 2016, and June 30, 2017. We questioned costs totaling \$795,097 for unsupported in-kind contributions and unsupported other direct costs. We also found the Department had unsupported direct costs base, inadequate equipment management, and had not excluded duplicate license holders from the license certifications. We also observed that, while the Department provided the FWS with its real property inventory, the FWS had not reconciled the Department records with the FWS' real property inventory records.

### **Oregon Department of Fish and Wildlife**

We audited claims totaling approximately \$77 million on 137 grants that were open during the State fiscal years that ended June 30, 2016, and June 30, 2017. We found that the Department complied, in general, with applicable grant accounting and regulatory requirements. We did, however, question the Federal share of costs totaling \$3,762,152, including \$2,894,838 in unsupported in-kind contributions, \$708,650 in unreported program income, and \$158,664 in unsupported payroll expenses. We also found that the Department did not (1) adequately manage its equipment, (2) accurately report license certification data, (3) develop effective land management policies, or (4) adequately monitor subawards.

### **Vermont Fish and Wildlife Department**

We audited claims totaling approximately \$25.4 million on 42 grants that were open during the State fiscal years that ended June 30, 2016, and June 30, 2017. We found that the Department complied, in general, with applicable grant accounting and regulatory requirements, but it did not have policies or procedures in place for the allocation of compensatory time earned.

Overall, we made 39 recommendations for program improvements or cost recovery across the 5 audits published this semiannual period. The FWS is working with the recipient agencies to resolve the issues and to implement corrective actions.



# **Appendices**

## STATISTICAL HIGHLIGHTS

### Audits, Inspections, and Evaluations Activities

Reports Issued .....	22
Performance Audits, Evaluations, and Inspections .....	11
Contract and Grant Audits.....	6
Other Report Types <sup>1</sup> .....	5
 Total Monetary Impacts .....	 \$9,587,334
Questioned Costs (includes unsupported costs).....	\$6,241,422 <sup>2</sup>
Funds To Be Put to Better Use .....	\$3,345,912
 Audits, Inspections, and Evaluations Recommendations Made.....	 141
Audits, Inspections, and Evaluations Recommendations Closed .....	104

### Investigative Activities

Complaints Received .....	419
Complaints Referred to the Department.....	203
Investigations Opened.....	53
Investigations Closed .....	16

### Criminal Prosecution Activities

Indictments/Informations .....	10
Convictions.....	2
Sentencings.....	11
Jail .....	9: 124 months
Probation.....	10: 258 months
Community Service.....	0: 0 hours
Criminal Restitution .....	10: \$30,017,316.29
Criminal Fines .....	3: \$8,000.00
Criminal Special Assessments.....	11: \$2,800.00
Criminal Asset Forfeiture .....	\$0
Criminal Matters Referred for Prosecution .....	12
Criminal Matters Declined This Period .....	3

<sup>1</sup> Other report types include management advisories, special projects, and other types of reports that are not classified as audits, inspections, or evaluations. These types of reports generally do not contain recommendations.

<sup>2</sup> Includes \$57,157 in non-Federal funds

## Civil Investigative Activities

Civil Referrals.....	2
Civil Declinations .....	3
Civil Settlements or Recoveries.....	1: \$884,407.00

## Administrative Investigative Activities

Personnel Actions .....	4
Removals .....	0
Resignations .....	1
Reassignment/Transfer .....	1
Retirements .....	0
Restitution .....	\$0
Suspensions.....	0
Counseling.....	1
Reprimands (Written/Oral).....	1
Procurement and Nonprocurement Remedies .....	14
Debarments.....	11
Suspensions.....	3
Administrative Compliance Agreement.....	0
Royalties: Settlement Agreement.....	\$57,000.00
General Policy Actions .....	2
Past-Due Responses <sup>1</sup> .....	17
Assistant Secretary for Indian Affairs.....	3
Assistant Secretary for Land and Minerals Management .....	1
Assistant Secretary for Policy, Management and Budget.....	1
Bureau of Indian Education .....	2
Bureau of Land Management.....	1
Bureau of Safety and Environmental Enforcement .....	3
National Park Service .....	3
Office of the Secretary.....	2
U.S. Fish and Wildlife Service .....	1

<sup>1</sup> Past-due responses is a category indicating that as of the end of the reporting period we have not received a bureau's response to our referral for action within the 90-day response period.

## REPORTS ISSUED

This listing includes all reports issued by the Office of Audits, Inspections, and Evaluations during the 6-month reporting period that ended March 31, 2020. It provides the report number, title, issue date, and monetary amounts identified in each report.

\* *Funds To Be Put to Better Use*

\*\* *Questioned Costs*

\*\*\* *Unsupported Costs*

### **Audits, Inspections, and Evaluations**

#### ***Bureau of Reclamation***

##### **2017-WR-048-B**

The Bureau of Reclamation Did Not Effectively Manage the San Luis Demonstration Treatment Plant (11/13/2019)

#### ***Bureau of Safety and Environmental Enforcement***

##### **2017-EAU-067**

Closeout Memorandum - The Bureau of Safety and Environmental Enforcement's Incident Investigations Program (11/07/2019)

#### ***Multi-Office Assignments***

##### **2018-FIN-059**

The U.S. Department of the Interior Needs To Improve Internal Controls Over the Purchase Card Program (11/13/2019)  
\*\*\*\$393,095

##### **2019-FIN-032**

Independent Auditors' Report on the U.S. Department of the Interior's Financial Statements for FYs 2019 and 2018 (11/15/2019)

##### **2019-ITA-034**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2019 (02/26/2020)

***National Park Service*****2018-CR-009**

The National Park Service Needs to Improve Oversight of Residential Environmental Learning Centers (12/17/2019)

**2019-ER-042**

Big Bend National Park Mismanaged More Than \$250,000 in Equipment Purchases (02/05/2020)  
\*\$255,117

***Office of the Secretary*****2019-FIN-043**

U.S. Department of the Interior's DATA Act Submission for First Quarter FY2019 (11/07/2019)

***Office of the Special Trustee for American Indians*****2018-ER-062**

Weaknesses in the Office of the Special Trustee for American Indians' Death Record Process Threaten Proper Distribution of Trust Payments (12/17/2019)

**2019-FIN-021**

The Office of the Special Trustee for American Indians' Contract No. A14D7018C0001 for Trust Accounting Services (02/05/2020)

**2019-FIN-031**

Independent Auditors' Reports on the Tribal and Other Trust Funds and Individual Indian Monies Trust Funds Statements for FYs 2019 and 2018 (11/08/2019)

**Contract and Grant Audits*****Indian Affairs*****2018-FIN-050**

The Seminole Nation of Oklahoma Can Improve Financial Accountability for Federal Funds (10/25/2019)  
\*\*\$1,234,989

## ***U.S. Fish and Wildlife Service***

### **2018-CR-014**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Montana Fish, Wildlife, and Parks, From July 1, 2015, Through June 30, 2017 (02/05/2020)  
\*\*\*\$795,097

### **2018-ER-063**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Vermont Fish and Wildlife Department From July 1, 2015, Through June 30, 2017 (11/13/2019)

### **2018-WR-038**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Oregon, Department of Fish and Wildlife, From July 1, 2015, Through June 30, 2017 (12/17/2019)  
\*\*\$708,650  
\*\*\*\$3,053,502

### **2019-CR-004**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Colorado, Colorado Parks and Wildlife From July 1, 2016, Through June 30, 2018 (03/31/2020)  
\*\$3,090,795

### **2019-CR-016**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Minnesota, Department of Natural Resources, From July 1, 2016, Through June 30, 2018 (03/23/2020)  
\*\*\$56,089

## **Other Assignment Types**

### ***Bureau of Land Management***

#### **2020-WR-015**

Verification Review – Recommendations 2 and 4 for the Management Advisory Titled The Bureau of Land Management’s Wild Horse and Burro Program Is Not Maximizing Efficiencies or Complying With Federal Regulations (2016-WR-027) (03/31/2020)

***Multi-Office Assignments***

**2019-ER-052**

Inspector General's Statement Summarizing the Major Management and Performance Challenges Facing the U.S. Department of the Interior, FY 2019 (11/15/2019)

**2020-FIN-014**

Progress Made by the U.S. Department of the Interior in Implementing Government Charge Card Recommendations, Fiscal Year 2019 (01/31/2020)

***Non-Interior***

**2019-WR-039**

Overview Memo – Office of Navajo and Hopi Indian Relocation Background and Functions (12/17/2019)

***Office of the Secretary***

**2019-FIN-037**

Risk Assessment of the U.S. Department of the Interior's Grant Closeout Process (03/31/2020)

## MONETARY RESOLUTION ACTIVITIES

**Table 1: Inspector General Reports With Questioned Costs\***

Description	Number of Reports	Questioned Costs*	Unsupported Costs
A. For which no management decision has been made by the commencement of the reporting period	0	\$0	\$0
B. That were issued during the reporting period	4	\$6,184,265	\$4,240,626
<b>Total (A+B)</b>	<b>4</b>	<b>\$6,184,265</b>	<b>\$4,240,626</b>
C. For which a management decision was made during the reporting period	4	\$6,184,265	\$4,240,626
(i) Dollar value of costs disallowed		\$6,184,265	\$4,240,626
(ii) Dollar value of costs allowed		\$0	\$0
D. For which no management decision had been made by the end of the reporting period	0	\$0	\$0

\* Does not include non-Federal funds. Unsupported costs are included in questioned costs.

## MONETARY RESOLUTION ACTIVITIES

**Table 2: Inspector General Reports With Recommendations  
That Funds Be Put to Better Use\***

Description	Number of Reports	Dollar Value
A. For which no management decision has been made by the commencement of the reporting period	0	\$0
B. That were issued during the reporting period	2	\$3,345,912
<b>Total (A+B)</b>	<b>2</b>	<b>\$3,345,912</b>
C. For which a management decision was made during the reporting period	2	\$3,345,912
(i) Dollar value of recommendations that were agreed to by management		\$3,345,912
(ii) Dollar value of recommendations that were not agreed to by management		\$0
D. For which no management decision had been made by the end of the reporting period	0	\$0

\* Does not include non-Federal funds.

## REPORTS PENDING DECISION

This listing includes a summary of audit, inspection, and evaluation reports that were more than 6 months old on March 31, 2020, and still pending a final management decision. It includes recommendations with which the OIG and management have disagreed, and the disagreement has been referred to the Assistant Secretary for Policy, Management and Budget for resolution. Also included are recommendations with which management did not provide sufficient information to determine if proposed actions will resolve the recommendation. It provides the report number, title, issue date, number of recommendations referred for resolution, and number of recommendations awaiting additional information.

### Audits, Inspections, and Evaluations

#### *Indian Affairs*

**2017-ER-018**

Indian Affairs Offices' Poor Recordkeeping and Coordination Threaten Impact of Tiwahe Initiative (09/28/2018)  
Referred for Resolution: 2

#### *Office of the Secretary*

**2017-ER-014**

Inaccurate Data and an Absence of Specific Guidance Hinders the U.S. Department of the Interior's Ability to Optimize Fleet Size and Composition (03/29/2019)  
Referred for Resolution: 1

**2018-ITA-019**

The Department of the Interior Generally Complied with Email and Web Security Mandates (07/26/2018)  
Referred for Resolution: 1

## REPORTS WITH UNIMPLEMENTED RECOMMENDATIONS

This listing provides a summary of reports issued by the Office of Audits, Inspections, and Evaluations before October 1, 2019, that still had open (unimplemented) recommendations as of March 31, 2020. Unimplemented recommendations are divided into three categories: resolved, management disagreed, and awaiting management decision. Recommendations with which management has disagreed have been referred to the DOI for resolution. Recommendations are classified as awaiting management decision if either management did not respond or management's response was not sufficiently detailed to consider the recommendation resolved. Because a single report may have both implemented and unimplemented recommendations, the number of recommendations listed as resolved may be less than the total number of recommendations in the report.

### Unimplemented Recommendations

Open .....	339
Resolved .....	333
Disagreed .....	4
Awaiting Decision .....	2
<b>Questioned Costs</b> .....	<b>\$91,631,308</b>
<b>Funds That Could Have Been Better Used</b> .....	<b>\$258,935</b>

## Audits, Inspections, and Evaluations

### *Bureau of Land Management*

#### **2015-EAU-057**

Bureau of Land Management's Management of Private Acquired Leases  
(12/11/2015)  
Resolved: 1

#### **2015-ITA-072**

Independent Auditors' Performance Audit Report on the U.S.  
Department of the Interior Federal Information Security Management  
Act for Fiscal Year 2015 (02/24/2016)  
Resolved: 1

**2016-EAU-061**

Bureau of Land Management's Idle Well Program (01/17/2018)

Resolved: 11

**2016-WR-027**

The Bureau of Land Management's Wild Horse and Burro Program is Not Maximizing Efficiencies or Complying With Federal Regulations (10/17/2016)

Resolved: 1

**2018-CR-010**

Bureau of Land Management Maintenance Fee Waivers for Small Miners (12/17/2018)

Resolved: 1

**2018-ITA-043**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2018 (03/13/2019)

Resolved: 1

**C-IN-BLM-0002-2012**

Bureau of Land Management's Mineral Materials Program (03/31/2014)

Resolved: 1

**C-IN-MOA-0013-2010**

Management of Rights-of-Way in the U.S. Department of the Interior (09/27/2012)

Resolved: 4

**CR-EV-BLM-0004-2012**

Bureau of Land Management's Geothermal Resources Management (03/07/2013)

Resolved: 1

**CR-IS-BLM-0004-2014**

BLM Federal Onshore Oil and Gas Trespass and Drilling Without Approval (09/29/2014)

Resolved: 2

***Bureau of Ocean Energy Management*****CR-EV-BOEM-0001-2013**

U.S. Department of the Interior's Offshore Renewable Energy Program  
(09/25/2013)  
Resolved: 2

***Bureau of Reclamation*****2015-ITA-072**

Independent Auditors' Performance Audit Report on the U.S.  
Department of the Interior Federal Information Security Management  
Act for Fiscal Year 2015 (02/24/2016)  
Resolved: 1

**2018-ITA-043**

Independent Auditors' Performance Audit Report on the U.S.  
Department of the Interior Federal Information Security Modernization  
Act for Fiscal Year 2018 (03/13/2019)  
Resolved: 2

**ISD-IS-BOR-0004-2013**

IT Security of the Glen Canyon Dam Supervisory Control and Data  
Acquisition System (03/26/2014)  
Resolved: 1

**WR-EV-MOA-0015-2011**

Bureau of Land Management, National Park Service, and Office of  
Surface Mining Reclamation and Enforcement's Safety of Dams:  
Emergency Preparedness (12/27/2012)  
Resolved: 1

***Bureau of Safety and Environmental Enforcement*****2017-EAU-043**

BSEE Has Opportunities To Help Industry Improve Oil Spill  
Preparedness (10/22/2018)  
Resolved: 5

**2018-EAU-034**

The Bureau of Safety and Environmental Enforcement's Flight Services  
Contract (09/04/2019)  
Resolved: 3

**Indian Affairs****2017-ER-018**

Indian Affairs Offices' Poor Recordkeeping and Coordination Threaten Impact of Tiwahe Initiative (09/28/2018)

Resolved: 2

Disagreed: 2

**2017-WR-024**

The Bureau of Indian Education Is Not Ensuring That Background Checks at Indian Education Facilities Are Complete (02/08/2018)

Resolved: 7

**2018-ITA-043**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2018 (03/13/2019)

Resolved: 1

**C-EV-BIE-0023-2014**

Condition of Indian School Facilities (09/30/2016)

Resolved: 4

**C-IS-BIE-0023-2014-A**

Condition of Bureau of Indian Affairs Facilities at the Pine Hill Boarding School (01/11/2016)

Resolved: 3

**CR-EV-BIA-0002-2013**

BIA Needs Sweeping Changes to Manage the Osage Nation's Energy Resources (10/20/2014)

Resolved: 7

Better Use: \$97,000

**NM-EV-BIE-0003-2008**

School Violence Prevention (02/03/2010)

Resolved: 1

***National Park Service*****2017-ITA-052**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2017 (03/08/2018)  
Resolved: 1

**2017-WR-037**

The National Park Service Misused Philanthropic Partner Donations (03/13/2019)  
Resolved: 3

**2018-WR-011**

The NPS Needs To Improve Management of Commercial Cellular Facilities' Right-of-Way Permits and Revenues (07/19/2019)  
Resolved: 6

**CR-EV-MOA-0006-2012**

U.S. Department of the Interior's Underground Injection Control Activities (03/31/2014)  
Resolved: 1

***Office of the Secretary*****2016-ITA-020**

Interior Incident Response Program Calls for Improvement (03/12/2018)  
Resolved: 13

**2016-ITA-062**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Management Act for Fiscal Year 2016 (03/10/2017)  
Resolved: 6

**2017-ER-014**

Inaccurate Data and an Absence of Specific Guidance Hinders the U.S. Department of the Interior's Ability to Optimize Fleet Size and Composition (03/29/2019)  
Resolved: 2  
Disagreed: 1

**2017-ER-015-A**

Improvement Needed in Internal Controls for the Use of Convenience Checks at the U.S. Department of the Interior (03/26/2019)

Resolved: 1

**2017-FIN-038**

U.S. Department of the Interior DATA Act Submission for Second Quarter FY 2017 (11/02/2017)

Resolved: 3

**2017-WR-056**

The American Samoa Government's Executive Branch Did Not Have Effective Internal Controls for Government-Owned and -Leased Vehicles (09/28/2018)

Resolved: 1

**2018-CR-010**

Bureau of Land Management Maintenance Fee Waivers for Small Miners (12/17/2018)

Resolved: 1

**2018-ITA-019**

The Department of the Interior Generally Complied with Email and Web Security Mandates (07/26/2018)

Resolved: 3

Disagreed: 1

**2018-ITA-043**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2018 (03/13/2019)

Resolved: 2

**2018-WR-006**

Opportunities Exist To Improve the U.S. Department of the Interior's Efforts to Address Sexual Harassment (07/31/2019)

Resolved: 4

**C-IN-MOA-0010-2008**

Audit Report – Department of the Interior Museum Collections: Accountability and Preservation (12/16/2009)

Resolved: 2

**C-IN-MOA-0049-2004**

Department of the Interior Concessions Management (06/13/2005)  
Resolved: 1

**ER-IN-VIS-0015-2014**

Significant Flaws Revealed in the Financial Management and  
Procurement Practices of the U.S. Virgin Islands' Public Finance  
Authority (09/29/2017)  
Resolved: 1

**ISD-IN-MOA-0004-2014**

Security of the U.S. Department of the Interior's Publicly Accessible  
Information Technology Systems (07/15/2015)  
Resolved: 3

**ISD-IN-MOA-0004-2014-I**

U.S. Department of the Interior's Continuous Diagnostics and  
Mitigation Program Not Yet Capable of Providing Complete Information  
for Enterprise Risk Determinations (10/19/2016)  
Resolved: 4

**W-IN-MOA-0086-2004**

Proper Use of Cooperative Agreements Could Improve Interior's  
Initiatives for Collaborative Partnerships (01/31/2007)  
Resolved: 1

**WR-EV-OSS-0005-2009**

Aviation Maintenance Tracking and Pilot Inspector Practices – Further  
Advances Needed (04/14/2009)  
Resolved: 1

***Office of the Special Trustee for American Indians*****2016-ITA-062**

Independent Auditors' Performance Audit Report on the U.S.  
Department of the Interior Federal Information Security Management  
Act for Fiscal Year 2016 (03/10/2017)  
Resolved: 1

**2018-ITA-043**

Independent Auditors' Performance Audit Report on the U.S.  
Department of the Interior Federal Information Security Modernization  
Act for Fiscal Year 2018 (03/13/2019)  
Resolved: 1

***Office of Surface Mining Reclamation and Enforcement*****2016-EAU-007**

Office of Surface Mining Reclamation and Enforcement's Oversight of the Abandoned Mine Lands Program (03/30/2017)

Resolved: 9

**2018-ITA-043**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2018 (03/13/2019)

Resolved: 1

**C-IN-OSM-0044-2014A**

Oversight of Annual Fund Transfer for Miner Benefits Needs Improvement (03/29/2017)

Resolved: 6

Questioned Costs: \$38,878,548

**WR-EV-MOA-0015-2011**

Bureau of Land Management, National Park Service, and Office of Surface Mining Reclamation and Enforcement's Safety of Dams: Emergency Preparedness (12/27/2012)

Resolved: 3

***U.S. Fish and Wildlife Service*****2015-FIN-021**

Performance Audit of Expenditures and Obligations Used by the Secretary of the Interior in Administering the Wildlife and Sport Fish Restoration Programs Improvement Act of 2000, Public Law 106-408 for Fiscal Years 2013 and 2014 (08/27/2015)

Resolved: 1

**2015-ITA-072**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Management Act for Fiscal Year 2015 (02/24/2016)

Resolved: 1

**2016-FIN-074**

Independent Auditors' Biennial Report on the Audit of Expenditures and Obligations Used by the Secretary of the Interior in the Administration of the Wildlife and Sport Fish Restoration Programs Improvement Act of 2000 for Fiscal Years 2015 Through 2016 (08/07/2017)  
Resolved: 1

**2018-FIN-007**

Issues Found With the Award and Monitoring of Financial Assistance Agreements Made by the FWS International Affairs Program (07/26/2018)  
Resolved: 1

**2018-ITA-043**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Modernization Act for Fiscal Year 2018 (03/13/2019)  
Resolved: 1

**CR-EV-MOA-0006-2012**

U.S. Department of the Interior's Underground Injection Control Activities (03/31/2014)  
Resolved: 2

***U.S. Geological Survey*****2016-ITA-062**

Independent Auditors' Performance Audit Report on the U.S. Department of the Interior Federal Information Security Management Act for Fiscal Year 2016 (03/10/2017)  
Resolved: 2

**Contract and Grant Audits*****Bureau of Land Management*****2015-WR-062**

Bureau of Land Management Cooperative Agreement No. L12AC20673 With Utah Correctional Industries (11/27/2015)  
Resolved: 2  
Questioned Costs: \$1,931,699

**2016-CG-006**

Audit of Bureau of Land Management Cooperative Agreement No. L10AC20002 With The Piney Woods School (02/14/2017)

Resolved: 1

**2017-FIN-053**

The Chicago Horticultural Society Should Improve Its Financial Management System to Receive Federal Funds (03/13/2019)

Resolved: 8

Questioned Costs: \$530,537

**WR-CA-BLM-0013-2013**

Cooperative Agreement No. JSA071001/L08AC13913 between the Utah Correctional Industries and the Bureau of Land Management (09/27/2013)

Resolved: 2

Questioned Costs: \$2,004,553

***Bureau of Reclamation*****2017-FIN-040**

Audit of Contract Nos. R11AV60120 and R12AV60002 Between the Bureau of Reclamation and the Crow Tribe (09/28/2018)

Resolved: 9

Questioned Costs: \$12,808,434

**2017-FIN-066**

The Sacramento County Sheriff's Department Claimed Higher Labor Rates Than Allowed on Contract No. R17PC00051 and Ignored Training Requirements for Contract No. R12PC20015 With the Bureau of Reclamation (03/26/2019)

Resolved: 6

Questioned Costs: \$314,565

**2017-WR-048**

The Bureau of Reclamation's Cooperative Agreement No. R16AC00087 With the Panoche Drainage District (07/12/2018)

Resolved: 18

Questioned Costs: \$213,891

**ER-CX-BOR-0010-2014**

Crow Tribe Accounting System and Interim Costs Claimed Under Agreement Nos. R11AV60120 and R12AV60002 With the Bureau of Reclamation (06/24/2015)

Resolved: 12

Questioned Costs: \$476,399

***Indian Affairs*****2016-CG-030**

Audit of Incurred Costs of Contract Associated with Public Voucher No. PV08C55091 Between the Bureau of Indian Affairs and the Chippewa Cree Tribe (08/28/2017)

Resolved: 1

Questioned Costs: \$2,000,000

**2016-FIN-075**

Audit of Agreement No. A13AP00009 Between the Bureau of Indian Affairs and the Chippewa Cree Tribe (08/21/2017)

Resolved: 4

Questioned Costs: \$1,501,531

**2017-FIN-039**

Audit of the Bureau of Indian Affairs' Agreement No. A12AV01171 with the Crow Tribe on the Methamphetamine Initiative Program (12/11/2018)

Resolved: 1

Questioned Costs: \$150,000

**2017-FIN-041**

Audit of Agreement No. A13AP00043 Between the Bureau of Indian Affairs and the Crow Tribe (06/21/2018)

Resolved: 2

Awaiting Decision: 1

Questioned Costs: \$14,492,813

**2017-FIN-042**

The Wind River Tribes Misapplied Federal Funds for the Tribal Transportation Program (07/12/2018)

Resolved: 6

Questioned Costs: \$6,186,745

**2017-FIN-065**

The Blackfoot Tribe Generally Complied with Bureau of Indian Affairs Agreements (09/28/2018)

Resolved: 1

***National Park Service*****2015-ER-061**

Audit of Task Agreement Nos. P13AC00279, P13AC01094, and P14AC00445 Between the National Park Service and the Student Conservation Association Under Cooperative Agreement No. P09AC00402 (02/03/2017)

Resolved: 7

Questioned Costs: \$740,681

**X-CX-NPS-0001-2014**

Final Costs Claimed by NY Asphalt, Inc., Under Contract Nos. INPSANDY12003, INP13PX28237, and INP13PX22222 With the National Park Service (10/21/2014)

Resolved: 2

Questioned Costs: \$988,203

***U.S. Fish and Wildlife Service*****2015-EXT-005**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Commonwealth of Massachusetts, Department of Fish and Game, Division of Fisheries and Wildlife, From July 1, 2012, Through June 30, 2014 (01/07/2016)

Resolved: 1

**2015-EXT-008**

U.S. Fish and Wildlife Service, Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Texas, Texas Parks and Wildlife Department, From September 1, 2012, Through August 21, 2014 (08/24/2017)

Resolved: 1

Questioned Costs: \$621,351

Better Use: \$131,435

**2015-EXT-009**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Utah, Department of Natural Resources, Division of Wildlife Resources, From July 1, 2012, Through June 30, 2014 (09/19/2016)

Resolved: 1

**2016-EXT-001**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Arizona, Arizona Game and Fish Department From July 1, 2013, Through June 30, 2015 (08/27/2018)

Resolved: 4

Questioned Costs: \$3,808,216

**2016-EXT-005**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Government of the Virgin Islands, Department of Planning and Natural Resources, From October 1, 2012, Through September 30, 2014 (02/21/2017)

Resolved: 6

**2016-EXT-046**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of North Dakota, Game and Fish Department, From July 1, 2013, Through June 30, 2015 (09/25/2017)

Resolved: 2

Questioned Costs: \$380,142

**2016-EXT-047**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Michigan, Department of Natural Resources from October 1, 2013, through September 30, 2015 (09/18/2018)

Resolved: 7

Questioned Costs: \$342,263

**2016-EXT-048**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Missouri, Department of Conservation, From July 1, 2013, Through June 30, 2015 (09/18/2018)

Resolved: 14

Questioned Costs: \$2,694,479

Better Use: \$30,500

**2017-EXT-006**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Government of Guam, Department of Agriculture, From October 1, 2014, through September 30, 2016 (03/26/2018)

Resolved: 4

**2017-EXT-020**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Ohio, Department of Natural Resources From July 1, 2014, Through June 30, 2016 (06/21/2018)

Resolved: 1

**2017-EXT-049**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Louisiana Department of Wildlife and Fisheries, from July 1, 2014, Through June 30, 2016 (08/27/2018)

Resolved: 3

Questioned Costs: \$111,000

**2017-EXT-051**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the New York State Department of Environmental Conservation, Division of Fish and Wildlife, From April 1, 2014, Through March 31, 2016 (02/28/2018)

Resolved: 5

**2018-CR-001**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of South Dakota, Department of Game, Fish and Parks, From July 1, 2015, Through June 30, 2017 (03/29/2019)

Resolved: 3

**2018-CR-012**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Illinois, Department of Natural Resources, From July 1, 2015, Through June 30, 2017 (08/08/2019)

Resolved: 6

**2018-ER-017**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the District of Columbia, Department of Energy and Environment, From October 1, 2015, Through September 30, 2017 (03/29/2019)

Resolved: 3

**2019-ER-018**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of North Carolina Department of Environmental Quality, Division of Marine Fisheries, From July 1, 2016, Through June 30, 2018 (09/30/2019)

Resolved: 1

**R-GR-FWS-0002-2014**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Minnesota, Department of Natural Resources, From July 1, 2011, Through June 30, 2013 (12/19/2014)

Resolved: 1

**R-GR-FWS-0003-2013**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of South Dakota, Department of Game, Fish, and Parks, From July 1, 2010, Through June 30, 2012 (06/04/2013)

Resolved: 1

**R-GR-FWS-0004-2009**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Minnesota, Department of Natural Resources, From July 1, 2005, Through June 30, 2007 (09/21/2009)

Resolved: 1

**R-GR-FWS-0006-2011**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Government of the Virgin Islands, Department of Planning and Natural Resources, From October 1, 2008, Through September 30, 2010 (11/03/2011)

Resolved: 2

**R-GR-FWS-0006-2014**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Wisconsin, Department of Natural Resources, From July 1, 2011, Through June 30, 2013 (09/15/2014)

Resolved: 1

**R-GR-FWS-0007-2011**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Maryland, Department of Natural Resources, From July 1, 2008, Through June 30, 2010 (11/30/2011)

Resolved: 1

**R-GR-FWS-0008-2014**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Kansas, Department of Wildlife, Parks, and Tourism From July 1, 2011, Through June 30, 2013 (03/27/2015)

Resolved: 4

**R-GR-FWS-0009-2004**

U.S. Fish and Wildlife Service Federal Assistance Grants Administered by the State of New Hampshire, Fish and Game Department, from July 1, 2001, through June 30, 2003 (03/31/2005)

Resolved: 1

**R-GR-FWS-0010-2012**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Nebraska, Game and Parks Commission, From July 1, 2009, Through June 30, 2011 (11/30/2012)

Resolved: 2

**R-GR-FWS-0010-2013**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Wyoming, Game and Fish Department, From July 1, 2010, Through June 30, 2012 (10/29/2013)

Resolved: 1

**R-GR-FWS-0011-2009**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Utah, Department of Natural Resources, Division of Wildlife Resources, From July 1, 2006, Through June 30, 2008 (01/29/2010)

Resolved: 1

**R-GR-FWS-0011-2010**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Wisconsin, Department of Natural Resources, From July 1, 2007, Through June 30, 2009 (11/22/2010)

Resolved: 1

**R-GR-FWS-0011-2013**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Montana Department of Fish, Wildlife and Parks From July 1, 2010, Through June 30, 2012 (02/24/2014)

Resolved: 2

**R-GR-FWS-0011-2014**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Commonwealth of Pennsylvania, Game Commission From July 1, 2011, Through June 30, 2013 (05/05/2016)

Resolved: 1

**R-GR-FWS-0013-2014**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of West Virginia, Division of Natural Resources, From July 1, 2011, Through June 30, 2013 (12/17/2015)

Resolved: 1

**R-GR-FWS-0014-2014**

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the State of Colorado, Division of Parks and Wildlife From July 1, 2011 Through June 30, 2013 (07/21/2015)

Resolved: 5

Questioned Costs: \$455,258

## **Other Assignment Types**

### ***Bureau of Reclamation***

#### **2015-WR-080-B**

Management Advisory – Operations and Maintenance Cost Allocation for the Klamath Project Reserved Works (09/27/2016)

Resolved: 1

#### **2015-WR-080-C**

Management Advisory – Reimbursement of A-Canal Head Gates and Fish Screens on the Klamath Project (09/27/2016)

Resolved: 2

#### **2017-WR-048-A**

Management Advisory – Proposed Modifications to USBR’s Cooperative Agreement No. R16AC00087 With the Panoche Drainage District (11/27/2017)

Awaiting Decision: 1

### ***Office of the Secretary***

#### **2016-WR-022**

Management Advisory – Office of Aviation Services' Maintenance System Presents a Threat to Public Health and Safety (06/29/2016)

Resolved: 2

#### **ER-IN-VIS-0015-2014-A**

Management Advisory – Major Procurement and Management Issues Concerning Bond Proceed Use in the U.S. Virgin Islands (09/29/2017)

Resolved: 1

### ***U.S. Fish and Wildlife Service***

#### **2018-CR-064**

Management Advisory – Issues Identified with State Practices in Subaward Administration for Wildlife and Sport Fish Restoration Program Grants (09/30/2019)

Resolved: 3

## **PEER REVIEWS OF OIG OPERATIONS**

Government auditing and investigative standards require each statutory OIG to receive an independent, comprehensive peer review of its audit and investigative operations once every 3 years, consistent with applicable standards and guidelines. In general, these peer reviews determine whether the OIG's internal quality control system is adequate as designed and provides reasonable assurance that the OIG follows applicable standards, policies, and procedures. The Inspector General Act of 1978 requires that OIGs provide in their semiannual reports to Congress information about peer reviews of their respective organizations and their peer reviews of other OIGs.

### **Audit Peer Review**

Peer reviews are conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency's (CIGIE's) "Guide for Conducting External Peer Reviews of the Audit Organizations of Federal Offices of Inspector General," based on requirements in the "Government Auditing Standards." Federal audit organizations can receive a rating of pass, pass with deficiencies, or fail.

The CIGIE External Peer Review Team, led by the U.S. Department of Health and Human Services OIG and assisted by the U.S. Department of Energy OIG and the U.S. Department of Homeland Security OIG, issued its report on September 5, 2019. The review team, in accordance with CIGIE guidelines, assessed our systems of quality control, planning, data collection and analysis, evidence, records maintenance, reporting, and followup. We received a letter of comment, scope, and methodology, which included findings, recommendations, observations, suggestions, and best practices. We are currently updating our policies and standard operating procedures to address the recommendations.

### **Investigative Peer Reviews**

On March 31, 2020, the Federal Deposit Insurance Corporation (FDIC) OIG completed its peer review of our system of internal safeguards and management procedures for investigative operations for the 12-month period ending November 30, 2019. The FDIC OIG conducted the review in conformity with the Quality Standards for Investigations and the Qualitative Assessment Review Guidelines for Investigative Operations of Federal Offices of Inspector General established by CIGIE.

In its report, the FDIC OIG stated our system of internal safeguards and management procedures for investigative operations complies with the quality standards established by CIGIE and other applicable guidelines and statutes. The report further stated these safeguards and procedures provide reasonable assurance of conforming to professional standards in the planning, execution, and reporting of our investigations and in the use of law enforcement powers.

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## **INVESTIGATIONS INVOLVING SENIOR GOVERNMENT OFFICIALS**

**Report Number: 19-0723**

*Alleged Improper Influence by the Secretary of the Interior in the FWS' Scientific Process*  
(page 24)

**Report Number: 19-0434**

*Alleged Ethics Violations by the Assistant Secretary for Insular and International Affairs*  
(page 25)

**Report Number: 18-0977**

*Coercion and Sexual Abuse by a U.S. Fish and Wildlife Service Official in Oregon*  
(page 28)

**Report Number: 19-0336**

*No Misuse of Funds or Ethics Violations by an FWS Official*  
(page 28)

## **INSTANCES OF AGENCY INTERFERENCE**

There have been no instances during this reporting period in which the DOI or its bureaus or offices interfered with an audit, inspection, evaluation, investigation, or other OIG project.

## **INSTANCES OF NONREMEDIATION**

There have been no major Federal Financial Management Improvement Act weaknesses reported during this period.

## **ALLEGED WHISTLEBLOWER RETALIATION**

We did not submit any reports containing allegations of whistleblower retaliation to the DOI during this reporting period.

# CROSS REFERENCES TO THE INSPECTOR GENERAL ACT

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\*N/A: Not applicable to this reporting period.

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Section 5(a)(16)	Peer Reviews Completed of Another Office of Inspector General During the Reporting Period or Previous Recommendations That Have Not Been Fully Implemented	N/A
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Section 5(a)(22)	Closed but Unpublished Reports Involving Senior Government Officials	N/A

\*N/A: Not applicable to this reporting period.

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