



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

RECOVERY

RECOVERY OVERSIGHT ADVISORY

Indian School Replacement, Improvement
and Repair Programs




OFFICE OF
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01/10/12

Memorandum

To: Rhea S. Suh
Assistant Secretary, Policy, Management and Budget

Through: Mary Pletcher
Department Recovery Act Coordinator

From: Robert A. Knox 
Assistant Inspector General, Recovery Oversight Office

Subject: Verification Review of Five Recommendations Considered Implemented from
Our Recovery Oversight Advisory – Indian School Replacement, Improvement
and Repair Programs
Report No. RO-V-BIA-2008-2010

The objective of this review was to determine if the five advisory recommendations were implemented as reported by the Assistant Secretary for Indian Affairs in his response dated June 18, 2010. We verified that recommendations 1-4 were implemented and recommendation 5 was closed with no further action required. Please contact me if you have any questions.

Background

In April 2010, we made five recommendations in our Recovery Oversight Advisory that were designed to strengthen the management of Recovery Act funded school replacement, improvement, and repair programs by the Office of Facilities Management and Construction (Office). We designed the recommendations to help ensure transparency and accountability of the program's funds. On June 18, 2010, the Assistant Secretary for Indian Affairs responded to our advisory explaining the corrective actions they would take to address the recommendations.

Scope and Methodology

We limited the scope of our review to determine if the Office implemented the recommendations. Although we did not perform site visits or conduct detailed fieldwork, we did contact selected Office officials to obtain supporting information to learn if they implemented the recommendations.

Results of Our Review

Recommendation 1. The Office determines which Mississippi Band projects will not be completed in accordance with grant terms and obtains a refund of those advance payments.

Further, the Office assesses each tribe or school board's project planning efforts before computing advance payments.

Indian Affairs concurred with the finding and recommendation. The regional offices were reminded to provide funding only after they received documentation that the work was sufficiently planned, and a procurement plan was in place. However, the over-advanced funds identified in the report were not remitted back to the Office. Rather, the Eastern Region's engineer for the Office worked with the Mississippi Band of the Choctaw Indians to ensure that the Tribe used all interest earned from Recovery Act funds on allowable school maintenance projects. Based on our review of records provided by the regional engineer, all but \$1,436 of the \$17,741 interest earned as of August 31, 2011, had been used to supplement Recovery Act projects.

The engineer stated that he would work with the tribe to ensure that the remaining \$1,436 of interest was also used on school maintenance. No further action is required, and we consider the recommendation implemented.

Recommendation 2. The Office ensures building repairs and improvements are funded enough to be fully completed and fully functional.

Indian Affairs concurred with the recommendation. Further, Indian Affairs stated that policy mandates that all contracts issued for a project will result in a complete and useable facility. We contacted the construction consultant for the Oglala Sioux Tribe, who verified that the Office provided additional funding and the gymnasium's unfinished exterior wall was completed as recommended in our advisory. No further action is required, and we consider the recommendation implemented.

Recommendation 3. The Office and BIE eliminate confusion about the roles and responsibilities of personnel in charge of accountability and transparency of Recovery Act funds.

Indian Affairs concurred and stated that the release of project funds was now more closely monitored. We followed up with the engineer from the Office's Midwestern Region, where we previously identified premature releases of project funds. The engineer stated that the problem was due to misunderstanding the process. The Region has corrected this problem. We also interviewed a grants management specialist for the Albuquerque Office, who stated that the approval process for Recovery Act progress payments was working in accordance with the Memorandum of Understanding between the Office and the Bureau of Indian Education. No further action is required, and we consider the recommendation implemented.

Recommendation 4. The Office directs all tribes and contractors to post information about whistleblower protection on the project site.

Indian Affairs concurred and will direct all recipients to post the required whistleblower provisions on-site. We selected an ongoing school replacement project funded by the Recovery Act and verified that the required notification was posted. Based on this limited test, no further action is required, and we consider the recommendation implemented.

Recommendation 5. The Office and tribes consider using a secure web-based project management system for Recovery Act construction projects.

Indian Affairs concurred and stated they would consider the use of a project management system in the future. We determined that the Office had considered the use of a Web-based software program, including receiving a vendor demonstration. However, Office officials told us their IT staff had informed them that the current firewall architecture of the Bureau's computer networks prevented the installation of such a program. Based on this information, no further action is required, and we consider the recommendation closed.

cc: Deputy Secretary, U.S. Department of the Interior
Assistant Secretary, Indian Affairs
Director, Office of Executive Secretariat and Regulatory Affairs
Director, Facilities, Environmental and Cultural Resources, Indian Affairs
Director, Office of Acquisition and Property Management
Acting Director, Office of Financial Management
Deputy Director, Office of Facilities Management and Construction
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