



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

## **The Bureau of Indian Affairs' and the Office of Insular Affairs' Support for Climate Adaptation Practices**

**This is a revised version of the report prepared for public release.**



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

SEP 19 2023

Memorandum

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From: Mark Lee Greenblatt  
Inspector General

A handwritten signature in black ink, appearing to read "Mark Lee Greenblatt".

Subject: Final Evaluation Report – *The Bureau of Indian Affairs’ and the Office of Insular  
Affairs’ Support for Climate Adaptation Practices*  
Report No. 2022–ER–019

This memorandum transmits our evaluation report on the U.S. Department of Interior’s, Bureau of Indian Affairs’, and the Office of Insular Affairs’ management of climate adaptation practices for Tribal and Insular Communities.

We will track open recommendations for resolution and implementation. We will notify Congress about our findings, and we will report semiannually, as required by law, on actions you have taken to implement the recommendations and on recommendations that have not been implemented. We will also post a public version of this report on our website.

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

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# Results in Brief

## What We Evaluated

The U.S. Department of the Interior (DOI) has initiated a number of programs and activities intended to implement the U.S. Government's overarching goals to reduce the effects of climate change by promoting adaptability and resilience. The DOI issued its 2021 Climate Action Plan to evaluate climate change risks, bolster adaptation and resilience, and mitigate the impacts of climate change. In this plan, it established goals for responding to climate change.

We evaluated the DOI's Bureau of Indian Affairs (BIA) Branch of Tribal Climate Resilience (TCR) and the Office of Insular Affairs (OIA) Coral Reef and Natural Resources (CRNR) Initiative climate change activities to address these goals. Specifically, we reviewed whether: (1) their climate change activities met the DOI's goals to advance climate equity and to support Tribal and Insular Community resilience (Actions 2 and 4 of the Climate Action Plan), and (2) the BIA TCR and the OIA Technical Assistance Program Division (TAP) awarded and monitored financial assistance awards in accordance with Federal requirements.<sup>1</sup>

## What We Found

Overall, due to various deficiencies, we cannot determine whether the DOI's, BIA TCR's, OIA TAP's, or grantees' activities are meeting goals designed to respond to climate change and grant objectives. We could not determine whether activities met specific goals because the DOI did not finalize performance measures or set targets to measure those goals, and the BIA TCR and the OIA TAP did not develop performance measures or targets at the bureau and office level to assess whether the grant programs we reviewed are achieving their climate mission and the DOI's goals for responding to climate change.

Additionally, we found that the BIA TCR needs to improve how it awards and monitors grants. Federal regulations identify specific actions that must occur when awarding and monitoring grants, such as evaluating risks posed by applicants and ensuring that grantees complete Federal financial and performance reports. The BIA TCR did not comply with these requirements. In particular, over half the grants we reviewed (18 of 29) had no evidence demonstrating that grant objectives were met.

Finally, we found that, although the OIA TAP awarded grants in accordance with Federal regulations, there are opportunities to improve its grant monitoring.

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<sup>1</sup> For fiscal years (FYs) 2020 through 2022, the BIA TCR awarded 424 grants totaling \$74,677,206; the OIA TAP awarded 35 grants totaling \$8,089,563.

## **Why This Matters**

The challenges identified in our report may significantly affect the DOI's ability to ensure that Federal resources are used appropriately. As described in the DOI's 2021 Climate Action Plan, people who are already vulnerable have lower capacity to prepare for and cope with extreme weather and climate-related events and are expected to experience greater impacts. The grants that the BIA TCR and OIA TAP provide are intended to help address these effects.

However, without targets and finalized performance measures, the DOI will not be able to determine whether its goals for responding to climate change are being achieved. Until the BIA TCR sufficiently monitors grantees, determining whether grant goals and objectives are met may not be possible, and there is an increased risk that funds will not be used for their intended purpose. For example, we identified Grant No. A20AP00070 expired with no funds drawn down (indicating no grant activity) and concluded the \$150,000 award could have been put to better use. Similarly, until the OIA TAP addresses untimely grantee reporting, it cannot communicate accurate, timely results of grant performance activity or determine grant progress to ensure work is successfully completed.

These issues have heightened importance because, combined, the BIA and OIA will receive \$452 million through the Infrastructure Investment and Jobs Act (IIJA) and Inflation and Reduction Act of 2022 (IRA) to respond to climate change. This constitutes a considerable increase from previous years, particularly for the BIA. For example, the BIA TCR awarded \$14.4 million in financial assistance for fiscal year (FY) 2021, which increased to \$45.3 million in financial assistance awards for FY 2022.

## **What We Recommend**

We make 12 recommendations that, if implemented, will help the DOI, BIA TCR, and OIA TAP achieve its identified climate change goals and outcomes and ensure Federal resources are appropriately expended and monitored.

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# Introduction

## Objectives

The objectives of our evaluation were to determine if: (1) the U.S. Department of the Interior’s (DOI) Bureau of Indian Affairs (BIA) Branch of Tribal Climate Resilience (TCR) and Office of Insular Affairs (OIA) Coral Reef and Natural Resources (CRNR) Initiative climate change activities were meeting the DOI’s goals to advance climate equity and to support Tribal and Insular Community resilience, and (2) the BIA TCR and the OIA Technical Assistance Program Division (TAP) awarded and monitored financial assistance awards in accordance with Federal requirements.

See Appendix 1 for our scope and methodology. Appendix 2 contains a list of the sites and offices we visited or contacted during our evaluation. Appendix 3 shows the questioned costs of this evaluation.

## Background

On January 27, 2021, the President signed Executive Order 14008, *Tackling the Climate Crisis at Home and Abroad*, directing Federal agencies to develop adaptation and resilience plans to address each agency’s most significant climate risks and vulnerabilities. In response, the DOI issued its Climate Action Plan on October 7, 2021, to evaluate climate change risks, emphasize sustainability, bolster adaptation and resilience, and mitigate the impacts of climate change.<sup>2</sup> It charged the Deputy Assistant Secretary for Policy and Environmental Management<sup>3</sup> with the responsibility for implementing the plan. The plan identified five priority actions with outcomes, examples of implementation strategies, and examples of performance measures<sup>4</sup> for fiscal years (FYs) 2021–2026. (See Appendix 4 for the DOI’s example performance measures.) The DOI identified the five priority actions below as high-level goals to address climate change:

- Action 1: Promote Climate-Resilient Lands, Waters, and Cultural Resources
- Action 2: Advance Climate Equity

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<sup>2</sup> The Climate Action Plan stated that the DOI would integrate climate considerations into its FY 2022–2026 Strategic Plan. In July 2022, the DOI issued its Strategic Plan, which included Strategic Goal 1 (“Promote Well-Being, Equity, and Justice for Tribes, American Indians, Alaska Natives, Native Hawaiians, and Insular Communities”) and Strategic Goal 2 (“Conserve, Protect, Manage, and Restore Natural and Cultural Resources in the Face of Climate Change and Other Stressors”). These goals align with the actions in the Climate Action Plan.

<sup>3</sup> The Deputy Assistant Secretary for Policy and Environmental Management oversees six offices, including the Office of Policy Analysis, which coordinates and guides interagency and multibureau program development and policy analysis tasks, and provides guidance to bureau and office analytic staff.

<sup>4</sup> According to the Government Accountability Office (GAO), performance measures are concrete, objective, observable conditions that permit the assessment of progress made toward the agency’s goals. (GAO–16–393, *Veterans Justice Outreach Program: VA Could Improve Management by Establishing Performance Measures and Fully Assessing Risks*, <https://www.gao.gov/assets/gao-16-393.pdf>, issued April 2016.)

- Action 3: Transition to a Resilient Clean Energy Economy
- Action 4: Support Tribal and Insular Community Resilience
- Action 5: Empower the Next Generation of Conservation and Resilience Workers

The Climate Action Plan also stated that the DOI would continuously evaluate performance through measurable goals, data collection and analyses, and performance metrics to assess whether adaptive actions are achieving desired outcomes and to fine-tune best management practices to specific environmental or socioeconomic conditions.

The DOI released a report on its progress in addressing the Climate Action Plan on October 6, 2022, using data from its offices and bureaus on their priority action progress and examples for each priority action. In the DOI’s progress report for FY 2022, the DOI stated that it is currently implementing strategies and increasing its understanding of climate change impacts for its five priority actions.

### **The Government Performance and Results Act**

One of the ways Federal agencies should establish and measure performance is through requirements established in the Government Performance and Results Act (GPRA) of 1993.<sup>5</sup> GPRA was designed to improve program management throughout the Federal Government. Among other requirements, each agency must:

- Develop strategic plans for its program activities.
- Establish quantifiable and measurable performance goals<sup>6</sup> for each program activity set in its budget.
- Establish performance indicators (such as targets)<sup>7</sup> to be used in measuring or assessing the outcomes of program activities.
- Report program performance.

In June 1996, the Government Accountability Office (GAO) released its executive guide, *Effectively Implementing the Government Performance and Results Act*, which identifies key steps and practices that agencies need to take toward implementing GPRA (see Figure 1). In 2011, the GPRA Modernization Act of 2010 was enacted to modernize the Federal Government’s performance management framework by retaining and amplifying some aspects of GPRA.<sup>8</sup>

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<sup>5</sup> Pub. L. No. 103–62.

<sup>6</sup> A performance goal is defined as “a target level of performance expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate.” 31 U.S.C. § 1115(h)(9).

<sup>7</sup> A performance indicator is a “particular value or characteristic used to measure output or outcome.” 31 U.S.C. § 1115(h)(10).

<sup>8</sup> Pub. L. No 111–352.

**Figure 1: GPRA Implementation Steps**



Source: GAO, *Effectively Implementing the Government Performance and Results Act*.

### **The BIA TCR Branch**

The BIA TCR branch awards grants for climate resilience and adaptation projects that address the DOI’s goals for advancing climate equity and supporting Tribal and Insular Community resilience (Actions 2 and 4 of the Climate Action Plan). Specifically, the BIA TCR’s mission is to “enable climate preparedness and resilience across all Indian Affairs programs and for all federally recognized Tribal Nations and Alaska Native villages through technical and financial assistance, access to scientific resources and education opportunities.”

Since 2011, the BIA TCR’s annual award program has provided competitive grants to Tribes for various award categories—climate preparedness, resilience, and adaptation planning. (See Appendix 5 for a description of the award categories.) Each BIA TCR grant has a management team, which is made up of a grant officer in the central office and a project coordinator from the relevant regional office. The grant officers have authority to enter into grant agreements, transfer funds, and establish reporting due dates for the recipients. These due dates are included in the grant agreement itself. The project coordinator’s role is to provide recipients with information and assistance regarding their grants and to review all required financial and performance reports submitted by the recipients. The grant officer and the project coordinator must follow

requirements set forth in the *Indian Affairs Manual*<sup>9</sup> as well as follow Federal regulations, namely, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*,<sup>10</sup> to award and monitor these grants.

The TCR received \$216 million from the Infrastructure Investment and Jobs Act (IIJA) and \$220 million from the Inflation Reduction Act of 2022 (IRA),<sup>11</sup> which will be used to expand the annual awards program by increasing the number of award categories and increasing the award categories’ funding ceilings. Figure 2 provides the amount of funding and number of awards provided by BIA TCR financial assistance awards from FY 2020 through FY 2022.

**Figure 2: Tribal Climate Resilience Financial Assistance Awards**

<b>Fiscal Year</b>	<b>Funding Amount</b>	<b>Number of Awards</b>
2020	\$14,816,507	165
2021	\$14,477,851	135
2022	\$45,382,848	124
<b>Total</b>	<b>\$74,677,206</b>	<b>424</b>

Source: BIA TCR and DOI OIG.

In FY 2022, the BIA TCR transitioned its annual award program’s funding vehicle from grants to contracts and compacts governed by Pub. L. No. 93–638 (638 agreements),<sup>12</sup> which changes the BIA’s own oversight processes.<sup>13</sup> In particular, although the BIA still uses a competitive process to solicit, evaluate, and award financial assistance, these contracts and compacts will provide Tribes with greater autonomy because they will assume responsibility for the climate resilience program administered to them on behalf of the Secretary of the Interior. Also, the Tribes could potentially receive additional time to complete the projects because 638 agreements are generally open for a 5-year period, while project proposals for climate resilience and adaptation are typically written for a 1- to 2-year period.

<sup>9</sup> *Indian Affairs Manual*, Part 22, Chapter 6, “Grants and Cooperative Agreements,” issued April 28, 2016.

<sup>10</sup> 2 C.F.R. § 200.

<sup>11</sup> On November 15, 2021, the President signed the IIJA (Pub. L. No. 117–58), which has goals that address climate change, advancing environmental justice, and investing in underserved communities (which relate to Actions 2 and 4 of the Climate Action Plan). On August 16, 2022, the IRA (Pub. L. No. 117–169) was signed, which also provided funding for addressing climate change. We note that our sample does not include any grants issued pursuant to the IRA.

<sup>12</sup> The Indian Self-Determination and Education Assistance Act of 1975, as amended, 25 U.S.C. § 450 *et seq.*, authorizes and directs the BIA to contract or compact with and fund Indian Tribes and Tribal organizations that choose to take over the operation of programs, services, functions, and activities that the BIA would otherwise operate.

<sup>13</sup> Project coordinators provided grant oversight for the BIA TCR. With 638 agreements, regional awarding official technical representatives (AOTRs) will conduct program review audits on a rotating basis of two regional reviews per year, with the intent that these audits would allow for corrective action plans on any deficiencies found.

## The OIA CRNR Initiative and TAP

The OIA also assists with addressing the DOI’s goals advancing climate equity and supporting Tribal and Insular Community resilience (Actions 2 and 4 of the Climate Action Plan). It was established in 1995 with a mission to carry out the Secretary’s responsibilities of coordinating Federal policy and providing technical and financial assistance for U.S.-affiliated Insular Areas.<sup>14</sup>

Climate resilience and adaptation projects for the Insular Areas can be funded through various OIA grant programs, including the CRNR Initiative, which provides financial assistance to protect the health of coral reefs and other natural resources threatened by multiple stressors. The CRNR Initiative, which is managed by the OIA TAP, also provides financial assistance to address invasive species that, due in part to climate change, are threatening coral and natural resources in the Insular Areas. OIA TAP grant managers obtain and review all required Federal financial and performance reports in order to ensure that each grant complies with Federal regulations.<sup>15</sup> OIA TAP grant managers must also comply with internal policies, namely *Grant Oversight/Monitoring for TAP, MAP, BTS, and CRNR Grants*, to ensure that grants are awarded and monitored in accordance with the relevant regulations.

The OIA TAP received \$900,000 in IJA funds to address invasive species. Additionally, the OIA TAP received \$15 million in funding from the IRA to provide technical assistance for climate change planning, mitigation, adaptation, and resilience to the Insular Areas. Figure 3 provides the amount of funding and number of financial assistance awards provided by CRNR Initiative from FY 2020 through FY 2022.

**Figure 3: Coral Reef & Natural Resources Initiative Financial Assistance Awards**

<b>Fiscal Year</b>	<b>Funding Amount</b>	<b>Number of Awards</b>
2020	\$2,568,431	13
2021	\$2,772,443	10
2022	\$2,748,689	12
<b>Total</b>	<b>\$8,089,563</b>	<b>35</b>

Source: OIA TAP.

<sup>14</sup> DOI Secretarial Order No. 3191, *Abolishment of the Office of Territorial and International Affairs and Establishment of an Office of Insular Affairs*, issued August 4, 1995.

<sup>15</sup> 2 C.F.R. § 200.

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# Results of Evaluation

Overall, due to various deficiencies, we cannot determine whether the DOI, BIA TCR, OIA TAP, or grantees themselves are meeting climate change goals and grant objectives.

First, GPRA requires that agencies establish goals with related performance measures and targets to be used in measuring or assessing the performance of program activities. However, the DOI, BIA TCR, and OIA TAP did not establish such performance measures and targets, so we cannot determine whether their activities met the DOI’s climate change goals to advance climate equity (Action 2) and to support Tribal and Insular Community resilience (Action 4). As a result, the DOI, BIA TCR, and OIA TAP may not be able to gauge the impact the expenditures of resources actually have had on responding to climate change or make informed decisions regarding future spending.

Second, because the BIA TCR did not sufficiently monitor grants, we could not determine whether more than half of our sampled BIA TCR grants, totaling \$2,590,664, met their goals and objectives. For example, we identified one grant that had expired without any funds being drawn down, an indication that no grant activity occurred, and, as a result, we find that the \$150,000 award could have been put to a better use. We note that these issues are important to address given that the BIA TCR will receive a significant increase in funding over the next several years. Developing strong monitoring practices is necessary to ensure that these awards are used appropriately and effectively.

Finally, we noted that the OIA TAP could improve its monitoring to ensure timely performance and financial reports.

## The BIA TCR’s and OIA TAP’s Ability to Meet DOI Goals to Address Climate Change Cannot Be Determined

We could not determine whether BIA TCR and OIA TAP activities met the DOI’s goals to address climate change as stated in the Climate Action Plan: advancing climate equity (Action 2) and supporting Tribal and Insular Community resilience (Action 4). We were unable to make these determinations because the DOI did not finalize Department-level performance measures or set targets to measure those goals. Similarly, we found that the BIA TCR and OIA TAP did not develop their own performance measures or targets. Without finalized performance measures and targets, the DOI, BIA TCR, and OIA TAP may not be able to gauge the actual impact expenditures have had on responding to climate change or make informed decisions regarding future spending.

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**Performance goals** are a level of performance expressed as a tangible, measurable objective.

**Performance measures** are concrete, objective, observable conditions used to assess progress made towards performance goals.

**Performance targets**, also called performance indicators, are particular values used to measure output or outcome and progress in achieving performance measures and goals.

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## **Federal Standards Require Measurable Goals and Targets**

GPRRA requires agencies to (1) establish performance indicators (such as targets) to be used in measuring or assessing the outcomes of program activities and (2) establish quantifiable and measurable performance goals for each program activity set in its budget.<sup>16</sup> Such “performance goals and measures are important management tools that can serve as leading practices for planning of individual federal programs or initiatives.” The GAO adds, “measuring performance allows organizations to track the progress they are making toward their goals and gives managers crucial information on which to base their organizational and management decision.”<sup>17</sup> That is, results-oriented organizations set clear performance goals that define desired program outcomes and develop performance measures that are clearly linked to these performance goals. By setting measurable performance goals, organizations can communicate the results they seek and evaluate or demonstrate the degree to which they achieve program goals. Additionally, managing performance provides organizations with important information to identify gaps in program performance and plan for necessary improvements.

Furthermore, developing performance measures will become increasingly important considering new requirements. In particular, as of April 29, 2022, the OMB now requires agencies to set clear goals and objectives, set and track measurable performance indicators (such as targets), and measure and evaluate progress for all programs that received IJIA funding.<sup>18</sup>

Taking these various standards into account, bureaus and offices should develop their own performance measures and targets to measure the success of their programs. While these should align with the DOI’s overall performance goals, measures, and targets, they are distinct and program-specific and so should be developed by each particular bureau or office as appropriate.

## **The DOI Did Not Finalize Performance Measures or Develop Targets**

The DOI’s October 2021 Climate Action Plan contained five goals and corresponding performance measures with identified components: actions, outcomes, implementation strategies, and performance measures. These components align with the GAO’s GPRRA requirements to define the mission and desired outcomes, as defined in steps 1 and 2 of Figure 1. Figure 4 shows the relationship between these components using an example action from the Climate Action Plan.

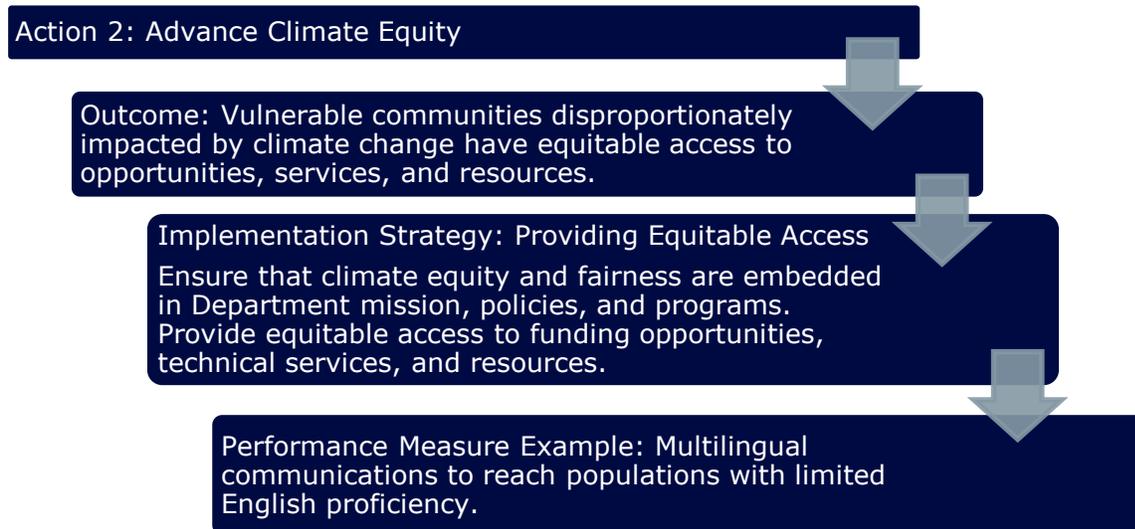
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<sup>16</sup> GPRRA Modernization Act of 2010, § 1115(b).

<sup>17</sup> GAO, *Effectively Implementing the Government Performance and Results Act, Step 2: Measure Performance*, issued June 1996.

<sup>18</sup> OMB Memorandum M–22–12, *Advancing Effective Stewardship of Taxpayer Resources and Outcomes in the Implementation of the Infrastructure Investment and Jobs Act*, issued April 29, 2022.

**Figure 4: Breakdown of Example Performance Goals and Measures from 2021 Climate Action Plan**



Source: DOI 2021 Climate Action Plan.

As noted previously, GPRA requires agencies to establish quantifiable and measurable performance goals for each program activity set in its budget. According to DOI officials, however, the performance measures in the Climate Action Plan were merely “example performance metrics” rather than such quantifiable and measurable goals.

Additionally, while the 2021 Climate Action Plan includes example performance measures, the DOI has not established corresponding targets for these measures. For instance, a measure for Action 4, “Number of infrastructure/facilities moved to or built in a new community site for vulnerable communities desiring relocation or managed retreat,” did not establish how many facilities should be relocated as a target. When we asked a senior DOI official why the DOI did not establish targets, the individual stated that the DOI is still evaluating and refining performance measures, which must be completed before establishing targets. The official also stated that the DOI will coordinate across bureaus and offices to ensure a consistency as they develop their own measures and targets so it can measure progress and report on success toward performance targets. The official anticipates that performance measures and targets will be included in the 2023 Climate Action Plan.

The DOI should prioritize finalizing comprehensive performance measures and establishing targets because these measures and targets will guide all bureaus and offices, including the BIA TCR and OIA TAP, in developing their own measures and targets to measure success. Without doing so, bureaus and offices cannot ensure that their program goals align with the DOI’s. Additionally, if the DOI does not finalize performance measures, it may find it difficult to hold bureaus and offices accountable for their performance.

## **The BIA TCR and OIA TAP Did Not Develop Performance Measures or Targets**

Various Federal standards require agencies to establish performance measures or targets. GPRMA states that agencies must express “goals in an objective, quantifiable, and measurable form.”<sup>19</sup> Additionally, the GAO’s *Standards for Internal Control in the Federal Government* state that agency management should define objectives in measurable terms to assess performance. Furthermore, OMB guidance states that, for IIA-funded grant and cooperative agreement programs, agencies should collect and report post-award information on the status of award-specific goals and objectives, including project-level location data and the phase of project-level implementation.<sup>20</sup> Although the DOI has not finalized performance measures and established targets, the BIA TCR and OIA TAP must develop program-specific performance measures and targets to ensure program goals are achieved. Once program-specific performance measures and targets are developed, these must be incorporated into grant agreements to ensure projects are achieving results in line with bureau and office goals.

### *The BIA TCR Should Implement Performance Measures and Targets*

The BIA TCR’s overarching goal of Tribal climate resilience is to “build resilience at the project level through leadership engagement, delivery of data and tools, training, and tribal capacity building.” However, this goal does not have accompanying performance measures and targets to measure performance and success, such as the number of trainings offered. According to BIA TCR officials, the BIA set goals in BIA regional climate action plans because climate impacts for each of its regions are unique. However, the BIA has not updated these since 2016, and the plans do not contain performance measures or targets. BIA TCR officials stated they aim to implement performance measures by 2024.

We note that, even though the BIA TCR still needs to develop its own performance measures and targets, it reported to the Office of Inspector General (OIG) and DOI on actions it has taken to address the DOI’s example performance measures currently laid out in the 2021 Climate Action Plan. For example, the BIA TCR:

- Conducted a review of adaptation plans and vulnerability assessment completed by Tribes and found that since 2011, the BIA TCR has funded 250 adaptation plans and vulnerability assessments. (Action 4: Example Measure Number 2)
- Identified one Tribe that has begun actual relocation and developed infrastructure at a new site. (Action 4: Example Measure Number 3)
- Held five listening sessions in 2021 to consult and include Tribes in climate resilience decision making. (Action 4: Implementation Strategy 4.2)

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<sup>19</sup> GPRMA Modernization Act of 2010 § 1115.

<sup>20</sup> OMB, M-22-12, *Advancing Effective Stewardship of Taxpayer Resources and Outcomes in the Implementation of the Infrastructure Investment and Jobs Act*, issued April 29, 2022.

Although these informational activities are a step towards compliance with GPRA, without measures and targets, the BIA TCR's climate adaptation and resilience activities cannot be assessed to evaluate performance. Moreover, until the BIA TCR develops performance measures and targets, it cannot effectively report on that progress or determine how best to improve efforts, if appropriate.

### *The OIA TAP Should Implement Performance Measures and Targets*

The OIA TAP's goal for the CRNR Initiative is "to improve the health of coral reef ecosystems and other natural resources in the U.S. insular areas for their long-term economic and social benefit." However, this goal does not have performance measures or targets—such as square miles of ecosystems improved—and so the OIA TAP cannot measure performance or success.

OIA TAP officials stated that the Assistant Secretary for Insular and International Affairs and the Governors of the Insular Areas set the priorities and goals for the Insular Areas. OIA leadership has prioritized grant proposals related to mitigating the effects of climate change and recently hired a climate change coordinator to help set performance measures and targets. The OIA did not, however, provide any timeframe for these actions.

Like the BIA TCR, the OIA TAP reported to the OIG and DOI the actions it has taken relating to the DOI's example performance measures. For example, the OIA TAP:

- Identified all Insular Areas as high risk for climate change impacts as they are small, low-laying islands that face catastrophic weather events, including droughts, water scarcity, flooding, erosion, and adverse impacts to human health. (Action 4: Example Measure 1)
- Identified that in 2015, each Insular Island received funding to develop vulnerability assessments and develop climate adaptation plans. (Action 4: Example Measure 2)
- Identified geographical limitations of the Insular Areas and determined that communities or residents had no physical location to retreat or relocate to within their homeland. (Action 4: Example Measure 3)
- Held an annual meeting and workshop with Insular Areas to advance and prioritize climate change in 2022. (Action 4: Implementation Strategy 4.2)

While these actions demonstrate progress, without measures and targets, the OIA TAP's climate adaptation and resilience activities cannot be measured to reflect performance.

### *The DOI, BIA TCR, and OIA TAP Should Implement Performance Measures*

Without performance measures and targets, it is impossible to determine and report whether the DOI and its bureaus and offices are achieving goals for responding to climate change. More specifically, the DOI, BIA TCR, and OIA TAP will be unable to:

- Gauge performance in meeting overall climate change goals.
- Make informed decisions to address current and future climate change resilience and adaptation needs of Tribes and Insular Areas.
- Clearly understand expectations and performance requirements regarding climate change, which will lead to inconsistencies in each bureau’s or office’s approach.

### **Recommendations**

We recommend that the Deputy Assistant Secretary of Policy and Environmental Management:

1. Develop and implement performance measures and targets that can be used to measure progress in achieving the DOI’s goals for responding to climate change.

We recommend that the BIA TCR:

2. Coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI’s goals for responding to climate change.

We recommend that the OIA TAP:

3. Coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI’s goals for responding to climate change.

## **The BIA TCR Needs to Improve How It Awards and Monitors Grants**

We sampled and reviewed 29 BIA TCR grants, totaling \$4,159,799 for FYs 2020 and 2021 and found that the BIA needs to improve how it awards and monitors TCR grants. (See Appendix 6 for details on the grants we reviewed.) In particular, the BIA TCR did not comply with Federal regulations<sup>21</sup> or internal policy.<sup>22</sup> This occurred for various reasons. Specifically, the BIA’s guidance for grant monitoring is insufficient and outdated. Additionally, both the BIA TCR and grantees experienced capacity challenges and needed to adapt to the implementation of a new project tracking system. Because the grants were not appropriately awarded and monitored, we

<sup>21</sup> 2 C.F.R. § 200.

<sup>22</sup> *Indian Affairs Manual*, Part 22, “Acquisition Management,” Chapter 6, “Grants and Cooperative Agreements,” issued April 28, 2016.

were unable to determine whether grants met the stated goals and objectives for over half of the awards, totaling \$2,590,664, and we identified one grant (Grant No. A20AP00070) that expired without any funds being drawn down, which is an indication that no grant activity occurred, resulting in \$150,000 in funds that could have been put to better use.

### **The BIA TCR Did Not Provide Grantee Risk Evaluations**

Risk evaluations are meant to assist in determining the appropriate level of monitoring for grantees. Federal regulations accordingly require a framework for evaluating risks posed by grant applicants.<sup>23</sup> Risk may be assessed based on various factors that include, but are not limited to, the applicant's financial stability, history of past performance, audit reports, and the ability to effectively implement requirements. Additionally, the notice of funding opportunity must describe the criteria used to evaluate applicants' risk level.<sup>24</sup>

We found that, for our sample, the BIA TCR did not comply with these requirements. In particular, it did not describe the criteria it would use to evaluate applicants' risk level in its notice of funding opportunity, and it could not provide evidence that it had conducted risk evaluations for any of the 28 TCR grantees<sup>25</sup> before awarding grants. BIA TCR officials stated that the grants office "did [the risk evaluations] internally and [the] TCR does not have access to these from years past." The BIA TCR did not explain why it could not have access to these materials. This is a matter of concern, as access to all grant program documentation is necessary to enable the BIA TCR to perform its grant monitoring responsibilities.

The BIA TCR provided a risk analysis checklist that it stated was applied as part of its framework for assessing risk of applicants. However, when we reviewed it, we found that this checklist is insufficient to determine the applicant's risk level because it does not contain:

- Guidance on how to determine and assign risk levels to applicants.
- A section that shows the applicants' assigned risk level.

We did receive information establishing that, before grants are awarded, BIA TCR personnel in the central office consult with BIA TCR personnel in the regional offices regarding any concerns with applicants. Although such communication between offices is important, this informal process is not an adequate replacement for risk evaluations, which must be documented in accordance with a formalized process.

As of FY 2022, BIA TCR financial assistance awards are issued via 638 agreements rather than grants. Although 638 agreements may not require the same risk evaluations as grants, we believe it would be a best practice, and consistent with the Department's obligation, to analyze

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<sup>23</sup> 2 C.F.R. § 200.206.

<sup>24</sup> *Id.* A notice of funding opportunity is a formal announcement of available Federal funding through a financial assistance program from a Federal awarding agency.

<sup>25</sup> We reviewed 29 BIA TCR grants in FY 2020, but one grantee in our sample received more than one grant, leading to a total of 28 grantees.

applicants' risk of funding declination to assess such risk and identify the relevant information and agreement provisions that are necessary to mitigate it.<sup>26</sup> This would enable the BIA TCR to understand the Tribe's capacity and potential complications it may encounter, and to provide safeguards that support funding approval and performance, such as technical assistance. Additionally, if the BIA TCR at any point resumes using grants to provide financial assistance, having a sound applicant risk evaluation process will ensure the BIA TCR complies with Federal regulations. Without adequately identifying and documenting applicants' risk level, the BIA TCR may not establish sufficient controls over grantees. This, in turn, may place the DOI at risk for potential fraud and misuse of Federal funds.

<b>Recommendation</b>
<p>We recommend that the BIA TCR:</p> <ol style="list-style-type: none"><li>4. Develop and implement policies and procedures to ensure the analysis of a potential awardee's risk of declination is conducted, as required by 25 C.F.R. § 900, and is incorporated in the 638 agreement process to ensure the appropriate information and technical assistance is provided.</li></ol>



### **Grantees and the BIA TCR Did Not Consistently Meet Grant Monitoring Requirements**

We found that there were many instances where the BIA TCR was not sufficiently monitoring grants. (See Appendix 7 for more details.) As a result of the BIA TCR's insufficient grant monitoring, we could not determine whether 18 of 29 grants, with a cumulative value of \$2,590,664, met their stated goals and objectives or whether 8 out of 16 grants issued in FY 2020, with a cumulative value of \$1,158,537, were extended or closed. Additionally, one grant (Grant No. A20AP00070) expired without any funds being drawn down, suggesting that no grant activity occurred, and as a result, the \$150,000 award could have been put to better use.

Grant monitoring is an important management tool to ensure grantees are properly expending funds and that the goals and objectives of the grant are being achieved. We found deficiencies at two levels:

- Grantees submitted late or incomplete performance and financial reports—or did not have them at all.
- Although the BIA TCR monitored some grants, it failed to monitor some grants entirely, and we could not determine whether it monitored others. The BIA also did not provide all documentation we requested because, prior to 2021, grant documentation was housed with

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<sup>26</sup> See 25 C.F.R. §§ 900.23, 900.28.

regional staff, and BIA personnel stated that they could not obtain all the requested documentation by our due date.<sup>27</sup>

This insufficient monitoring and documentation occurred due to outdated and inadequate guidance for grant monitoring, capacity issues on the part of the BIA TCR and its grantees, and the process of transitioning to a new grant monitoring system.

### *Grantees Did Not Consistently Follow Documentation Requirements*

Federal regulations provide that the Federal awarding agency must solicit financial information through the Federal Financial Report SF-425.<sup>28</sup> Additionally, the Federal awarding agency must require the recipient to relate financial data and accomplishments to performance goals and objectives of the Federal award.<sup>29</sup> Non-Federal entities must submit performance reports at the interval required by the Federal awarding agency to best inform improvements in program outcomes and productivity.<sup>30</sup> Additionally, the grant and cooperative agreement issued to grantees contain provisions requiring recipients to submit any request to extend the period of performance no later than 60 days before the end date.

We identified 24 out of 29 grants in our sample that did not meet these requirements (see Figure 5).<sup>31</sup> Specifically, we found:

- 23 grants had late or missing financial and performance reports. Without these reports, the BIA TCR cannot appropriately monitor grant activities and determine whether grants are meeting their objectives and goals.
- 6 grants had incomplete performance reports because they did not contain the minimally required information, such as a comparison of actual work completed to scope of work established for the period, and reasons for slippage if the grantee did not meet the objectives. Without this information, any efforts by the BIA TCR to monitor grant performance are incomplete.

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<sup>27</sup> On August 31, 2022, we requested from the BIA TCR documentation that was missing from its response to our initial request for grant documentation. We requested a response by September 14, 2022. The BIA TCR requested that the date be extended to October 12, 2022, because most of its staff was on travel and the regional staff would have to be contacted to gather the remaining portions of the grant files. In its response dated October 12, 2022, the BIA TCR stated that it provided what it could in the timeframe that was given.

<sup>28</sup> 2 C.F.R. § 200.328.

<sup>29</sup> 2 C.F.R. § 200.329(b).

<sup>30</sup> 2 C.F.R. § 200.329(c)(1).

<sup>31</sup> Some of the 24 grants had more than one deficiency or other concern. For example, a grant could have missing performance reports and also have incomplete information in the performance reports that were provided. We also note that, unlike the textual discussion, which groups performance and financial reports together and categorizes by deficiency type, Figure 5 separates financial and performance reports.

- 13 grants either did not have no-cost extensions submitted within the required timeframe, or closure or no-cost extension<sup>32</sup> documentation was missing. If grantees do not submit no-cost extensions, grants will expire, and according to BIA TCR personnel, any unused funding is returned to the U.S. Treasury. Therefore, the funding cannot be used for the grant’s intended purpose.

**Figure 5: Deficiencies Identified in Grant Sample for FYs 2020 and 2021<sup>33</sup>**

Documentation Deficiency	Number of Grants with Deficiency (by FY)		Total (Both FYs)
	FY 2020	FY 2021	
Federal financial report missing, late, or incomplete	13	5	18
Performance reports missing, late, or incomplete	16	8	24
No-cost extension submitted late	5	–	5
Grant closure or no-cost extension documents missing	8	–	8

Source: DOI OIG.

BIA TCR personnel told us that documentation deficiencies occurred, in part, because many grantees experience “capacity” issues, either due to insufficient staffing levels or because staff do not have the technical expertise to assess grant proposals. For example, BIA TCR officials stated that some grantees—particularly Alaska Natives<sup>34</sup> faced with immediate problems such as flooding and erosion—have relied on external entities like engineering firms to prepare grant proposals. As a result of the reliance on external entities, grantees may not have a full understanding of the steps necessary to complete the project and of the responsibilities associated with receiving Federal grants, such as the obligation to submit reports even if there is not active work occurring on the project.

We acknowledge that, even when grant recipients do not submit reports, they may still be carrying out work on grants to carry out the grants’ goals and objectives. For example, we visited the Village of Cheforak, Alaska, which received grants but had not submitted any performance reports prior to our review. During our site visit, we observed and confirmed activities related to three grants in our sample: Grant No. A20AP00178 (Managed Retreat Subdivision Site Design), Grant No. A20AP00080 (Permafrost Assessment for Advancing Adaptation), and

<sup>32</sup> If a project has not been completed by the end of the 2-year performance period due to extenuating circumstances, the recipient must submit a written request for a no-cost extension 60 days prior to the end of the period of performance, with an explanation for noncompletion.

<sup>33</sup> See Appendix 7 for a more detailed list of BIA TCR grants and the relevant missing documentation.

<sup>34</sup> The BIA TCR identified eight Alaska Native grant recipients from our sample.

Grant No. A21AP10171 (Environmental Threat Planning and Capacity Building). All three grants related to health and safety impacts of climate change—namely, erosion due to rising sea levels and permafrost degradation (see Figures 6, 7, and 8).

**Figures 6 and 7: Headstart School Foundation in Chefnak, Alaska**



This foundation is unstable due to permafrost degradation. Blocks are placed under the original foundation to help stabilize the structure.

Source: DOI OIG.

**Figure 8: Unstable, Elevated Foundation of Home Due to Permafrost in Chefnak, Alaska**



Source: DOI OIG.

While in Chefnak, we witnessed grant activity—such as a contracted engineering company scouting the best land and location for community relocation (Grant No. A20AP00178), as shown in Figure 9, and a presentation with the environmental threat coordinator (Grant No. A21AP10171).

**Figure 9: Potential Relocation Site for Chefornak Observed by an Engineering Company**



Source: DOI OIG.

Tribal leadership explained the urgency to relocate and protect the community while navigating difficulties in managing Federal grants, which included the Tribal leadership being new to Federal grant processes, high staff turnover without knowledge transfer, and education and language barriers. The BIA TCR provided Tribal leadership with technical assistance through a conference call and emails regarding proper reporting and other issues that the BIA TCR observed with the Village of Chefornak's grants. Additionally, the BIA TCR provided Tribal leadership with spreadsheets listing Chefornak's BIA TCR grants and the budgets for those grants. The Tribe reported to the BIA TCR that it is making progress in submitting outstanding performance and financial reports and is working toward complying with documentation requirements.

We note that the difficulties cited by both Tribal leadership and the BIA TCR make it particularly important for the BIA TCR to appropriately enforce documentation and performance reporting requirements. If it does not do so, there is an increased risk that grantees will not comply with a range of requirements associated with these grants—that is, the very capacity issues the BIA TCR and Tribes cited are exacerbated if the BIA TCR does not play an active role in explaining and enforcing compliance requirements.

#### *The BIA TCR Did Not Sufficiently Monitor Grantees*

BIA policies require post-award monitoring to be completed during the period of performance, with closeout procedures being conducted at the end of the term in accordance with Federal

regulations.<sup>35</sup> The policies state that employees administering the grant must take “all necessary steps” to ensure that funds are being used for the intended purpose but do not articulate those steps. The administrator must ensure that all reports required are certified by the grantee to ensure appropriate use of funds.

We found that the BIA TCR had insufficient follow-through to adequately monitor its grants. For FY 2020 grants, on one occasion, we found that BIA TCR personnel did not contact a grantee regarding outstanding financial and performance reports until the grant was due to expire. Additionally, for FY 2021 grants, there were three instances where the BIA TCR personnel only contacted the grantees regarding these outstanding reports because of our request for grant documentation. To be effective, the BIA TCR must receive and regularly review the financial and performance reports to ensure it has the important necessary information to determine grant progress.

We also found that, before our review, the BIA TCR did not conduct any monitoring for 3 out of the 29 grants, totaling \$427,921, in our sample for FY 2020 and FY 2021:

- For Grant No. A20AP00170, totaling \$149,928, the BIA TCR never contacted the grantee. Relevant BIA TCR personnel stated that this was because they were unaware they were assigned to the grant. Additionally, after our request for grant documentation, the BIA TCR stated that its staff contacted the Tribe but received no response. BIA TCR personnel told us that the grant expired and that there was no evidence that the Tribe accepted the funds. However, we found that the grantee requested a grant drawdown payment of \$149,928, which was processed and sent through the Automated Standard Application for Payments system on September 23, 2021. That is, the grant funds were fully expended.
- For Grant No. A21AP10112, totaling \$132,922, BIA TCR personnel told us that the Tribe did not provide financial or performance reports because it was still recovering from a catastrophic storm and flooding that occurred in September 2021 that affected many aspects of the community. BIA TCR staff stated that they communicated via phone and email with the Tribe, sometimes multiple times a day, to teach Tribal staff how to write reports, identify what needed to be accounted for, and how to send reports electronically; however, the most documented contact was made after our request for grant documentation.
- For Grant No. A21AP10135, totaling \$145,071, BIA TCR personnel told us that the Tribe did not provide financial or performance reports because it was understaffed and without a Tribal administrator since June 2021. Although BIA TCR staff stated that they contacted the Tribe via phone and email regarding the outstanding financial and performance reports, they did so only after our request for grant documentation.

Finally, due to a lack of documentation, we could not determine whether BIA TCR personnel monitored another 8 out of 29 grants. See Appendix 7 for details regarding the monitoring deficiencies for each grant. Without monitoring grants as required by relevant policy, the BIA

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<sup>35</sup> *Indian Affairs Manual*, Part 22, Chapter 6, issued April 28, 2016 (citing 2 C.F.R. § 200).

TCR cannot ensure that funds are being expended appropriately and in compliance with applicable requirements. This in turn, increases the risk of misuse of Federal resources.

*The BIA TCR Did Not Appropriately Monitor and Oversee Grants for a Variety of Reasons*

We found that the BIA TCR faced three major challenges in monitoring its grants. First, the guidance BIA TCR personnel use, Part 22, Chapter 6 of the *Indian Affairs Manual*, only generally addresses monitoring and does not provide clear guidance for staff. For example, as noted previously, the manual states that the employees administering the grant must take “all necessary steps” to ensure that funds are being used for the intended purpose but provides no information what those steps entail. Additionally, although the manual states the administrator must ensure that the grantee certifies all required reports to confirm funds are used appropriately, it does not provide further guidance. For example, the manual does not provide options that the grant managers can enforce when grantees do not submit required reports in accordance with the grant agreement. The manual also does not address how the BIA should review performance and financial reports to ensure that funds are being appropriately used and the project is meeting the goals and objectives of the grant. Finally, it does not address what should happen if the administrator identifies concerns within the grant, such as expenditures that are not in compliance with 2 C.F.R. § 200 or the approved budget or when and how to escalate issues. This policy should be revised to provide detailed instruction on how to effectively monitor grants so that BIA TCR personnel have the information necessary to comply with their obligations.

Second, BIA TCR personnel stated that what they viewed as significant understaffing contributed to the deficiencies with monitoring and oversight. The challenges grantees face led the BIA TCR to take an active role in assisting the grantees with their grants. For example, the BIA TCR provides technical assistance to grantees that do not have the necessary technical expertise. BIA TCR personnel explained that they provided some grantees with spreadsheets that detailed all their grant activities, requirements for writing performance reports and no-cost extensions, and information on how to submit reports electronically via Grant Solutions, the DOI’s new grant tracking system. In another instance, some grantees had difficulties using Grant Solutions, and BIA TCR personnel provided guidance on how to resolve those problems. These technical assistance efforts, however, require extensive staff time and contribute to staff inability to perform adequate monitoring.

According to the BIA TCR, when financial awards transition from grants to 638 agreements, new processes and staffing changes are being implemented that could potentially address some of the capacity issues we identified. For example, officials stated that with this change, regional awarding official technical representatives (AOTRs) will oversee and monitor the 638 agreements by performing program review audits on a rotating basis of two regional reviews per year. These audits are intended to allow for corrective action plans on any deficiencies found. The BIA TCR plans to increase its AOTR personnel to carry out this work. As the BIA TCR implements these changes, it also should assess whether it has the appropriate number of oversight personnel.

Finally, the BIA TCR faced monitoring challenges after implementing a new system, Grant Solutions in January 2021, which grantees use to submit financial and performance reports

online.<sup>36</sup> Before this time, regional staff responsible for monitoring the grants kept and maintained grant documentation. By contrast, Grant Solutions serves as a centralized repository and enables the BIA TCR to manage grants and automate, standardize, and streamline many current financial assistance management tasks.

As previously noted, the BIA TCR represented that it did not have some required documentation, including risk evaluations and performance and financial reports. In particular, when asked about the missing documentation, BIA TCR officials stated that they provided the OIG all documentation that was in Grant Solutions but acknowledged that Grant Solutions did not, in fact, contain all required documentation. While officials stated they were following up with regional offices to obtain the documentation, they were not able to obtain it by our deadline. As a result, for 12 grants, we were unable to determine whether grantees failed to submit the financial and performance reports or if the reports were submitted but not entered into Grant Solutions after the system was implemented.

### *The BIA TCR Should Act to Appropriately Monitor and Oversee Grants*

Ultimately, due to a lack of financial and performance reporting from the grantee and a lack of timely monitoring from the BIA TCR, we could not determine the status of grants. Specifically, we could not determine whether 18 out of 29 grants met their stated goals and objectives. We also could not determine whether 8 out of 16 grants issued in FY 2020, which were due to expire in May 2022, were extended or closed.

Furthermore, because of insufficient monitoring and documentation, funds intended to help Tribes adapt to the threats of climate change have in some cases gone unaccounted for or unused. For example, Grant No. A20AP00070, totaling \$150,000, and Grant No. A20AP00188, totaling \$111,833, were both due to expire in May 2022. However, because we received none of the requested grant documentation, we could not determine whether these grants were monitored or met their stated goals and objectives. Funds for Grant No. A20AP00188 were drawn down before the grant expired; because no grant documentation was provided, the BIA TCR cannot monitor these expenditures. Additionally, Grant No. A20AP00070 did not draw down any funds before expiring, likely indicating that no grant objectives were accomplished. As a result, we determined that the \$150,000 award for Grant No. A20AP00070 could have been put to better use.

The DOI issued these specific grants based on its determination that Tribes are facing imminent threats to their homes, health, and safety because of the impacts of climate change. In so doing, the DOI determined that these grant activities will help promote the survival of these communities. If grants do not accomplish their goals and objectives, the DOI, in turn, will be unable to accomplish its underlying goals of protecting lands that are closely tied into Tribal culture and ways of life. This issue is of particular importance given that, with IJA and IRA funding, BIA TCR funding levels have more than tripled. Specifically, the BIA TCR awarded \$14.4 million for FY 2021, which increased to \$45.3 million for FY 2022. BIA TCR personnel expressed concern to us regarding the BIA's ability to manage this increase in funding, as there is a likelihood they will still be understaffed, even if they hire new personnel. Based on our review

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<sup>36</sup> While Grant Solutions moved towards a streamlined, paperless process, it has resulted in barriers for some grantees, which, in turn, affects the BIA TCR's ability to use the system effectively. For example, not all grantees have reliable internet connections.

of the sampled grants' documentation, we are also concerned with the BIA TCR's capacity to manage the influx in funding, as issues were present even before the increased funding.

## **Recommendations**

We recommend that the Deputy Assistant Secretary for Indian Affairs (Management):

5. Develop and implement policies and procedures for performing risk evaluations, including guidance on how to determine and assign appropriate risk level to grant applicants.
6. Update its grant management policy for grant monitoring to provide detailed instructions on how to effectively monitor grants and to address late submission of financial and performance reports.

We recommend that the BIA TCR:

7. Conduct a workforce analysis to determine whether additional staff are required to provide monitoring and oversight. If additional staff are required, take appropriate steps.
8. Develop and implement policies and procedures to ensure that all TCR awarding and monitoring documents are stored and retained and are accessible to authorized personnel.
9. Develop and implement policies and procedures for monitoring financial assistance awarded through 638 agreements, including addressing late submission of financial and performance reports, ensuring that funds are being put to use, and ensuring applicable personnel are trained on the policies and procedures.
10. Ensure that all grantees are current and in compliance with grant requirements, including obtaining all missing financial and performance reports from grantees.
11. Review Grant No. A20AP00170 and require that the Tribe return the funds if the grant is expired.

## The OIA TAP Awarded Grants Properly But Needs to Improve its Grant Monitoring

We sampled and reviewed 10 CRNR grants, totaling \$2,759,318, for FYs 2020 and 2021 (see Appendix 8) and found that the OIA TAP followed Federal requirements for awarding all 10 CRNR grants. Grants were appropriately awarded to grantees that submitted complete application packages. Additionally, the OIA TAP checked each grantee for any suspension and debarment exclusions, performed a merit review, and ranked each grant application as detailed in the grant instructions.

However, we also found that the OIA needs to improve how it monitors CRNR grants because grantees submitted financial and performance reports late despite various OIA controls. The financial and performance reports provide information relating to performance measures and therefore can be used to identify the overall success of the grant program. The OIA needs this information to be accurate and timely to make informed decisions and gain insight into the grant's performance.<sup>37</sup>

The OIA TAP uses risk evaluations to establish monitoring plans and recipient reporting frequency requirements, and to determine if one or more of the specific award conditions in 2 C.F.R. § 200 should be applied to the award.<sup>38</sup> Grantees' past performance is factored into the risk evaluation's scoring in subsequent applications. The OIA TAP implemented these controls to protect Federal resources from misuse, ensure that reporting requirements are met, and ensure that the projects meet their goals and objectives.

According to OIA TAP personnel, because some past grantees for this program were consistently late submitting or did not submit the required reports, OIA TAP grantees are paid on a reimbursable basis. Grantees must submit requests for reimbursement and may be requested to provide supporting documentation for the amount requested (e.g., receipts, invoices). Before grant managers approve reimbursement, they ensure that the grantee has met all grant reporting requirements. Additionally, the OIA TAP reviews supporting documentation to ensure that the grantee is expending funds in accordance with the approved grant award budget and Federal regulations. If OIA TAP grant managers find that grantees have not met reporting requirements, they may withhold reimbursement requests.

Even with these controls in place, however, we found that grantees have routinely submitted the required semi-annual performance progress reports and SF-425 Federal financial reports anywhere from 1 to 539 days late (see Figure 10). OIA TAP officials explained that some grantee operations experienced capacity issues due to a variety of factors. For instance, they stated that some grantees had challenges managing the influx of funding or did not submit reports timely because of employee absences during the COVID-19 pandemic.

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<sup>37</sup> GAO-14-704G, *Standards for Internal Control in the Federal Government*, issued September 2014.

<sup>38</sup> 2 C.F.R. § 200.207.

**Figure 10: Late CRNR Grant Performance and Financial Reports from OIA Sample**

<b>Fiscal Year</b>	<b>Performance Reports Reviewed</b>	<b>Late Performance Reports</b>	<b>Financial Reports Reviewed</b>	<b>Late Financial Reports</b>
2020	18	8	18	15
2021	4	3	4	0
<b>Total</b>	<b>22</b>	<b>11</b>	<b>22</b>	<b>15</b>

Source: DOI OIG.

We verified that OIA TAP personnel followed up via email regarding late reports. Additionally, OIA TAP personnel factor applicants’ prior grant performance, such as late reporting, into the proposal ranking and merit review. However, even with these controls, grantees continue to submit late reports. We noted that the OIA TAP could improve followup by developing a communication tool, such as a notification system that prompts grantees to timely submit reports or submit late reports. Without timely reports, the OIA cannot communicate accurate, timely results of grant performance activity or determine grant progress to ensure successful completion.

Notwithstanding pervasive late reporting, we were able to verify grant activity at both the OIA TAP and grantee level. We accompanied OIA TAP personnel on their scheduled site visit to St. Croix, VI, where we observed work identified in approved grant activities (Grant No. D21AP10201-00), such as efforts that the coral fellow in the National Coral Reef Management Fellowship Program performed to save coral reefs (see Figure 11). The grant’s objective is for “individual Coral Fellows to meet [the] jurisdiction’s capacity needs in addressing coral reef ecosystem management, including addressing and eradicating invasive species that threaten the local coral reefs and addressing climate change with habitat/coral restoration in the Pacific and [Stony Coral Tissue Loss Disease] response and coral restoration in the Atlantic.”<sup>39</sup>

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<sup>39</sup> Coral reefs are vital to the ecosystem. For example, they act as a natural barrier protecting coastal communities from storm surges and flooding, which in turn helps to prevent loss of life and land erosion. Additionally, the reefs provide a food source for marine life that help sustain the livelihood of those who rely on fish for a living.

**Figure 11: Coral Reef in St. Croix, VI**



A coral reef in St. Croix, VI, that has been treated with antibiotic (right of image, circled) to stop the lethal spread of stony coral tissue loss disease.

Source: DOI OIG.

We reiterate, though, that even if grantees successfully complete grant activities, without timely reports, the OIA TAP cannot communicate accurate, timely results of grant performance activity or determine grant progress to ensure successful completion. Accordingly, it is important for the OIA TAP to ensure that reporting occurs appropriately and in compliance with relevant grant requirements.

<b>Recommendation</b>
We recommend that the OIA TAP:  12. Develop and implement a proactive communication tool to address grantee late submission of semi-annual financial and performance reports.

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# Conclusion and Recommendations

## Conclusion

The BIA TCR and OIA TAP provided significant funding for projects that are meant to help vulnerable communities respond to the threat of climate change and meet DOI climate change goals. Specifically, for FYs 2020–2022, the BIA TCR awarded 424 grants, totaling \$74,677,206, and the OIA TAP awarded 35 grants, totaling \$8,089,563. However, neither the DOI, BIA TCR, or OIA TAP have sufficiently developed performance measures and targets that would define grant success. Additionally, both the BIA and OIA need to improve grant monitoring. Overall, due to various deficiencies, we cannot determine whether the DOI, BIA TCR, OIA TAP, or grantees themselves are meeting climate change goals and grant objectives.

Clear goals and targets and increased oversight will become increasingly important to establish as both the BIA and OIA, combined, will receive \$452 million through the IJJA and IRA to respond to climate change. This constitutes a considerable increase from previous years, and it is therefore vital that the DOI, BIA, and OIA have controls and measures in place to ensure that funding accomplishes its intended purpose.

We make 12 recommendations to help the DOI, BIA TCR, and OIA TAP achieve climate change goals and outcomes and ensure that grant funds are effectively addressing climate change impacts in Tribal and Insular Communities.

## Recommendations Summary

We provided a draft of this report to the DOI’s Office of Policy, Management and Budget (PMB); the Office of the Assistant Secretary, Indian Affairs (IA); the BIA; and the OIA for review. The PMB responded on behalf of the Deputy Assistant Secretary of Policy and Environmental Management and concurred with the single recommendation directed to it. The IA responded on behalf of the BIA TCR and the Deputy Assistant Secretary for Indian Affairs (Management) and, of the nine recommendations directed to it, concurred with eight recommendations and did not concur with one recommendation. The OIA concurred with both recommendations directed to it. We consider Recommendations 1 through 3, 5 and 6, and 10 through 12 resolved; Recommendation 7 implemented; and Recommendations 4, 8, and 9 unresolved. Below we summarize the PMB’s, IA’s and OIA’s responses to our recommendations, as well as our comments on their responses. See Appendix 9 for the full text of the PMB’s, IA’s, and OIA’s responses; Appendix 10 lists the status of each recommendation.<sup>40</sup>

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<sup>40</sup> We note that the OIA stated that “the updated report will be provided to Interior’s Office of Financial Management GAO/OIG Liaison as required with a close-out request when justified.” Close-out requests should also be provided to us directly as set forth in separate guidance.

We recommend that the Deputy Assistant Secretary of Policy and Environmental Management:

1. Develop and implement performance measures and targets that can be used to measure progress in achieving the DOI's goals for responding to climate change.

**PMB Response:** The PMB concurred with the recommendation and stated that it is “working with relevant parties including the Office of Policy Analysis, the Office of Planning and Performance Management, and Interior’s Bureaus and Offices (including the Bureau of Indian Affairs and the Office of Insular Affairs) to fully address the recommendation.” The target implementation date is December 31, 2023.

**OIG Comment:** Based on the PMB’s response, we consider Recommendation 1 resolved. We will consider it implemented when the PMB provides documentation demonstrating the development and implementation of performance measures and targets that can be used to measure progress in achieving the DOI’s goals for responding to climate change.

We recommend that the BIA TCR:

2. Coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI’s goals for responding to climate change.

**IA Response:** The BIA TCR concurred with the recommendation and stated, “Upon release of the 2023 DOI Climate Action Plan with performance measures and targets, TCR will work with Deputy Assistant Secretary of Policy and Environmental Management to develop a step-down implementation plan that includes performance measures to align with DOI’s goals for responding to climate change.” The target implementation date is 90 to 120 days after implementing the 2023 DOI and IA Climate Action Plan.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 2 resolved. We will consider it implemented when the BIA TCR provides documentation demonstrating that it has developed and implemented performance measures and targets that align with its program mission and DOI’s goals for responding to climate change.

We recommend that the OIA TAP:

3. Coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI’s goals for responding to climate change.

**OIA Response:** The OIA concurred with this recommendation and stated, “Upon the completion of Recommendation 1 by the Office of Policy and Environmental Management, OIA will develop and implement performance measurements and targets to measure progress in achieving DOI’s goals.” The OIA further stated, “In the interim, although OIA does not have overall performance measures, OIA does have measures specific to each grant awarded. OIA will review its individual measures and consolidate, if

appropriate, into general measures and targets.” The OIA identified a target implementation date of 60 days after our final report is issued.

**OIG Comment:** Based on the OIA’s response, we consider Recommendation 3 resolved. We will consider it implemented when the OIA provides documentation demonstrating that it has developed and implemented performance measures and targets that align with its program mission and the DOI’s goals for responding to climate change.

We recommend that the BIA TCR:

4. Develop and implement policies and procedures to ensure the analysis of a potential awardee’s risk of declination is conducted, as required by 25 C.F.R. § 900, and is incorporated in the 638 agreement process to ensure the appropriate information and technical assistance is provided.

**IA Response:** The BIA TCR did not concur with this recommendation and stated, “Potential awardees apply to competitive solicitation to a BIA Central Office program, which then undergoes a formal selection process. After the Program Office selects awardees, the Tribe is required to submit all documentation necessary to enter into a formal agreement with the BIA to the [awarding official (AO)/AOTR/Office of Self Governance (OSG)] that enters into the agreement and awards the Tribe or Tribal organization.” The IA further stated, “All documentation at that point would have been vetted/approved by the Program Office, minimizing the risk of declination. Therefore, the risk of declination after Tribes voluntarily apply is very low. To date, [the BIA] TCR is not aware of any declinations for program funding and does not anticipate a declination in the future.”

**OIG Comment:** Based on the IA’s response, we consider this recommendation unresolved. The relevant Federal regulation, 25 C.F.R. § 900.15, requires that the Secretary (or a delegate), upon receiving a proposal to enter into a self-determination contract,<sup>41</sup> “review the proposal to determine whether there are declination issues.” Upon completion of that review, the Secretary may decline to approve a proposal based on any of five reasons enumerated in 25 C.F.R. § 900.22:

1. The service to be rendered to the Indian beneficiaries of the particular program or function to be contracted will not be satisfactory;
2. Adequate protection of trust resources is not assured;
3. The proposed project or function to be contracted for cannot be properly completed or maintained by the proposed contract;

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<sup>41</sup> Tribes or Tribal organizations may also submit proposals to amend an existing self-determination contract, to renew an existing self-determination contract, or to redesign a program through a self-determination contract.

4. The amount of funds proposed under the contract is in excess of the applicable funding level for the contract, as determined under Section 106(a) of the Act;<sup>42</sup> or
5. The program, function, service, or activity (or a portion thereof) that is the subject of the proposal is beyond the scope of programs, functions, services, or activities covered under Section 102(a)(1) of the Act<sup>43</sup> because the proposal includes activities that cannot lawfully be carried out by the contractor.

Although the BIA TCR stated that it understands the risk of declination to be “very low,” it did not provide sufficient explanation as to how it made this determination. Because the BIA TCR does not have established policies or a discernable process for evaluating whether the declination reasons set forth in 25 C.F.R. § 900.22 exist and, thus, whether a declination might occur, declination issues may not have been evaluated as required by § 900.15. Moreover, we cannot conclude that the risk is necessarily as low as the BIA TCR has suggested. As described in our report, the BIA TCR will receive a significant increase in funding (approximately \$430 million) over the next several years to expand the BIA TCR annual awards program. On July 19, 2023, the BIA TCR announced its largest annual funding opportunity to date as part of the “Investing in America” agenda, which is described as having the goal of helping Tribal communities plan for the most severe climate-related environmental threats to their homelands. Given this historic increase in funding, the development and implementation of policies and procedures is critical to ensuring Federal resources are used appropriately to effectuate the goals of combating the effects of climate change. The review required by 25 C.F. R. § 900.15 and declination reasons enumerated in § 900.22 enable the BIA TCR to understand a Tribe’s capacity and potential complications it may encounter and to provide safeguards that support funding approval and performance, such as technical assistance.

To resolve and implement this recommendation, the BIA TCR should provide policies and procedures that demonstrate 638 agreements are reviewed in accordance with 25 C.F.R. § 900.15, including a process for reaching a determination with respect to the five specific possibilities for declination.

We recommend that the Deputy Assistant Secretary for Indian Affairs (Management):

5. Develop and implement policies and procedures for performing risk evaluations, including guidance on how to determine and assign appropriate risk level to grant applicants.

**IA Response:** The Deputy Assistant Secretary for Indian Affairs (Management) concurred with the recommendation and stated that the IA reviewed its internal policy, *Indian Affairs Manual*, Part 22, Chapter 6, “Grants and Cooperative Agreements,” to determine if existing policies and procedures adequately address the requirement for performing financial assistance pre-award risk assessments as required by 2 C.F.R. § 200.205 and 2 C.F.R. § 200.206 as well as DOI Acquisition, Arts, and Asset

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<sup>42</sup> Pub. L. No. 93–638, Indian Self-Determination and Education Assistance Act of 1975, as amended.

<sup>43</sup> *Id.*

Policy 68 (DOI-AAAP-0068), “Financial Assistance Pre-Award Risk Assessment and Post-Award Monitoring.” The IA stated that the review revealed that the *Indian Affairs Manual* “requires updating to align with DOI-AAAP-0068.” The target implementation date is February 28, 2024.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 5 resolved. We will consider it implemented when the IA provides a policy that addresses performing risk evaluations and assignment of risk level to grant applicants in accordance with 2 C.F.R. Part 200.

6. Update its grant management policy for grant monitoring to provide detailed instructions on how to effectively monitor grants and to address late submission of financial and performance reports.

**IA Response:** The Deputy Assistant Secretary for Indian Affairs (Management) concurred with the recommendation and stated that its “[Head of the Contracting Activity] will do a comprehensive update of 22 [*Indian Affairs Manual*] 6 – Grants and Cooperative Agreements, to include specific guidance for grant monitoring and addressing late submission of financial and performance reports, among other updates necessitated by [2 C.F.R. § 200] updates and other departmental policy changes since 2016.” The IA also stated that it plans to update the *Indian Affairs Manual* and coordinate with the relevant IA offices to publish the policy. Additionally, the IA stated that it will develop and deliver training to grants officers and specialists addressing the updates to the *Indian Affairs Manual*. The target implementation date is February 28, 2024.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 6 resolved. We will consider it implemented when the IA provides a policy that addresses how to monitor grants and how to address late submission of financial and performance reports.

We recommend that the BIA TCR:

7. Conduct a workforce analysis to determine whether additional staff are required to provide monitoring and oversight. If additional staff are required, take appropriate steps.

**IA Response:** The IA stated that it “conducted an agency-wide workforce analysis of awarding officials” and that “Implementation is ongoing and monthly reports to [the Assistant Secretary for Indian Affairs] are conducted by the Office of Human Capital Management.” The IA provided documentation that explained its plans to address staffing shortages and hiring target dates for awarding officials. Additionally, IA provided an awarding officials workload report which displayed various data points.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 7 implemented. We reviewed the supporting documentation provided and determined that it was sufficient to demonstrate that the BIA conducted a workforce analysis to determine whether additional staff are required to provide monitoring and oversight and that it is taking additional steps to hire more staff. Therefore, no further action is required.

8. Develop and implement policies and procedures to ensure that all TCR awarding and monitoring documents are stored and retained and are accessible to authorized personnel.

**IA Response:** The BIA TCR concurred with the recommendation and stated that “ultimate monitoring responsibility rests with the [AO and AOTR/OSG] representative for all [Pub. L. No.] 93–638 contracts and compacts, respectively.” The BIA TCR also stated that it “will establish working relationships and coordination between [BIA] TCR Program Officials and Regional staff/OSG staff.” IA further stated that “[BIA] TCR Program Officials will convene/coordinate quarterly with the AO/AOTR/OSG staff and exchange information on reporting compliance, no cost extensions, budget modification requests, and undelivered orders/unobligated funding for each project in their regional purview.” Finally, the IA stated that “[BIA] TCR Program Officials will share a Regional tracking system or spreadsheet accessible in SharePoint Online (SPO) for each of their awards that AO/AOTR/OSG staff will have access to and can share information about each award.” The target implementation date is December 31, 2023.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 8 unresolved. We acknowledge the BIA TCR’s planned corrective action and agree that these steps will be beneficial. These steps, however, should be accompanied by the development and implementation of documented policies and procedures to ensure that the AO/AOTR/OSG staff are storing and maintaining monitoring documents and that they, moreover, are readily accessible. Without these steps, the same risks that we described in the report will remain. This recommendation will be resolved when the BIA TCR provides documentation demonstrating that a policy has been developed regarding the storage and accessibility of TCR awarding and monitoring documents.

9. Develop and implement policies and procedures for monitoring financial assistance awarded through 638 agreements, including addressing late submission of financial and performance reports, ensuring that funds are being put to use, and ensuring applicable personnel are trained on the policies and procedures.

**IA Response:** The BIA TCR concurred with the recommendation, stating that monitoring is coordinated by the AO and the AOTR for contracts and the OSG. The IA also quoted 25 C.F.R § 900.65, which states:

Unless required by statute, there are no mandatory reporting requirements. Each Indian tribe or tribal organization shall negotiate with the Secretary the type and frequency of program narrative and program data report(s) which respond to the needs of the contracting parties and that are appropriate for the purposes of the contract. The extent of available resources will be a consideration in the negotiations.

The IA stated, “Each contract or compacting agreement is unique and subject to their own reporting requirements; this is determined at the [AO] level and written into each contract or statement of work in the self-governance compact award rather than the Program Office. Each Regional Office has an implementation plan for their self-determination

reporting requirements and processes.” The IA further stated that the BIA TCR FY 2022 solicitation “provides suggested guidance on annual reporting for awards” and that “[d]uring quarterly convening with each designated AO/AOTR, [BIA] TCR Program Officials will work with the AO/AOTR to determine contracts that may be out of compliance or have overdue submissions.” The target implementation date is February 28, 2024.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 9 unresolved. We do not disagree with the description of the various authorities or roles, but these authorities and roles do not obviate the need for development of clear policies and procedures to ensure appropriate monitoring of financial assistance. The BIA TCR is responsible for negotiating the appropriate type and frequency of program narrative and program data reports, each of which should respond to the needs of the contracting parties and be appropriate for the purposes of the contract. This includes addressing late submission of financial and performance reports or the failure to submit such reports. We acknowledge the BIA TCR’s planned action to hold quarterly meetings with AOs and AOTRs to discuss contract status, and we agree that these are positive steps. These steps should, however, be accompanied by documented policies and procedures at the BIA TCR level that will assist the IA in ensuring that (1) these awards are meeting their intended purpose, (2) progress is measured and evaluated as required by OMB Memorandum M–22–12, and (3) this process is conducted even if the BIA TCR should experience changes to its workforce.

10. Ensure that all grantees are current and in compliance with grant requirements, including obtaining all missing financial and performance reports from grantees.

**IA Response:** The BIA TCR concurred with the recommendation and stated, “For outstanding Federal Financial Assistance grants, Program Officials will continue to review performance and financial reporting and assist with budget modifications, extensions, and ensure compliance with grant requirements in coordination with the Grants Management Officer.” The target implementation date is February 28, 2024.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 10 resolved. We will consider it implemented when the BIA TCR provides documentation demonstrating that the grantees in our sample comply with grant requirements.

11. Review Grant No. A20AP00170 and require that the Tribe return the funds if the grant is expired.

**IA Response:** The BIA TCR concurred with the recommendation and stated that BIA TCR officials “submitted a request to the Grants Officer and designated Project Official to contact the Tribe’s Principal Investigator regarding the unobligated funding.” The IA also provided documentation from a BIA Regional Official, which described difficulties the Tribe was having with fulfilling the terms and conditions of the agreement and accordingly requested an extension of the grant end date. The target implementation date is December 31, 2023.

**OIG Comment:** Based on the IA’s response, we consider Recommendation 11 resolved. We will consider it implemented when the BIA TCR provides documentation demonstrating that the grantee either returned the funds or was granted an extension. Before authorizing an extension, the Grants Officer or their designee should perform an assessment to determine whether the Tribe is able to fulfill the grant terms and conditions.

We recommend that the OIA TAP:

12. Develop and implement a proactive communication tool to address grantee late submission of semi-annual financial and performance reports.

**OIA Response:** The OIA concurred with this recommendation and stated that it “has controls in place to encourage timely reporting by grantees. The controls include suspending drawdown payments, reduction in the score for future awards, and possible removal of eligibility for OIA TAP awards for a period of time.” The OIA further stated that it “will increase its controls by implementing standards for the timing of reminders sent to grantees.” The OIA identified a target implementation date of 60 days after our final report is issued.

**OIG Comment:** Based on the OIA’s response, we consider Recommendation 12 resolved. We will consider it implemented when the OIA provides documentation demonstrating that it has developed and implemented controls to address the need for timely reporting by grantees.

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# Appendix 1: Scope and Methodology

## Scope

We evaluated the Tribal and Insular Area support for climate adaptation practices. The scope included the U.S. Department of the Interior (DOI), Bureau of Indian Affairs (BIA), and Office of Insular Affairs (OIA) climate policies and goals; and the BIA Branch of Tribal and Climate Resilience (TCR) and OIA Technical Assistance Program (TAP) climate-related grants awarded from fiscal years (FYs) 2020 to 2022. We reviewed a sample of 29 BIA TCR grants, totaling \$4,159,799 and 10 OIA TAP grants, totaling \$2,759,318.

## Methodology

We conducted our evaluation in accordance with the *Quality Standards for Inspection and Evaluation* as put forth by the Council of the Inspectors General on Integrity and Efficiency. We believe that the work performed provides a reasonable basis for our conclusions and recommendations.

To accomplish our objectives, we:

- Gathered and reviewed background information on the climate adaptation initiatives including executive orders, DOI plans and policies, and BIA and OIA climate grants.
- Interviewed officials, including the Office of Policy, Management and Budget; BIA; and OIA management and staff.
- Reviewed evidence that supports the climate change goals and activities and climate-related financial assistance awards.
- Performed grant testing by collecting and reviewing grant application packages, project goals and objectives, SF-425 Federal financial reports, and performance progress reports.
- Conducted site visits to Chefnak, Alaska, (Grant Nos. A20AP00178, A20AP00080, and A21AP10171) as part of the BIA grant testing and St. Croix, U.S. Virgin Islands, (Grant No. D21AP10201-00) as part of the OIA grant testing.

During our evaluation, we relied on computer-generated data retrieved from the DOI Financial and Business Management System (FBMS) provided by the DOI Office of Inspector General Data Analytics Unit. The FBMS supports business management processes related to grants and cooperative agreements, among other processes. We filtered the grant data by base fiscal year of the awards, specifically FYs 2020, 2021, and 2022, and by Catalog of Federal Domestic Assistance (CFDA) No. 15.156 for Tribal Climate Resilience and CFDA No. 15.875 for Coral Reef and Natural Resources. We compared this data with the grant award documentation. We

determined that the data we used as a basis for our findings and conclusion was sufficiently reliable for the purposes of this evaluation.

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## Appendix 2: Site Visits

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Office of Insular Affairs	St. Croix, VI
Bureau of Indian Affairs	Chefornak, AK

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## Appendix 3: Monetary Impact

We reviewed 29 Bureau of Indian Affairs Branch of Tribal and Climate Resilience grants that were awarded during fiscal years 2020 and 2021. We questioned \$150,000 as funds to be put to better use.

<b>Grant No.</b>	<b>Grant Title</b>	<b>Funds To Be Put To Better Use (\$)</b>
A20AP00070	Developing Sustainable Tribal Climate Adaptation through Regional Partnerships with a Climate Change Workshop Under the Leadership of the Wind River Reservation and the Northern Arapaho and Shoshone Tribes	150,000
<b>Total</b>		<b>\$150,000</b>

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## Appendix 4: Climate Change Adaptation Actions and Outcomes

On October 7, 2021, the U.S. Department of the Interior (DOI) issued its Climate Action Plan for fiscal years 2021–2026. The plan identified five corresponding priority actions with outcomes, examples of implementation strategies, and examples of performance measures, which are included below.

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### Action 1: Promote Climate-Resilient Lands, Waters, and Cultural Resources

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**Outcome:** Lands, waters, and cultural resources threatened by climate change are managed, protected, and/or preserved for current and future generations.

#### Example Implementation Strategies

- 1.1 Resource Resilience. Engage Department bureaus and offices to identify, assess, and prioritize lands, waters, and cultural resources threatened by climate change for management, conservation, or restoration actions that promote climate resilience.
- 1.2 Landscape Mitigation. Implement a landscape approach to mitigation that promotes landscape connectivity to increase ecosystem resilience and adaptability.
- 1.3 Ecosystem Services. Enhance land and water management to expand beneficial ecosystem services and build resilience.

#### Measuring Performance

The Department proposes to review and update performance metrics as adaptation implementation continues. Example metrics include:

1. Lands, waters, cultural resources identified as degraded or at-risk priority areas due to climate-related impacts (e.g. drought, wildfire, sea level rise, etc.)
2. Adaptation actions developed for priority areas identified for conservation, restoration, and management to build regional resilience
3. Acres of abandoned mine lands reclaimed to support ecosystem and watershed health
4. Partnerships (e.g. Federal, State, Tribal) and strategies developed (e.g. National Fish, Wildlife, and Plants Climate Adaptation Strategy) to address habitat fragmentation and connect the Nation's lands and waters
5. Policies and guidance developed to incorporate observed and expected climate change in land, water, and cultural resource management decisions

## Action 2: Advance Climate Equity

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**Outcome:** Vulnerable communities disproportionately impacted by climate change have equitable access to opportunities, services, and resources.

### Example Implementation Strategies

- 2.1 Prioritizing Vulnerable Communities. Update Departmental guidance to advance policies that assist bureaus and offices in identifying priority needs for vulnerable communities. Ensure that future guidance and policies do not increase community vulnerability to climate change.
- 2.2 Providing Equitable Access. Ensure that climate equity and fairness are embedded in Department mission, policies, and programs. Provide equitable access to finding opportunities, technical services, and resources.
- 2.3 Collaboration. Develop partnerships with other government agencies, nonprofit organizations, and community leaders to facilitate training, create jobs, and increase resilience in vulnerable areas and populations.

### Measuring Performance

The Department proposes to review and update performance metrics as adaptation implementation continues. Example metrics include:

- 1. Departmental guidance and resources updated (e.g., environmental justice (EJ) data gap analysis, geographic information system (GIS) data, data-driven community needs assessments)
- 2. EJ screening tools developed
- 3. Funding streams and academic partnership programs/grants developed or reprioritized to address EJ
- 4. Revised DOI EJ Action Plan and implemented Stakeholder Engagement Strategy
- 5. Percent of benefits delivered to EJ communities
- 6. Multilingual communications to reach populations with limited English proficiency

## Action 3: Transition to a Resilient Clean Energy Economy

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**Outcome:** Climate-resilient infrastructure supports current energy and mineral resource needs and future energy needs will be increasingly met through renewable and sustainable sources.

### Example Implementation Strategies

- 3.1 Climate-Resilient Energy Infrastructure. Assess the viability of current energy infrastructure to operate in extreme climate conditions, including drought, severe weather, and temperature extremes. Identify opportunities to promote climate-resilient infrastructure or adopt new technologies to improve climate resilience.
- 3.2 Clean Energy Expansion. Build the future clean energy economy by providing an environment that facilitates the expansion of renewable energy development (e.g. solar, wind hydropower). Ensure that renewable energy resources can connect to the grid to diversify our national energy portfolio while at the same time combatting climate change and investing in communities.
- 3.3 Balanced Resource Use. Evaluate diverse energy and water needs of communities and collaborate with States, local and Tribal governments to promote climate-resilient investments that meet current and future demand.

### Measuring Performance

The Department proposes to review and update performance metrics as adaptation implementation continues. Example metrics include:

1. Actions taken to enhance energy security, reliability, and resilience to establish a climate-ready energy system that addressed present and future risks
2. Studies conducted to evaluate renewable energy development on public lands and waters (e.g. tradeoffs, hydropower, valuation, grid optimization, electric vehicle charging assessment)
3. Mitigation strategies developed to offset potential adverse effects of renewable energy development
4. Lands and future predicted water supplies mapped for potential renewable energy development

## Action 4: Support Tribal and Insular Community Resilience

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**Outcome:** Tribes and Insular Areas are provided technical and financial resources to support climate-resilient investments.

### Example Implementation Strategies

- 4.1 Technical and Financial Resources. Provide technical and financial resources, as well as planning and design tools needed, to Tribes and Insular Areas to advance climate adaptation strategies. Ensure that investments will improve quality of life, create economic opportunity, and promote efficient and effective governance, especially those facing relocation, managed retreat, and protect-in-place decisions in response to changing climate conditions.
- 4.2 Tribal Consultations. Promote Tribal sovereignty and self-determination by empowering Tribes and engaging in meaningful consultation, to ensure Tribal voices are part of decision-making related to climate resilience.

### Measuring Performance

The Department proposes to review and update performance metrics as adaptation implementation continues. Example metrics include:

1. Identification of Tribal and Insular Areas most at risk of climate change impacts
2. Number of Tribes and Insular Areas with completed adaptation plans, risk assessments, hazard mitigation plans
3. Number of infrastructure/facilities moved to or built in a new community site for vulnerable communities desiring relocation or management retreat
4. Number of communities that have access to science and data to inform planning and resource management decisions
5. Number of communities that receive financial and technical assistance to address climate resilience

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**Action 5: Empower the Next Generation of Conservation and Resilience Workers**

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**Outcome:** A new generation of Americans are empowered and equipped to bolster resilience and tackle the climate crisis.

**Example Implementation Strategies**

- 5.1 Civilian Climate Corps. Utilize the Civilian Climate Corps to tackle the issues of the 21st century, such as:
1. Conserving and restoring public lands and waters,
  2. Bolstering community resilience,
  3. Increasing reforestation,
  4. Increasing carbon sequestration in the agricultural sector,
  5. Protecting biodiversity,
  6. Improving access to recreation, and
  7. Addressing the changing climate.
- 5.2 Climate Professional Pipeline. Leverage internship programs and other opportunities to provide a pathway to permanent positions in climate, conservation, and science.
- 5.3 Capacity Building. Prioritize funding streams and academic partnership programs/grants, such as Climate Adaptation Science Centers that allow for training, capacity building, and economic investments in local communities.

**Measuring Performance**

The Department proposes to review and update performance metrics as adaptation implementation continues. Example metrics include:

1. Number of Civilian Climate Corps workers employed and/or the number of hours worked
2. Number of accessible training opportunities developed for Civilian Climate Corps workers
3. Number of jobs created for Civilian Climate Corps workers
4. Internship programs with pathways for permanent employment

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Source: Department of the Interior Climate Action Plan 2021.

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## Appendix 5: Fiscal Year 2022 BIA TCR Award Category Descriptions

The Bureau of Indian Affairs (BIA) Branch of Tribal Climate Resilience (TCR) provides financial support for Federally recognized Tribal Nations and authorized Tribal organizations through a competitive funding opportunity to build Tribal resilience capacity. Award categories cover a range of activities, including climate adaptation planning, community-led relocation, managed retreat (i.e., partial relocation), protect-in-place efforts, and ocean and coastal management.

### **Climate Adaptation (Categories 1, 2, 3, 6, 10, and 13)**

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Category 1. Trainings and Workshops (maximum: \$150,000)	Designed to support Tribes with designing and hosting regional or national Tribal training(s) or workshop(s) that will assist Tribal leaders, program coordinators, planners, and managers in developing the skills necessary to address climate change by developing Tribal adaptation plans or management options through in-person and webinar trainings and workshops.
Category 2. Adaptation Planning (maximum: \$250,000)	Designed to support Tribal governments in the development of adaptation plans, vulnerability assessments, and data analysis efforts including supplementary monitoring to address climate change impacts to Treaty and Trust resources.
Category 3. Travel Support for Adaptation Planning (maximum: \$15,000)	Designed to support the maintaining or building of adaptation knowledge and skills for resilience against impacts of climate change, to participate in cooperative resilience and adaptation efforts including existing and relevant Fish and Wildlife Service resilience training, Landscape Conservation Cooperatives, U.S. Department of the Interior (DOI) Climate Adaptation Science Centers and other Regional Science Centers (e.g., U.S. Geological Survey (USGS) Water Science Centers, Regional Integrated Science Assessments, U.S. Department of Agriculture (USDA) Climate Hubs), and other adaptation management forums.
Category 6. Capacity Building for Scoping Efforts (maximum: \$65,000)	Designed to support Tribes with limited technical or staffing capacity to hire part-time staff or consulting to develop a Category 2 proposal for subsequent award cycles.
Category 10. Implementation of Climate Adaptation Strategies (maximum: \$2,000,000)	Designed to support climate resilient applications, operations, and actions identified in existing final plans.
Category 13. International Indigenous Traditional Ecological Knowledge (ITEK) Virtual Exchange (maximum: \$10,000)	Designed to support virtual projects which connect Indigenous peoples and Tribal Nations to one another, particularly through the sharing of ITEK, Indigenous languages, traditional governance, and traditional decision-making approaches and methods.

## **Ocean and Coastal Management (Categories 4 and 5)**

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Category 4. Ocean and Coastal Management Planning (maximum: \$150,000)	Ocean and Coastal Management Planning awards are limited to coastal or Great Lakes coastal Tribes and Tribal organizations. Proposals may be used for marine resource planning, restoration planning, ecosystem and/or vulnerability assessments, emergency management, marine spatial planning, coastal adaptation and or resilience analysis, resource inventories, identify monitoring protocols and critical indicator species, implement a unique pilot study or project that would advance Tribal resilience and adaptation, ocean and coastal management knowledge, and/or infrastructure planning related to ocean and coastal challenges.
Category 5. Travel Support for Ocean and Coastal Management (maximum: \$15,000)	Designed to support travel costs for interagency ocean and coastal spatial planning, including the Great Lakes.

## **Relocation, Managed Retreat, or Protect-in-Place (Categories 7, 11, and 12)**

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Category 7. Relocation, Managed Retreat, or Protect-in-Place Planning (maximum: \$300,000)	Designed to support Tribes facing questions and decisions regarding managed retreat, expansion, protect-in-place, and relocation options due to threats from intensifying coastal or riverine erosion, flooding, permafrost degradation, sea level rise, and similar impacts.
Category 11. Implementation of Community Relocation, Managed Retreat, or Protect-in-Place (RMP) Actions (maximum: \$3,000,000)	Support Tribes dealing with urgent and acute climate change impacts requiring the movement or protecting of infrastructure. Existing, imminent, and compounding impacts such as sea level rise, coastal and/or riverine erosion and flooding, sea ice loss and storm surge, permafrost degradation, etc. and even non-coastal impacts such as extended drought, unpredictable extreme flooding or wildfire, etc. may require a Tribal community to consider options such as relocation, managed retreat, or protect-in-place.
Category 12. Relocation, Managed Retreat, or Protect-in-Place Coordinator (maximum: \$150,000 per year for up to 3 years)	Designed to support Tribes that have limited technical staffing capacity to hire a full time Coordinator.

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**Internships and Youth Engagement (Categories 8 and 9)**

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Category 8. Internships (maximum: \$50,000)	Designed to support college, graduate, or professional school students or recent graduates (within one year of graduation at the start of the internship) employment opportunities working with Tribal programs, or Tribal organizations to support integration of climate adaptation planning, ocean and coastal management, or [Relocation, Managed Retreat, or Protect-in-Place] planning into programs for the benefit of Tribes.
Category 9. Youth Engagement (maximum: \$50,000)	Designed to support the integration of climate resilience, ocean and coastal management, or challenges (such as relocation, managed retreat, or protect-in-place) into new or existing youth programs. Awards support Tribes or Tribal organizations with activities for primary or secondary school-age youth and their engagement in science, technology, engineering and/or indigenous traditional ecological knowledge education as they relate to and address management challenges.

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Source: BIA TCR fiscal year 2022 notice of funding opportunity.

## Appendix 6: BIA TCR Grants Reviewed

We sampled and reviewed 29 Bureau of Indian Affairs (BIA) Branch of Tribal Climate Resilience grants—totaling \$4,159,799—for fiscal years 2020 and 2021. Figures 1 and 2 provide the grant number, amount funded, and title for each grant in our sample.

**Figure 1: 2020 Tribal Climate Resilience Grants**

Grant No.	Amount Funded	Title
A20AP00140	\$149,817.00	Bristol Bay Marine Multi-Species Conservation Tribal Planning Research Project
A20AP00166	\$150,000.00	Chinik Eskimo Community Data Development for Managed Retreat
A20AP00055	\$149,981.00	La Jolla 2021 Southwestern Tribal Climate Change Summit
A20AP00167	\$149,327.00	Gwichyaa Zhee Gwich'in Flood Protection Planning
A20AP00171	\$137,925.00	Nunapitchuk Protect-in-Place Design and Planning
A20AP00173	\$138,060.00	Native Village of Shishmaref Landfill and Sewage Infrastructure Preservation Planning
A20AP00170	\$149,928.00	Native Village of Noatak Erosion Impact Assessment
A20AP00188	\$111,833.00	Great Plains Tribal Water Alliance Climate Partnership: Development of a Water Resources Workshop for Tribes to Build Technical Capacity to Prepare for and Mitigate Hydrologic Events
A20AP00206	\$150,000.00	Puyallup Tribe of Indians Land Use and Adaptive Resiliency Strategy Plan
A20AP00207	\$149,143.00	Qawalangin Tribe Adaption Plan
A20AP00141	\$150,000.00	Squaxin Island Tribes' Real-time Response to Ocean Acidification
A20AP00136	\$149,747.00	Building Tribal Capacity For Xaa-wvn'-taa-ghii~li~ (Smith River) Hydroacoustic Lhuk (Salmonid) Adult Enumeration, Sri'-sree-nvsh (seal) and Ch'an'-t'in (sea lion) Population Estimates
A20AP00053	\$147,449.00	Tri-Ute Climate Adaptation Workshop Series
A20AP00178	\$147,500.00	Village of Chefornak Managed Retreat Subdivision Site Design

<b>Grant No.</b>	<b>Amount Funded</b>	<b>Title</b>
A20AP00080	\$138,430.00	Village of Chefnak Permafrost Assessment for Advancing Adaptation
A20AP00070	\$150,000.00	Developing Sustainable Tribal Climate Adaptation through Regional Partnerships with a Climate Change Workshop Under the Leadership of the Wind River Reservation and the Northern Arapaho and Shoshone Tribes

**Figure 2: 2021 Tribal Climate Resilience Grants**

<b>Grant No.</b>	<b>Amount Funded</b>	<b>Title</b>
A21AP10147	\$139,307.00	Advancing Climate Change Adaptation for Big Sandy Rancheria through Wood Energy Development and Workforce Training
A21AP10135	\$145,071.00	Riverine Erosion Assessment
A21AP10161	\$142,692.00	Nay'dini'aa Na' Kayax U'el 'stestniic: Starting to be Aware of Vulnerability Project
A21AP10112	\$132,922.00	Resilience Coordinator for Adaptation Planning
A21AP10188	\$149,314.00	Kodiak Tribal Climate Action Plan
A21AP10229	\$147,880.00	Threatened Infrastructure Structural Engineering Assessments
A21AP10124	\$149,975.00	Preliminary Engineering Report Data Collection
A21AP10131	\$150,000.00	Coastal Resilience Planning and Design
A21AP10168	\$149,988.00	Erosion Protection Design and Planning
A21AP10215	\$115,776.00	FY 2021 Xha Go'im (Stand up for Water): Drought and Climate Change Planning Project
A21AP10201	\$141,600.00	Holistic Climate Change Vulnerability Assessment
A21AP10171	\$131,470.00	Environmental Threat Planning and Capacity Building
A21AP10143	\$144,664.00	Intertidal Shellfish Assessments to Inform Subsistence Harvest and Climate Change Adaptation Planning

Source: BIA annual awards summary for fiscal years 2020 and 2021.

# Appendix 7: BIA TCR Grant Review Deficiencies Found

We reviewed 29 Bureau of Indian Affairs (BIA) Branch of Tribal Climate Resilience (TCR) grants for fiscal years (FYs) 2020 and 2021. This figure shows the deficiencies we identified for each grant.

**BIA TCR Sampled Grants by Deficiency for FYs 2020 and 2021**

Grant No.	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
A20AP00140	X			X		X			X						
A20AP00166	X	X			X					X				X	
A20AP00055	X		X	X		X	X		X		X				
A20AP00167	X		X	X		X		X	X		X			X	
A20AP00171	X		X	X			X	X					X		
A20AP00173	X		X	X		X	X	X	X				X		
A20AP00170	X	X			X				X			X		X	
A20AP00188	X		X			X			X		X			X	
A20AP00206	X		X			X	X	X	X		X			X	
A20AP00207	X		X			X			X				X		
A20AP00141	X		X				X	X	X		X			X	X
A20AP00136	X		X	X		X					X				
A20AP00053	X					X					X			X	
A20AP00178	X				X				X				X		
A20AP00080					X				X				X		
A20AP00070	X		X			X			X		X			X	X
A21AP10147	X														
A21AP10135	X	X			X				X			X			
A21AP10161	X														
A21AP10112	X	X			X				X			X			
A21AP10188	X							X	X						
A21AP10229	X				X				X						
A21AP10124	X			X			X								
A21AP10131	X														
A21AP10168	X	X			X				X						
A21AP10215	X														
A21AP10201	X														
A21AP10171	X			X	X				X						
A21AP10143	X						X								
<b>Totals</b>	<b>28</b>	<b>5</b>	<b>10</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>7</b>	<b>6</b>	<b>18</b>	<b>1</b>	<b>8</b>	<b>3</b>	<b>5</b>	<b>8</b>	<b>2</b>

## Column Key

- A** Missing risk assessment
- B** SF-425s not completed by grantee
- C** SF-425s not provided to the OIG
- D** SF-425s submitted late
- E** Performance reports not completed by grantee
- F** Performance reports not provided to the OIG
- G** Performance reports submitted late
- H** Incomplete performance reports
- I** Could not determine if project is meeting stated goals and objectives
- J** Project did not meet stated goals and objectives
- K** Could not determine if grant is being monitored
- L** Grant is not being monitored
- M** Late no-cost extension
- N** Missing no-cost extension or grant closure documentation
- O** Grant documentation not provided to the OIG

Source: BIA TCR documentation and DOI OIG analysis.

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## Appendix 8: OIA CRNR Grants Reviewed

We sampled and reviewed 10 Office of Insular Affairs (OIA) Coral Reef and Natural Resources Initiative grants, totaling \$2,759,318, for fiscal years 2020 through 2021. Figures 1 and 2 provide the grant number, amount funded, and title for each grant in our sample.

**Figure 1: 2020 Coral Reef and Natural Resources Initiative/Invasive Species**

Grant No.	Amount Funded	Title/Description
D20AP00058	\$239,970	To eradicate invasive monitor lizards and manage an outbreak of Montipora corals which have become a threat to food security in Ulithi Atoll, Yap, Federated States of Micronesia (FSM).
D20AP00059	\$239,922	To eradicate feral cats in the Ulong Island area of the Rock Islands Southern Lagoon, an important tourist and fishing location in Palau. A non-profit organization will work with the Koror Department of Law Enforcement and other agencies to eliminate feral cats and protect seabird populations that help maintain reef health and contribute to terrestrial and marine biodiversity.
D20AP00095	\$150,275	A non-profit organization will use the funds to continue community-based restoration activities in targeted watershed areas on Babeldaob, the largest island in the Republic of Palau.
D20AP00094	\$200,000	Nova Southeastern University, an academic institution in Florida, will use the funds to manage the National Coral Reef Management Fellowship, a program which places a competitively selected coral fellow in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.
D20AP00099	\$237,795	Funds will be used to eradicate the <i>Mucuna pruriens</i> , also known as velvet bean, an invasive non-native vine species that has overrun several forested areas and communities on Saipan and has been known to trigger allergic reactions and lead to hospitalization for individuals with certain skin conditions.
D20AP00092	\$103,057	Funds will support Guam's coral reef management and conservation projects including outreach, education, and related efforts to protect coral reefs on Guam.

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**Figure 2: 2021 Coral Reef and Natural Resources Initiative/Invasive Species**

<b>Grant No.</b>	<b>Amount Funded</b>	<b>Title/Description</b>
D21AP10200-00	\$299,547	Guam Government's Coral Reef Initiative
D21AP10201-00	\$210,000	Nova Southeastern University Coral Reef Fellowship Program for the benefit of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands (CNMI), and the U.S. Virgin Islands (USVI)
D21AP10195-00	\$212,329	A Palau-based non-governmental organization will use funds for mapping Palau's lagoon and reefs
D21AP10191-00	\$866,423	University of Guam for Invasive Species Detector Dog pilot program

Source: OIA annual awards summary for fiscal years 2020 and 2021.

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## **Appendix 9: Responses to Draft Report**

The Department of Interior's Office of Policy, Management and Budget; the Office of the Assistant Secretary, Indian Affairs; and the Office of Insular Affairs' responses to our draft report follows on page 54, 56, and 60, respectively.



# United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, DC 20240

July 19, 2023

## Memorandum

To: Mark Lee Greenblatt  
Inspector General

From: Joan Mooney  
Principal Deputy Assistant Secretary Exercising the Delegated Authority of the  
Assistant Secretary, Policy, Management and Budget

Subject: Response to Draft Evaluation Report – *The Bureau of Indian Affairs' and the  
Office of Insular Affairs Support for Climate Adaptation Practices*  
Report No. 2022-ER-019

On June 1, the Department of the Interior's (Interior) Office of Policy, Management and Budget (PMB) received your draft evaluation report, *The Bureau of Indian Affairs' and the Office of Insular Affairs Support for Climate Adaptation Practices* (Report No. 2022-ER-019). This memorandum provides PMB's comments on recommendation 1 included in that report, which is directed to PMB, and describes actions being taken to address that recommendation.

**Recommendation 1: We recommend that the Deputy Assistant Secretary of Policy and Environmental Management develop and implement performance measures and targets that can be used to measure progress in achieving the DOI's goals for responding to climate change.**

**Response:** PMB concurs with the recommendation. We are working with relevant parties including the Office of Policy Analysis, the Office of Planning and Performance Management, and Interior's Bureaus and Offices (including the Bureau of Indian Affairs and the Office of Insular Affairs) to fully address the recommendation.

**Responsible Official:** Eric Werwa, Deputy Assistant Secretary – Policy and Environmental Management

**Target Date:** December 31, 2023

Please contact Eric Werwa at [REDACTED] [@ios.doi.gov](mailto:[REDACTED]@ios.doi.gov) if you have any comments or questions.

Sincerely,

**JOAN  
MOONEY**

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JOAN MOONEY  
Date: 2023.07.19  
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Joan M. Mooney  
Principal Deputy Assistant Secretary  
Exercising the Delegated Authority of the  
Assistant Secretary for Policy, Management  
and Budget



## United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, D.C. 20240

July 18, 2023

### Memorandum

To: Mark Lee Greenblatt, Inspector General

From: Jason Freihage, Deputy Assistant Secretary – Management, Indian Affairs  
Darryl LaCounte, Director - Bureau of Indian Affairs

JASON  
FREIHAGE

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*Darryl LaCounte*  
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Subject: Management Response to Draft Report (No. 2022-ER-019) The Bureau of Indian Affairs' and the Office of Insular Affairs' Support for Climate Adaptation Practices

Indian Affairs (IA) appreciates the opportunity to comment on the U.S. Department of the Interior Office of Inspector General (OIG) Draft Evaluation Report – The Bureau of Indian Affairs' and the Office of Insular Affairs' Support for Climate Adaptation Practices.

This memorandum transmits the IA management's response to Draft Report (No. 2022-ER-019) recommendations 2, 4, 5, 6, 7, 8, 9, 10, 11.

**Recommendation 2:** BIA TCR coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI's goals for responding to climate change.

**Action Planned or Taken:** The BIA TCR concurs with the recommendation. Upon release of the 2023 DOI Climate Action Plan with performance measures and targets, TCR will work with Deputy Assistant Secretary of Policy and Environmental Management to develop a step-down implementation plan that includes performance measures to align with DOI's goals for responding to climate change.

**Target Date:** 90-120 days after implementation of the 2023 DOI and IA Climate Action Plan.

**Recommendation 4:** BIA TCR develop and implement policies and procedures to ensure the analysis of a potential awardee's risk of declination is conducted, as required by 25 C.F.R. Sec. 900, and is incorporated in the 93-638 agreement process to ensure the appropriate information and technical assistance is provided.

**Action Planned or Taken:** BIA TCR **does not concur** with the recommendation. Potential awardees apply to competitive solicitation to a BIA Central Office program, which then undergoes a formal selection process. After the Program Office selects awardees, the Tribe is required to

submit all documentation necessary to enter into a formal agreement with the BIA to the AO/AOTR/OSG that enters into the agreement and awards the Tribe or Tribal organization. All documentation at that point would have been vetted/approved by the Program Office, minimizing the risk of declination. Therefore, the risk of declination after Tribes voluntarily apply is very low. To date, TCR is not aware of any declinations for program funding and does not anticipate a declination in the future.

**Target Date:** Not applicable

**Recommendation 5:** Develop and implement policies and procedures for performing risk evaluations, including guidance on how to determine and assign appropriate risk level to grant applicants.

**Responsible Party:** Office of Chief Financial Officer, Head of the Contracting Activity (HCA)

**Actions Planned or Taken:** DAS-M concurs with the recommendation. IA reviewed its internal policy, Indian Affairs Manual (IAM) Part 22 Chapter 6 – Grants and Cooperative Agreements to determine if existing policies and procedures adequately address the requirement for performing financial assistance pre-award risk assessments as required by 2 CFR 200.205 and 2 CFR 200.206 as well as DOI- AAAP-0068 - Financial Assistance Pre-Award Risk Assessment and Post-Award Monitoring. The review revealed that the IAM requires updating to align with DOI-AAAP-0068.

**Target Date:** February 28, 2024

**Recommendation 6:** Update its grant management policy for grant monitoring to provide detailed instructions on how to effectively monitor grants and to address late submission of financial and performance reports.

**Responsible Party:** Office of Chief Financial Officer, Head of the Contracting Activity (HCA)

**Action Planned or Taken:** DASM concurs with the recommendation. The HCA will do a comprehensive update of 22 IAM 6 - Grants and Cooperative Agreements, to include specific guidance for grant monitoring and addressing late submission of financial and performance reports, among other updates necessitated by 2 CFR 200 updates and other departmental policy changes since 2016. HCA plans to update the IAM and coordinate with the relevant IA offices to publish the policy. Additionally, IA will develop and deliver training to Grants Officers and Specialists addressing the updates to the IAM as well as the instructions and procedures for performing grant monitoring. Training will be posted to the Financial Assistance section of the IA Acquisition Toolkit SharePoint site.

**Target Date:** February 28, 2024

**Recommendation 7:** Conduct a workforce analysis to determine whether additional staff are required to provide monitoring and oversight. If additional staff are required, take appropriate steps.

**Actions Planned or Taken:** Indian Affairs conducted an agency-wide workforce analysis of awarding officials. Implementation is ongoing and monthly reports to AS-IA are conducted by the Office of Human Capital Management. TCR reminds OIG that monitoring responsibility rests with the Awarding Official and their Technical Representative (AO and AOTR)/Office of Self Governance (OSG) representative for all P.L. 93-638 contracts and compacts, respectively. Additionally, TCR Regional Coordinators will assist the Regional Offices and OSG staff with technical assistance on Program Office related questions and support.

**Target Date:** Complete, see Attachment 1

**Recommendation 8:** Develop and implement policies and procedures to ensure that all TCR awarding and monitoring documents are stored and retained and are accessible by authorized personnel.

**Actions Planned or Taken:** BIA TCR concurs with the recommendation. BIA TCR reminds OIG that ultimate monitoring responsibility rests with the Awarding Official and their Technical Representative (AO and AOTR)/Office of Self Governance (OSG) representative for all P.L. 93-638 contracts and compacts, respectively. TCR will establish working relationships and coordination between TCR Program Officials and Regional staff/OSG staff; this means that TCR leadership and Regional Directors will also need to have clear lines of communication (including staff turnover and providing a list of contacts). TCR Program Officials will convene/coordinate quarterly with the AO/AOTR/OSG staff and exchange information on reporting compliance, no cost extensions, budget modification requests, and undelivered orders/unobligated funding for each project in their regional purview. TCR Program Officials will share a Regional tracking system or spreadsheet accessible in SharePoint Online (SPO) for each of their awards that AO/AOTR/OSG staff will have access to and can share information about each award.

**Target Date:** December 31, 2023

**Recommendation 9:** Develop and implement policies and procedures for monitoring financial assistance awarded through 638 agreements, including addressing late submission of financial and performance reports, ensuring that funds are being put to use, and ensuring applicable personnel are trained on the policies and procedures.

**Actions Planned or Taken:** BIA TCR concurs with the recommendation. BIA TCR reminds OIG that monitoring is coordinated by the Awarding Official (AO) and their technical representative (AOTR) for contracts and the Office of Self Governance (OSG). P.L. 93-638 Sec. 900.65 states “Unless required by statute, there are no mandatory reporting requirements. Each Indian tribe or tribal organization shall negotiate with the Secretary the type and frequency of program narrative and program data report(s) which respond to the needs of the contracting parties and that are appropriate for the purposes of the contract. The extent of available resources will be a consideration in the negotiations.” Each contract or compacting agreement is unique and subject to their own reporting requirements; this is determined at the Awarding Official level and written into each contract or statement of work in the self-governance compact award rather than the Program Office. Each Regional Office has an implementation plan for their self-determination reporting requirements and processes. However, the TCR FY 2022 solicitation includes language that provides suggested guidance on annual reporting for awards:

[https://www.bia.gov/sites/default/files/dup/inline-files/fy22\\_tribal\\_climate\\_resilience\\_rfp\\_508\\_1.pdf](https://www.bia.gov/sites/default/files/dup/inline-files/fy22_tribal_climate_resilience_rfp_508_1.pdf). During quarterly convening with each

designated AO/AOTR, TCR Program Officials will work with the AO/AOTR to determine contracts that may be out of compliance or have overdue submissions.

**Target Date:** February 28, 2024

**Recommendation 10:** Ensure that all grantees are current and in compliance with grant requirements, including obtaining all missing financial and performance reports from grantees.

**Actions Planned or Taken:** BIA TCR concurs with the recommendation. For outstanding Federal Financial Assistance grants, Program Officials will continue to review performance and financial reporting and assist with budget modifications, extensions, and ensure compliance with grant requirements in coordination with the Grants Management Officer.

- Considerations:
  - Grantees assume risk if they do not submit timely reports on dates listed in their contractual agreements (whether written agreement – 2020 and prior, notice of grant award – 2021, or P.L. 93-638 contract or compact). However, some risk is on the BIA Project Official, Grant Official, and/or Awarding Official to make reasonable attempt to contact the awardee regarding late reports.
  - 2020 was the year of the pandemic, therefore, FY 2020 had the greatest number of deficient grants; refer to pg. 18, Figure 5 of the Report.
  - 2021 was the first year that DOI transitioned to using a new grants management system, Grant Solutions, and grant accessibility proved difficult for many Tribes, particularly ones located in remote areas.
  - 2022 and prior years only collateral duty POCs at the Regions were responsible for monitoring, until the fall-winter of 2022 when full time TCR Regional Coordinators were newly hired.

**Target Date:** February 28, 2024

**Recommendation 11:** Review Grant No. A20AP00170 and require that the Tribe return the funds if the grant is expired.

**Action Planned or Taken:** BIA TCR concurs with the recommendation. BIA TCR budget co-leads submitted a request to the Grants Officer and designated Project Official to contact the Tribe's Principal Investigator regarding the unobligated funding. Correspondence (email receipt) is attached to this OIG response (Attachment 2), an extension due to extenuating circumstance is being considered.

**Target Date:** December 31, 2023

**List of Attachments:**

**Attachment 1a – Awarding Official Workforce Analysis**

**Attachment 1b – Awarding Official Monthly Report to AS-IA**

**Attachment 2 – Email Correspondence on Review of Grant No. A20AP00170**



# United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, DC 20240

July 14, 2023

## MEMORANDUM

TO: Mark Lee Greenblatt  
Inspector General

FROM: Carmen G. Cantor   
Assistant Secretary – Insular and International Affairs

SUBJECT: OIG Draft Evaluation Report – *The Bureau of Indian Affairs' and the Office of Insular Affairs' Support for Climate Adaptation Practices*  
Report No. 2022–ER–019

Thank you for the opportunity to comment on the subject OIG Draft Evaluation Report. The Office of Insular Affairs (OIA) concurs with the information as it relates to OIA and Insular communities, and information requested in your transmittal memorandum for the subject report may be found in ATTACHMENT I. There are no questioned costs identified in the OIG Draft Evaluation Report.

This response and any subsequent information pertaining to the report subject will be emailed to [aie\\_reports@doioig.gov](mailto:aie_reports@doioig.gov) as instructed. Additionally, John Brewer, the Director of OIA and his staff will communicate with your identified point of contact, Kathleen Sedney, Assistant Inspector General for Audits, Inspections, and Evaluations for any questions related to the review.

ATTACHMENT

July 14, 2023

The Office of Insular Affairs (OIA) Response to the OIG Draft Evaluation Report – *The Bureau of Indian Affairs’ and the Office of Insular Affairs’ Support for Climate Adaptation Practices*, Report No. 2022–ER–019

The following OIA personnel have responsibility for responding to OIG reports. The OIA personnel are listed in order of direct responsibility level and will communicate, as necessary, with your identified point of contact, Kathleen Sedney, Assistance Inspector General for Audits, Inspections, and Evaluations.

Audit Liaison Officer : ██████████ [@ios.doi.gov](mailto:██████████@ios.doi.gov)

Director of Policy Division: ██████████ [@ios.doi.gov](mailto:██████████@ios.doi.gov)

Director of the Office of Insular Affairs: ██████████ [@ios.doi.gov](mailto:██████████@ios.doi.gov)

The Audit Liaison Officer will develop a tracking tool and update the information monthly for each of the activities listed below. The updated report will be provided to Interior’s Office of Financial Management (PFM) GAO/OIG Liaison, as required, with a close-out request when justified.

Listed below are the OIG Draft Evaluation Report Recommendations for OIA and [OIA Response](#). I note that Recommendations 2 and 4 through 11 are not applicable to OIA.

*We recommend that the Deputy Assistant Secretary of Policy and Environmental Management: Recommendation 1. Develop and implement performance measures and targets that can be used to measure progress in achieving the DOI’s goals for responding to climate change.*

*We recommend that the OIA TAP:*

*3. Coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI’s goals for responding to climate change.*

[OIA Response:](#) Upon the completion of Recommendation 1 by the Office of Policy and Environmental Management, OIA will develop and implement performance measurements and targets to measure progress in achieving DOI’s goals. In the interim, although OIA does not have overall performance measures, OIA does have measures specific to each grant awarded. OIA will review its individual measures and consolidate, if appropriate, into general measures and targets. The estimated time for completion of the review is within 60 days of the recommendation in the final issued report. OIA will modify its general measures, as necessary, after the Department finalizes its goals for responding to climate change.

*We recommend that the OIA TAP:*

*12. Develop and implement a proactive communication tool to address grantee late submission of semi-annual financial and performance reports.*

[OIA Response:](#) OIA has controls in place to encourage timely reporting by grantees. The controls include suspending drawdown payments, reduction in the score for future awards, and possible removal of eligibility for OIA TAP awards for a period of time. OIA will increase its controls by implementing standards for the timing of reminders sent to grantees. A copy of the written policy developed and implemented will be provided within 60 days of a recommendation in the final issued report.

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## Appendix 10: Status of Recommendations

Recommendation	Status	Action Required
<b>2022-ER-019-01</b> We recommend that the the Deputy Assistant Secretary of Policy and Environmental Management develop and implement performance measures and targets that can be used to measure progress in achieving the DOI's goals for responding to climate change.	Resolved	We will track implementation.
<b>2022-ER-019-02</b> We recommend that the BIA TCR coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI's goals for responding to climate change.	Resolved	We will track implementation.
<b>2022-ER-019-03</b> We recommend that the OIA TAP coordinate with the Deputy Assistant Secretary of Policy and Environmental Management to develop and implement performance measures and targets that align with its program mission and the DOI's goals for responding to climate change.	Resolved	We will track implementation.
<b>2022-ER-019-04</b> We recommend that the BIA TCR develop and implement policies and procedures to ensure the analysis of a potential awardee's risk of declination is conducted, as required by 25 C.F.R. § 900, and is incorporated in the 638 agreement process to ensure the appropriate information and technical assistance is provided.	Unresolved	We will meet to discuss the resolution of the recommendation.

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Recommendation	Status	Action Required
<p><b>2022-ER-019-05</b>            We recommend that the Deputy Assistant Secretary for Indian Affairs (Management) develop and implement policies and procedures for performing risk evaluations, including guidance on how to determine and assign appropriate risk level to grant applicants.</p>	Resolved	We will track implementation.
<p><b>2022-ER-019-06</b>            We recommend that the Deputy Assistant Secretary for Indian Affairs (Management) update its grant management policy for grant monitoring to provide detailed instructions on how to effectively monitor grants and to address late submission of financial and performance reports.</p>	Resolved	We will track implementation.
<p><b>2022-ER-019-07</b>            We recommend that the BIA TCR conduct a workforce analysis to determine whether additional staff are required to provide monitoring and oversight. If additional staff are required, take appropriate steps.</p>	Implemented	No action required.
<p><b>2022-ER-019-08</b>            We recommend that the BIA TCR develop and implement policies and procedures to ensure that all TCR awarding and monitoring documents are stored and retained and are accessible by authorized personnel.</p>	Unresolved	We will meet to discuss the resolution of the recommendation.
<p><b>2022-ER-019-09</b>            We recommend that the BIA TCR develop and implement policies and procedures for monitoring financial assistance awarded through 638 agreements, including addressing late submission of financial and performance reports, ensuring that funds are being put to use, and ensuring applicable personnel are trained on the policies and procedures.</p>	Unresolved	We will meet to discuss the resolution of the recommendation.

Recommendation	Status	Action Required
<p><b>2022-ER-019-10</b>            We recommend that the BIA TCR ensure that all grantees are current and in compliance with grant requirements, including obtaining all missing financial and performance reports from grantees.</p>	Resolved	We will track implementation.
<p><b>2022-ER-019-11</b>            We recommend that the BIA TCR review Grant No A20AP00170 and require that the Tribe return the funds if the grant is expired.</p>	Resolved	We will track implementation.
<p><b>2022-ER-019-12</b>            We recommend that the OIA TAP develop and implement a proactive communication tool to address grantee late submission of semi-annual financial and performance reports.</p>	Resolved	We will track implementation.



# REPORT FRAUD, WASTE, ABUSE, AND MISMANAGEMENT

The Office of Inspector General (OIG) provides independent oversight and promotes integrity and accountability in the programs and operations of the U.S. Department of the Interior (DOI). One way we achieve this mission is by working with the people who contact us through our hotline.



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

## Who Can Report?

Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement involving the DOI should contact the OIG hotline. This includes knowledge of potential misuse involving DOI grants and contracts.

## How Does it Help?

Every day, DOI employees and non-employees alike contact the OIG, and the information they share can lead to reviews and investigations that result in accountability and positive change for the DOI, its employees, and the public.

## Who Is Protected?

Anyone may request confidentiality. The Privacy Act, the Inspector General Act, and other applicable laws protect complainants. Section 7(b) of the Inspector General Act of 1978 states that the Inspector General shall not disclose the identity of a DOI employee who reports an allegation or provides information without the employee's consent, unless the Inspector General determines that disclosure is unavoidable during the course of the investigation. By law, Federal employees may not take or threaten to take a personnel action because of whistleblowing or the exercise of a lawful appeal, complaint, or grievance right. Non-DOI employees who report allegations may also specifically request confidentiality.