



Supplemental Funding to the Pacific Islands

FLASH REPORT: THE U.S. DEPARTMENT OF THE INTERIOR'S SUPPLEMENTAL FUNDING TO THE PACIFIC ISLANDS

The President signed the Infrastructure Investment and Jobs Act (IIJA), Pub. L. No. 117-58, into law on November 15, 2021. Section 40804 of the IIJA provides new and additional funding to the U.S. Department of the Interior's (DOI's) Office of the Secretary (OS), for ecosystem restoration programs.¹ The OS in turn directed this funding to other DOI bureaus and offices, including the Office of Insular Affairs (OIA), which helps coordinate Federal policy for the U.S. territories and manages Federal funding programs for the Insular Areas.

In addition, the President signed the Inflation Reduction Act (IRA), Pub. L. No. 117-169, into law on August 16, 2022. Section 50241 of the IRA provides new funding to OIA "to provide technical assistance for climate change planning, mitigation, adaptation, and resilience to the United States Insular Areas."

We are issuing this flash report to share information and promote transparency. Below, we describe the nearly \$20 million in IIJA and IRA funding OIA allocated to the U.S. territories in the Pacific Ocean—American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI) (see Figure 1).² We also discuss issues and risks the territories and OIA may face when ensuring that the planned work is completed.

¹ 16 U.S.C. § 6592a.

² The U.S. Virgin Islands also received IIJA and IRA funding through OIA; however, we focused this report on OIA's IIJA and IRA funding to the Pacific Islands.

Definitions

An **archipelago** is a group of islands.

The **U.S. territories** the Office of Insular Affairs serves are American Samoa, Guam, the Commonwealth of Northern Mariana Islands, and U.S. Virgin Islands.

An **Insular Area** is a jurisdiction that is neither a part of one of the several States nor a Federal district. This is the current generic term to refer to any commonwealth, freely associated state, possession, or territory.

Invasive species are plants and animals that are not native to an ecosystem and cause or likely cause environmental harm to the habitat or natural functions.

Biosecurity refers to the methods used to stop a disease or infection from spreading from one person, animal, or place to others.

Sedimentation is the process of solids settling from fluids.

A **single audit** is an organizationwide audit performed to provide assurance that a recipient of Federal funds complies with Federal program requirements.



Figure 1: Map of U.S. Pacific Territories

The Assistant Secretary – Insular and International Affairs and OIA carry out the administrative responsibilities of the Secretary of the Interior to promote coordination of Federal policy for the territories of American Samoa, Guam, the CNMI, and the U.S. Virgin Islands.³ OIA provides discretionary funding to the territories primarily through four programs: the Technical Assistance Program (TAP), the Maintenance Assistance Program (MAP), the Coral Reef and Natural Resources Initiative (CRNR), and Energizing Insular Communities. It also has a fifth discretionary Brown Tree Snake Control Program.

To increase the awareness of Federal programs and funding available to the Insular Areas, OIA solicits information and advice from elected leaders of the Insular Areas at the Interagency Group on Insular Areas⁴ and shares information about IJIA and IRA funding during the group's infrastructure workshop meetings. According to OIA, the infrastructure workshop meetings connect territorial climate and infrastructure needs with IJIA and IRA funding and technical assistance resources from multiple agencies.



DOI continues to lead extensive activities in collaboration with Federal agencies; State, territorial, and international governments; and other organizations to improve biosecurity and minimize invasive species threats—which range from brown tree snakes and feral swine to insects, such as the little fire ant species and coconut rhinoceros beetle (CRB), to marine species such as the smothering seaweed, and even fungi that can cause extensive and rapid tree death. OIA supports invasive species prevention and control efforts through TAP and CRNR funding Congress appropriates annually.

³ OIA is also responsible for the administration and oversight of the Compact of Free Association funding to the Freely Associated States—the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau. OIA has not awarded IJIA or IRA funds to the Freely Associated States.

⁴ Executive Order No. 13537, *Interagency Group on Insular Areas*, issued April 14, 2010, established the Interagency Group on Insular Areas to address policies concerning Guam, American Samoa, the U.S. Virgin Islands, and the CNMI. The group includes the Secretary of the Interior, heads of various executive departments, the Deputy Assistant to the President and Director of Intergovernmental Affairs, and other members as designated.



IIJA Funds

The IIJA requires DOI to use the ecosystem restoration funds on projects to benefit several significant ecosystems by restoring habitat connectivity for aquatic species, advancing habitat restoration, addressing invasive species, and conserving at-risk and listed endangered species. OS has allocated \$11,640,037 in IIJA ecosystem restoration funding to OIA (see Figure 2). According to OIA, OS provided funding in three phases that cover fiscal years (FYs) 2022 through 2026. Each phase identifies the year that OIA can start awarding the respective funds.

Phase 1 (FY 2022): OIA used TAP and CRNR applications it had already received as a result of that year’s notice of funding opportunity to determine the proposed projects it would award IIJA ecosystem restoration funding.

Phase 2 (FY 2023-Onward): OIA solicited applications for IIJA ecosystem restoration funding separate from those associated with TAP, CRNR, and MAP. According to OIA, it reviewed and compared the applications to the ecosystem restoration funding approved for the year across all the grant applications with the intent to equitably allocate the funding among the territories.

Phase 3 (FY 2024-Onward): OIA said it will obligate all three years of funding (FYs 2024 through 2026) and have the territories submit applications under one notice of funding opportunity.

OIA has awarded Phase 1 and Phase 2 funding⁵ to American Samoa, Guam, and the CNMI (see Figure 3).

Figure 2: OIA IIJA Ecosystem Restoration Funding From OS

Phase	FY	Amount
1	2022	\$1,523,579
2	2023-onward	\$5,162,151
3	2024-onward	\$4,954,307
Total		\$ 11,640,037

Figure 3: IIJA Funds OIA Awarded to U.S. Pacific Territories

Territory	Phase 1 Amount Awarded	Phase 2 Amount Awarded	Total Amount Awarded
American Samoa	\$944,790	\$1,798,821	\$2,743,611
Guam	\$167,815	\$0	\$167,815
CNMI	\$410,974	\$975,211	\$1,386,185
Totals	\$1,523,579	\$2,774,032	\$4,297,611

OS provided IIJA ecosystem restoration funding to the National Fish and Wildlife Foundation (NFWF)—a nonprofit “dedicated to sustaining, restoring, and enhancing the nation’s fish, wildlife, plants and habitats for current and future generations”—to create the America the Beautiful Challenge. The challenge funds projects that address priority conservation and restoration needs, showcase cumulative benefits to fish and wildlife, enhance carbon sequestration and storage, engage with and benefit underserved communities, connect people with nature, and help safeguard ecosystems and communities. The Pacific territories are eligible to apply for the America the Beautiful Challenge funding.

⁵ OIA provided IIJA Phase 2 funding in February 2024, after our November 2023 site visits to the CNMI and Guam and January 2024 site visit to American Samoa.



OIA is also using IIJA funds to cosponsor Regional Biosecurity Trainings with the U.S. Department of Agriculture (USDA) and U.S. Department of State. The first Regional Biosecurity Training was held in November 2023 on Guam. OIA used IIJA funds to pay for the venue, trainers, and travel for the territorial representatives. The training's purpose was to enhance understanding of regional biosecurity and invasive species issues and challenges, develop island-specific and regional biosecurity goals, identify opportunities for action, and begin to build strategies to address these challenges. It also included hands-on training on tools, techniques, and best management practices, as well as opportunities for participants to share peer-to-peer experiences and knowledge. According to OIA, it will use a portion of the Phase 3 ecosystem restoration funding for additional regional biosecurity trainings for the territories and will also send trainers to conduct on-island training.

The IIJA included the Build America, Buy America Act, Pub. L. No. 117-58 § 70901-52, which prohibits funds from being obligated for a project unless all the iron, steel, manufactured products, and construction materials used in the project were produced in the United States. The Build America, Buy America Act applies to all Federal financial assistance programs for infrastructure, regardless of whether those programs received funding through the IIJA. On August 15, 2023, DOI issued a temporary waiver of the Build America, Buy America Act requirements for Federal financial assistance awarded for infrastructure projects located in the U.S. Pacific territories because of the costs associated with transporting these materials to their remote locations. The waiver permits the use of nondomestic iron, steel, manufactured products, and construction materials in infrastructure products when the total Federal award exceeds \$250,000. The waiver expires on February 15, 2025.

IRA Funds

The IRA requires OIA to provide \$15 million in technical assistance to the Insular Areas for climate change planning, mitigation, adaptation, and resilience. The IRA also appropriated \$900,000 for necessary expenses associated with carrying out that technical assistance. According to OIA, each Pacific territory was eligible for up to \$3 million in funding; OIA awarded grants to the territories in response to a notice of funding opportunity for the funds (see Figure 4).

Figure 4: IRA Funds Awarded to U.S. Pacific Territories

Territory	Amount Awarded
American Samoa	\$2,800,000
Guam	\$2,764,000
CNMI	\$2,786,004
Total	\$8,350,004



OIA Grant Process

OIA uses the same process (detailed below) for grants funded by the IJJA and IRA as it does for TAP, MAP, and CRNR grants; the exception is that OIA obtains approval from the Office of Management and Budget (OMB) for its IJJA and IRA project lists before the grants can be executed.

01

Grant funding availability announced.

All new funding announcements are posted on grants.gov in October each year.

02

OIA notified of full funding budget.

DOI Budget Office notifies OIA once the full fiscal year funding appropriation is available.

03

OIA grant managers begin meritorious review process and propose recommendations for funding.

- Grant managers review and score all applications.
- Results of meritorious review presented to OIA leadership for input and final decision.
- Respective Governor and Ambassador rank applications according to their priorities.

04

OIA leadership conducts grant review decision meetings.

- The Office of Assistant Secretary for Insular and International Affairs, the OIA Director, the OIA Policy Director, and any relevant experts on the subject matter conduct grant review decision meetings.
- The Assistant Secretary or Deputy Assistant Secretary decides whether to approve or deny each application discussed.

05

OIA leadership approves successful applications.

The OIA team prepares grant or interagency awards for each successful application.

06

Grant managers obligate funds and begin grant monitoring process.

- Grant managers set up the process of internal accounts procedures for grant payment.
- Grant managers and others oversee and monitor each grant (including semiannual narrative and financial reports, pay drawdowns, site visits, and grant closeout) as applicable.



American Samoa

American Samoa is made up of five islands and two atolls and is home to approximately 50,000 people. American Samoa became a U.S. territory in 1900, and President Truman transferred administrative responsibility for American Samoa from the U.S. Navy to DOI in 1951.⁶

American Samoa receives Federal funding from several U.S. Government agencies in addition to DOI. According to its most recent single audit, American Samoa had expended approximately \$400 million in total Federal funds (see Figure 5), nearly \$3 million of which OIA provided.

Figure 5: American Samoa’s FY 2023 Single Audit Expenditures by Federal Grantor⁷

Federal Grantor	Total Expenditures
U.S. Department of Education	\$169,722,226
U.S. Department of Health and Human Services	\$93,187,968
USDA	\$57,913,320
U.S. Department of Treasury	\$27,701,160
U.S. Department of Transportation	\$22,681,314
U.S. Department of Homeland Security	\$9,557,669
DOI	\$6,553,832
U.S. Department of Commerce	\$4,327,786
U.S. Environmental Protection Agency	\$2,775,579
Private Catalog of Federal Domestic Assistance Identified	\$2,379,225
U.S. Department of Justice	\$2,243,382
U.S. Department of Labor	\$2,064,147
U.S. Department of Energy	\$849,569
U.S. Department of Housing and Urban Development	\$754,953
National Foundation of Arts and Humanities	\$333,078
U.S. Election Assistance Commission	\$324,187
U.S. Social Security Administration	\$88,271
Total	\$403,457,666

⁶ Executive Order No. 10264, *Transfer of the Administration of American Samoa from the Secretary of the Navy to the Secretary of the Interior*, issued June 29, 1951.

⁷ The expenditures listed in Figures 5, 8, and 11 are the combined totals for each Federal grantor from each single audit. For each Federal grantor, the total expenditures include all its agency programs. For example, at DOI, the expenditures include funding from OIA as well as other DOI bureaus and offices.



American Samoa

According to the U.S. Geological Survey (USGS) and its Climate Adaptation Science Centers, American Samoa is vulnerable to sea-level rise (the increase in the level of the ocean) in part due to the steep terrain of its islands. USGS stated that the impacts of sea-level rise on American Samoa are compounded by recently recognized rapid sinking of the islands due to the 2009 Samoa earthquakes⁸—8.1 and 8.0 magnitude earthquakes that struck midway between Samoa and American Samoa within two to three minutes of each other.⁹ USGS has noted that this sinking is estimated to lead to roughly twice as much sea-level rise by 2060 than had been previously predicted. Some of OIA’s IIJA and IRA funding will address needs of the islands’ villages and help to alleviate some of the effects of sea-level rise, such as planting mangrove trees that serve as a buffer between marine and terrestrial communities to protect shorelines from damaging winds, waves, and floods.

IIJA and IRA Funding

American Samoa has received more than \$5.5 million in IIJA and IRA funds from OIA (see Figure 6) and will be able to apply for additional funds as part of IIJA Phase 3 funding starting in FY 2024.

Figure 6: American Samoa’s IIJA and IRA Funding

Funding	Total Awarded
IIJA Phase 1	\$944,790
IIJA Phase 2	\$1,798,821
IRA	\$2,800,000
Total	\$5,543,611

Based on information in USAspending.gov, as of May 2024, American Samoa has received approximately \$112 million in IIJA funding from various Federal agencies.¹⁰ As of March 2024, a total of \$188.3 million in IIJA funding had been announced for American Samoa from several Federal agencies.¹¹



Faga’alu is a village located near the center of American Samoa and is home to public parks, the territory’s only hospital, the Samoa Maritime quarry, small businesses, an elementary school, and many families. The sedimentation and debris in this photo are from an underground pipe that leads to the Faga’alu Bay in the Faga’alu watershed, which will be addressed using IRA funding as described in Figure 7 below.

⁸ USGS, *Sea-Level Rise Viewer for American Samoa: A Co-Developed Visualization and Planning Tool*, <https://www.usgs.gov/programs/climate-adaptation-science-centers/science/sea-level-rise-viewer-american-samoa-a-co>.

⁹ National Centers for Environmental Information, *On This Day: 2009 Samoa Islands Tsunami*, <https://www.ncei.noaa.gov/news/2009-Samoa-Tsunami>.

¹⁰ The Digital Accountability and Transparency Act of 2014 (Pub. L. No. 113-101) requires Federal agencies to submit spending data for presentation on USAspending.gov. In November 2021, the U.S. Gov’t Accountability Office issued GAO-22-104702, *Federal Spending Transparency: Opportunities Exist to Further Improve the Information Available on USAspending.gov*, finding that opportunities exist to further enhance the quality of data displayed on the website. The information provided in our current report regarding additional IIJA funding could be incomplete due to issues identified in the above report.

¹¹ White House Fact Sheet, *Investing in America, President Biden’s Bipartisan Infrastructure Law is Delivering in American Samoa*, dated March 2024, <https://www.whitehouse.gov/wp-content/uploads/2023/10/American-Samoa-Fact-Sheet.pdf>.



American Samoa



According to the American Samoa Governor’s Office, wetland restoration is needed to help manage trash and prevent erosion during the rainy season. Mangrove forests can help trap trash flow; however, the destruction of these forests has resulted in waste from upstream flowing down to coastal wetlands and being deposited on the reef. The Wetland and Mangrove Restoration in Leone Village Project will fund crews to remove waste from within the Leone wetlands area (as seen in the photo) with the expectation that this will improve the ecological health of streams, wetland ecosystem, and adjacent coral reefs and coastal environment.

Highlighted Projects

During a site visit to American Samoa in January 2024, we met with American Samoa officials from multiple governmental offices to discuss and visit projects that had been awarded with IIJA Phase 1 and IRA funding. Figure 7 details American Samoa’s IIJA Phase 1 and Phase 2 projects, as well as IRA-funded projects.

NFWF also awarded the American Samoa Department of Marine and Wildlife Resources \$864,300 in DOI ecosystem restoration funds through the America the Beautiful Challenge to create an operational and reforestation plan on Swains Island.

Figure 7: American Samoa’s IIJA Phase 1, IIJA Phase 2, and IRA-Funded Projects

Funding Source/Phase	Project Name/Purpose	Funding
IIJA Phase 1	Wetland and Mangrove Restoration in Leone Village and Agroforestry Plant Giveaway Communicate the importance of restoring wetland ecosystems and mangrove rainforests through replacing disturbed mangrove areas and propagating and distributing fruit trees and native seedlings, in addition to cleaning up the Leone wetlands area.	\$389,025
IIJA Phase 1	Sand and Coral Mining: Revegetation of Native Trees/Plants Identify and restore critical areas to protect key natural resources and promote nature-based restoration strategies to reverse the negative impacts of sand and coral mining.	\$555,765
IIJA Phase 2	Reviving and Restoring Degraded Wetlands in American Samoa Establish healthy wetlands by removing waste and replacing degraded mangrove forest in the Masefau, Aoa, and Alofau Villages.	\$1,097,597
IIJA Phase 2	Creation of Biosecurity Plan Employ a biosecurity scientist to create the island’s first biosecurity plan, as well as attend Regional Biosecurity Training in Guam.	\$376,850
IIJA Phase 2	Village Community Coral Restoration Facilitate and conduct coral restoration activities on Tutuila Island, Ofu Island, and Ta’u Island, which were sand and coral mining locations.	\$324,374
IRA	Sea Level Rise: Outreach, Implementation and Data Outreach Update data, populate information, and increase community awareness regarding sea-level rise; develop a manual describing “Best Management Practices for Shoreline Protection”; and address sedimentation and ecosystem stress by implementing the Faga’alu Watershed Plan.	\$2,800,000
Total		\$5,543,611



Commonwealth of the Northern Mariana Islands

The 14 islands of the CNMI are home to approximately 47,000 people. The CNMI became a U.S. territory in 1975 after it emerged from the Trust Territory of the Pacific Islands, which the United States administered on behalf of the United Nations.¹²

The CNMI receives Federal funding from several U.S. Government agencies in addition to DOI. According to its most recent single audit, the CNMI had expended approximately \$300 million in total Federal funds (see Figure 8), nearly \$13 million of which OIA provided.

Figure 8: CNMI's FY 2020¹³ Single Audit Expenditures by Federal Grantor

Federal Grantor	Total Expenditures
U.S. Department of Labor	\$107,810,368
U.S. Department of Health and Human Services	\$61,913,518
USDA	\$32,434,559
U.S. Department of Homeland Security	\$31,673,304
U.S. Department of Treasury	\$15,945,073
DOI	\$15,907,813
U.S. Department of Commerce	\$9,465,924
U.S. Department of Education	\$5,729,893
U.S. Department of Transportation	\$5,098,516
U.S. Environmental Protection Agency	\$1,759,463
U.S. Department of Justice	\$1,554,983
U.S. Department of Veterans Affairs	\$1,146,731
U.S. Department of Defense	\$921,368
U.S. Department of Energy	\$469,492
U.S. Election Assistance Commission	\$218,295
National Endowment for the Arts	\$213,629
U.S. Small Business Administration	\$101,396
Institute of Museum and Library Services	\$79,636
National Endowment for the Humanities	\$16,695
Total	\$292,460,656

¹² Covenant to Establish a Commonwealth of Northern Mariana Islands in Political Union with the United States of America, Pub. L. No. 94-241, 90 Stat. 263 (1975) (codified at 48 U.S.C. §§ 1801-1846).

¹³ The FY 2020 CNMI single audit is the latest single audit submitted. See Figure 15 for the status of the CNMI's FY 2021, 2022, and 2023 single audits.



Commonwealth of the Northern Mariana Islands



According to the CNMI Department of Lands and Natural Resources (DLNR), the *Macuna Pruriens* vine was introduced on Saipan about 30 years ago. The CNMI DLNR has a hotline for individuals to call if they suspect *Macuna Pruriens* on their land. The CNMI DLNR sprays a pesticide on the *Macuna Pruriens*, which causes the vine to brown and die as seen in the photo; however, according to the CNMI DLNR, because the seeds are spread by the wind, treatment in areas impacted by *Macuna Pruriens* is needed every three months.

IIJA and IRA Funding

The CNMI has received more than \$4.1 million in IIJA and IRA funds from OIA (see Figure 9) and will be able to apply for additional funds as part of IIJA Phase 3 funding starting in FY 2024.

Figure 9: CNMI's IIJA and IRA Funding

Funding	Total Awarded
IIJA Phase 1	\$410,974
IIJA Phase 2	\$975,211
IRA	\$2,786,004
Total	\$4,172,189

Based on information in [USAspending.gov](https://www.usaspending.gov), as of May 2024, the CNMI has received approximately \$26 million in IIJA funding from various Federal agencies. As of March 2024, a total of \$244.5 million

in IIJA funding had been announced for the CNMI from several Federal agencies.¹⁴

Highlighted Projects

During a site visit to the CNMI in November 2023, we met with CNMI Governmental Department officials to discuss and view projects that had been awarded with IIJA Phase 1 and IRA funding. Figure 10 details the CNMI's IIJA Phase 1 and Phase 2 projects, as well as IRA-funded projects.

CRB is native to the tropical regions of Asia and was first introduced to the U.S. territories (specifically, Guam) in 2007. The CRB damages and kills coconut and oil palms and has also been known to attack plants such as banana, sugarcane, papaya, sisal, and pineapple. According to the USDA, the CRB variant discovered in Guam, Hawaii, and the CNMI is resistant to the biological control agent that had historically controlled CRB on the Pacific Islands.

The CNMI DLNR team overseeing CRB detection, eradication, and prevention has caught and destroyed 5,184 CRB from 2020 to 2023—the majority of which were discovered in a new infestation site on Rota in 2020 and 2021.

As larvae, CRB feed on decaying vegetation—primarily dead standing or fallen coconut trees. The CNMI DLNR on Rota use decaying vegetation with a net over top to attract and catch CRB. In the image below, two CRB larvae can be seen inside of a tree stump covered in netting (see inset for closeup).



¹⁴ White House Fact Sheet, *Investing in America, President Biden's Bipartisan Infrastructure Law is Delivering in the Northern Mariana Islands*, dated March 2024, <https://www.whitehouse.gov/wp-content/uploads/2023/10/Commonwealth-of-the-Northern-Mariana-Islands-Fact-Sheet.pdf>.



Commonwealth of the Northern Mariana Islands

Figure 10: CNMI’s Highlighted IJJA Phase 1, IJJA Phase 2, and IRA-Funded Projects

Funding Source/Phase	Project Name/Purpose	Funding
IJJA Phase 1	Coconut Rhinoceros Beetle Detection, Eradication, and Preventative Measures Continue trap screening, debris and overgrowth maintenance, biweekly pesticide application, trap installation and replacement, and surrounding area surveying; engage in public outreach; and collaborate with external partners.	\$280,351
IJJA Phase 1	Macuna Pruriens Eradication Project Use funding for two invasive species field technician jobs to carry out mechanical, chemical, and biological eradication methods and purchase supplies to eradicate the invasive species.	\$130,623
IJJA Phase 2	Invasive Species Coordination and Biosecurity Measures Establish the Tinian invasive species program—collaborate with the Division of Customs and Quarantine Biosecurity to develop more stringent pre-border policies and processes and employ a data analyst to prepare map products of site infestations, fieldwork efforts, and CRB information.	\$335,318
IJJA Phase 2	Revegetation of Abandoned Quarries with Native Vegetation Conduct an assessment of select inactive quarries on Saipan, Tinian, and Rota to determine best approaches towards restoring the quarries to more productive and meaningful purposes to the community.	\$320,326
IJJA Phase 2	Propagation and Restoration of Native Plants on CNMI Conserve and restore the function and integrity of the plant ecosystems, improve climate resilience, and respond to invasive species.	\$319,567
IRA	Jeffrey’s Beach Habitat Restoration and Public Access Enhancement Design an Americans with Disability Act-compliant boardwalk to prohibit vehicle access to effectively allow vegetation to recover and stabilize the degraded road to reduce sediment runoff.	\$935,119
IRA	CNMI Stormwater Management Plan 2023 Update the CNMI <i>Stormwater Management Manual</i> (created in 2006) with the aim to employ a comprehensive approach that addresses issues and recommends best management practices for the three main inhabited islands of the CNMI—Saipan, Tinian, and Rota.	\$540,423
IRA	Tanapag Beach Park Climate Change Adaptation Design a more resilient park using low-impact development to control stormwater drainage, protect the shoreline from erosion, and improve the habitat by strategically positioning native plantings.	\$333,971
IRA	CNMI Home Gardens – A Food Security Initiative Promote food security for families on island communities through innovative ways to increase food production and diversity of food sources.	\$338,131
IRA	Lower Base Lift Station Pollution Prevention Improve stormwater management in the lower base park to reduce flooding and control pollution by replacing a main culvert, conducting streambank stabilization, and developing a stormwater pollution prevention plan.	\$267,177
IRA	“Ta Tanom: Let’s Plant” Educate and empower the communities on Rota regarding the importance of food security by reintroducing and reestablishing subsistence farming practices including backyard gardens and small-scale poultry operations.	\$230,914
IRA	Improving Stormwater Infrastructure at Public Schools Reduce stormwater runoff flooding at two public schools on Saipan— Tanapag Middle School and Gregorio T. Camacho Elementary—by improving existing infrastructure and providing prominent demonstrations of best management practices for the community.	\$140,269
Total		\$4,172,189



Guam is home to approximately 154,000 people. Guam became a U.S. territory in 1898 and the Guam Organic Act of 1950 granted U.S. citizenship on Guamanians. That Act also transferred the general administrative supervision of Guam from the U.S. Navy to DOI.¹⁵

Guam receives Federal funding from several U.S. Government agencies in addition to DOI. According to its most recent single audit, Guam had expended nearly \$750 million in total Federal funds (see Figure 11), approximately \$26 million of which OIA provided.

Figure 11: Guam’s FY 2022 Single Audit Expenditures by Federal Grantor

Federal Grantor	Total Expenditures
U.S. Department of Health and Human Services	\$237,636,455
U.S. Department of Treasury	\$219,940,857
USDA	\$169,594,917
DOI	\$29,192,375
U.S. Department of Transportation	\$26,760,212
U.S. Department of Education	\$21,074,370
U.S. Department of Defense	\$15,770,200
U.S. Department of Labor	\$8,986,059
U.S. Department of Homeland Security	\$6,924,077
U.S. Department of Justice	\$6,037,655
U.S. Environmental Protection Agency	\$2,618,859
U.S. Department of Commerce	\$2,325,647
Corporation for National and Community Service	\$1,736,055
National Foundation of Arts and Humanities	\$739,998
U.S. Department of Energy	\$583,692
Total	\$749,921,428



The U.S. Army Corps of Engineers issued the *Guam Comprehensive Flood Study* final report in March 2020 and the *Hagatna River Flood Hazard Study* in August 2020. The reports provided flood frequency estimates on streams on Guam and updated floodplain maps of Hagåtña, Guam. Guam received IRA funding to perform mitigation work to address flood hazards for three of the rivers. According to the *Guam Comprehensive Flood Study*, a two-year flood event would cause marginal flooding to residential properties upstream and downstream of the bridge, but the water would not rise over the top of the Umatac Bridge (bridge seen in the photo looking upstream); a five-year flood event would cause moderate-to-significant flooding of the residential properties; and in a 100-year flood event the water would rise above the top of the bridge itself.

¹⁵ The Guam Organic Act of 1950 (codified at 48 U.S.C. §§ 1421-1428e).



OIA provided grant funds in 2021 to initiate the Guam Department of Agriculture biosecurity dog detector program. As a result of the funding, the Guam Department of Agriculture Biosecurity Division team sent employees to training at the USDA’s National Detector Dog Training Center, constructed kennel facilities, sourced dogs, and trained dogs in CRB breeding site detection. As seen in the video, a CRB detection dog and handler performed a demonstration of the dog’s ability to detect CRB (using an enclosed trap shown in the image) on vehicles during our site visit. In August 2023, while conducting a routine search of exports, one of the detector dogs found a live CRB on a vehicle bound for the Republic of the Marshall Islands.



IIJA and IRA Funding

Guam has received approximately \$2.9 million in IIJA and IRA funds from OIA (see Figure 12) and will be able to apply for additional funds as part of IIJA Phase 3 funding starting in FY 2024.

Figure 12: Guam’s IIJA and IRA Funding

Funding	Total Awarded
IIJA Phase 1	\$167,815
IIJA Phase 2	\$0
IRA	\$2,764,000
Total	\$2,931,815

Based on information in USAspending.gov, as of May 2024, Guam has received approximately

\$111 million in IIJA funding from various Federal agencies. As of March 2024, a total of \$362.4 million in IIJA funding had been announced for Guam from several Federal agencies.¹⁶

Highlighted Projects

During a site visit to Guam in November 2023, we met with Guam Governmental Department officials to discuss and view projects that had been awarded with IIJA Phase 1 and IRA funding. Figure 13 details Guam’s IIJA Phase 1 and IRA-funded projects.

NFWF has awarded \$5,167,300 in DOI ecosystem restoration funds to entities on Guam through the America the Beautiful Challenge (see Figure 14 on the next page).

Figure 13: Guam’s IIJA Phase 1 and IRA-Funded Projects

Funding Source/Phase	Project Name/Purpose	Funding
IIJA Phase 1	Guam Coconut Rhinoceros Beetle Pesticide Tree Injection Program	\$167,815
	Inject pesticides into palms at the Port Authority of Guam (a commercial seaport) and the A.B. Wonpat Guam International Airport to mitigate the risk of CRB spreading throughout the Micronesia region.	
IRA	Southern Guam Flood Mitigation Project Conduct regular pre-storm cleaning maintenance by removing sediment shoals under and near the Umatac Bridge, which will increase the Umatac River channel’s ability to convey floodwater and reduce the bridge’s risk of overtopping. Address flood hazards by adding bank protection to the road and banks near Namu Falls Park Street.	\$1,789,000
IRA	Hagatna River Feasibility Study Develop solutions to mitigate flooding and reduce flood damage due to inclement weather and annual storms within the identified 100-year flood zone.	\$975,000
Total		\$2,931,815

¹⁶ White House Fact Sheet, *Investing in America, President Biden’s Bipartisan Infrastructure Law is Delivering in Guam*, dated March 2024, <https://www.whitehouse.gov/wp-content/uploads/2023/10/Guam-Fact-Sheet.pdf>.



Figure 14: NFWF Ecosystem Restoration Funds Awarded to Guam

Recipient	Project Description	Funding
Guam Department of Agriculture	Enhance 100 acres of low-value habitat to reduce hazardous wildfire fuel loads, thin acacia nurse trees, underplant native vegetation, and continue a community-backed restoration and resilience project in the village of Malessso.	\$1,726,700
	Reestablish connectivity of intact native habitats previously degraded by anthropogenic disturbance (including fires, clearing, and off-roading) that allowed the establishment of non-native plants.	\$1,096,700
	Eradicate the little fire ant species within priority sites on Guam where treatment will support military missions, protect at-risk species, address community concerns, and protect local industry, including subsistence and small scale agriculture.	\$1,006,300
	Collaborate with partners to use existing trapping technology, veterinary management techniques, and other eradication methods to remove invasive and feral species from forested ecosystems and nearby communities.	\$750,000
Guam Community College	Develop indigenous methodologies and capacity to navigate the threats to biodiversity and advance restoration efforts in the Mariana Islands.	\$587,600
Total		\$5,167,300

The Guam Biosecurity Division team overseeing CRB has caught 15,585 CRB from 2020 to 2023 in traps placed at Guam’s ports of entry; specifically, a commercial seaport and airport. The CRB were either destroyed or used for a rearing project to test biocontrol, as targets for biosecurity dogs, or for genetic tests. According to a University of Guam assistant professor, a study using artificial intelligence image recognition software and roadside surveys showed approximately 25 percent of the island’s coconut trees had some current visible CRB damage in the leaves and fronds.





Risk Areas

DOI faces inherent challenges in administering and overseeing IJA and IRA grant funds awarded to the Pacific territories due to their remote location and the unique relationship between the Federal Government and the territories. For decades, our work has identified risks related to financial assistance agreements, such as a lack of monitoring and late or absent single audit reporting, that are equally applicable to IJA and IRA grant funds. Additionally, the territories do not always have the ability to obtain the data that Federal agencies need to make funding decisions. For example, territories are unable to prove eligibility for disadvantaged status¹⁷ to receive additional funding.

In addition, ecosystem restoration funding in the IJA was not limited to DOI—significant funding was also provided to other Federal agencies. Without coordination and collaboration, DOI risks duplicating ecosystem restoration efforts where IJA projects overlap. The ecosystem restoration funding provided in the IRA also has the potential to overlap with IJA funding.

Lack of Robust Monitoring Capability

Based upon our own audits and evaluations, as well as our review of the single audits performed by independent auditing firms, we have identified areas where improved monitoring should be put in place to better protect Federal funds. This is due, in part, to the challenges facing the oversight officials and auditors, including lack of experienced staff and data access or availability issues.

Previous OIG Findings

Over the past 10 years, we have conducted 10 audits and evaluations related to Guam, American Samoa, and CMNI. These projects have collectively identified weaknesses with grant compliance. For example, we recently issued an audit of costs claimed by Guam's Department of Agriculture, Division of Aquatic and Wildlife Resources, under grants the U.S. Fish and Wildlife Service (FWS) awarded through the Wildlife and Sport Fish Restoration Program (WSFR).¹⁸ We reported issues regarding unsupported drawdowns, insufficient equipment management, late submission of Federal Financial Reports, indirect cost reporting, and subaward regulations and reporting. We had three similar findings in our 2012 and 2018 WSFR audit reports for Guam.¹⁹ Likewise, during our most recent audit of the American Samoa Department of Marine and Wildlife Resources under grants FWS awarded through WSFR,²⁰ we reported issues with ineligible other direct costs, unsupported costs related to leave payouts, improper drawdowns, and late submission of Federal Financial Reports.

¹⁷ According to Executive Order No. 14008, *Tackling the Climate Crisis at Home and Abroad*, 86 Fed. Reg. 7619 (Feb. 1, 2021), disadvantaged communities are "historically marginalized and overburdened by pollution and underinvestment in housing, transportation, water and wastewater infrastructure, and health care." <https://www.govinfo.gov/content/pkg/FR-2021-02-01/pdf/2021-02177.pdf>.

¹⁸ *U.S. Fish and Wildlife Service Grants Awarded to the Guam Department of Agriculture, Division of Aquatic and Wildlife Resources, From October 1, 2018, Through September 30, 2020, Under the Wildlife and Sport Fish Restoration Program* (Report No. 2022-CR-008), issued June 2023, available at https://www.doi.gov/sites/default/files/2021-migration/Final%20Audit%20Report_WSFR_Guam_Public.pdf.

¹⁹ *U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Government of Guam, Department of Agriculture, From October 1, 2009, Through September 30, 2011* (Report No. R-GR-FWS-0012-2012), issued November 2012, available at <https://www.doi.gov/sites/default/files/2021-migration/R-GR-FWS-0012-2012Public.pdf>.

U.S. Fish and Wildlife Service Wildlife and Sport Fish Restoration Program Grants Awarded to the Government of Guam, Department of Agriculture, From October 1, 2014, through September 30, 2016 (Report No. 2017-EXT-006), issued March 2018, available at https://www.doi.gov/sites/default/files/2021-migration/FinalAudit_FWSGuam_032618.pdf.

²⁰ *U.S. Fish and Wildlife Service Grants Awarded to the American Samoa Department of Marine and Wildlife Resources, From October 1, 2016, Through September 30, 2018, Under the Wildlife and Sport Fish Restoration Program* (Report No. 2019-WR-028), issued March 2021, available at <https://www.oversight.gov/sites/default/files/oig-reports/DOI/FinalAuditWSFRASGPublic.pdf>.



Risk Areas

We also reviewed other Pacific Island programs in which we found a lack of internal controls. For example, during an evaluation of Guam’s Department of Public Works (DPW) school bus operations program,²¹ we found DPW did not properly plan for its bus maintenance and replacement needs, DPW had no reserve fleet in case of breakdowns or emergencies, and satellite bus stations were in poor structural condition. During an audit of American Samoa’s Government-owned and -leased vehicles,²² we found a lack of internal controls throughout 16 of 17 separate Government branches.

Late or Absent Single Audits

Every year that Federal expenditures exceed \$750,000, each territory is required to submit to the Federal Audit Clearinghouse a single audit—an audit of the territory’s financial statements and a Schedule of Expenditures of Federal Awards—within nine months after the end of the period audited. Single audits also provide information to assist agencies in tracking award expenditures, assessing awardees’ ability to effectively manage Federal funds, and ensuring awardees take corrective actions to address audit findings. Awarding agencies

may use the results of single audit reports to plan oversight efforts such as site visits and other post-award monitoring.

Delinquent or unsubmitted single audits can be indicative of:

- Financial mismanagement and challenges in accurately tracking and reporting financial data.
- Compliance concerns, potential noncompliance issues, or difficulties in meeting regulatory obligations.
- Resource constraints such as staffing shortages or lack of expertise.

When single audits are delinquent or missing, the grantor does not have the most current financial information available for decision making, which impacts its ability to determine appropriate risk for respective programs and the territories.

As detailed in Figure 15 below, CNMI has been delinquent in submitting its single audits since 2019, and Guam was delinquent in 2019, 2021, 2022, and 2023.²³

Figure 15: CNMI and Guam’s Single Audit Submission Dates FYs 2019-2023 (as of July 31, 2024)

FY	Year End	Due Date	CNMI		Guam	
			Date Submitted	No. Days Late	Date Submitted	No. Days Late
2019	09/30/2019	06/30/2020	05/03/2021	307	09/08/2020	70
2020	09/30/2020	06/30/2021	01/30/2023	579	06/30/2021	0
2021	09/30/2021	06/30/2022	Not Submitted	762	07/18/2022	18
2022	09/30/2022	06/30/2023	Not Submitted	397	11/30/2023	153
2023	09/30/2023	06/30/2024	Not Submitted	31	Not Submitted	31

²¹ *Guam School Bus Transportation Program* (Report No. 2015-CR-031), issued August 2016, available at <https://www.doioig.gov/sites/default/files/2021-migration/2015CR031Public.pdf>.

²² *The American Samoa Government’s Executive Branch Did Not Have Effective Internal Controls for Government-Owned and -Leased Vehicles* (Report No. 2017-WR-056), issued September 2018, available at https://www.oversight.gov/sites/default/files/oig-reports/FinalAudit_ASGVehicles_Public.pdf.

²³ The single audits for American Samoa were received by the established due dates; however, the 2020 single audit was submitted 12 days late.



Risk Areas

The CNMI's most recently completed single audit identified more than 60 findings, including 40 Federal award findings related to 8 Federal agencies that resulted in \$47.87 million in questioned costs. Additionally, the single audit found significant noncompliance in 4 of the 12 major Federal programs tested, resulting in the auditors issuing qualified opinions for those programs²⁴—one of which was DOI's largest grant program for the territories, "Economic, Social, and Political Development of the Territories." All of the CNMI's IRA funding from OIA and some of its IJJA funding are provided through this grant program. The single audit identified a lack of compliance with Federal grant regulations for "Equipment and Real Property Management," "Subrecipient Monitoring," and "Special Tests and Provisions - Grant Terms and Conditions." The CNMI's 2021 and 2022 outstanding audits are significantly overdue, which is a cause for concern because late audits demonstrate financial mismanagement and noncompliance.

Guam's most recently completed single audit identified more than 30 findings, including over 20 Federal award findings related to 6 Federal agencies that resulted in \$11.17 million in questioned costs. Additionally, the auditor found significant noncompliance in 10 of the 17 major Federal programs tested, resulting in the auditor issuing qualified opinions for those programs—one of which was DOI's largest program for the territories, "Economic, Social, and Political Development of the Territories." All of Guam's IRA funding and some of its IJJA funding are provided under this grant program. The single audit identified a lack of compliance with Federal grant regulations for equipment and real property management, procurement, and suspension and debarment.

Data Availability

As described below, the lack of available data regarding the environmental and socioeconomic

burdens faced by the territories poses a significant challenge for OIA—namely, that OIA may have to make funding decisions about projects without complete and accurate data.

The U.S. Government Accountability Office (GAO) recently issued a report on gaps in Federal data for the U.S. territories (including American Samoa, the CNMI, and Guam) and concluded that geography, cost, and technical issues can cause these gaps.²⁵ Other factors that contribute to data gaps include differing or ambiguous statutes governing agencies collecting data and small populations that can create confidentiality concerns. These gaps can hinder the understanding of the conditions and the needs of the territories.

According to GAO, the territories have mitigated data gaps through local collection. Also, DOI provided more than \$48 million²⁶ in TAP funds from 2019 through 2023, and the territories used some of these funds for improving data statistical collections. According to OIA, approximately \$4.4 million was spent on data collections for Guam, the CNMI, and American Samoa. In its 2024 report, GAO recommended that "OMB develop a coordinated, government-wide approach for federal statistical agencies to use, in consultation with the territories and stakeholders, to examine the costs, benefits, and feasibility of including territories in statistical products and, as appropriate, identify ways to address any data gaps."

The lack of data for the territories is particularly problematic in the context of recent Governmentwide requirements. In February 2021, the President issued Executive Order No. 14008, which established the Justice40 Initiative and directed agencies to ensure the delivery of at least 40 percent of the overall benefits from certain Federal investments to disadvantaged communities.

²⁴ According to the American Institute of Certified Public Accountants Audit Guide, *Government Auditing Standards and Single Audits*, April 1, 2022, an auditor reports a qualified opinion on compliance when the auditee did not comply, in all material respects, with applicable requirements regarding major Federal programs.

²⁵ GAO-24-106574, *Coordinated Federal Approach Needed to Better Address Data Gaps* (2024), <https://www.gao.gov/assets/gao-24-106574.pdf>.

²⁶ We focused this report on OIA's IJJA and IRA funding to the Pacific Islands and not the U.S. Virgin Islands, thus reducing the amount in GAO's report from nearly \$62 million to more than \$48 million.



Risk Areas

A Federal program falls within the scope of the Justice40 Initiative if it makes investments in one or more of the following seven areas:

- Climate change
- Clean energy and energy efficiency
- Clean transportation
- Affordable and sustainable housing
- Training and workforce development
- Remediation and reduction of legacy pollution
- Development of critical clean water and waste infrastructure

In July 2021, OMB published interim implementation guidance for the Justice40 Initiative.²⁷ In February 2022, the Council on Environmental Quality released a beta version of the Climate and Economic Justice Screening Tool (CEJST). The CEJST website states that the tool uses certain datasets to identify disadvantaged communities that will benefit from programs included in the Justice40 Initiative.²⁸ In January 2023, OMB issued an addendum to the interim guidance that focused on how agencies should use CEJST.²⁹

The CEJST uses certain datasets as indicators of environmental, climate, and socioeconomic burdens that may affect communities and individuals. Within CEJST, these burdens are organized into eight categories; however, data for the territories is not included for seven of these categories (see Figure 16). For example, the climate change category identifies communities as disadvantaged if they are located within census tracts that meet certain percentile thresholds for datasets, such as expected agriculture loss rate, expected population loss rate, or projected wildfire risk.³⁰ During a presentation to the Interagency Group on Insular Affairs on data challenges in identifying disadvantaged communities in the territories, a DOI OIA Economist noted that the methodology for the categories of burdens in the CEJST does not have data available to identify the

territories as disadvantaged. The DOI OIA Economist also noted that of the 32 underlying datasets in the CEJST, only 6 are available for the territories.

Figure 16: Data Available To Identify Disadvantaged Communities in CEJST

Category of Burden	Data Available?
Climate Change	No
Energy	No
Health	No
Housing	No
Legacy Pollution	No
Transportation	No
Water and Wastewater	No
Workforce Development	Yes

The lack of available data may affect the CEJST’s ability to accurately identify disadvantaged communities within the territories, which may result in funding decisions that have not appropriately considered demographics when reviewing proposed projects in the territories. This means that the CEJST may not be identifying the territories as disadvantaged despite OIA’s knowledge of conditions in the territories that indicate being disadvantaged. To address this issue, DOI has issued an exception and identified optional alternative data sources for DOI bureaus and offices to consider instead of the CEJST. For example, because the U.S. Census Bureau does not have low-income data available for the territories (this data is commonly used to determine whether income meets eligibility criteria), DOI has suggested using the U.S. Census Bureau Island Areas Census from 2020 to track median family income within the poverty threshold. DOI has made this alternative dataset available to its grant officials.

In addition, DOI told us it is working with the Council on Environmental Quality to achieve a more equitable identification of disadvantaged communities using the best science available, which should benefit the territories.

²⁷ OMB Memorandum M-21-28, *Interim Implementation Guidance for the Justice40 Initiative*, issued July 20, 2021.

²⁸ Climate and Economic Justice Screening Tool, *About*, <https://screeningtool.geoplatform.gov/en/about#3/33.471-97.5>.

²⁹ OMB Memorandum M-23-09, *Addendum to the Interim Implementation Guidance for the Justice40 Initiative, M-21-28, on using the Climate and Economic Justice Screening Tool (CEJST)*, issued January 27, 2023.

³⁰ Climate and Economic Justice Screening Tool, *Methodology*, <https://screeningtool.geoplatform.gov/en/methodology>.



Scope and Methodology

We conducted our inspection in accordance with the *Quality Standards for Inspection and Evaluation* as put forth by the Council of the Inspectors General on Integrity and Efficiency. To accomplish our objectives, we reviewed prior work related to the three territories, including Federal single audits, DOI OIG reviews, GAO reviews, and other Federal agency reviews; identified risk areas from prior audits and evaluations and data availability; obtained an understanding of criteria, laws, regulations, and grants; gathered data for significant IJJA and IRA projects with DOI bureaus and offices; observed project sites and project execution; discussed program details with Pacific territory officials to determine how they plan to spend funds; and obtained an understanding of DOI bureau and office programs.

LOOKING AHEAD

Given the large amount of funding that is being distributed, there is an increased risk of fraud and misuse. Our planned oversight efforts of the Pacific territories' IJJA and IRA funds include the following:

- We will conduct IJJA and IRA outreach and review contract and grant cost oversight and compliance with Federal regulations, award terms, and the IJJA and IRA.

To prevent and identify fraud, waste, and abuse, our office anticipates that we will regularly:

- Host discussions and provide training to DOI employees, grant recipients, and contractors.
- Enhance detection through data analysis and the development of sources of investigative information.
- Improve oversight through focused training of investigators, auditors, and inspectors.
- Coordinate oversight efforts throughout the Inspector General community and share results, trends, and best practices.

Photo Sources

p. 1: Lance Schroeder/Wirestock Creators/stock.adobe.com; p. 4: romaset/stock.adobe.com; pp. 2, 7, 8, 10, 12, and 13: OIG; p. 14: zucker66/stock.adobe.com; p. 19: Mindscape studio/shutterstock.com.



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

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.

WHO CAN REPORT?

Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement involving 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 OIG, and the information they share can lead to reviews and investigations that result in accountability and positive change for 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. Specifically, 5 U.S.C. § 407(b) 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.

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