

PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE

Semiannual Report to Congress

OCTOBER 1, 2022 - MARCH 31, 2023



Message from the Chair

It is my privilege to present the Pandemic Response Accountability Committee's (PRAC) spring 2023 Semiannual Report to Congress. This report covers the PRAC's accomplishments during the October 1, 2022–March 31, 2023 reporting period. In the more than 3 years since the onset of the pandemic and the PRAC's creation in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, our mission to promote transparency and coordinate oversight of the federal government's COVID-19 pandemic response remains more critical than ever.

In this semiannual report, you will find updates on our major initiatives, including:

- Investigations, reports, and alerts that focus on fraud, waste, and abuse in the use of the federal pandemic funds;
- Major projects and initiatives that promote our oversight and collaboration goals and advance the entire federal oversight community; and
- Key metrics and indicators that highlight our operational efficiency and effectiveness.

Congress, the public, and other stakeholders continue to use the oversight work of the PRAC and its Office of Inspectors General (OIG) partners to understand and address the various challenges caused by the pandemic. In February 2023, I testified along with other federal oversight leaders before the [House Committee on Oversight and Accountability](#) and the [House Committee on](#)

[Ways and Means](#) and shared the benefits of using advanced data analytics to identify fraud in pandemic relief programs. I also encouraged Congress to make our Pandemic Analytics Center of Excellence (PACE) permanent as a tool to help watchdogs oversee all federal spending, including future emergency relief and recovery programs.

The PACE is demonstrating a significant return on investment. During the reporting period, we issued a [Fraud Alert](#) in which the PACE and its team of data scientists identified more than 69,000 questionable Social Security Numbers (SSNs) that were used to obtain \$5.4 billion in potentially fraudulent pandemic loans.

Transparency into pandemic spending remains a cornerstone of our efforts. To this end, the PRAC has developed over [130 interactive data visualizations](#), including web pages detailing pandemic funding provided to [state governments and U.S. territories](#).

Moreover, an agile approach to oversight is critical given the speed with which relief money was distributed during the throes of the pandemic. In January 2023, the PRAC hosted over 1,500 oversight professionals at our Agile Oversight Forum where we discussed agile strategies that watchdogs can use to quickly share concerns with policymakers, Congress, and the public.

Our collaboration with our oversight partners extends to the production of high-impact, cross-agency insight reports. In December 2022, we

released our [report](#) on the impact of expanded telehealth and its use across health benefit programs administered by six federal agencies. We also continue to promote coordination with our investigative partners to support a whole-of-government response to fighting pandemic fraud, including our participation in the Department of Justice’s COVID-19 Fraud Enforcement Task Force.

Separately, the PRAC’s Fraud Task Force benefits from the efforts of 53 criminal investigators from across the federal government on a variety of criminal cases to track down hundreds of millions of dollars in stolen federal pandemic funds. In November 2022, the Task Force’s first case to go to trial resulted in a conviction of an individual for attempting to obtain more than \$10 million in pandemic relief, resulting in more than \$1 million in fraudulent disbursements. With the statute of limitations to pursue fraud in certain pandemic small business loan programs extended by Congress during the last reporting period, our investigators and partners are empowered to continue pursuing similar cases.

We continue to advocate for legislative proposals that support similar statute of limitation extensions for other pandemic programs, like the new pandemic-related unemployment insurance (UI) programs. Currently, the five-year statute of limitations for many pandemic-related UI fraud investigations will expire in 2025.

Additionally, we support recent efforts from Congress to help OIGs administratively recover fraudulently diverted tax dollars by amending the Program Fraud Civil Remedies Act to raise the jurisdictional limit for administrative recoveries of “smaller” false or fraudulent claims. In March 2023, the Senate passed S. 659, a bill co-sponsored by Senators Grassley and Durbin, that would increase the maximum amount of a fraud claim that can be pursued administratively from \$150,000 to \$1 million.

During this reporting period, the PRAC continued to provide critical insights on high-impact areas while strengthening our partnerships and collaboration across the oversight community. These efforts help identify fraud, waste, and abuse that has already occurred while creating a blueprint for helping prevent it in the future.

I hope you find this Semiannual Report insightful.



The Honorable Michael E. Horowitz
Chair, PRAC
Inspector General, U.S. Department of Justice

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Highlights

Oversight Reports



19

Offices of Inspectors General



50

Oversight reports



101

Recommendations

PRAC Fraud Task Force



53

Task Force Agents



\$9M

Stolen funds identified
in six Fraud Task
Force cases.

Website



12

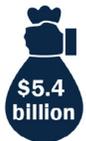
New data & feature stories



130

New data visualizations

PRAC Initiatives



\$5.4B

In potential fraud identified
in one fraud alert.



32

State and local reports
added to our website.



1,700+

Attendees at PRAC
virtual events.



2

Congressional testimonies

Background

Established in March 2020 by the CARES Act, the PRAC is a Committee of the Council of the Inspectors General on Integrity and Efficiency (CIGIE). CIGIE is an independent entity established within the executive branch by the Inspector General Act of 1978, as amended, whose membership includes the 75 statutorily created federal Inspectors General (IGs).

The CARES Act identifies IGs from nine agencies as statutory members of the PRAC. The Chair can designate additional IGs to serve on the Committee from any agency that receives pandemic funds or is involved in the federal government’s response to the COVID-19 pandemic. The IGs serving on the Committee continue to perform their IG duties.

The PRAC is comprised of 20 IGs (see PRAC membership below). We are staffed by a full-time Executive Director and 68 employees distributed across seven directorates: Oversight & Accountability, Outreach & Engagement, Transparency, Chief Information Officer, Chief Counsel, Chief Data Officer, and Chief Management Officer.

The PRAC promotes transparency and provides Congress and the public with objective, reliable information about the \$5 trillion in pandemic relief dollars at [PandemicOversight.gov](https://www.pandemicoversight.gov). We also work with IGs to recommend program improvements, refer matters for criminal investigations, and identify misspent funds for recovery.

PRAC Membership

Name	Department or Agency OIG
Michael E. Horowitz, Chair	Department of Justice
Paul K. Martin, Vice Chair	National Aeronautics and Space Administration
Phyllis K. Fong	Department of Agriculture
Robert P. Storch	Department of Defense
Sandra D. Bruce	Department of Education
Christi A. Grimm	Department of Health and Human Services
Joseph Cuffari	Department of Homeland Security
Rae Oliver Davis	Department of Housing and Urban Development
Mark Lee Greenblatt	Department of the Interior
Larry D. Turner	Department of Labor
Eric J. Soskin	Department of Transportation
Richard Delmar	Department of the Treasury
Michael J. Missal	Department of Veterans Affairs
Tyler Smith	Federal Deposit Insurance Corporation
Mark Bialek	Federal Reserve Board / Consumer Financial Protection Bureau
Allison C. Lerner	National Science Foundation
Hannibal “Mike” Ware	Small Business Administration
Brian D. Miller	Special Inspector General for Pandemic Recovery
J. Russell George	Treasury Inspector General for Tax Administration
Tammy Whitcomb Hull	U.S. Postal Service

The PRAC released its Strategic Plan for 2020 through 2025 in July 2020. The plan identified four goals to carry out the PRAC’s mission and vision (see Figure 1). These goals are not mutually exclusive – audits, investigations, reviews, and other activities may meet more than one goal.

MISSION

To serve the American public by promoting transparency and the coordinated oversight of the federal government’s coronavirus response to prevent and detect fraud, waste, abuse, and mismanagement and mitigate major risks that cross program and agency boundaries.

VISION

Sound stewardship of taxpayer funds and an effective and efficient coronavirus response across the federal government, the oversight of which will be data-driven, risk-focused, and technology-enabled.

GOALS

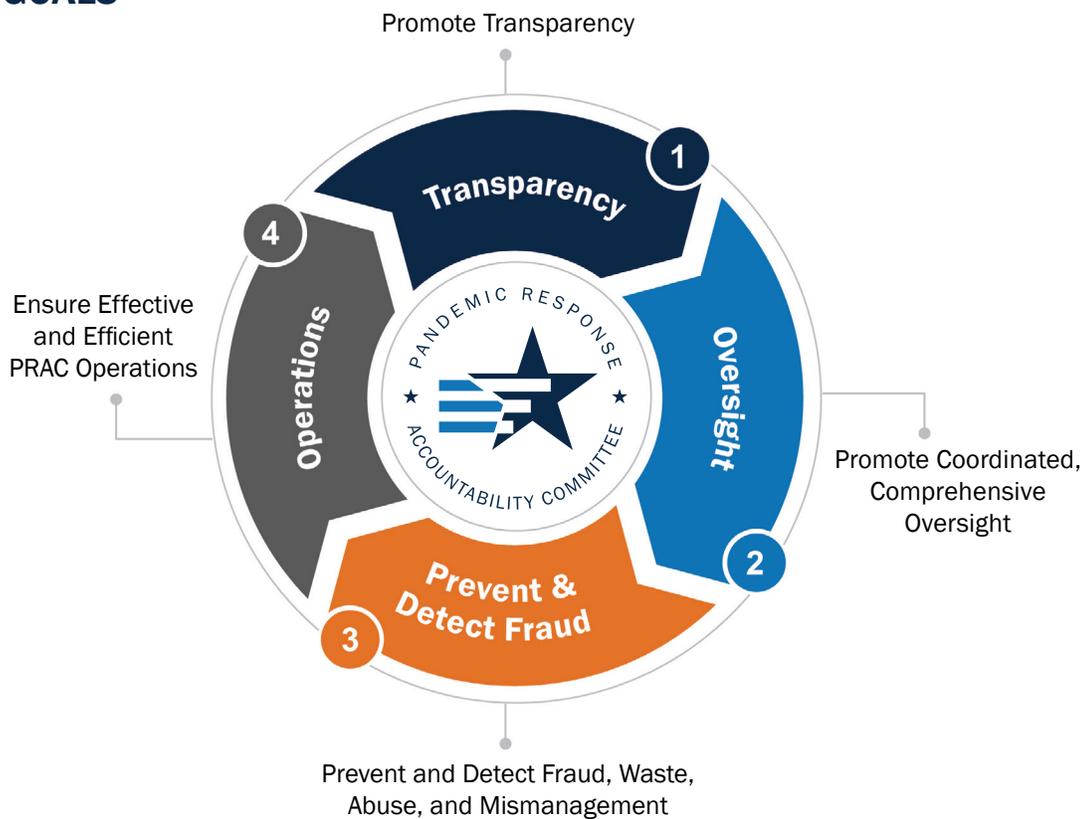


Figure 1. PRAC Mission, Vision, and Goals.

PRAC Accomplishments

The PRAC was established to serve the American public by promoting transparency and facilitating coordinated oversight of the federal government’s COVID-19 pandemic response and associated spending. Our goals are to detect fraud, waste, abuse, and mismanagement and to identify and mitigate major risks that cross program and agency boundaries. We aim to serve as the eyes and ears of the American public, monitoring the government’s pandemic response spending and reporting accessible, timely, accurate, and comprehensive data that can be translated into actionable insights. The following figure depicts the goals set out in our Strategic Plan for 2020 through 2025 and key accomplishments we have achieved during this reporting period, as aligned with the PRAC’s mission and vision.

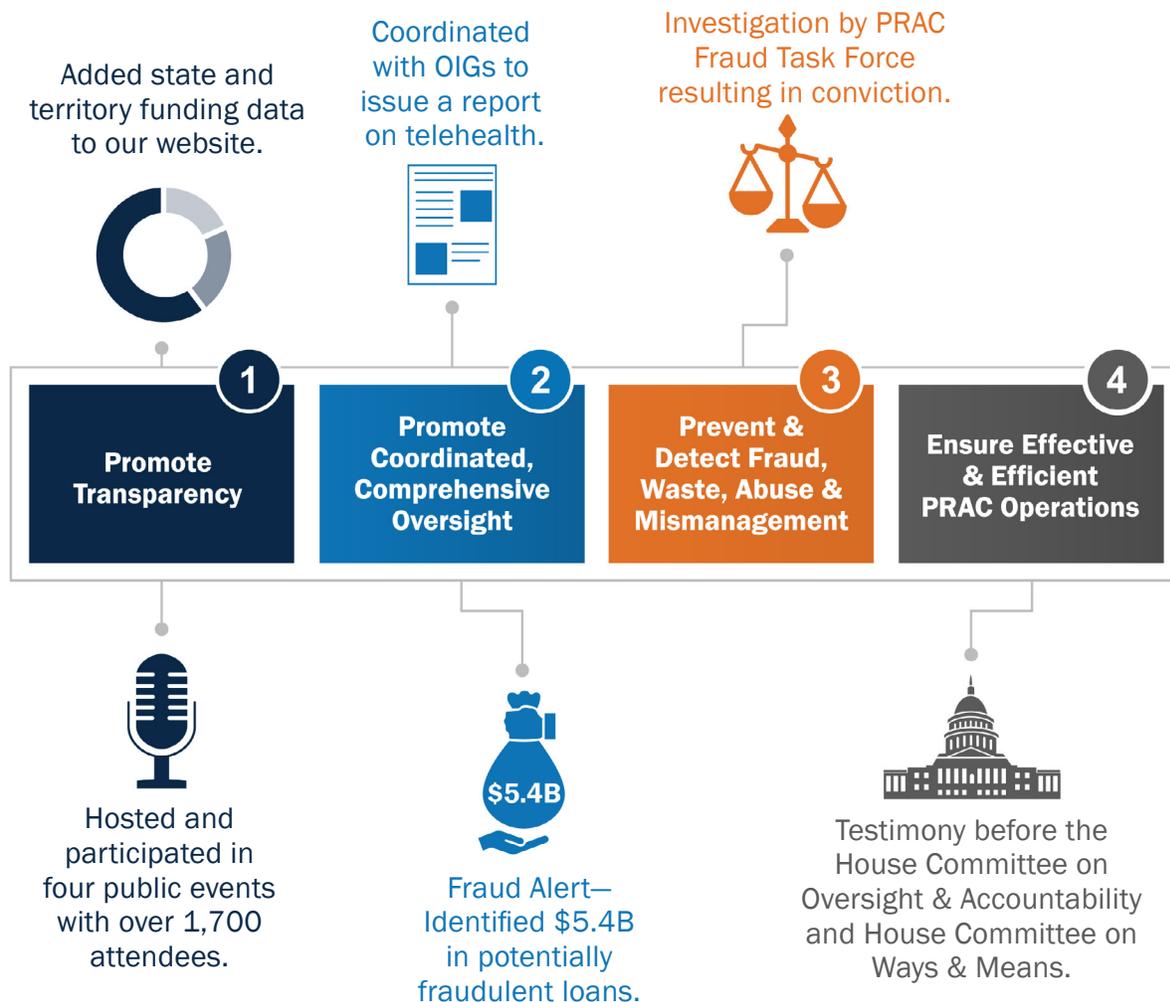


Figure 2. PRAC Goals.

Goal One – Promote Transparency

Provide the Public with Timely Data and Information on Covered Funds and the Coronavirus Response

Transparency is central to the PRAC’s mission, and we remain committed to delivering timely spending information and easily accessible resources to the public. Our website, [PandemicOversight.gov](https://pandemicoversight.gov), has used approximately 34 million rows of data to produce tools and accessible dashboards that allow the public to explore how much federal pandemic funding has been allocated and spent by different states and programs.

Since October 2022, we have added 130 [new interactive data visualizations](#) and published 12 new [data and feature stories](#) that provide insight into a variety of topics including demographic data on the [Homeowner Assistance Fund](#), the amounts received and spent by recipients in each state for [veteran programs](#), and potential fraud found within the [Employee Retention Credit](#).

Our 58 state and territory web pages break down [how much each state and U.S. territory received in funding](#) for pandemic-related programs, investigative results by state, and oversight reports issued by state and local auditors. These web pages allow users to quickly search and understand total funding obligated and spent by state and the top five pandemic programs within each state and territory.

Relatedly, during this reporting period, [32 new reports issued by state and local oversight agencies](#) also became available on our website. We will continue to add more as they are published so the public and policymakers can see the full inventory of what federal, state, and local oversight agencies are finding in their oversight of the pandemic response.

We recognize the importance of engaging directly with the public through panels and educational events that facilitate discussions on transparency and sound stewardship of funds.

State and territory funding data added to our website.

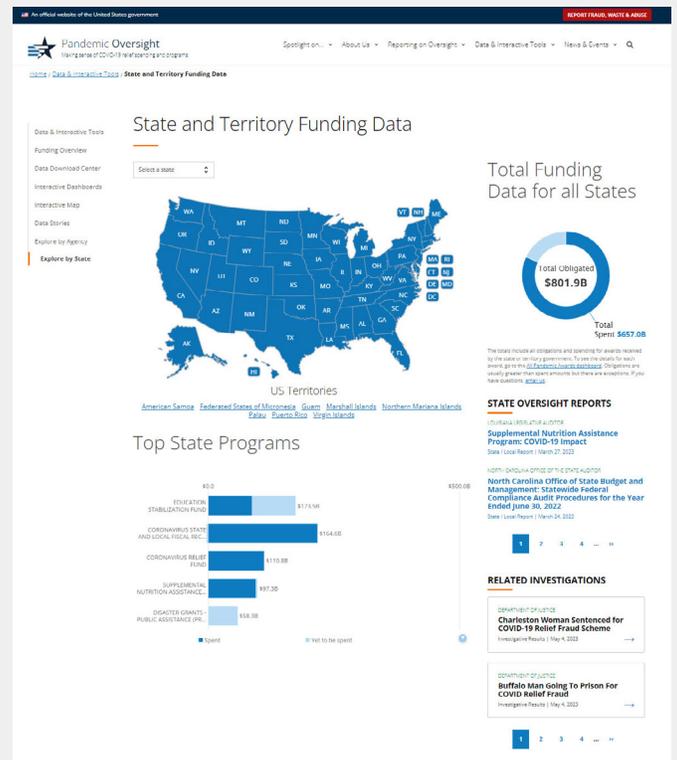


Figure 3. State and territory funding data website page.

- In October 2022, we participated in a policy hackathon sponsored by the Massachusetts Institute of Technology that gave 250 students from 46 different countries the opportunity to develop creative policy solutions to complex issues, such as delivering rent relief during a national crisis.
- In December 2022, we co-hosted [a virtual roundtable discussion](#) with the National League of Cities that explored community engagement strategies used by local governments to determine how to spend pandemic relief funds. This panel included city and state government officials and discussed options to continue pandemic-funded programs and services in the future.
- In January 2023, we participated in a [panel co-sponsored by the U.S. Conference of Mayors and Bloomberg Philanthropies](#) to share best practices for managing federal grants, programs, and resources with officials from local governments. Our coordination and collaboration with local officials can help identify and address unique and emerging issues.



4,800+ Media Mentions

Figure 4. Media mentions across all platforms.

During this reporting period, we shared updates on the PRAC’s work with the news media. PRAC Chair Horowitz was interviewed by print, television, and radio reporters on the important oversight work and challenges in pandemic spending. For example, he was featured on ABC News Live Prime discussing fraud in small business loan programs and the ongoing fight against identity theft. Our impactful and insightful content, along with our reputation as a credible source of data, enables us to continue to engage and reach a broader audience. During the reporting period, the PRAC received nearly [4,800 mentions](#) across print, broadcast, and social media. As we continue to produce resources and share timely updates, we recognize that public engagement is important to our ongoing mission of providing transparency and investigating pandemic fraud.

Goal Two – Promote Coordinated, Comprehensive Oversight

Facilitate Exceptional Coordination and Collaboration to Ensure High-Impact Results

During this reporting period, we demonstrated how the oversight community can work together to produce impactful results. The PRAC hosted a [first-of-its-kind virtual event](#) focused on executing agile oversight. With pandemic relief distributed at a fast pace, we realized watchdogs needed to be just as fast communicating risks and problems. Agile oversight products, like alert memorandums, highlight issues that require immediate consideration by agency officials and/or Congressional stakeholders. Over 1,500 oversight professionals attended our event, which leveraged the insights of 12 federal, state, and local oversight offices, to hear about successful strategies for getting out critical information quickly. The PRAC will continue to find opportunities to employ these strategies and encourage others to do the same.

The PRAC also continues to find opportunities to bring oversight agencies together to work on cross-cutting projects that provide an understanding of broader pandemic-related challenges. We used the knowledge and expertise of the PRAC’s Health Care Subgroup members, to coordinate the development of an [Insights Report](#) on the use of telehealth across key federal health care programs. The collective insights from these agencies can provide decision makers with valuable information regarding program integrity risks and the benefits of extending these types of programs beyond the pandemic.

Agile Oversight Forum Partners

Leveraging the insights of **12** federal, state, and local oversight offices, the PRAC hosted over **1,500** oversight professionals to discuss strategies for oversight offices to start moving to a more agile posture for the timely release of critical information.



California State Auditor’s Office



Department of Health and Human Services OIG



Department of Housing and Urban Development OIG



Department of the Interior OIG



Department of Justice OIG



Department of Labor OIG



Federal Deposit Insurance Corporation OIG



Government Accountability Office



King County, WA Auditor’s Office



New York State Comptroller’s Office



Small Business Administration OIG



United States Agency for International Development OIG

Foster Sound Stewardship of Covered Funds and Programs

Congress has been particularly interested in the expertise and insight of the PRAC and our partners to better understand if pandemic funds were used for their intended purposes and the extent of fraud, waste, and abuse. PRAC Chair Horowitz testified before the [House Committee on Oversight and Accountability](#) and the [House Committee on Ways and Means](#) earlier this year to discuss these issues. Beyond highlighting our extensive work, Chair Horowitz outlined legislative proposals for Congress to consider that would help watchdogs pursue smaller dollar cases of fraud and give them more time to pursue fraud in the new pandemic UI programs.

Additionally, Chair Horowitz encouraged Congress to make our PACE permanent to help watchdogs oversee all federal spending, including future emergency relief and recovery programs. Its sustainment will ensure that our federal government and the oversight community is equipped with the data and tools necessary to proactively assess risk and oversee all federal spending.

Ensure Efficient Sharing of Data, Analytics, and Other Information

The PACE has continued to deliver analytic, audit, and investigative support to the oversight community. Understanding the critical need for data literacy across the federal oversight community, the PACE Data Science Fellowship program has placed 26 data scientists at 14 OIGs to date.



(Photo by Anna Moneymaker/Getty Images)

PRAC Chair Michael Horowitz testifies before the House Committee on Oversight and Accountability on Wednesday, February 1, 2023.

We also analyzed the data we have acquired, such as non-public Paycheck Protection Program (PPP) and COVID-19 Economic Injury Disaster Loan (EIDL) data, to identify potential fraud. In January 2023, we identified **69,000 questionable SSNs that were used to obtain \$5.4 billion in potentially fraudulent COVID-19 EIDL and PPP loans**. A critical step in this analysis was using our legal authorities to have the Social Security Administration verify SSNs we had considered to be potentially invalid or never issued. This collaborative effort shows the value that government information-sharing and preventive controls can have to improve program integrity and better protect the public.

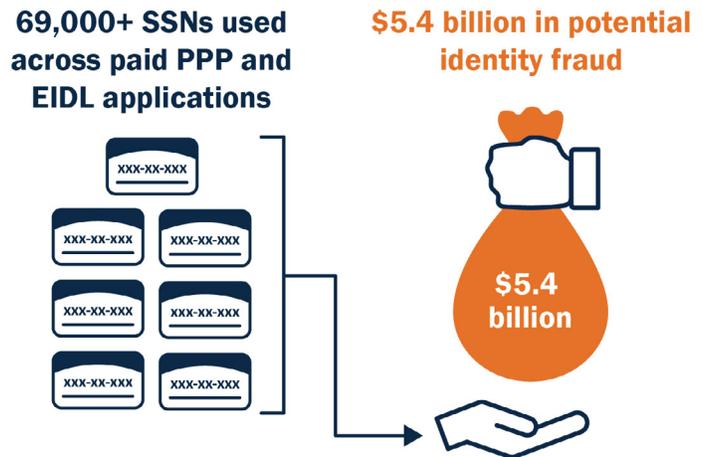


Figure 5. Graphic featured in PRAC Fraud Alert.

Goal Three—Prevent and Detect Fraud, Waste, Abuse, and Mismanagement

Hold Wrongdoers Accountable

The PRAC’s Fraud Task Force continues to serve a vital role in uncovering pandemic fraud and providing investigative support to partner law enforcement agencies. To date, the work of the Task Force and our partners has resulted in lengthy jail sentences for wrongdoers and the recovery of more than \$1 billion in pandemic fraud. We have 53 agents across 15 OIGs detailed throughout the nation investigating fraud, working to protect historic amounts of emergency relief money, and bring pandemic fraud wrongdoers to justice. The mission behind our Task Force is to use the expertise of the oversight community and tackle pandemic fraud



Figure 6. PRAC partners with 15 agencies and 53 Task Force Agents.



PRAC - Investigative Results

In November 2022, a Fraud Task Force investigation led to a major conviction in an attempted \$10 million pandemic fraud scheme that resulted in \$1 million disbursed. Stolen funds were used for, among other things, cryptocurrency investments, the purchase of stocks, and the leasing of luxury apartments and cars.

with every tool we have—criminal, civil, forfeitures of money and property, and suspensions and debarments.

We understand that confronting this ongoing issue requires partnership across the federal law enforcement community, and we work closely with the DOJ COVID-19 Fraud Enforcement Task Force. One of their recent cases involved a Texas man that conspired with others to submit fraudulent PPP loan applications by falsifying the number of employees and average monthly payroll expenses. In total, the conspirators sought over \$35 million through more than 80 fraudulent PPP loans. The defendant distributed over \$500,000 in fraudulent loan proceeds to conspirators and himself using false payroll checks and laundered a portion of the proceeds by transferring the funds from one of his bank accounts to another bank account he controlled.

Mitigate Major Risks That Cut Across Program Boundaries

Fraud often cuts across multiple programs and requires a comprehensive approach to mitigate risks effectively. The PACE has access to a variety of government public and non-public data sources as well as commercial sources. The integration of these data sources provides law enforcement with insights that they would not be able to obtain otherwise. Its investigative support applies the latest advances in analytic and forensic technologies to identify hidden networks and connections among individuals exploiting pandemic fraud using artificial intelligence. The PACE also uses exploratory analytics to identify trends and patterns that suggest potential fraud, waste, abuse, and mismanagement in pandemic spending. The PACE plays an instrumental role in housing common data and reducing efforts associated with data preparation and management. This role has saved time, money, and improved the quality of the data that supports investigations.

Goal Four – Ensure Effective and Efficient PRAC Operations

Fulfill Statutory Responsibilities

We remain committed to providing Congress and other key stakeholders with our expertise and insights on how the oversight community and the federal government at large can improve our response to the pandemic as well as future crises.

As previously described, Chair Horowitz testified before both the House Committee on Oversight and Accountability and the House Committee on Ways and Means earlier this year. Chair Horowitz shared the value of extending the statute of limitations for new pandemic UI programs to provide more time to investigate the billions of estimated dollars defrauded from these programs. The current statute of limitations for many pandemic-related UI fraud investigations will expire in 2025. Chair Horowitz also urged Congress to consider amending the Program Fraud Civil Remedies Act to raise the jurisdictional limit for administrative recoveries of “smaller” false or fraudulent claims from \$150,000 to \$1 million.

Build a Diverse Team of Innovative Thought Leaders

The PRAC was established just over three years ago in March of 2020. Since then, we have grown rapidly to a nationally distributed workforce of 68 staff members spread across five time zones. With our direct hiring authority capabilities outlined in the CARES Act, we have been empowered to recruit from a deep pool of candidates across the private sector, academia, and government. Alongside our partners, the PRAC is well positioned to effectively oversee \$5 trillion in pandemic relief funds.

Supporting the Independent Oversight of Inspectors General

Given the scale and complexity of the pandemic recovery, effective oversight requires programmatic expertise to ensure efficient and effective auditing and review. Our partner IGs have highly specialized expertise and essential knowledge about the programs their respective agency administers. The PRAC offers support where needed and finds opportunities to coordinate and perform work across agencies to deliver cross-cutting insights, but we rely on the expertise and credibility of these offices to help perform our work. We respect their autonomy to conduct their own audits or investigations and are mindful of not duplicating efforts.

Holding Wrongdoers Accountable Through Investigations

A key role of OIGs is to support law enforcement in pursuing fraud investigations and criminal enforcement. A total of 17 OIGs publicly reported 661 indictments and arrests, and 481 convictions from October 1, 2022, through March 31, 2023, related to the federal government’s COVID-19 pandemic response. The following section provides the total number of accountability actions organized by agency and highlights cases categorized by criminal activity.



Percentage of Cases by Program
(October 1, 2022, through March 31, 2023)

<i>Program Area</i>	<i>Percentage of Cases by Program</i>
Paycheck Protection Program	63%
Pandemic Unemployment	28%
COVID-19 Economic Injury Disaster Loan Program	23%
Health and Safety (fake Personal Protective Equipment, false Medicare billing, false medical advertising)	5%
Other (Coronavirus Relief Fund, price gouging, Economic Impact Payments, Restaurant Revitalization Fund)	5%

Source: Assembled by the PRAC from DOJ RSS feed.

Note: The percentages above credit all programs included in one case, and therefore, the total percentages exceeds 100 percent.

Table 1. Percentage of Cases by Program.

Investigative Results by Agency
(October 1, 2022, through March 31, 2023)

<i>Office of Inspector General</i>	<i>Arrests/Indictments</i>	<i>Convictions</i>
Amtrak	-	1
Defense Criminal Investigative Service	22	18
Department of Health Human Services	36	26
Department of Homeland Security	65	11
Department of Housing and Urban Development	14	2
Department of Justice	5	5
Department of Labor	184	193
Department of the Treasury	2	4
Department of Veteran Affairs	4	4
Federal Deposit Insurance Corporation	52	36
Federal Housing Finance Agency	9	9
Federal Reserve Board	9	20
Small Business Administration	129	112
Social Security Administration	10	7
Special Inspector General for Pandemic Recovery	1	1
Treasury Inspector General for Tax Administration	99	24
United States Postal Service	20	12

Source: Information provided to PRAC from each investigative office.

Note: Investigative work often involves several law enforcement agencies working on the same case. OIGs may conduct cases with other OIGs, other federal law enforcement agencies, and state and local law enforcement entities. The counts above credit all OIGs involved in the case and do not necessarily represent unique cases.

Table 2. Investigative Results by Agency.

Paycheck Protection Program (PPP) and COVID-19 Economic Injury Disaster Loan (EIDL) Case Highlights

Former Louisiana Woman Pled Guilty to Preparing Over 110 Fraudulent PPP Loans Totaling Over \$1.1 Million Dollars

Investigative Partners: PRAC Fraud Task Force, Department of Veteran Affairs (VA) OIG, Department of Labor (DOL) OIG, Homeland Security Investigations (HSI), United States Secret Service (USSS), with assistance from state and local partners or agencies

The defendant pleaded guilty to a scheme to submit 110 PPP sole proprietorship loan applications using the same false and fraudulent invoices and federal tax forms. Nearly all the applications used a fictitious business the defendant created. The defendant falsely certified that the applications and the information provided in the supporting documents were true and accurate when submitted. The defendant also advertised under various aliases on Facebook to recruit individuals to help them obtain money from the program.

Texas Man Convicted in Multimillion-Dollar COVID Relief Fraud Scheme

Investigative Partners: Federal Housing Finance Agency OIG, Small Business Administration (SBA) OIG, Federal Deposit Insurance Corporation OIG, Treasury Inspector General for Tax Administration, HSI

The defendant was convicted for conspiring with others to submit fraudulent PPP loan applications by falsifying the number of employees and the average monthly payroll expenses of the applicant businesses. In total, the defendant, along with

others who participated in the scheme, sought over \$35 million through more than 80 fraudulent PPP loans. The defendant distributed over \$500,000 in fraudulent loan proceeds to conspirators and himself using false payroll checks and laundered a portion of the proceeds by transferring the funds from one of his bank accounts to another bank account he controlled. Fifteen other individuals have pleaded guilty for their involvement in this case.

CEO Of Paycheck Protection Program Lender MBE Capital Pleads Guilty In Connection With Fraudulent Loan And Lender Applications

Investigative Partners: Federal Reserve Board OIG, SBA OIG, Internal Revenue Service Criminal Investigations (IRS CI)

The CEO of MBE Capital Partners, LLC, pleaded guilty in connection with both fraudulent loan and lender applications submitted through the PPP. Shortly after PPP began, the defendant fraudulently obtained a \$238,764 PPP loan for his company. Then the defendant used false representations and documents to fraudulently obtain SBA approval for his company to be a non-bank lender through the PPP. The defendant fraudulently secured hundreds of millions of dollars in capital for PPP loans and collected more than \$71 million in lender fees.

Seattle Man Who Used Stolen Identities to Seek Nearly \$2 Million in COVID-19 Benefits Pleads Guilty to Wire Fraud and Aggravated Identity Theft

Investigative Partners: Social Security Administration OIG, SBA OIG, DOL OIG, Federal Bureau of Investigation (FBI), United States Postal Inspection Service (USPIS) Amtrak Police Department, with assistance from state and local partners or agencies

The defendant pleaded guilty for submitting more than 29 COVID-19 EIDL applications using stolen identities, and in some cases real small businesses, seeking almost \$1.5 million in aid, along with a co-conspirator. They also used more than 50 stolen identities to claim over \$500,000 in UI benefits. Across both programs, the two individuals were able to receive over \$1 million in fraudulent benefits.

New York Woman Sentenced for \$9.2 Million COVID-19 Relief Fraud

Investigative Partners: SBA OIG, IRS CI

The defendant was sentenced to 45 months in prison and ordered to pay more than \$1.6 million in restitution and an additional \$55,000 in forfeiture for her role in the submission of fraudulent PPP loan applications seeking more than \$9.2 million. The defendant recruited multiple individuals to apply for fraudulent PPP loans in exchange for kickbacks from their proceeds.

Baton Rouge Man Sentenced to 132 Months in Federal Prison for Fraud Scheme and Money Laundering Relating to Financial Aid and COVID Fraud

Investigative Partners: Department of Education OIG, FBI, with assistance from state and local partners or agencies

The defendant was sentenced to 132 months in federal prison and ordered to pay more than \$2.7 million in restitution for defrauding the Department of Education federal student aid program and exploiting SBA's COVID-19 EIDL program. The defendant falsified business revenues and costs for his business and concealed his prior guilty plea to felony theft. As a result of the fraudulent application, SBA ultimately distributed \$90,000 to the defendant.

Former Oregon Dentist Sentenced to Federal Prison for Stealing Millions in Covid-Relief Funds and Illegally Distributing Controlled Substances

Investigative Partners: Treasury Inspector General for Tax Administration, SBA OIG, FBI, USSS

A former Oregon dentist was sentenced to 70 months in federal prison and ordered to pay more than \$10.5 million in restitution for attempting to steal \$170 million in COVID-19 relief funds. From September 2020 through May 2021, the defendant submitted dozens of fraudulent COVID-19 EIDL and PPP loan applications. The defendant applied for these loans through fictitious businesses and provided false information regarding the business start dates, number of employees, and locations, and the identities of the purported applicants and business owners. Most of the fraudulent applications were submitted in other peoples' names. The defendant later targeted SBA's Restaurant Revitalization Fund. In total, the defendant submitted more than 100 fraudulent PPP, COVID-19 EIDL, and Restaurant Revitalization

Fund applications, stole the identities of more than 40 victims, and caused SBA to pay out more than \$11.5 million in loans, grants, and associated lender fees.

Four Defendants Charged in Multi-Million Dollar COVID-19 Fraud Ring

Investigative Partners: Defense Criminal Investigative Service, SBA OIG, Air Force Office of Special Investigations, USSS

The four defendants were charged for their alleged roles in a national fraud scheme where they attempted to acquire \$2 million in fraudulent PPP loans by creating false tax documentation to support the non-existent businesses. They successfully acquired nearly \$1 million in fraudulent PPP loans. One of the defendants created false PPP loan applications for nearly 100 people across the country and helped those individuals submit this false information to SBA-approved lenders. Additionally, one of the defendants was an Active-Duty Airman in the Air Force.

Recidivist Fraudster Convicted at Trial Of Over \$10 Million COVID-19 Loan Fraud Scheme

Investigative Partners: PRAC Fraud Task Force, DOJ OIG, USSS, Drug Enforcement Administration, FBI, Federal Aviation Administration, with assistance from state and local partners or agencies

The defendant, along with another individual who previously pleaded guilty and was sentenced to nine years in prison, was convicted of using false identities, fake tax records, and corporate documents to obtain \$1 million in COVID-19 EIDL and PPP loans over the course of a year. In total the individuals attempted to obtain more than \$10 million through these relief programs through 14 different PPP and COVID-19 EIDL loans. Specifically, the defendants used stolen identities and falsely claimed full control of several companies that they

stated employed more than 200 people and paid monthly salaries of more than \$3.2 million.

North-Central Florida Blimp Company Executive Sentenced to Over Five Years In Federal Prison for COVID-19 Relief Fraud

Investigative Partners: Federal Deposit Insurance Corporation OIG, SBA OIG, FBI, IRS CI

The defendant was sentenced to 66 months in federal prison and ordered to pay over \$7.8 million in restitution for submitting 16 fraudulent PPP loans in the name of multiple businesses to several lenders. The loan applications had no record of employees that the defendant has listed in the application and some of the companies listed in applications were not established before February 15, 2020 (a requirement for the program). In total, the defendant's fraudulent PPP loan applications sought a total of roughly \$12 million in PPP loan funds, of which he received roughly \$5 million.

Pandemic Unemployment Case Highlights

Waterbury Man Charged with Theft of Pandemic Unemployment Benefits

Investigative Partners: Department of Homeland Security OIG, DOL OIG, USPIS, Social Security Administration OIG, with assistance from state and local partners or agencies

The defendant was arrested on a federal criminal complaint charging him with fraud and identity theft. It is alleged that, using the identities of others without their knowledge, the defendant submitted numerous fraudulent applications for Pandemic Unemployment Assistance and received assistance in the form of debit cards in the names of the victims. The defendant then obtained the debit cards issued in victims' names and unlawfully used the cards for his own benefit.

Hyattsville Man Pleads Guilty to Scheme to Fraudulently Obtain at Least \$1.3 Million in COVID-19 CARES Act Benefits

Investigative Partners: DOL OIG, USPIS, HSI, Treasury OIG, with assistance from state and local partners or agencies

The defendant pleaded guilty in connection with a scheme to fraudulently obtain more than \$1.3 million in Pandemic Unemployment Assistance. The defendant used the identities of over 183 victims, but used common internet protocol addresses, mailing addresses, and email addresses used in the applications. The applications were submitted to multiple states including Maryland, Arizona, District of Columbia, Georgia, Illinois, Michigan, Tennessee, and Virginia.

Former Amtrak Employee and Husband Plead Guilty After Bilking Pandemic Relief Program of Nearly \$1 Million

Investigative Partners: Amtrak OIG, Railroad Retirement Board OIG, DOL OIG, DOL, Bureau of Alcohol, Tobacco, Firearms and Explosives, HSI, USPIS, with assistance from state and local partners or agencies

A former Amtrak employee pleaded guilty for working with her husband to apply for UI benefits. Over the course of roughly a year, beginning in the spring of 2020 while she was still employed at Amtrak, the defendant and her husband caused at least 44 fraudulent UI claims to be filed with California's state workforce agency. In some instances, the defendant submitted applications using names, SSNs, and dates of birth she had obtained from former clients of her tax preparation businesses. She received roughly \$1 million in benefits through debit cards mailed to addresses she and her husband controlled.

Former Mail Carrier and Co-Schemer Sentenced to Prison for COVID Fraud

Investigative Partners: United States Postal Service OIG, DOL OIG, with assistance from state and local partners or agencies

A former United States Postal Service mail carrier was sentenced to 41 months in federal prison and ordered him to pay more than \$150,000 in restitution for scheming to steal more than \$250,000 in UI benefits. While employed at the United States Post Office, the defendant, and co-conspirators, applied for UI benefits using false statements and sometimes stolen identities. Additionally, the individual stole legitimate debit cards intended for UI recipients on his mail route and withdrew the funds from ATMs.

Health and Safety Case Highlights

Suburban Chicago Man Indicted for COVID-19 Testing Fraud Scheme

Investigative Partners: Department of Health and Human Services (HHS) OIG, FBI

The defendant was indicted for purportedly submitting fraudulent claims for reimbursement on COVID-19 tests which were never performed, were performed improperly, or were already paid for by the client through his laboratory he co-owned. The indictment also alleges that the defendant caused the release of negative tests, despite no testing being performed, to individuals who had submitted specimen to the laboratory for testing. In total, the laboratory obtained over \$83 million from the Health Resources and Services Administration Uninsured Program as payment for fraudulent claims for COVID-19 tests purportedly performed by the laboratory. The defendant is alleged to have transferred some of the fraudulently obtained funds to a personal account, and to have used the funds for personal expenditures.

and employed by the City. From July 2020 through September 2021, the City received approximately \$1,150,257 in financial assistance from CRF. The defendant, who was authorized to approve the designated relief funds for the reimbursement of COVID-related expenditures, conspired with others to steal these funds through the submission of fraudulent invoices, and subsequent payment, for goods and services that were never provided. His schemes included forming businesses to bill the City for consulting services that were not performed.

Naples Felon Sentenced to More Than Seven Years for \$2.6 Million COVID Relief Fraud Scheme

Investigative Partners: Special Inspector General for Pandemic Recovery, Federal Reserve Board OIG, FBI, IRS CI

The defendant was sentenced to seven years and three months in federal prison and ordered to pay \$2.6 million in restitution for a scheme to submit false and fraudulent COVID-19 EIDL, PPP, and Main Street Lending Program applications to SBA. These applications included payroll, tax documents, and a commercial lease with false documents. The defendant in some cases also used the personal identifying information of other individuals in his applications. Across his applications, the individual was able to obtain one Main Street Lending Program, four COVID-19 EIDL, and five PPP loans totaling roughly \$2.6 million. He then used the funds for purchase of a home, boat, and ammunition among other items.

Other Case Highlights

Former West Haven Employee and State Representative Admits Stealing COVID Relief and Other City Funds

Investigative Partners: Department of Housing and Urban Development (HUD) OIG, FBI

The defendant pleaded guilty to conspiracy charges stemming from his involvement in schemes that resulted in the theft of more than \$1.2 million dollars in Coronavirus Relief Fund (CRF) and other funds from the City of West Haven, Connecticut. The defendant was a Connecticut State Representative

Key Insights Through Oversight Reports

From October 1, 2022, through March 31, 2023, 19 OIGs issued 50 oversight reports related to the federal government's COVID-19 pandemic response, which identified \$2.3 million in monetary findings (e.g., questioned costs or funds put to better use).¹ OIGs also made 101 recommendations to improve the government's response to the pandemic, such as improving internal controls and providing more oversight of recipients. In addition, OIGs have been looking across their own work for trends or common challenges and are issuing summary, or capstone, reports that make recommendations to address broader programmatic issues.

State oversight entities have continued to play a key role in conducting oversight of federal pandemic funding provided to state governments. For example, state oversight entities have been issuing their statewide single audits for the July 2021 to June 2022 time period, which identify control deficiencies and other findings in major pandemic programs like the Emergency Rental Assistance (ERA) Program.

As we will discuss in the following pages, these federal oversight reports provide key insights on:

1. The importance of improving data information-sharing to enhance decision making;
2. The impacts on spending transparency due to reporting difficulties of CARES Act funding recipients;
3. How a lack of documentation has hindered opportunities to determine if pandemic funding has helped the people it was intended to; and

4. The need to provide critical data, information, and guidance to allow the American public to better protect themselves from the effects of the pandemic.

Notably, all four insights converge on a broader theme centered around the value and critical need for federal, state, and local government agencies to produce, maintain, and share relevant information and data. Without doing so, the American public may not have critical information to best protect their livelihoods, and policymakers may not have the information they need to make informed decisions to strengthen program integrity and better protect the public during future emergencies.

See the following table for more information about the reports issued by our federal OIG partners. For a complete list of all federal oversight reports issued, see [Appendix B](#).

¹ These oversight reports include all reports, memorandums, advisories, and other products issued by the OIGs related to the COVID-19 response funding and programs.

Federal Oversight Reports from October 1, 2022, through March 31, 2023

<i>Office of Inspector General</i>	<i>Total Reports</i>	<i>Total Recommendations</i>	<i>Total Monetary Findings^a</i>
Department of Agriculture	1	-	-
Department of Education	1	10	-
Department of Health and Human Services	12	24	\$9,832
Department of Homeland Security	1	2	-
Department of Housing and Urban Development	2	5	-
Department of the Interior	3	13	\$292,662
Department of Justice	1	10	-
Department of Labor	3	8	-
Department of Transportation	2	2	-
Department of the Treasury	7	2	-
Department of Veterans Affairs	2	2	-
Election Assistance Commission	2	13	\$2,000,043
General Services Administration	1	2	-
Federal Reserve Board & Consumer Financial Protection Bureau	1	-	-
Pandemic Response Accountability Committee	2	-	-
Pension Benefit Guaranty Corporation	1	8	-
Small Business Administration	1	-	-
Special Inspector General for Pandemic Recovery	6	-	-
Treasury Inspector General for Tax Administration	1	-	-
Totals	50	101	\$2,302,537

^a Monetary findings include all questioned costs and funds put to better use identified by each OIG.

Table 3. Oversight Reports from October 1, 2022, through March 31, 2023.

Key Insight 1: Agencies have opportunities to improve data information-sharing to enhance decision making across pandemic programs.

The PRAC has previously [highlighted](#) the need for performance data to help drive decision making and assess program effectiveness as a top challenge in the government’s COVID-19 pandemic response. This challenge still remains. Several federal and state oversight offices this reporting period emphasized that agencies, or specific programs, should better leverage the data available to them to improve their effectiveness and employ it in their decision making. This data may be already available to agencies internally or can be accessed through their partners, but it is not being shared effectively or being considered as programs progress.

For example, VA OIG found that the Veterans Health Administration’s (VHA) data that tracks canceled appointments could be better leveraged. Based on a related 2020 recommendation, VHA updated its Post-Cancelled Appointments and Consult Management Initiative to track follow-ups for all canceled appointments after July 21, 2020 from patients with COVID-19 or pandemic remarks.² While VA OIG found that VHA completed follow-ups for around 87 percent of their canceled appointments, the OIG identified that VHA could better leverage their Post-Cancelled Appointments and Consult Management Initiative report to analyze types of care and monthly metrics. They emphasized that monitoring the type of care could help ensure that patients receive essential diagnostic and preventative care and understand certain health trends.

Relatedly, HHS OIG found that officials in state and local COVID-19 vaccination programs expressed challenges in obtaining data from immunization databases needed to properly manage vaccination campaigns.³ Many programs reported having incomplete data on 250 million COVID-19 vaccine doses administered by federal agencies and retail pharmacies that receive vaccines from the Centers for Disease Control and Prevention. Nearly all state and local vaccination officials expressed this issue. HHS OIG noted that complete and timely vaccination data is critical for successful national vaccination campaigns, monitoring vaccination coverage, and planning strategies to increase vaccination uptake in communities with low vaccination rates. In a similar report, HHS OIG cited problems with Indian Health Service’s internal data information-sharing which contributed to inconsistent reporting on the number of vaccination doses administered by Tribal programs.⁴ Specifically, the issues associated with the reporting of vaccine administration data primarily resulted from the lack of compatibility between Indian Health Services and Tribal programs’ data management systems. HHS OIG found that these reporting deficiencies made it difficult for the Indian Health Services to accurately assess vaccination progress.

2 VA OIG, *VHA Progressed in the Follow-Up of Canceled Appointments during the Pandemic but Could Use Additional Oversight Metrics*, Report #21-03777-218, November 3, 2022.

3 HHS OIG, *Challenges with Vaccination Data Hinder State and Local Immunization Program Efforts to Combat COVID 19*, OEI–05-22-00010, January 31, 2023.

4 HHS OIG, *IHS Did Not Always Provide the Necessary Resources And Assistance To Help Ensure That Tribal Program Complied With All The Requirements During Early COVID-19 Vaccination Program Implementation*, A-07-21-04125, October 17, 2022.

Better use of data to enhance decision making extends beyond health care and vaccination challenges. For example, the Office of the New York State Comptroller found that the New York Department of Labor failed to properly capture and evaluate relevant data from their UI system related to fraud, such as tracking and monitoring fraudulent claims on an aggregate basis.⁵ The Comptroller reported that doing so is necessary to support the Department's operational decisions as well as what they report publicly.

Key Insight 2: CARES Act recipients struggled to understand reporting requirements and guidance which can impact oversight and transparency of the use of federal funds.

Complete and timely reporting of recipient spending of federal pandemic funds enables effective program oversight, monitoring, and can be used to help populate public transparency websites. During this reporting period, oversight offices at the federal and state level highlighted that there was often confusion, or other issues, related to reporting requirements from recipients of federal funds. Reporting issues often stemmed from a lack of training and written policies and incorrect information passing through multiple sources without verification. These issues impacted the timeliness or completeness of recipient reporting related to pandemic funds and may have limited the transparency of these funds to the general public.

⁵ Office of the New York State Comptroller, *Department of Labor: Controls and Management of the Unemployment Insurance System*, 2021-S-3, November 15, 2022.

Understanding Issues Across Programs and Agencies

In this reporting period, oversight agencies reviewed findings across their bodies of work in capstone style reports to identify broad, cross-cutting issues within programs and agencies that may not have otherwise been identified. Understanding key issues across programs and agencies is critical to providing effective oversight. Oversight entities continue to show the value in using capstone-style reports to identify these broader issues to both inform the public and improve programs, systems, and processes.



Following the release of three reports on the reporting of CARES Act Funds across several different Tribes, DOI OIG released a [capstone management advisory](#) to synthesize findings highlighted across the reports. As a result, they found broader issues related to the Bureau of Indian Affairs (BIA), and its inability to hold Tribes accountable for submitting the appropriate CARES Act reports.



DOJ OIG released a [capstone review](#) of its work across 16 Bureau of Prison facilities which identified broader issues across the BOP's response to the pandemic. This allowed DOJ OIG to provide the agency with recommendations to improve similar issues in the future, such as ensuring that they are retaining effective practices to protect staff and inmate health.



Similarly, the Special Inspector General for Pandemic Recovery performed 16 independent attestation reviews to evaluate whether Treasury's Validation Memo for loan recipients, the initial step to move an applicant forward in the process to receive funds, was completed using Treasury guidance for underwriting and documentation. This [capping-style product](#) assessed 16 reviews and found possible systemic issues with this part of Treasury's lending process.

For example, the DOI OIG's management advisory reviewed three separate Tribes that received CARES Act funding through BIA in the Great Plains region.⁶ DOI OIG found that despite BIA providing instructions and FAQ guidance, the Tribes did not submit the required Federal Financial Reports or their required Annual Narrative Reports in time. In their report, DOI OIG reviewed \$1.5 million in CARES Act expenditures and questioned nearly half of that amount. The lack of reporting stemmed from BIA officials being unaware of agreement responsibilities which outline reporting requirements from the Tribes, not having formal training, and not having written policies or procedures for reviewing these reports. The OIG emphasized that the submission and review of the Federal Financial Reports and Annual Narrative Reports from the Tribes could have provided BIA a greater opportunity to identify deficiencies, provide effective oversight, and respond accordingly.

Similarly, Treasury OIG issued a desk review of the Fort McDermitt Paiute-Shoshone Tribe's use of CRF proceeds.⁷ The OIG found that the Tribe was late in filing or failed to file quarterly Financial Progress Reports. Additionally, supporting documentation had not been entered into Treasury's grant reporting portal. Specifically, while the Tribe had adequately supported their expenditures and had complied with CARES Act and Treasury guidance on allowable uses, their Treasury grant portal showed the Tribe had spent \$0 despite having documentation to support over \$3.5 million in expenses, based on a sample of 21 transactions. This discrepancy shows that while entities may have been aware of allowable uses, failure to report spending made it appear as though the Tribe had not spent any money when in reality, they had spent a substantial amount of their funds.

State, local, and Tribal governments received over \$150 billion in funding from the CARES Act. State oversight entities have focused heavily on reporting challenges from funding recipients. For example, the Arizona Auditor General reported that the state had inaccurate program information in quarterly reports when compared to the state's records for CRF.⁸ The errors were the result of inadequate training being provided to former staff members and procedures not requiring reports to be reconciled with accounting records. These errors resulted in expenditures that were understated by over \$21 million, more than \$78 million that were incorrectly classified as contract expenditures instead of loans, and approximately \$20.3 million that were incorrectly classified as loans instead of as contract expenditures. The report emphasized that the inaccurate reporting impacts the ability for federal agencies to rely on the information for monitoring purposes.

In another example, the North Dakota Office of the State Auditor highlighted the need for stronger procedures to ensure federal reports are complete and accurate.⁹ The North Dakota Office of Management and Budget relied upon state agencies to complete and submit their CRF report template. However, the report found that reporting errors were caused by state agencies not understanding CRF reporting requirements, material errors and omissions from state agencies not being identified, and timeframes (10 days after the end of the quarter) for reporting deadlines were short. The errors resulted in approximately \$61.1 million of CRF expenditures not being reported in the correct quarter. The State Auditor emphasized that these issues impacted both transparency and federal oversight of the program.

6 DOI OIG, *The Bureau of Indian Affairs Great Plains Region Did Not Oversee CARES Act Funds Appropriately*, 2021-FIN-032, February 10, 2023.
7 Treasury OIG, *Desk Review of Fort McDermitt Paiute-Shoshone Tribe's Use of Coronavirus Relief Fund Proceeds*, OIG-CA-23-011, March 28, 2023.
8 Arizona Auditor General, *Single Audit Report Year Ended June 30, 2021*, October 31, 2022.
9 North Dakota Office of the State Auditor, *State of North Dakota Single Audit Report*, March 29, 2023.

Key Insight 3: Lack of documentation hindered opportunities to determine if pandemic money helped people respond and recover from the pandemic.

Beyond reporting expenses, properly justifying expenses is just as critical. Doing so provides agencies and oversight offices information about how funds were used and how they supported the American public during the pandemic. This reporting period, oversight offices identified several federal and state agencies that did not maintain documentation justifying how they used pandemic funds to help people respond or recover from the pandemic. In some cases, agencies did not obtain documentation supporting individuals' eligibility to receive benefits from pandemic programs, while in other cases, agencies did not maintain documentation to either support the legitimacy of the spending or justify how the spending helped the public respond and recover from the pandemic. Regardless of the reason, without maintaining supporting documentation, the ability for agencies to make pandemic spending decisions based on accurate information decreases.

For example, the Department of Education OIG audit of the University of Cincinnati's use of Higher Education Emergency Relief Funds (HEERF) found that the university did not fully document eligibility criteria and determinations for its emergency financial aid grants to students.¹⁰ The HEERF program provided direct grants to institutions of higher education to prevent, prepare for, and

respond to COVID-19 and included a portion for institutions to defray expenses associated with COVID-19 and to carry out student support activities and a portion for emergency financial aid grants to students. The university used student enrollment and financial data that was in the university's information system to make determinations about which students would receive emergency financial aid grants under HEERF; however, the information system did not keep a historic record of this information. Without this supporting documentation, management is limited in its ability to ensure that emergency financial aid grants went to students who needed it the most because of COVID-19.

In another example, the Election Assistance Commission OIG audit of funds awarded to the Commonwealth of the Northern Mariana Islands (CNMI) under the Help America Vote Act of 2002 (HAVA) found that CNMI could not provide documentation supporting that the grant was used for authorized and intended purposes.¹¹ A portion of CNMI's HAVA funding came from the CARES Act as the Act provided additional funding to prevent, prepare for, and respond to the COVID-19 pandemic for the 2020 federal election cycle. Because of this limitation, the Election Assistance Commission OIG questioned \$687,000 of the total \$1.2 million awarded to CNMI under this grant. Although CNMI charged expenses such as employees' salaries, cleaning services, and repair and maintenance to this grant, they could not provide documentation supporting these costs and, in some cases, justification about how these costs helped prepare or respond to COVID-19.

State findings also reflected this issue. The Wisconsin Legislative Audit Bureau assessed how the Wisconsin's Department of Administration made decisions about the use of supplemental discretionary federal pandemic funds from the

¹⁰ Department of Education OIG, *University of Cincinnati's Use of Higher Education Emergency Relief Fund Student Aid and Institutional Grants*, ED-OIG/A20US0045, January 17, 2023.

¹¹ Election Assistance Commission OIG, *Audit of the Help America Vote Act Grants Awarded to the Commonwealth of the Northern Mariana Islands*, G22MP0005-23-04, February 24, 2023.

Insights through Single Audits

Under federal regulations, any recipient (or sub-recipient) that received more than \$750,000 in federal funding during its fiscal year is subject to a single audit. Single audits assess compliance controls on federal assistance and identify possible areas of improvements and questioned costs. As of March 31, 2023, 30 fiscal year 2022 (July 2021 through June 2022) statewide single audits had been issued.

Notably, all 30 states who issued single audits during this reporting had their ERA program audited because it was identified as a major program. Overall, the 30 reports contained 44 findings pertaining to the ERA program. These findings include:



Twenty-one state oversight entities did not identify material noncompliance with the program, but these programs still could have had internal control or reporting issues. For example, **Vermont's Office of the State Auditor** found that the Department of Finance and Management procedures understated the amount paid by the state to sub-recipients on the Schedule of Expenditures of Federal awards by \$118.8 million (or 99 percent), making it appear as those the state did not pass through ERA funding to sub-recipients.



Eight states had finding(s) containing material noncompliance which resulted in a qualified opinion being issued. For example, **Maine's Office of the State Auditor** found that the Department of Economic and Community Development was unable to provide documentation to support amounts on the 2022 ERA program performance reports and was unable to ensure that the sub-award was used in compliance with federal regulations due to improper design and documentation.

Consolidated Appropriations Act.¹² They found that the Wisconsin Department of Administration did not document how decisions were made to use these discretionary funds for state programs. Among other things, the Wisconsin Department of Administration did not document the amount of funds to be used for programs, anticipated benefits, or relevant information that supported funding decisions and amounts.

Similarly, the State of Mississippi FY 2021 single audit noted that the Mississippi Department of Employment Security could not provide documentation supporting that it used CRF on allowable activities.¹³ Specifically, the Department used CRF monies to pay for vouchers provided to students. However, the Mississippi Department of Employment Security could not provide documentation that the courses benefited students in the workforce or were necessary due to the pandemic.

Key Insight 4: Providing critical data, information, and guidance to the American public can allow them to better protect themselves from the effects of the pandemic.

New or expanded programs and other services across federal, state, and local agencies require effective education and outreach to achieve their outcomes. Whether it is informing the public of health safety concerns, newly available

¹² Wisconsin Legislative Audit Bureau, *State of Wisconsin FY 2021-22 Financial Statements*, 22-26, December 2022.

¹³ Mississippi Office of the State Auditor, *Single Audit for Year Ending June 30, 2021, November 11, 2022*.

economic relief, or helping victims of identity theft, government entities must have an established and accessible way to communicate with the public.

For example, HHS OIG identified more than 1,300 nursing homes that had extremely high infection rates during COVID-19 surges in 2020.¹⁴ HHS OIG noted that significant changes were needed to protect residents and better prepare nursing homes for future health emergencies. Reports like this show that publicizing COVID-19 infection and mortality rates may help people make appropriate decisions about their family's well-being. Informing the public extends beyond health-related issues. Other oversight entities have emphasized that government agencies and offices must properly provide beneficiaries with guidance. For example, HUD OIG issued a report that reviewed HUD's communication to homeowners with Federal Housing Administration-insured mortgages about protections, repayment options, loss mitigation options, and responsibilities related to COVID-19.¹⁵ HUD OIG found that improvements such as clearly presenting the deadline for requesting forbearance and detailing loss mitigation options available after forbearance, among other improvements, could better serve homeowners during the COVID-19 pandemic and future national emergencies.

Local oversight entities are also finding valuable opportunities where agencies can better share critical information with the public. The Ulster County New York Office of the Comptroller found that unemployment claims were being fraudulently filed using the identities of active local government employees, a common theme [previously identified](#) across several state auditor's offices.¹⁶ The Comptroller found that the County's Personnel Department properly identified the fraudulent unemployment claims, but some employees were not notified that they were victims of identity theft.

The Comptroller recommended that affected individuals be notified of fraudulent unemployment claims and provided with timely resources regarding identity theft and credit protection as soon as possible.

¹⁴ HHS OIG, *More Than a Thousand Nursing Homes Reached Infection Rates of 75 Percent or More in the First Year of the COVID-19 Pandemic; Better Protections Are Needed for Future Emergencies*, OEI-02-20-00491, January 19, 2023.

¹⁵ HUD OIG, *HUD's Communication to Homeowners About COVID-19 Policies*, 2023-NY-0001, January 30, 2023.

¹⁶ Office of the Ulster County Comptroller, *2021 Audit on Unemployment Fraud*, November 3, 2023.

Appendix A: Acronyms

BIA	Bureau of Indian Affairs	PACE	Pandemic Analytics Center of Excellence
CARES Act	Coronavirus Aid, Relief, and Economic Security Act	PRAC	Pandemic Response Accountability Committee
CIGIE	Council of the Inspectors General on Integrity and Efficiency	PPP	Paycheck Protection Program
CNMI	Commonwealth of the Northern Mariana Islands	SBA	Small Business Administration
COVID-19	Novel coronavirus disease	SSN	Social Security Number
CRF	Coronavirus Relief Fund	UI	Unemployment Insurance
HHS	Department of Health and Human Services	USPIS	United States Postal Inspection Service
HUD	Department of Housing and Urban Development	USSS	United States Secret Service
DOI	Department of the Interior	VA	Department of Veterans Affairs
DOJ	Department of Justice	VHA	Veterans Health Administration
DOL	Department of Labor		
Treasury	Department of the Treasury		
EIDL	Economic Injury Disaster Loan		
ERA	Emergency Rental Assistance		
FBI	Federal Bureau of Investigation		
HAVA	Help America Vote Act		
HEERF	Higher Education Emergency Relief Fund		
HSI	Homeland Security Investigations		
IG	Inspector General		
IRS CI	Internal Revenue Service Criminal Investigations		
OIG	Office of Inspector General		

Appendix B: Pandemic-Related Reports by Office of Inspector General

OIGs issued a total of 50 reports between October 1, 2022, and March 31, 2023, related to the COVID-19 pandemic response. The following information provides a list of those reports.

[Board of Governors for the Federal Reserve System & Consumer Financial Protection Bureau OIG](#)

Observations on Cybersecurity Risk Management Processes for Vendors Supporting the Main Street Lending Program and the Secondary Market Corporate Credit Facility, 2022-IT-B-015, November 9, 2022

[U.S. Department of Agriculture OIG](#)

USDA Coronavirus Food Assistance Program Data Story, 22-033-01, December 1, 2022

[U.S. Department of Education OIG](#)

University of Cincinnati's Use of Higher Education Emergency Relief Fund Student Aid and Institutional Grants Funds, EDOIG/A20US0045, January 27, 2023

[U.S. Department of Health and Human Services OIG](#)

IHS Did Not Always Provide the Necessary Resources and Assistance To Help Ensure That Tribal Programs Complied With All Requirements During Early COVID-19 Vaccination Program Administration, A-07-21-04125, October 18, 2022

Home Health Agencies Used Multiple Strategies To Respond to the COVID-19 Pandemic, Although Some Challenges Persist, OEI-01-21-00110, October 18, 2022

Payments Made to Providers Under the COVID-19 Accelerated and Advance Payments Program Were Generally in Compliance with the CARES Act and Other Federal Requirements, A-05-20-00053, October 25, 2022

During the Initial COVID-19 Response, HHS Personnel Who Interacted With Potentially Infected Passengers Had Limited Protections, OEI-04-20-00360, November 3, 2022

The Number of Beneficiaries Who Received Medicare Part B Clinical Laboratory Tests Decreased During the First 10 Months of the COVID-19 Pandemic, A-09-21-03004, November 14, 2022

Insights on Telehealth Use and Program Integrity Risks Across Selected Health Care Programs During the Pandemic, OEI-02-22-00150, December 1, 2022

Labs With Questionably High Billing for Additional Tests Alongside COVID-19 Tests Warrant Further Scrutiny, OEI-09-20-00510, December 6, 2022

Illinois Generally Complied With Requirements for Claiming Medicaid Reimbursement for Telehealth Payments During COVID-19, A-05-21-00035, January 6, 2023

ASPR Could Improve Its Oversight of the Hospital Preparedness Program to Ensure Crisis Standards of Care Comply With Federal Nondiscrimination Laws, A-01-21-01502, January 19, 2023

More Than a Thousand Nursing Homes Reached Infection Rates of 75 Percent or More in the First Year of the COVID-19 Pandemic; Better Protections Are Needed for Future Emergencies, OEI-02-20-00491, January 19, 2023

Challenges With Vaccination Data Hinder State and Local Immunization Program Efforts to Combat COVID-19, OEI-05-22-00010, January 31, 2023

Early Challenges Highlight Areas for Improvement in COVID-19 Vaccination Programs, OEI-04-21-00190, January 31, 2023

[U.S. Department of Homeland Security OIG](#)

FEMA Did Not Provide Sufficient Oversight of Project Airbridge, OIG-22-14, February 7, 2023

[U.S. Department of Housing and Urban Development OIG](#)

Review of Drawdown Levels and Publicly Available Information on the Office of Native American Programs' CARES Act and ARP Act Block Grants, 2023-LA-0003, January 20, 2023

HUD's Communication to Homeowners About COVID-19 Policies, 2023-NY-0001, January 30, 2023

[U.S. Department of the Interior OIG](#)

The Bureaus of Indian Affairs and Indian Education Have the Opportunity To Implement Additional Controls To Prevent or Detect Multi-dipping of

Pandemic Response Funds, 2021-ER-015, November 29, 2022

The Omaha Tribe Did Not Account for CARES Act Funds Appropriately, 2021-FIN-032-B, December 29, 2022

The Bureau of Indian Affairs Great Plains Region Did Not Oversee CARES Act Funds Appropriately, 2021-FIN-032, February 10, 2023

[U.S. Department of the Justice OIG](#)

Capstone Review of the Federal Bureau of Prisons' Response to the Coronavirus Disease 2019 Pandemic, 23-054, March 21, 2023

[U.S. Department of Labor OIG](#)

COVID-19: OSHA's Enforcement Activities Did Not Sufficiently Protect Workers from Pandemic Health Hazards, 19-23-001-10-105, October 31, 2022

FY 2022 Independent Auditors' on DOL's Consolidated Financial Statements Report, 22-23-002-13-001, December 13, 2022

Insights on Telehealth Use and Program Integrity Risks in DOL Workers' Compensation Programs During the Pandemic, 19-23-002-04-001, December 13, 2022

[U.S. Department of Transportation OIG](#)

FTA Can Enhance Its Controls To Mitigate COVID-19 Relief Funding Risks, ST2023001, October 12, 2022

DOT's Tracking of Aviation Imports and Potential Impacts of Disruptions, AV2023009, December 19, 2022

[U.S. Department of the Treasury OIG](#)

Town of Hempstead Uses of Coronavirus Relief Fund Payment, OIG-CA-23-006, January 9, 2023

Desk Review of Broward County, FL Use of Coronavirus Relief Fund Proceeds, OIG-CA-23-010, January 31, 2023

Desk Review of the State of New York's Use of Coronavirus Relief Fund Proceeds, OIG-CA-23-013, February 14, 2023

Coronavirus Disease 2019 Pandemic Relief Programs: Audit of Air Carrier Worker Support Certifications - Corvus Airlines, Inc. (Redacted), OIG-23-021, March 27, 2023

Coronavirus Disease 2019 Pandemic Relief Programs: Audit of Air Carrier Worker Support Certifications - Empire Airlines, Inc. (Redacted), OIG-23-022, March 27, 2023

Desk Review of Fort McDermitt Paiute-Shoshone Tribe's Use of Coronavirus Relief Fund Proceeds, OIG-CA-23-011, March 28, 2023

Coronavirus Disease 2019 Pandemic Relief Programs: Audit of Air Carrier Worker Support Certifications - Wings Air Helicopters, LLC (Redacted), OIG-23-023, March 31, 2023

[U.S. Department of Veterans Affairs OIG](#)

VHA Progressed in the Follow-Up of Canceled Appointments during the Pandemic but Could Use Additional Oversight Metrics, 21-03777-218, November 3, 2022

Insights on Telehealth Use and Program Integrity Risks Across Selected Health Care Programs During the Pandemic, 21-03579-27, December 1, 2022

[U.S. Election Assistance Commission OIG](#)

Audit of the Help America Vote Act Grants Awarded to the State of California, G22CA0009-23-01, October 4, 2022

Audit of the Help America Vote Act Grants Awarded to the Commonwealth of the Northern Mariana Islands, G22MP0005-23-04, February 24, 2023

[U.S. General Services Administration OIG](#)

Ventilation Issues Persist in Unrenovated Wings of GSA Headquarters Building, JE23-001, November 28, 2022

[Pandemic Response Accountability Committee](#)

Insights on Telehealth Use and Program Integrity Risks Across Selected Health Care Programs During the Pandemic, PRAC-2023-01, December 1, 2022

FRAUD ALERT: PRAC Identifies \$5.4 Billion in Potentially Fraudulent Pandemic Loans Obtained Using Over 69,000 Questionable Social Security Numbers, PRAC-2023-02, January 30, 2023

[U.S. Pension Benefit Guaranty Corporation OIG](#)

PBGC Should Improve Its Special Financial Assistance Review Procedures, EVAL-2023-08, February 24, 2023

[U.S. Small Business Administration OIG](#)

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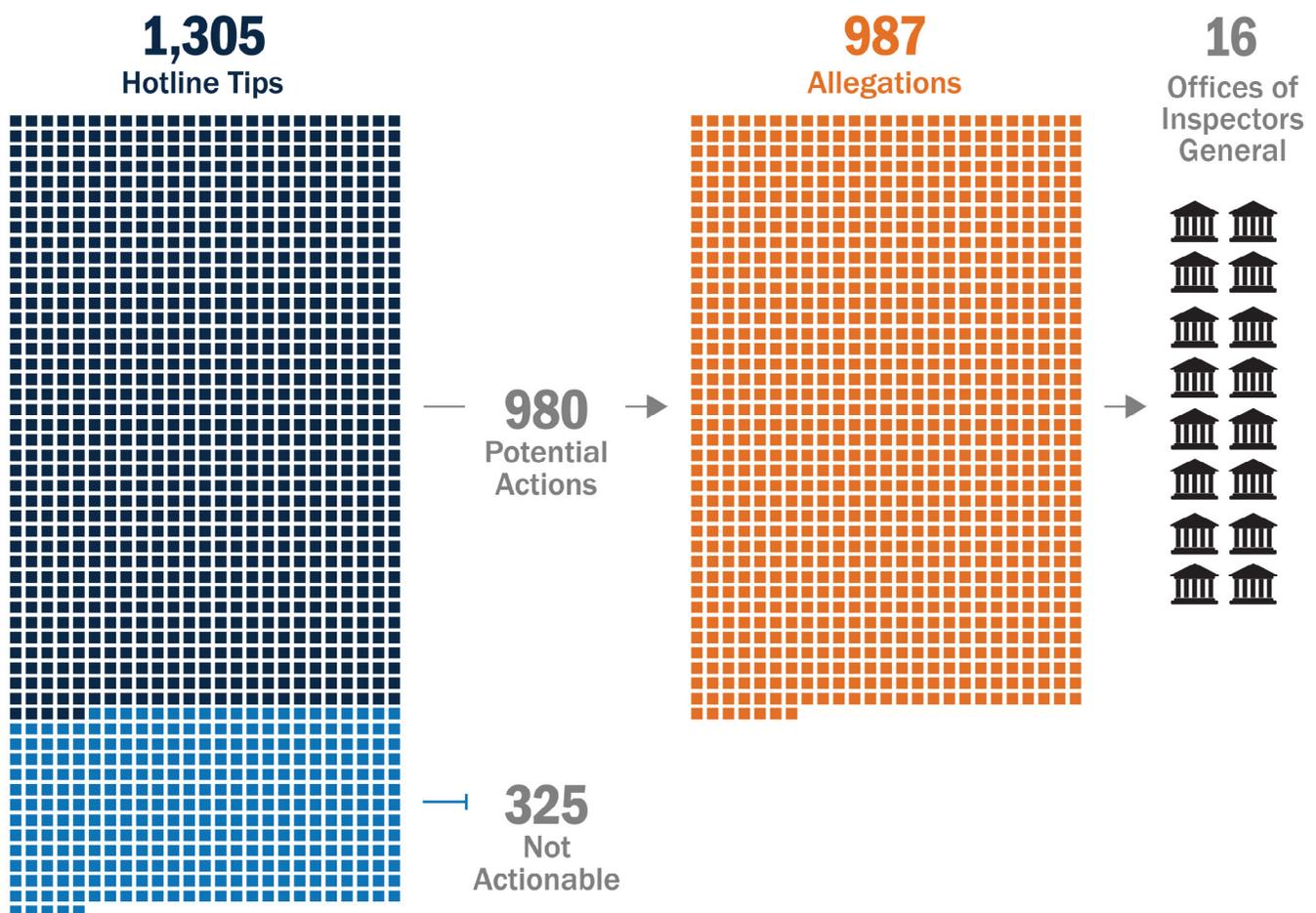
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[U.S. Treasury Inspector General for Tax Administration](#)

Backlogs of Tax Returns and Other Account Work Will Continue Into the 2023 Filing Season, 2023-46-007, December 20, 2022

Appendix C: Hotline Data

During the reporting period, we received 1,305 hotline communications, of which 325 were filed for information or not actionable. The remaining 980 were deemed potentially actionable for fraud, waste, abuse, or mismanagement. From these, the PRAC forwarded 987 allegations to 16 different Offices of Inspectors General for review and appropriate action. Referrals might be sent to more than one OIG based on the allegation(s) referenced, resulting in the slightly higher number reported here.



For more information:

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To report allegations of fraud, waste, abuse, or misconduct regarding pandemic relief funds or programs please go to the PRAC website at

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