A Review of Pandemic Relief Funding and How It Was Used in Six U.S. Communities

Sheridan County, Nebraska

September 2024

City of Springfield, Massachusetts
City of Coeur d'Alene, Idaho
Sheridan County, Nebraska
Marion County, Georgia
White Earth Nation Reservation in Minnesota
Jicarilla Apache Nation Reservation in New Mexico

PANDEMIC RESPONSE
ACCOUNTABILITY COMMITTEE

CONTENTS

Taking a Closer Look at a Community's Experience: SHERIDAN COUNTY, NEBRASKA

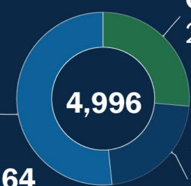
This report is the third in a series taking an in-depth look at how six communities used federal pandemic funding to address a wide range of community-based needs. In this report, we focus on Sheridan County, NE, with a detailed look at six of the 31 pandemic programs that provided funding to the community. For more information about our review, see Appendix B.

Sheridan County is the fourth largest county in Nebraska by landmass covering 2,441 square miles; however, it ranks 55 in terms of population with only 4,996 inhabitants. From March 1, 2020, through February 28, 2023, the county experienced 1,189 recorded cases of COVID-19 and 41 recorded deaths.

In the first part of our review, Tracking Pandemic Relief Funds that Went to Local Communities Reveals Persistent Data Gaps and Data Reliability Issues, we found that Sheridan County, NE, recipients, including local governments, small businesses, and individuals, received more than $61 million from 31 federal pandemic relief programs and subprograms during the first 18 months of the pandemic. This report provides a closer look at six of these federal pandemic programs from six

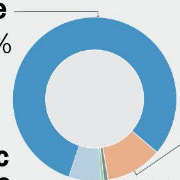
LOCATION

Population[a]

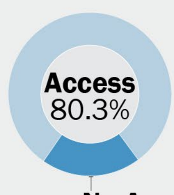


Land Area: 2,441 sq miles[a]

Racial Demographic Information[a,b]



Internet[a]



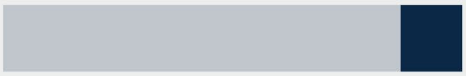
COVID-19

Vaccination Rate[c]
34.9%

COVID-19 Cases[d]
1,189

COVID-19 Deaths[d]
41

Poverty Level



[a] U.S. Census Bureau data for counties and cities.
[b] Because individuals may be considered a member of more than one racial demographic, the percentages may not equal 100 percent.
[c] Centers for Disease Control and Prevention data based on the rate of individuals who received at least two doses of the vaccine. The vaccination rate represents the countywide rate. Data as of May 30, 2023.
[d] Data was obtained from the Panhandle Public Health District and represents cases as of February 28, 2023.
[e] U.S. Census Bureau. The poverty line varies depending on factors such as the year and household size. Please see Poverty Thresholds for more information.

federal agencies and the funding they provided to Sheridan County. These programs aimed to respond to and mitigate the effects of the pandemic by addressing community development needs that posed a serious threat to the health or welfare of the community, supporting public transportation agencies, developing learning loss remediation programs for local schools, and other efforts. We sought to gain deeper insights into how Sheridan County used its pandemic relief funding, how the spending aligned with the goals and objectives of the federal relief programs, and whether the funding assisted Sheridan County residents in responding to the pandemic.

Programs Selected for Further Review

Coronavirus Relief Fund

U.S. Department of the Treasury

Elementary and Secondary School Emergency Relief Program

U.S. Department of Education

Farmers to Families Food Box Program

U.S. Department of Agriculture

Pandemic Unemployment Insurance Programs

U.S. Department of Labor

Public Housing Operating Fund – CARES Act

U.S. Department of Housing and Urban Development

Provider Relief Fund Payments to Nursing Homes

U.S. Department of Health and Human Services

Pandemic Impact on the Community

According to residents and local officials, the pandemic impacted multiple aspects of life in Sheridan County. For example, though the average unemployment rate in Sheridan County stood at 2.3 percent in 2020, the county experienced a peak unemployment rate of 4.2 percent in March 2020. To help address unemployment, Sheridan County residents received more than $285,000 in federal benefits from pandemic-related unemployment insurance (UI) programs.

Local officials also highlighted an unusual element of Sheridan County's experience in that the community did not truly feel the effects of the pandemic until months after the nationwide public health emergency was declared. Specifically, Sheridan County experienced its first confirmed case of COVID-19 on June 27, 2020, almost three months into the pandemic. During our site visit in August 2022, officials and individuals we spoke to explained that although they felt the effects of the pandemic starting in 2020, they felt them more in 2022. Consequently, their challenges centered on supply chain issues, inflation, and a housing shortage. For example, one official told us the local volunteer fire department had been waiting eight months for a shipment of boots they had ordered. Farmers and ranchers in the county also experienced similar supply chain issues with specialized equipment. Other officials at a local nonprofit organization shared that they encountered a shortage of diapers in their community, which impacted their ability to supply such critical childcare supplies to families in need.

Program Impact on the Community

Officials whom the Pandemic Response Accountability Committee (PRAC) and Offices of Inspectors General (OIG) teams interviewed offered a wide variety of responses when asked about the community's use of federal pandemic funds. The Sheridan County community told our teams they appreciated the federal government's emergency assistance and that it helped with immediate responses to the pandemic. A sample of the responses:

- A minority resource center in Sheridan County received $147,732 from the U.S. Department of the Treasury's (Treasury) Coronavirus Relief Fund (CRF) and primarily used the funds to provide economic support programs for food, utility, and rental assistance to Native American populations located within and around the county.

- Public Housing Agencies received $13,972 from the U.S. Department of Housing and Urban Development's (HUD) Public Housing Operating Fund to purchase personal protective equipment (PPE) supplies such as masks, thermometers, and shields for their offices. They also used the funds to pay salaries for their maintenance staff and to pay for accounting services.

- Three nursing homes within Sheridan County received $4,961,682 from the Provider Relief Fund (PRF) and reported using the funds to cover administrative and health care-related expenses as well as lost revenue.

Participant Experience

During our visit in August 2022, we received feedback from multiple officials whose offices or organizations received federal funding. They shared their experiences with federal programs as they responded to the pandemic within Sheridan County and highlighted the challenges and successes. For example:

- Gordon-Rushville Public School District officials said that teacher loss would have been much greater without Elementary and Secondary School Emergency Relief (ESSER) funding. The officials also said the funding allowed them to make upgrades such as new technology for remote work and facility improvements, which made the teachers feel more valued.
- Staff at a local nonprofit organization stated they had a positive experience with the Farmers to Families Food Box Program (Food Box Program). They also said they used the food deliveries to distribute PPE and public health information to recipients.
- Most surveyed claimants for the UI programs expressed either satisfaction or extreme satisfaction with the application process, the overall process of filing a claim, and the promptness of receiving benefits..

PROGRAM SNAPSHOT

Coronavirus Relief Fund

U.S. Department of the Treasury

The Panhandle Public Health District (PPHD) is a health department in Nebraska servicing 12 counties, including Sheridan County. From March 2 to April 16, 2020, PPHD reported 33 positive COVID-19 cases, which increased to 4,644 cases by November 16, 2020. Through January 4, 2021, PPHD confirmed 7,740 cases.[1] The City of Gordon, located in Sheridan County, was forced to close its office to the public. However, staff continued working at the office, and conducted business through phone calls, a payment drop box, and online platforms. City staff adapted safety protocols to prevent the spread of COVID-19 by adjusting work schedules to maintain social distancing, limiting work vehicle occupancy to one person, and wearing masks. The city initially faced challenges in getting masks and other PPE. For example, it took PPHD two to three months into the pandemic to provide PPE, such as gloves and masks, to the city.

PANHANDLE PUBLIC HEALTH DISTRICT

From March 2 to April 16, 2020, the health department reported 33 positive COVID 19 cases, which increased to 7,740 cases by January 4, 2021.

In the fall of 2020, the Nebraska Department of Labor conducted studies to measure impacts of the COVID-19 pandemic on businesses and the labor force statewide.[2] Results were collected from 1,263 business establishments and 1,488 households across the state. According to the studies, more than 85 percent of businesses reported being significantly impacted by the pandemic. More than one in six business establishments reported temporary layoffs, and more than a quarter of businesses reported making changes to the services or products they offered in response to pandemic-related disruptions. More than 70 percent of employers reported a job that was difficult to fill, and more than half reported a job that had historically been difficult to hire had become more so since the onset of the pandemic.

1 PPHD Press Releases on April 16, 2020, November 16, 2020, and January 4, 2021, http://www.pphd.ne.gov/Pages/newsroom.htm.
2 Statewide COVID Impacts and Teleworking Report, September 2021

Program Information

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) established the CRF and appropriated $150 billion for Treasury to make payments to states, eligible units of local government, the District of Columbia, U.S. territories, and Tribal governments (collectively referred to as prime recipients).[3] As of December 31, 2022, Treasury disbursed CRF payments to 964 prime recipients, which subsequently issued CRF payments to 89,969 subrecipients and beneficiaries through contracts, grants, loans, direct payments, or fund transfers.[4] CRF payments allowed prime recipients and subrecipients to provide fast and direct economic assistance to impacted workers, families, small businesses, and industries in response to the COVID-19 pandemic. For example, CRF could be used to address medical or public health needs, acquire PPE, provide small business assistance, facilitate distance learning, and provide economic support to those suffering from employment or business interruptions and closures.

The CARES Act required CRF recipients to use the funds to cover expenses that were (1) necessary expenditures incurred due to the public health emergency with respect to the COVID-19 pandemic; (2) not accounted for in the recipients' budget most recently approved as of March 27, 2020; and (3) incurred during the covered period (March 1, 2020, through December 31, 2021).[5] Prime recipients are responsible for reporting CRF expenditures on a quarterly basis during the covered period in GrantSolutions.[6]

As a prime recipient, the state of Nebraska's responsibilities included, but were not limited to, providing guidance to subrecipients, reiterating federal requirements, and reviewing subrecipients' expenditure reports to assess compliance with CRF eligible use requirements. Nebraska's Department of Health and Human Services (Nebraska HHS) also provided reminders to subrecipients regarding records retention during technical assistance calls and meetings. Nebraska's HHS relied on subrecipient applications to determine whether proposed expenditures were necessary due to COVID-19. Additionally, PPHD provided information on its website including a COVID-19 risk level, and information on patient hospitalizations, hospital bed availability, and vaccine availability.

3 P. L. 116-136 (March 27, 2020); Title V of the CARES Act defines a unit of local government as a county, municipality, town, township, village, parish, borough, or other unit of general government below the state level with a population that exceeds 500,000; an eligible unit of local government serves a population of over 500,000 and certified its proposed uses of the funds received from the CRF. The U.S. territories are as follows: United States Virgin Islands, Guam, American Samoa, Puerto Rico, and Commonwealth of the Northern Mariana Islands.

4 A subrecipient is an entity that received CRF payments from a prime recipient that received a CRF award directly from Treasury. Subrecipients assist with carrying out the CRF program. Subrecipients can also include recipients of transfers from a prime recipient that is a state, territory, local government, or Tribal government. Individuals and organizations (e.g., businesses, nonprofits, or educational institutions) that directly benefit from an assistance program established using payments from CRF are not considered subrecipients but are considered beneficiaries. Treasury OIG requires that the prime recipient report on expenditures made by subrecipients, as well as payments made to beneficiaries in the GrantSolutions reporting system (see footnote 7 for definition of the grant reporting system).

5 The Consolidated Appropriation Act, 2021, P.L. 116-260 (December 27, 2020), amended the CARES Act by extending the covered period for recipients of CRF payments to use proceeds through December 31, 2021. The period of performance end date for Tribal entities was further extended to December 31, 2022, by the State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act, Division LL of the Consolidated Appropriations Act, 2023, P.L. 117-328, (December 29, 2022), 136 Stat. 4459.

6 GrantSolutions, a grant and program management federal shared service provider under the U.S. Department of Health and Human Services, developed a customized and user-friendly reporting solution to capture the use of CRF payments from recipients.

Program Impact on the Community

As of June 30, 2022, Treasury disbursed $1.08 billion in CRF to the State of Nebraska, which awarded $147,732 to one subrecipient located within Sheridan County, a minority resource center (the Center), via a grant. Sheridan County did not receive CRF award funds directly from Treasury or from Nebraska. As such, Sheridan County is not a prime recipient or subrecipient of CRF. As of June 30, 2022, the Center spent all the CRF award funds it received to continue operations and provide economic support for local communities impacted by the pandemic. Treasury OIG tested $76,424 (52 percent) of CRF expenditures to determine whether the Center used the funds in alignment with the program's goals and objectives.

The minority resource center primarily provided economic support programs to Native American populations located within and around the county. For example, the Center distributed financial relief payments to eligible members to assist with food, utilities, and rental payments. Additionally, the grant provided resources to charitable organizations and licensed childcare providers to assist impacted families with children. The Center expanded its community health and educational outreach programs to areas not within its traditional service area based on an assessment of community needs. The selected CRF expenditures tested complied with the CARES Act and Treasury guidance and were used in alignment with the program's goals and objectives of preventing and mitigating the impacts from the COVID-19 public health emergency. As a result, the overall assessment of risk for ineligible use of CRF is low.

Participant Experience

Satisfaction

The minority resource center officials expressed overall satisfaction with Treasury's CRF allocation amounts, federal and state guidance, and the ability to use CRF award funds. They emphasized that the amount received was generous, timely, and beneficial to responding to the impacts of COVID-19 throughout the county and surrounding areas. The officials also explained that Nebraska HHS held meetings and webinars to disseminate CRF guidance to state and county agencies.

Challenges

The minority resource center officials experienced delays and uncertainty regarding the disbursement of CRF award funds. The Center received three CRF disbursements; however, officials explained there was no distribution timeline on when the funding would be disbursed. **Additionally, the Center officials explained there were unmet needs, such as rental assistance, when funding ran out; having additional funding would have enabled them to provide further support to vulnerable citizens**.

FOR MORE INFORMATION

For more information about Coronavirus Relief Fund program spending across the country, visit the PRAC's website, including an interactive dashboard.

PROGRAM SNAPSHOT

Elementary and Secondary School Emergency Relief Program

U.S. Department of Education

The CARES Act created the Education Stabilization Fund, which provided $30.75 billion to the U.S. Department of Education (ED) "to prevent, prepare for, and respond to coronavirus, domestically or internationally…"[7] The CARES Act also created the ESSER program—a subprogram of the Education Stabilization Fund. The ESSER program received funding through three pandemic-related laws, and each law created a different round in the program's implementation. Each round had slightly different funding totals, program expiration dates, and planning or reporting requirements. To support local schools, ED first provided ESSER funding to state education agencies, which then provided funds to local education agencies (i.e., local school districts).[8]

- **ESSER I**: The first round of ESSER funding came from the CARES Act, and provided $13.23 billion to prevent, prepare for, and respond to the coronavirus, domestically or internationally. ESSER I funds could be used to address the impact that the COVID-19 pandemic had on elementary and secondary schools across the country. ESSER I funds were intended to help schools safely reopen, sustain safe operation, and address the pandemic's impact on students.
- **ESSER II**: A second round of ESSER funding came from the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and provided $54.31 billion. ESSER II funds were to be used for the same purposes as ESSER I funds.
- **ESSER III**: A third round of ESSER funding came from the American Rescue Plan Act of 2021 (ARP Act) and provided $121.97 billion. At least 20 percent of local education agencies' ESSER III funds must be used to address the academic impact of lost instructional time (i.e., learning loss). The remaining funds may be used for the same purposes as ESSER I and ESSER II funds. For ESSER III, each local education agency was also required to submit a plan to the state education agency "within a reasonable timeline determined by the state education agency" on the use of the funds, how it would engage and consult with stakeholders when developing its plan, and how it intended to make the plan publicly available. Each local education agency was also required to develop a plan for the safe return to in-person instruction and continuity of services.

7 See CARES Act, P.L. No. 116-136, Division B, Title VIII, (March 27, 2020).

8 State education agencies also reserved funds in accordance with the guidance described in the Department of Education's Elementary and Secondary School Emergency Relief Programs and Governor's Emergency Education Relief Programs, Frequently Asked Questions, December 7, 2022, Update. See questions A-8 through A-12.

During phase one of this review, we found that the two school districts within the boundaries of Sheridan County (Gordon-Rushville Public Schools and Hay Springs Public Schools) were awarded about $2.4 million in ESSER funds. As of September 30, 2021, these school districts had spent $180,649 in ESSER I funds, and they had not yet spent any of their ESSER II or ESSER III funds. See Table 1 for more information about the total ESSER funding for Sheridan County, NE, schools.

Table 1: Sheridan County, NE, Schools ESSER Funding Information, as of September 30, 2021

	Total Awarded	*Total Spent*[a]	*Expiration Date*
ESSER I	$180,649	$180,649	9/30/2022
Gordon-Rushville Public Schools	*$158,261*	*$158,261*	
Hay Springs Public Schools	*$22,388*	*$22,388*	
ESSER II	$688,336	$0	9/30/2023
Gordon-Rushville Public Schools	*$603,029*	*$0*	
Hay Springs Public Schools	*$85,307*	*$0*	
ESSER III	$1,546,040	$0	9/30/2024
Gordon-Rushville Public Schools	*$191,722*	*$0*	
Hay Springs Public Schools	*$1,354,318*	*$0*	
Total ESSER	**$2,415,025**	**$180,649**	**-**

a Total Spent reflects the total amount of funding expended by the local education agencies for which the state education agency has issued a reimbursement.

Program Information

Gordon-Rushville Public School District

Gordon-Rushville Public School District had an enrollment of almost 600 students and consisted of four schools: two elementary schools (kindergarten to grade 5), a middle school (grades 6 to 8), and a high school (grades 9 to 12). The district had approximately 60 teachers. The elected school board selects the district's superintendent.

GORDON-RUSHVILLE PUBLIC SCHOOLS OPERATING STATUS

End of 2020 School Year

Fully remote learning.

2020–2021 School Year

Fully open.

Staff from the Gordon-Rushville Public School District stated that the district spent ESSER I funds to purchase technology to assist with remote work, to support cleaning and disinfection, and to pay paraprofessional staff. Staff added that the district spent most of these funds on the information technology (IT) supplies and other IT components that enabled remote work. See Table 2 for more information about the ESSER I funding categories for Gordon-Rushville Public School District.

Table 2: Spending Categories for Gordon-Rushville Public School District for ESSER I, as of September 30, 2021

Description	*ESSER I Total Spent*
Information Technology Supplies and other IT components	$140,964
Cleaning Supplies	$7,280
PPE and Schools Modifications for Social Distancing and Safety	$10,017
Total	**$158,261**

Source: PRAC Analysis of Nebraska ED Data.

During our site visit in August 2022, district officials stated that they had spent all their ESSER I funds and received reimbursement for 75 percent of their ESSER II expenditures. They reported that they used ESSER II funds to further improve the district's technology infrastructure, purchase a new bus, and conduct facility upgrades.

We also reviewed Gordon-Rushville's ESSER III plan—required by ED. Under ESSER III requirements, at least 20 percent of the funds must be spent on mitigating the academic impacts of learning loss. The Gordon-Rushville ESSER III plan stated that learning loss would be addressed through:

- Purchasing a new reading series for kindergarten through 8th grade.
- Increasing summer school and after school offerings.
- Contracting with more mental health providers.

Other uses listed in Gordon-Rushville's plan included:

- Updating student and staff devices (i.e., computers) and continuing to implement ways to improve remote learning and student access to information.
- Improving the high school cafeteria's air quality to allow for student social distancing, reducing the virus transmission risk, and other environmental health hazards.
- Upgrading the elementary school's fire suppression system, including asbestos removal.

Hay Springs Public School District

Hay Springs Public School District had an enrollment of approximately 200 students and consisted of four schools: a pre-kindergarten school, an elementary school (kindergarten to grade 5), a middle school (grades 6 to 8), and a high school (grades 9 to 12). The district had about 30 staff, including approximately 20 teachers. The elected school board selects the district's superintendent.

HAY SPRINGS PUBLIC SCHOOLS OPERATING STATUS

End of 2020 School Year

Fully remote learning.

2020–2021 School Year

Fully open.

A Hay Springs Public School District official told us that the district used ESSER I funds to support and pay custodial staff. According to data from the State of Nebraska Department of Education (Nebraska ED), as of September 30, 2021, the district had spent all its $22,388 in ESSER I funds on custodial salaries and benefits. District officials explained that they used their ESSER II funds to improve information technology infrastructure, perform facility upgrades, and improve the schools' kitchens and food safety.

We also spoke to district officials about their overall response to the pandemic and their future needs and reviewed their required ESSER III plan. As noted above, under ESSER III requirements, at least 20 percent of those funds must be spent on learning loss. According to the Hay Springs ESSER III plan, the district intended to conduct a data evaluation and needs assessment to help identify the most effective, high-quality instructional materials to purchase for the schools' needs. The district also planned to address learning loss through curriculum revision, interventions, and the use of related technology to implement the programs. Furthermore, the district planned to use teacher observation, test scores, and its performance metrics to help decide how to respond to learning loss created by the pandemic.

As part of its response efforts, the district also hired additional staff to increase the amount of personalized instruction provided to students during the 2020–2021 school year. As a result, according to district officials, they were able to mitigate learning loss and meet a performance milestone of 85 percent of students scoring proficient on standardized tests within the same school year.

Participant Experience

Officials from both the Gordon-Rushville and Hay Springs school districts told us that ESSER funds were sufficient to meet the districts' needs in relation to the ESSER program's stated purposes. Both school districts' officials provided positive feedback on ESSER III guidance, noting that the guidance could be understood more easily and that it made the process of spending the funds simpler than the earlier rounds of ESSER.

Gordon-Rushville Public School District

Gordon-Rushville Public School District officials said that the district would have survived without the ESSER funding, but the funding did greatly improve their situation. They also explained the changing nature of the pandemic made it more difficult to determine how to spend their ESSER funding. Officials further expressed that if the districts had known in advance how much funding they would receive—rather than getting additional funding in rounds—then they could have better planned how to use their ESSER funding. In addition, district officials believed that the loss of teachers would have been much greater without the ESSER funding and that teachers would have faced more difficult circumstances. They also said that upgrades they implemented with funding made teachers feel more valued.

Hay Springs Public School District

Hay Springs Public School District officials provided positive feedback on Nebraska ED efforts to ensure schools spent ESSER funds appropriately and effectively. The officials explained that the CDC guidelines for schools and childcare programs created more challenges because the guidelines were not specifically developed for rural schools. One official highlighted the need for CDC guidelines more applicable to their rural context. He added that the changing CDC guidelines over the course of the pandemic made it extremely difficult for the district to make and enforce school policies. The official also said he believed the impact of school closures on children was not fully considered. Moreover, he believed that Sheridan County school closures caused students trauma.

Nebraska Department of Education

As part of our review, we spoke with Nebraska ED officials who were responsible for administering the state's ESSER funds. The officials said the Commissioner of Nebraska ED held weekly meetings with local school districts to share ESSER information. State officials commented that information provided by the federal government about program funding availability, guidelines, and permissible uses could sometimes be unclear, though they added that they did not fault the federal government for this given the need to quickly administer information in a rapidly changing environment due to the nature of the pandemic. They added the federal government sometimes issued further guidance "after-the-fact" that changed what the state had previously told school districts. One state official noted these changes created frustration within the local schools. The state official also explained there was little the state education agency could do because it was responsible for following the federal guidance issued.

When we asked officials about the adequacy of the ESSER funds in helping the school districts, one state official said some districts did not know how to spend all their respective funds, while other districts requested more money. This state official further explained that based upon their experience during the pandemic, the federal government's process used to distribute ESSER funding could have been better in providing each school district what it needed.

Nebraska ED officials told us that although they received a lot of federal guidance about allowable costs under ESSER funding, they never had a clear understanding of what costs tied to COVID-19 means.[9] Absent this explanation, officials said the department advised districts to use common sense in determining whether an incurred cost responded to COVID-19 and therefore could be reimbursed through ESSER funding. Using this test, Nebraska ED did not approve all proposed expenditures due to disagreements among county officials about whether they were tied to COVID-19.

SPOTLIGHT ON | FEEDING STUDENTS DURING THE PANDEMIC

While schools across the nation closed, students continued to have nutritional needs during the day. In response, the U.S. Department of Agriculture granted schools more flexibility to feed their students. State education agencies were given the authority to approve the delivery of meals to students' homes, allow parents or guardians to pick-up meals without their students being present, or approve students receiving multiple meals at a time. To help support these efforts, ESSER funds could be used for "planning for, coordinating, and implementing activities during long-term closures, including providing meals to eligible students…"[a]

Officials from both school districts said student meal programs continued during the pandemic. A Hay Springs district official stated that grab-and-go meals were provided at the school for pick-up. Gordon-Rushville district officials stated that they provided students takeout meals and expanded the program into the summer, weekends, and for people 21 and under.

a U.S. Department of Education, Elementary and Secondary School Emergency Relief Programs and Governor's Emergency Education Relief Programs, Frequently Asked Questions, May 2021.

FOR MORE INFORMATION

For more information about the Education Stabilization Fund, including Elementary and Secondary School Emergency Relief program spending across the country, visit the PRAC's website.

9 A U.S. Department of Education official told us they provided guidance in December 2021 on what costs tied to COVID-19 meant.

PROGRAM SNAPSHOT

Farmers to Families Food Box Program

U.S. Department of Agriculture

At the onset of the COVID-19 pandemic, many restaurants, hotels, schools, and other food service entities were forced to close or scale back operations to ensure public safety. These closures had negative impacts on the food supply chain from farmers and other producers, distributors, food services, and hospitality entities. As a result of these supply and logistical issues, as well as reports of produce rotting in fields, the U.S. Department of Agriculture (USDA) established the Food Box Program to mitigate the problems.

The purpose of the Food Box Program was to connect food—which would have otherwise been sold to restaurants, hotels, schools, and other food service entities—to regional and local food distributors. These distributors would purchase the food, package it in boxes, and deliver fresh produce, dairy, and meat products to nonprofit and governmental organizations, which in turn would distribute the boxes to families and individuals in need.[10] USDA contracted directly with the distributors to administer five rounds of the Food Box Program. **According to USDA, this program delivered approximately 176 million food boxes worth $5.47 billion to nonprofit and governmental organizations from May 2020 to May 2021**. See Figure 1 below for more information about the Food Box Program's goals.

Figure 1: Three Primary Goals of the Food Box Program

Providing an alternative outlet for domestic **Food Producers** (e.g., farmers) faced with declining demand because of food service entities closures.

Helping **Food Distributors** that supply and distribute food to retain jobs that could be lost because of food service entities closures.

Providing food to families in need by delivering food boxes to governmental and nonprofit **Food Recipient Organizations which gave the food to families**.

Source: GAO, USDA Food Box Program: Key Information and Opportunities to Better Assess Performance, GAO-21-353, September 2021

10 Food distributors could only deliver boxes containing certain types of food or fluid milk (e.g., dairy box or meat box) or boxes that contained a combination of food and fluid milk (e.g., box containing both dairy and meat). Dairy boxes were standalone boxes in rounds 1 & 2 of the Food Box Program, and combination boxes containing fresh produce, meat, and fluid milk were available in rounds 3, 4, & 5.

Program Impact on the Community

To perform our work, the PRAC team used data previously collected and analyzed by USDA OIG in in the PRAC's July 2023, Tracking Pandemic Relief Funds that Went to Local Communities Reveals Persistent Data Gaps and Data Reliability Issues. Our first review highlighted data limitations which prevented us from determining whether the program served producers, distributors, and food recipient organizations in accordance with program goals and objectives. However, USDA OIG estimated that food distributors delivered 2,464 boxes food boxes (valued at $69,633) to one recipient organization to feed families in the Sheridan County community.[11] During our site visit in August 2022, we spoke to this organization, which stated it distributed all the food boxes within a few hours through a "pick-up event."

Under the program structure USDA established, the distributors were required to provide USDA with an invoice detailing the number, type, and cost of food boxes delivered, including high-level information about the nonprofit and governmental organizations that received the boxes. However, these program reporting requirements did not provide USDA with information about which food producers (i.e., farmers) the program helped, how many food boxes went to how many families, or consistent information about which organizations received food boxes for distribution. Given this reporting structure, it is possible that Sheridan County residents could have received a higher or lower number of boxes than USDA OIG's estimate—for example, another organization not identified in the data could have received and distributed boxes to Sheridan County residents, or a lesser percentage of residents than projected could have picked up boxes. In addition, these data limitations prevented us from obtaining community-specific information on the total number of families served or confirm that only one organization received food boxes to provide to individuals and families in need in Sheridan County.

According to a Government Accountability Office (GAO) report, USDA did not collect data to evaluate whether the Food Box Program met some of its primary goals—including assisting food producers with declining demand.[12] Similarly, the PRAC observed a lack of data in our work, which limited our ability to determine the extent to which USDA met the Food Box Program goals in Sheridan County. For example, USDA did not require food distributors to collect and submit data showing what food they purchased from producers facing declining demand. Although Sheridan County's predominant industry is agriculture, we could not identify any farmers or ranchers in the county who benefited from the Food Box Program.

LEARN MORE ABOUT THE FOOD BOX PROGRAM

USDA OIG and the Governmental Accountability Office (GAO) have released reports and data stories about the Food Box program:

USDA OIG, COVID-19—*Farmers to Families Food Box Program Administration*, Rpt. No. 01801-0001-22, August 15, 2023

USDA OIG, COVID-19—*Farmers to Families Food Box Program Administration—Interim Report*, Rpt. No. 01801-001-22(1), June 24, 2022

USDA OIG, *USDA Farmers to Families Food Box Program* Data Story, June 22, 2022

GAO, *USDA Food Box Program: Key Information and Opportunities to Better Assess Performance*, GAO-21-353, September 8, 2021

11 This estimate identified by USDA OIG for Sheridan County is less than the total boxes identified by USDA data (2,619 boxes valued at $74,023). This difference accounts for potential recipients of food boxes from surrounding counties.

12 GAO, USDA Food Box Program: Key Information and Opportunities to Better Assess Performance, GAO-21-353, September 2021.

Participant Experience

During our field work in Sheridan County, PRAC officials met with the nonprofit organization that received food boxes for delivery to the community. This organization is located near the border of Sheridan County and supports the broader region with several community-centered service programs including a childhood development program, a food pantry, a diaper program, and assistance for homeless individuals and families. The organization's staff told us they received the food boxes during the second round of the program. They also provided positive feedback about the program. Staff told us that once their organization learned it would be receiving the boxes, they publicized a food pick-up event using local media, flyers, and their website. They attributed the media outreach to the success of the event. The nonprofit organization also used this pick-up event to pass out face masks and public health information related to COVID-19.

PROGRAM SNAPSHOT

Pandemic Unemployment Insurance Programs

U.S. Department of Labor

The federal-state unemployment insurance (UI) program, created by the Social Security Act of 1935, offers an economic line of defense against the ripple effects of unemployment. Specifically, UI benefits are intended to provide temporary financial assistance to workers who are unemployed through no fault of their own.

On March 27, 2020, the CARES Act was signed into law with the intent to provide expanded UI benefits to workers who were unable to work as a direct result of the COVID-19 pandemic. The CARES Act was designed to mitigate the economic effects of the pandemic in a variety of ways, including the establishment of three key CARES Act UI programs: Federal Pandemic Unemployment Compensation (FPUC), Pandemic Unemployment Assistance (PUA), and Pandemic Emergency Unemployment Compensation (PEUC). The three programs were later extended by the Continued Assistance for Unemployed Workers Act of 2020 and the ARP Act of 2021, ending on September 6, 2021.[13]

The COVID-19 pandemic was historic in its impact on the UI system. From March 28, 2020, to September 4, 2021, the U.S. Department of Labor (DOL) reported approximately 110 million initial jobless claims were filed for state UI (regular UI) or PUA, and 1.5 billion continued claims were submitted for regular UI, PUA, or PEUC.[14]

The Sheridan County unemployment rate was marginally impacted by the COVID-19 pandemic. **Nebraska estimated the unemployment rate in Sheridan County peaked in March 2020 at 4.2 percent—20 percent greater than the prior year's highest monthly rate** (see Table 3).

13 Nebraska ended its participation in the pandemic-related UI programs on June 19, 2021, prior to the programs' statutory expiration of September 6, 2021.

14 Regular UI, also known as state UI, is a program administered by state workforce agencies in the United States to provide temporary financial assistance to eligible workers who have lost their jobs through no fault of their own; continued claims are ongoing weekly unemployment benefit claims by workers who previously filed an initial claim.

Table 3: Sheridan County, NE – Unemployment Estimates

Year	*Sheridan County Average Unemployment Rate (%)*	*Sheridan County Highest Monthly Unemployment Rate (%)*	*Nebraska Average Unemployment Rate (%)*	*Nebraska Highest Unemployment Rate (%)*
2018	2.6	3.2	2.9	3.3
2019	2.7	3.5	3.0	3.6
2020	2.3	4.2	4.1	8.1
2021	1.8	2.2	2.5	3.3

Source: DOL OIG analysis of Nebraska unemployment data.

In addition to regular UI, Nebraska reported 45 unemployed workers in Sheridan County received about $285,800 in federal UI benefits from FPUC, PUA, and PEUC (see Table 4).[15]

Table 4: Sheridan County, NE – CARES Act UI Benefits

CARES Act UI Program	*Total Benefits Paid*
FPUC provided a $600 weekly supplement through July 31, 2020. FPUC resumed in December 2020 with a $300 weekly supplement.	$231,300
PUA extended UI benefits to individuals not traditionally eligible for UI benefits, such as self-employed workers.[a]	$42,296
PEUC provided additional weeks of UI benefits to individuals who had exhausted their regular unemployment benefits.	$12,204
Total Benefits	**$285,800**

Source: DOL OIG data analysis of state workforce agency claims data for the period March 27, 2020, to June 19, 2021.

a PUA also included independent contractors, those with limited work history, and those who otherwise did not qualify for regular UI or extended benefits under state or federal law or under PEUC.

15 State workforce agencies provided DOL OIG data about pandemic UI-related programs as part of a data disclosure process. The Nebraska state workforce agency provided this data as of January 25, 2022.

Program Information

To participate in these three CARES Act UI programs, states signed an agreement with DOL. State workforce agencies, which administer unemployment programs on behalf of the state, were then allowed to provide benefits to eligible UI claimants. DOL made funding available to cover additional benefits, ongoing administrative costs, and reasonable implementation costs.

DOL's Employment and Training Administration provides leadership, direction, and assistance to state workforce agencies in the implementation and administration of state UI programs and federal unemployment compensation programs. The Employment and Training Administration provided program guidance to state workforce agencies through Unemployment Insurance Program Letters, Training and Employment Notices, and webinars available through the UI community of practice page located on the WorkforceGPS website, which is sponsored by the Employment and Training Administration. As the CARES Act UI programs were temporary, the Employment and Training Administration did not establish performance metrics specific to these programs.

Under these three new UI programs, claimants were required to file a UI claim to receive benefits. State workforce agencies would then assess eligibility and provide the claimant with the applicable regular UI and/or CARES Act UI program payments for each week certified by the claimant.[16]

Participant Experience

CARES Act UI Program Participant Assessment

To assess the new CARES Act UI programs (FPUC, PUA, and PEUC), DOL OIG judgmentally sampled 39 Sheridan County residents (claimants).[17] DOL OIG's investigators traveled to the area, confirmed the individuals filed a UI claim, and performed in-person interviews with the claimants. Of the 39 claimants, 12 (31 percent) who received benefits from at least one of the three key pandemic UI programs chose to respond. The surveys were conducted November 1–3, 2022.

DOL OIG's deliberative process for this project's sample selection included removing possible fraudulent claims to ensure interviews of only eligible UI claimants. To do so, the OIG used fraud indicators. This removal also ensured that DOL OIG investigators did not impact ongoing investigations or interact with possible subjects or targets of future OIG investigations.

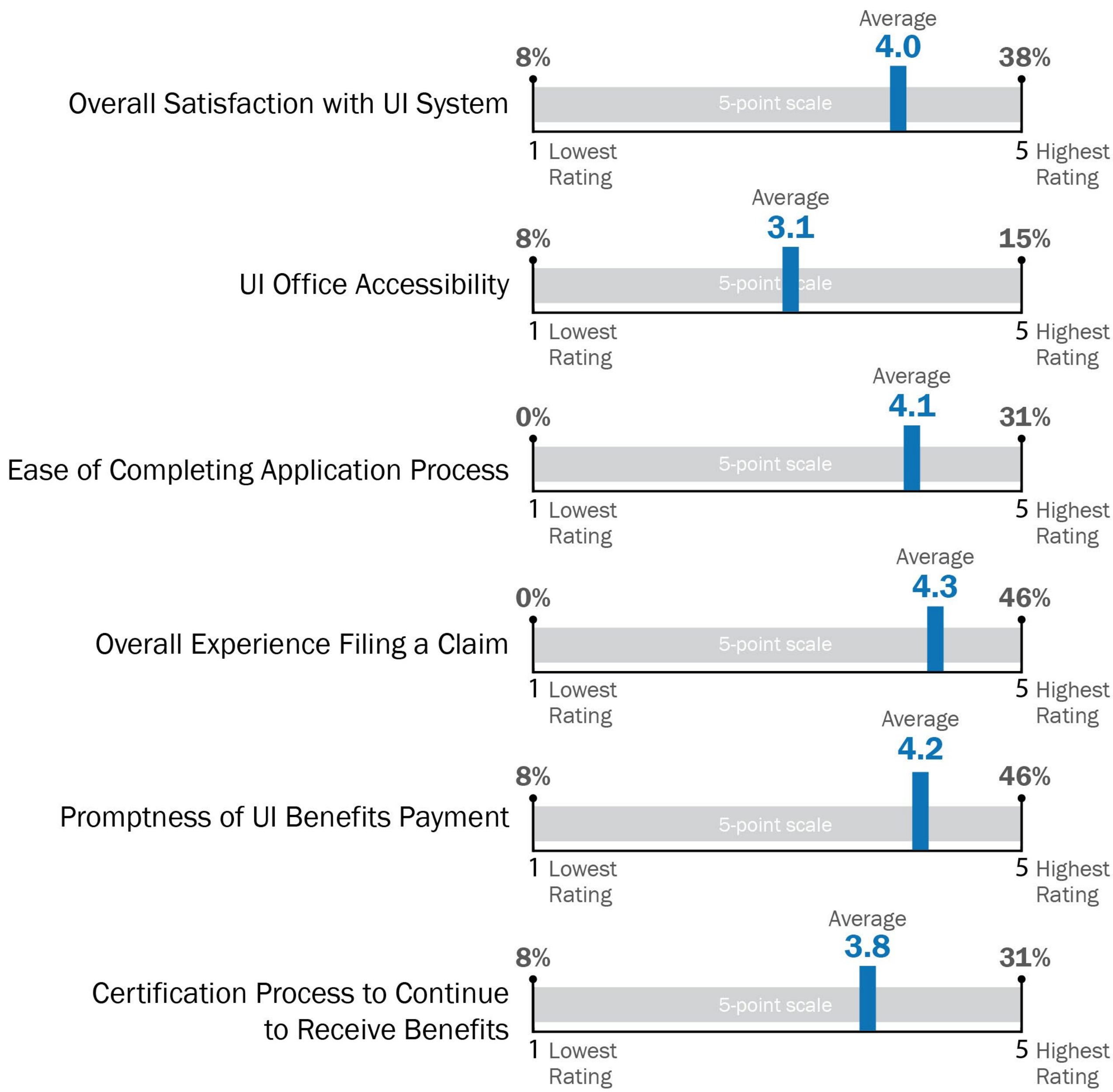
16 FPUC was provided as a supplement (add-on) benefit to an underlying UI payment, such as regular UI, PEUC, or PUA. Claimants did not file a separate claim for FPUC benefits. FPUC benefits were added if the individuals met the eligibility requirements for the underlying week claimed.

17 Judgmental sampling is a non-probability sampling technique in which the sample members are chosen on the basis of the auditor's knowledge and judgment; six claimants with fraud indicators were removed from DOL OIG's sample.

Satisfaction with Key CARES Act UI Programs Was High—Both Overall and with Specific Components

Generally, the majority of surveyed claimants reported the ease of completing the application process, overall experience filing a claim, promptness of UI benefit payments, and the certification process to continue to receive benefits as satisfying.[18] Overall, satisfaction with the UI system was rated 4.0 on a 5-point scale, with 38 percent of surveyed claimants rating their experience as extremely satisfying (see Figure 2).

Figure 2: Surveyed Claimants Assessment of Claims Process



Source: DOL OIG data analysis of claimant surveys conducted November 1–3, 2022.

18 Surveyors asked claimants a series of questions and claimants responded with a 5-point scale where 1 was extremely dissatisfied and 5 was extremely satisfied.

Surveyed claimants identified difficulties, including the time it took to file a claim and an inability to access the UI system. The regional state workforce agency reported in an interview that it was swamped with customers, and customers were forced to wait in the halls to receive services. Normally the agency served no more than 25 customers a week.[19] However, during the pandemic, this became the minimum number of customers each day of the week. Despite the increase in customers, only one surveyed claimant (8 percent) reported that UI office accessibility was extremely dissatisfying.

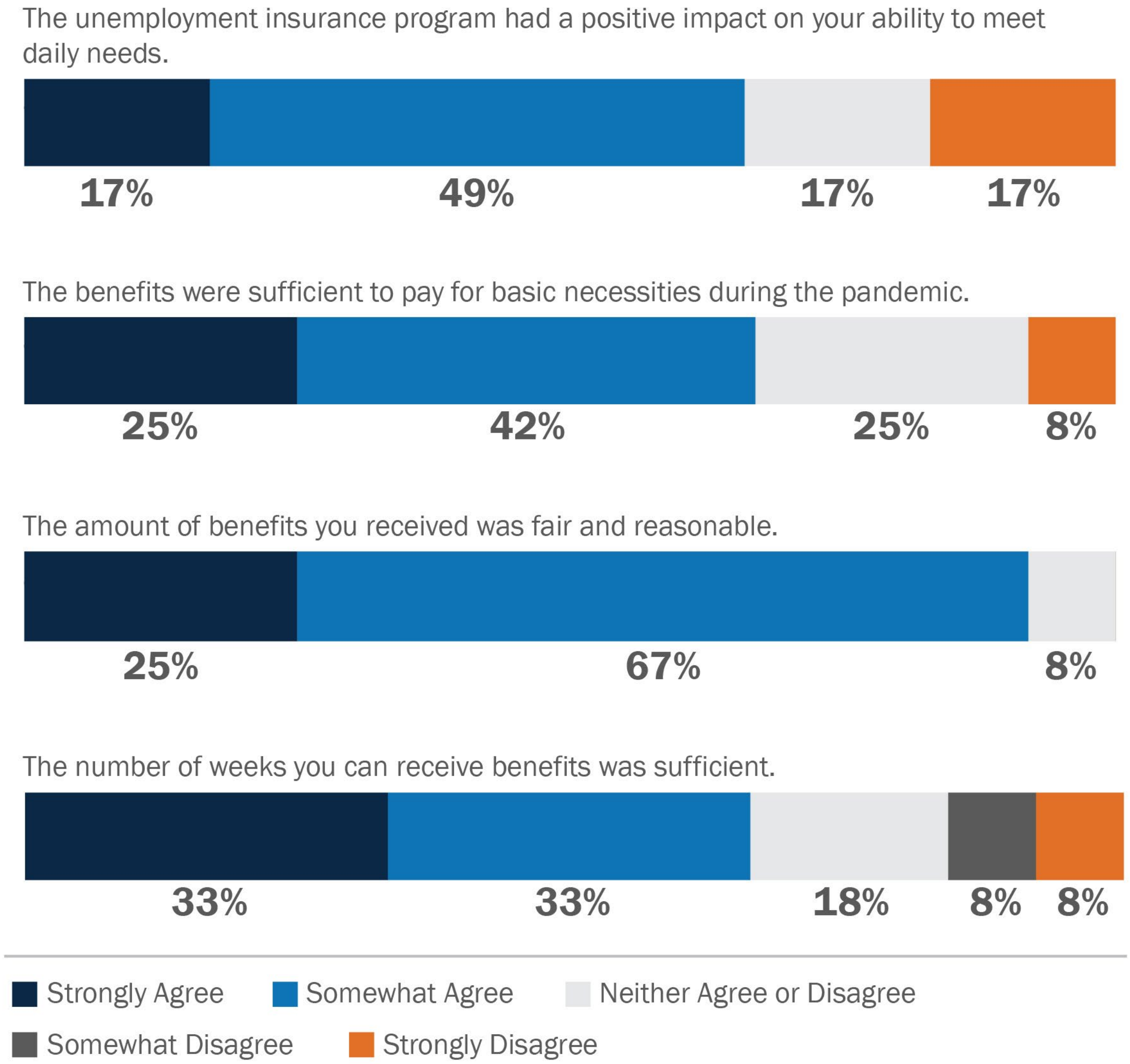
Surveyed Claimants Generally Felt the CARES Act UI Programs Were Impactful, Sufficient, and Fair

The majority of surveyed claimants reported either agreeing or strongly agreeing the benefits provided by the CARES Act had a positive impact on their ability to meet their needs, were sufficient to pay for basic necessities, and were fair and reasonable (see Figure 3).[20] The surveyed claimants also agreed or strongly agreed that the number of weeks benefits were provided was sufficient. On average, 0 to 17 percent of surveyed claimants felt the benefits did not have a positive impact, were insufficient, or were not fair and reasonable.

19 The DOL OIG audit team interviewed officials at the Regional Nebraska Department of Labor office in Scottsbluff, NE, which is located approximately 100 miles from Sheridan County. Despite the distance, it serves as the closest location to the community.

20 Surveyors offered claimants a series of statements and, for each statement, asked claimants to tell them if they: (a) strongly agreed, (b) somewhat agreed, (c) neither agreed nor disagreed, (d) somewhat disagreed, or (e) strongly disagreed.

Figure 3: Surveyed Claimants Assessment of Benefits



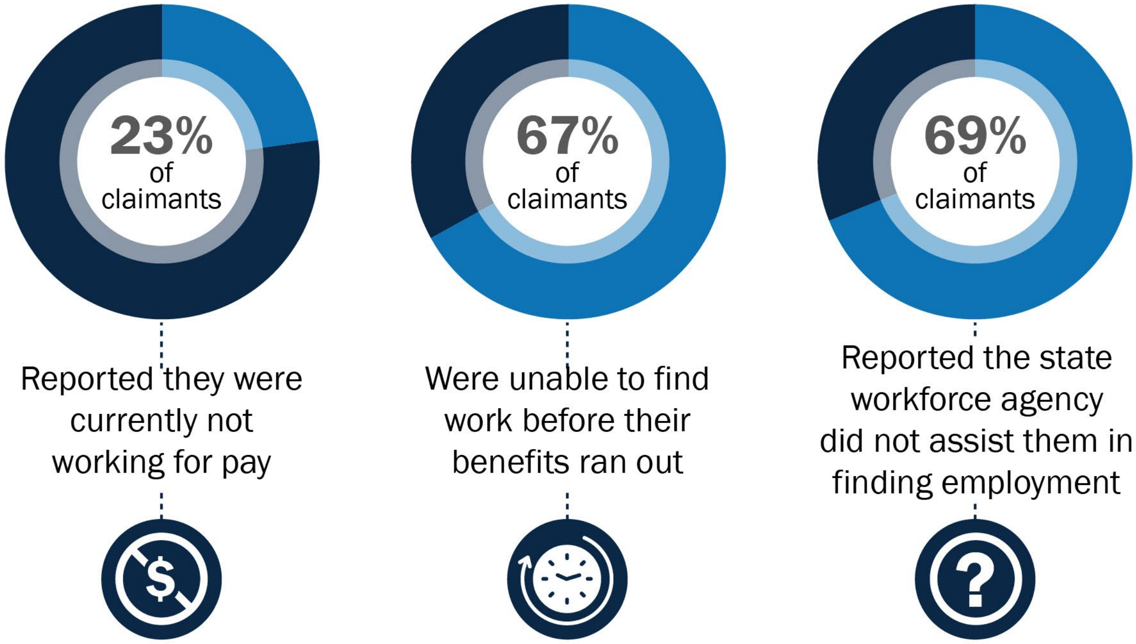
Source: DOL OIG data analysis of claimant surveys conducted November 1–3, 2022.

Claimants Generally Still Experienced Difficulty in the Labor Market

Of those who responded, 23 percent of surveyed claimants reported they were not currently working for pay, and **67 percent reported they were unable to find employment before benefits ran out** (see Figure 4).

Additionally, 69 percent of surveyed claimants reported the state workforce agency did not assist them with finding employment. The survey did not address whether the surveyed claimants were aware of the state workforce agency's job placement services. However, ETA officials reported that, during the pandemic, initial claims for federal and state programs rose to 10 times pre-pandemic levels, far higher than state systems were designed to handle. Furthermore, an interview with the regional state workforce agency office disclosed that staff that worked in re-employment services had to switch to UI services.

Figure 4: Surveyed Claimants Return to Work Assessment



Source: DOL OIG data analysis of claimant surveys conducted November 1–3, 2022.

Program Integrity

With the passage of the CARES Act and subsequent pandemic legislation, pandemic related UI programs became a target for fraud. DOL OIG investigators, auditors, and data scientists have created a series of fraud indicators to identify potentially fraudulent UI claims. DOL OIG identified **13.3 percent of the claims submitted from Sheridan County as potentially fraudulent** (see Table 5).[21]

21 Potentially fraudulent claims are based on data analytics and have not been investigated, adjudicated, or confirmed as fraud by a state UI agency. Flagged transactions may not be fraudulent, and not all fraudulent transactions may be flagged. More generally, these types of potential fraud measures can be used to identify transactions that may be indicative of potential fraud. They cannot, though, be interpreted directly as measures of the extent of fraud in any specific geographic area.

Table 5: Sheridan County, NE – Fraud Indicators[a]

Category	*Claimants*	*Percent of Total*	*Amount Paid*
Total Claimants	**45**	**-**	**$285,800**
Claimants with Fraud Indicator:			
Multistate	3	6.7%	$28,608
Suspicious Email	3	6.7%	$24,141
State Flagged	- [b]	- [b]	- [b]
Deceased Person	- [b]	- [b]	- [b]
All Preceding Fraud Indicators (claimants with multiple indicators were only included once to avoid duplication)	6	13.3%	$52,749

Source: DOL OIG data analysis of state workforce agency claims data for the period March 27, 2020, to June 19, 2021.

a Fraud indicators were created by DOL OIG to flag potential incidents of fraud. Multistate claimants applied for benefits in multiple states. Claimants with suspicious emails used the same email for multiple applications, used a temporary email address, or an email address with a common fraud technique. Also flagged were claimants using Social Security numbers of deceased persons. Additionally, the state workforce agency flagged certain claimants as potentially fraudulent.

b No fraud indicator identified.

Prior to the release of this report, the potentially fraudulent claims were referred to the OIG's Office of Investigations to assess and determine if the claims warrant investigation. If the claims did not warrant investigation, DOL OIG referred the claim to the state workforce agency.

FOR MORE INFORMATION

For more information about Unemployment Programs during the pandemic, visit the PRAC's website.

PROGRAM SNAPSHOT

Public Housing Operating Fund – CARES Act

U.S. Department of Housing and Urban Development

Sheridan County is a rural community in Western Nebraska. There are two public housing agencies (PHA) in the county: Gordon Housing Authority and Hay Springs Housing Authority. These two PHAs were not initially affected by coronavirus, and, overall, they experienced minimal impact to their operations. Throughout the pandemic, the two PHAs kept their respective offices open with minor adjustments. They modified some procedures to accommodate residents who preferred to limit their contact with others and potential exposure to the virus. For example, the PHAs only conducted in-person unit inspections if the residents felt comfortable with PHA staff entering their unit.

The Public Housing Operating Fund provides an operating subsidy to assist PHAs in serving low-, very low-, and extremely low-income families in the operation and management of public housing. This funding is made available to PHAs, and the operating subsidy amount that a PHA receives each year is determined by a formula. Eligible uses for these funds include, but are not limited to:

- Management and operation of public housing units, including the cost of review by an independent auditor
- Routine preventive maintenance
- Anticrime and antidrug activities
- Rehabilitation and development of public housing units

The CARES Act (signed into law on March 27, 2020) provided an additional $685 million in supplemental operating funds. The CARES Act required that HUD allocate the funds to PHAs using the same formula applied to routine operating funds. The CARES Act also expanded eligible uses of these funds to include activities to prevent, prepare for, and respond to the coronavirus, including additional funds for PHAs to maintain normal operations and take other necessary actions during the period in which the program is impacted by coronavirus.

CLEAR GUIDANCE AND TECHNICAL SUPPORT

HUD provided PHAs with several resources to ensure that the CARES Act supplemental operating funds were used as intended. HUD issued notices, published frequently asked questions on its website, and held calls with PHAs to provide guidance on the allocation and eligible uses of the funds. The executive director for the two PHAs in Sheridan County believed the guidance provided by HUD was clear and HUD staff was readily available to answer questions.

As of September 30, 2021, HUD had provided $13,972 in supplemental operating funds to two PHAs in Sheridan County: Gordon Housing Authority and Hays Springs Housing Authority.[22] Gordon Housing Authority received $9,519, and Hay Springs Housing Authority received $4,453. Both PHAs spent all of their CARES Act supplemental operating funds by December 31, 2020.

HUD provided PHAs with several resources to ensure that the CARES Act supplemental operating funds were used as intended. Specifically, HUD issued notices, published frequently asked questions on its website, and held calls with PHAs to provide guidance on the allocation and eligible uses of the additional funds. Further, HUD provided guidance explaining the flexible uses of CARES Act supplemental operating funds for eligible Public Housing Operating Fund and Capital Fund activities or for coronavirus purposes.[23] Examples of eligible use include, but are not limited to:

- Sourcing and purchasing PPE for PHA staff
- Costs related to maintaining adequate social distancing
- Salaries of PHA staff unable to work because of the coronavirus public health restrictions

Program Impact on the Community

HUD OIG's review found that the two PHAs in Sheridan County used their CARES Act supplemental operating funds consistent with program goals and objectives, which were to prevent, prepare for, and respond to coronavirus. Gordon Housing Authority and Hay Springs Housing Authority used the CARES Act supplemental operating funds in a similar manner. Each PHA maintained an office in its respective town, employed its own maintenance staff, and received a separate allocation of CARES Act supplemental operating funds for its public housing units. Gordon Housing Authority received $9,519 in CARES Act supplemental operating funds for its 25 units, and Hay Springs Housing Authority received $4,453 for its 17 units.

The two PHAs in Sheridan County used their CARES Act supplemental operating funds to protect their residents and staff and to continue normal operations. **Specifically, they used the funds to purchase PPE supplies, including masks, thermometers, and shields for their offices. The two PHAs also used the funds to pay salaries for their maintenance staff and to pay for accounting services**. These expenditures were eligible and met the goals and objectives of the program. They allowed the PHAs to maintain normal operations and assisted the PHAs with preventing, preparing for, and responding to the coronavirus.

22 Gordon Housing Authority and Hays Springs Housing Authority were contractually managed by Scotts Bluff Housing Authority and had the same Executive Director. It is not uncommon for small PHAs to be contract managed by another PHA.
23 An overview of Funding Flexibilities can be found in Notice PIH-2020-07; The Public Housing Capital Fund program provides funds to PHAs to modernize public housing developments.

Participant Experience

The executive director for the two PHAs in Sheridan County believed the amount of CARES Act supplemental operating funds received from HUD was adequate in helping the PHAs to prevent, prepare for, and respond to coronavirus in the community. Overall, the executive director also indicated that the impact of coronavirus in the community was minimal, and the CARES Act supplemental operating funds allowed the PHAs to continue operations while limiting exposure for program participants and staff. Additionally, the executive director believed HUD's guidance provided through notices, online resources, and virtual meetings, was clear and HUD staff were readily available to answer questions. This guidance assisted the two PHAs in Sheridan County, allowing them to use their CARES Act supplemental operating funds for eligible expenditures in a timely manner.

PROGRAM SNAPSHOT

Provider Relief Fund Payments to Nursing Homes

U.S. Department of Health and Human Services

Nursing homes and their residents have been among the hardest hit by the COVID-19 pandemic, due in part to residents' ages and underlying medical conditions, close living quarters, and nursing homes' longstanding challenges with staffing and infection control.[24] As of August 7, 2022, more than 1.1 million nursing home residents in the United States had already had a confirmed case of COVID-19, with approximately 155,000 deaths.[25]

The three Sheridan County nursing homes in the U.S. Department of Health and Human Services (HHS) OIG's sample have had substantial financial challenges in responding to the pandemic.[26] The nursing homes' leaders reported lost revenue because the facilities had fewer residents during the pandemic. They reported limiting admissions during outbreaks and at other times according to COVID-19-related requirements to keep rooms available for residents who tested positive and because of staff limitations. Leaders and staff reported that loved ones sometimes removed residents from the facilities or did not admit them because they were worried that COVID-19 precautions would prevent them from visiting the residents. A chief financial officer (CFO) for one nursing home described how temporary halts on elective procedures at a hospital within the same health system caused a decrease in the number of short-term nursing home stays for patients recovering from those procedures. She said that the loss in revenue from fewer short-term stays was "absolutely devastating."

Facility leaders from all three nursing homes reported that, while revenue declined, expenses increased. Leaders and staff reported that significant increases in labor costs were a substantial financial challenge, and that those costs still had not decreased as of August 2022. Leaders attributed the increased costs to staffing shortages, which they explained worsened as the pandemic continued, partially because of COVID-19 regulations and vaccine mandates. At the same time, leaders and staff reported an increased need for staff to cover the facilities' COVID-19

24 HHS OIG, COVID-19 Had a Devastating Impact on Medicare Beneficiaries in Nursing Homes During 2020, OEI-02-20-00490, June 2021; GAO, COVID-19 in Nursing Homes—Most Homes Had Multiple Outbreaks and Weeks of Sustained Transmission from May 2020 through January 2021, GAO-21-367, May 2021, p. 1; Centers for Disease Control and Prevention, People Who Live in a Nursing Home or Long-Term Care Facility; GAO, Infection Control Deficiencies Were Widespread and Persistent in Nursing Homes Prior to COVID 19 Pandemic, GAO-20-576R, May 20, 2020, p. 1; Lauren Weber, "Nursing Homes Keep Losing Workers," The Wall Street Journal, August 25, 2021.

25 Centers for Medicare & Medicaid Services (CMS), COVID-19 Nursing Home Data.

26 For the purposes of HHS OIG's review, the term "nursing homes" refers to all facilities in its sample regardless of technical status (i.e., nursing facility and/or skilled nursing facility [SNF]) according to common use.

INCREASED COSTS RELATED TO COVID-19

All three nursing homes reported significant increases in labor costs. One reported providing pay bonuses of $50 to $150 per shift to incentivize staff to work additional shifts on an as-needed basis.

isolation units and the shifts of other staff who were out sick with COVID-19. Leaders and staff said the staffing shortages coupled with the increased need created a reliance on contracted staff from staffing agencies whose hourly rates were double or triple that of in house staff and were continuing to rise at the time HHS OIG collected its data. Leaders and staff also reported incurring additional labor-related expenses linked to overtime and hazard pay, bonuses, paid sick leave, and in-house meals for staff. Additionally, they described increased costs for other COVID-19 related needs, including medical equipment and supplies such as PPE and upgrades to facility infrastructure for improved infection control. For example, one administrator reported that the cost of a case of gloves nearly tripled in price, from $23 to $68. Leaders and staff at another nursing home reported replacing facility flooring with flooring material that was easier to disinfect.

Nursing home leaders and staff reported both personal and operational challenges to providing care during the COVID-19 pandemic. Leaders and staff said that early in the pandemic they faced fear and uncertainty surrounding COVID-19. In one facility, seven staff members quit the day the community had its first case because they were not willing to risk contracting the virus and exposing loved ones. Staff said ongoing circumstances created by the pandemic also took an emotional toll on them. One administrator described how some staff struggled emotionally with quarantining residents and said that one nurse quit because she did not want to "lock [the residents] up." Staff reported that it was emotionally and physically challenging to keep residents and visitors apart. One nursing home reported hiring security guards to enforce visitation restrictions because some family members did not want to follow COVID-19 precautions. Across the nursing homes, leaders and staff reported that additional staff left the facilities as the pandemic continued because of emotional strain, disagreements over COVID-19 guidelines on vaccine mandates and PPE use, or staff accepting higher paying jobs with staffing agencies or leaving the health care industry altogether. The remaining staff and leaders reported working long hours due to resulting staffing shortages, with one administrator working 80 hours per week to provide care.

Nursing home leaders, staff, and residents reported that residents experienced severe strain during the COVID-19 pandemic. One nursing home administrator said that every resident tested positive during the facility's first outbreak in November 2020. Leaders and staff reported that—in addition to contracting COVID-19—residents lost social interactions with staff members, other residents, and family members because of the pandemic-related isolation. According to leaders, staff, and residents, frequent changes to staffing and care and communication challenges created by COVID-19-related protocols led to frustration and confusion among residents. One administrator explained, "[Residents] can't tell who we are when our faces are completely covered with goggles and masks." Leaders, staff, and residents also reported that because of isolation, residents faced mental and physical health issues, including dementia-related cognitive decline and weight loss. Staff said some residents quit eating or would not leave their rooms even when allowed to do so and had to be treated for depression. One resident stated it “felt like I couldn’t breathe” because of increased anxiety from being confined to their room.

“When the pandemic started, [residents] were prisoners in their own home.”
—Nursing home staff member

Program Information

To reimburse health care providers for pandemic-related expenses and lost revenue, Congress appropriated $178 billion to HHS during 2020 and 2021.[27] To administer the funds, HHS established the PRF and related programs.[28] The Health Resources and Services Administration (HRSA) is the HHS agency responsible for administering the PRF program.[29] PRF includes general and targeted distributions. General distributions were broadly available to health care providers, while targeted distributions were for health care providers with added COVID-19 challenges, such as those highly impacted by COVID-19 or serving high-need and vulnerable populations (e.g., nursing homes).[30] HHS began issuing PRF payments in April 2020, shortly after the CARES Act was enacted. HHS stopped making PRF payments in June 2023 following passage of the Fiscal Responsibility Act of 2023.[31] For reporting purposes, HHS established periods during which recipients of both types of PRF distributions have to use and report on the funds (see Table 6).[32] In general, recipients have to use the funds within one year after the payment period ends and report on their use during a subsequent three month period.[33]

27 The CARES Act appropriated $100 billion; the Paycheck Protection Program and Health Care Enhancement (PPPHCE) Act appropriated $75 billion; and the Consolidated Appropriations Act, 2021, appropriated $3 billion. See CARES Act, P.L. No. 116-136, Division B, Title VIII, (March 27, 2020); PPPHCE Act, P.L. No. 116-139, Division B, Title I (April 24, 2020); and Consolidated Appropriations Act, 2021, P.L. No. 116-260, Division M, Title III (December 27, 2020).

28 HRSA administered funds for other programs, such as for the Rural Health Clinic COVID-19 Testing and Mitigation Program, alongside PRF. HHS also used $8.5 billion that Congress appropriated through the American Rescue Plan (ARP) Act of 2021 to establish the ARP Rural Distribution as a separate program to administer payments to providers and suppliers who serve rural enrollees in Medicaid, the Children’s Health Insurance Program, and Medicare, including nursing homes and certified SNFs. See HHS, news release, “Biden-Harris Administration Begins Distributing American Rescue Plan Rural Funding to Support Providers Impacted by Pandemic,” November 23, 2021; HHS, news release, “HHS to Begin Immediate Delivery of Initial $30 Billion of CARES Act Provider Relief Funding,” April 10, 2020.

29 86 Fed. Reg. 40064 (July 26, 2021).

30 HRSA, Past General Distributions, December 2021; HRSA, Past Targeted Distributions, November 2022.

31 HRSA, Provider Relief, June 2023.

32 For its analysis, HHS OIG reviewed payments made during the first four periods and nursing home reports on PRF use made during the first two periods.

33 HRSA, Important Dates for Reporting. May 2023.

Table 6: Timelines for Facility Receipt, Use, and Reports of PRF Payments

Reporting Period	Payment Received Period	Deadline to Use Funds	Reporting Time Period
1	April 10 to June 30, 2020	June 30, 2021	July 1 to September 30, 2021[a]
2	July 1 to December 31, 2020	December 31, 2021	January 1 to March 31, 2022
3	January 1 to June 30, 2021	June 30, 2022	July 1 to September 30, 2022
4	July 1 to December 31, 2021	December 31, 2022	January 1 to March 31, 2023
5	January 1 to June 30, 2022	June 30, 2023	July 1 to September 30, 2023
6	July 1 to December 31, 2022	December 31, 2023[b]	January 1 to March 31, 2024
7	January 1 to June 30, 2023	June 30, 2024[b]	July 1 to September 30, 2024

Source: HRSA, Important Dates for Reporting, December 2023.

a HRSA allowed a grace period for this reporting time period, which ended on November 30, 2021.
b PRF payments not fully expended on expenses attributable to COVID-19 may only be applied to lost revenue up to the end of the quarter in which the public health emergency ended (i.e., June 30, 2023). See HRSA, How to Calculate Lost Revenues for PRF and ARP Rural Reporting, February 2023.

HRSA distributed approximately $9.4 billion in targeted PRF payments directly to nursing homes and certified skilled nursing facilities (SNFs).[34] HHS distributed $4.8 billion of this amount to 12,806 nursing homes and certified SNFs, which provide complex care that can only be safely and effectively performed by, or under the supervision of, skilled nursing and therapy professionals.[35] The terms and conditions associated with the SNF distribution required recipients to use the payments for health care expenses and lost revenue attributable to preventing, preparing for, and responding to COVID-19.[36] HHS distributed the other $4.6 billion to facilities through the Nursing Home Infection Control (NHIC) distribution, which included two types of allocations: infection control payments to 12,787 facilities and Quality Incentive Payment (QIP) program

34 In addition to these targeted distributions, some nursing homes may have also qualified for additional funding through general and other PRF distributions. In June 2023, HRSA reported to HHS OIG that HHS had obligated approximately $54.7 billion total to SNFs and nursing homes across all PRF distributions; HRSA, Past Targeted Distributions, November 2022.
35 HRSA, Past Targeted Distributions, November 2022; CMS, Medicare Coverage of Skilled Nursing Facility Care, July 2019.
36 HRSA, Acceptance of Terms and Conditions, Skilled Nursing Facility Relief Fund Payment Terms and Conditions.

payments to 11,819 facilities.[37] The terms and conditions for the NHIC distribution, including QIP payments, require the funds to be spent on infection control-related expenses, such as COVID-19 testing and reporting, and recruiting staff.[38]

Program Impact on the Community: PRF Payments to Nursing Homes in Sheridan County

The three Sheridan County nursing homes received both general and targeted PRF payments. As of December 2021, the sample nursing homes had received a total of $4,961,682 from PRF distributions. Targeted payments included $542,500 from the SNF distribution and $557,114 from NHIC distributions (see Table 7).

Table 7: PRF Payments to Nursing Homes[a]

Distribution	*Total Payments Distributed to Nursing Homes Nationally*	*Total Payments Distributed to the Sample Nursing Homes*
SNF	$4.8 billion	$542,500
NHIC	$4.6 billion	$557,114
OTHER[b]	$45.3 billion	$3,862,068
TOTAL	$54.7 billion	$4,961,682[c]

Sources: HRSA, Past Targeted Distributions, November 2022.; HHS-OIG analysis of PRF payment data.

a The total amounts distributed to nursing homes nationally through the SNF and NHIC distributions are current through September 2022. PRF payment data for HHS OIG's sample nursing homes are current through December 2021.

b "Other" includes all other payments to nursing homes (i.e., PRF payments made through distributions that are not SNF and NHIC distributions). HRSA reported to OIG in June 2023 the total amount paid to nursing homes, but it does not publicly report total amounts distributed to specific provider types for general distributions. HRSA also does not publicly report total amounts from other PRF distributions—other than the SNF and NHIC distributions—that may have gone to those facilities.

c The facilities received an additional $491,138 from the ARP Rural Distribution and $298,923 from the Rural Health Clinic COVID-19 Testing (RHCCT) and Rural Health Clinic COVID-19 Testing and Mitigation (RHCCTM) programs. Although the ARP Rural Distribution and the RHCCT and RHCCTM programs are separate from PRF, they are related to PRF in that they were administered and included in HRSA's data alongside PRF. The $491,138 from the ARP Rural Distribution included a payment made to one local health system that included a hospital and rural health clinics in addition to the nursing home (see footnote 39); some of the ARP Rural funding was therefore unrelated to nursing home operations. The RHCCT and RHCCTM payments also supported the rural health clinics; the purpose of those programs was to assist rural health clinics in maintaining and increasing COVID-19 testing efforts, expanding access to testing in rural communities, and expanding the range of COVID-19 mitigation activities in local communities. See HRSA, Rural Health Clinic COVID-19 Testing and Mitigation (RHCCTM) Program, August 2022.

37 HRSA, Past Targeted Distributions, November 2022.

38 HRSA, Acceptance of Terms and Conditions, Skilled Nursing Facility and Nursing Home Infection Control Relief Fund Payment Terms and Conditions.

Two nursing homes reported that they spent all the PRF payments they received during the first two periods, and one nursing home returned a portion of the PRF payments. Responsibilities for monitoring and reporting on use of the PRF funds differed among the three facilities. In one facility, the CFO of the nursing home's health system was responsible for those functions, while facility administrators at the other two nursing homes managed the funds directly or worked with a contracted management group to handle the funds.[39]

At the time of HHS OIG's data collection, facilities were required only to have reported on the use of PRF payments received during the first two periods (April through December 2020). Facility leaders reported that the nursing homes used or returned all the funds they received during the first two periods. Specifically, the three nursing homes reported using $4,665,111 in total PRF payments, including $915,651 in payments targeted to nursing facilities ($542,500 in SNF payments and $373,151 in NHIC payments) and $365 in interest earned on PRF payments.[40] One facility returned a $97,000 NHIC payment rather than using it.

Of the three nursing homes, one facility reported using the payments for both lost revenue and expenses, one used the payments only for expenses, and the third used the payments it kept only for lost revenue. HRSA required nursing homes to report the use of NHIC payments and all other payments (including SNF payments) separately:

- Collectively, the nursing homes reported using most of their NHIC payments ($322,056) for general and administrative expenses, such as payroll. They also used NHIC payments ($51,095) to offset health care-related expenses, such as medical equipment and supplies. The facility that returned an NHIC payment ($97,000) to HRSA did so because the contracted managers did not feel they could appropriately use the money for infection-related purchases during the given time period.
- Collectively, the nursing homes reported using most of the other payments they received ($2,236,714) for general and administrative expenses. They also used $1,473,544 for health care-related expenses and $581,702 to cover pandemic-related lost revenue.

Leaders at the Sheridan County nursing homes said HRSA's guidance on allowable uses and reporting requirements was initially unclear but improved over time. Leaders reported that they sometimes had little or no notice that they would be receiving PRF payments, and that HRSA's guidance on use of the funds was initially broad and unclear. As a result, some were hesitant to use the funds for fear that they would use the money incorrectly and be forced to pay it back later. A representative from the contracted management group that worked with one of the nursing homes stated that the first reporting period had the biggest learning curve because there was so much information to read. An administrator at another nursing home stated that it was difficult to find time to review the material and submit the reports. Leaders reported receiving supplemental

39 One facility contracted with an external management consulting company. Another facility was part of a local health system that also included a hospital and two rural health clinics. Leaders for the health system reported PRF use for all system components to HRSA.

40 These figures do not match the figures in Table 2 because the facilities were not yet required to report their use of the remaining funds of approximately $200,000 during the first two reporting periods.

guidance from outside organizations about PRF requirements and noted that HRSA's guidance improved over time.

HHS OIG reviewed documentation that generally supported that the nursing homes' reported use of the funds during the first two reporting periods aligned with PRF goals and objectives. It reviewed the reports the nursing homes made to HRSA during the first two reporting periods, along with summary supporting documentation. It did not audit the facilities' financial reports or supporting documents. HHS OIG observed that the information the facilities reported to HRSA was generally supported by underlying facility data and appeared to align with the allowable uses of the general and targeted distributions. One nursing home's documentation, however, appeared to show that funds it reported using for general and administrative expenses were actually used for lost revenue, which would mean that the facility incorrectly used NHIC payments. Documentation from the remaining facility, which did not return or appear to incorrectly use its NHIC payments, generally supported that the nursing home used NHIC payments for infection control-related expenses, as intended. Examples included facility expenses on PPE and other medical supplies.

HRSA plans to review nursing home reports to assess use of PRF payments. For each reporting period, HRSA planned to select a sample of health care facilities, including nursing homes, to be audited according to a risk-based strategy to verify compliance with the terms and conditions of the program and recoup any inappropriately used funds. HRSA reported that it will also conduct an ongoing analysis of providers' reported spending, seeking to identify trends in how providers spent PRF payments to provide services during the pandemic.

Participant Experience: Results of Interviews with Nursing Homes in Sheridan County

PRF payments have been integral to the three nursing homes' pandemic response, according to facility leaders and staff representing the Sheridan County nursing homes. Leaders and staff reported that the PRF payments were instrumental in continuing operations and maintaining infection control and quality of care during the pandemic. Representatives from the contracted management group described using the payments to cover its nursing home's lost revenue from having fewer residents and said that the payments allowed flexibility to purchase additional supplies and recognize nursing home staff for their hard work. One representative said, "It was new money none of us knew was coming [and] it saved a lot of nursing homes from closing." One CFO stated that the PRF payments helped the facility better prepare for other emergencies beyond the COVID-19 pandemic.

> “Things were getting bad and dangerous . . . Then this new money showed up that we weren’t expecting but allowed us to address things . . . Thank God this money came through.”
> —CEO, Contracted management group

Facility leaders from the nursing homes reported that they were grateful for the PRF payments and that the facilities would benefit from additional relief funding. A representative from the contracted management group said its nursing home was able to maintain operations using PRF and assistance received from other sources, and the facility’s administrator stated that they appreciated the assistance PRF provided. The CFO for another facility stated that although the PRF payments were adequate for addressing the facility’s needs at the time received, the nursing home could not have anticipated that the expenses for contracted labor and other costs would continue to increase. The CFO noted that additional relief funding would be beneficial to the nursing home to further offset costs. The administrator for the third nursing home also expressed gratitude for the PRF payments but described COVID-19-related costs and lost revenue that significantly outweighed the PRF amount that the facility received.

FOR MORE INFORMATION

For more information about Provider Relief Fund program spending across the country, visit the PRAC’s website, including an interactive dashboard.

Appendix A: Acronyms

ARP Act	American Rescue Plan Act of 2021
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CIGIE	Council of the Inspectors General for Integrity and Efficiency
CFO	Chief Financial Officer
CRF	Coronavirus Relief Fund
DOL	U.S. Department of Labor
ED	U.S. Department of Education
ESSER	Elementary and Secondary School Emergency Relief
Food Box Program	Farmers to Families Food Box Program
FPUC	Federal Pandemic Unemployment Compensation
GAO	Government Accountability Office
HHS	U.S. Department of Health and Human Services
HRSA	Health Resources and Services Administration
HUD	U.S. Department of Housing and Urban Development
Nebraska ED	State of Nebraska Department of Education
Nebraska HHS	State of Nebraska Department of Health and Human Services
NHIC	Nursing Home Infection Control
OIG	Office of Inspector General
PEUC	Pandemic Emergency Unemployment Compensation
PHA	Public Housing Agencies
PPE	Personal Protective Equipment
PPHD	Panhandle Public Health District
PRAC	Pandemic Response Accountability Committee
PRF	Provider Relief Fund

PUA	Pandemic Unemployment Assistance
QIP	Quality Incentive Payment
SNF	Skilled Nursing Facilities
Treasury	U.S. Department of the Treasury
UI	Unemployment insurance
USDA	U.S. Department of Agriculture

Appendix B: Scope and Methodology

Scope

In October 2021, the PRAC, along with 10 of our OIG members, initiated a case-study-based review that sought to identify the federal pandemic response funds provided to select geographic areas, the purpose of those funds, and if the spending aligned with the intended goals and objectives. To conduct our work, we divided the review into two phases. Phase one sought to determine how much pandemic funding went to the six selected communities. The final report for phase one, Tracking Pandemic Relief Funds that Went to Local Communities Reveals Persistent Data Gaps and Data Reliability Issues, was issued July 6, 2023. Phase two of the review sought to gain more insight into how the six communities used their pandemic relief funding; if spending generally aligned with the goals and objectives of the programs and subprograms; and whether the funding helped the six communities respond to the pandemic. The final insights report for phase two of this review, Pandemic Relief Experiences: A Focus on Six Communities, was issued on March 28, 2024.

To conduct our work, we selected six communities across the United States: Springfield, MA; Coeur d'Alene, ID; Sheridan County, NE; Marion County, GA; White Earth Nation Reservation in Minnesota; and Jicarilla Apache Nation in New Mexico. More information about the selection process can be found in the Scope and Methodology section of our July 2023 report.

For phase two, we worked with the participating OIGs to select a total of 21 pandemic relief programs and subprograms for review. Of those 21 programs, six provided funding to recipients in Sheridan County. In our review of the six programs, we sought to identify how the recipients used the funds and if the uses generally aligned with the program's goals and objectives. The programs or subprograms selected for Sheridan County were:

- Coronavirus Relief Fund | U.S. Department of the Treasury
- Elementary and Secondary School Emergency Relief Program | U.S. Department of Education
- Farmers to Families Food Box Program | U.S. Department of Agriculture
- Pandemic Unemployment Insurance | U.S. Department of Labor
- Project-Based Rental Assistance – CARES Act | U.S. Department of Housing and Urban Development
- Provider Relief Fund | U.S. Department of Health and Human Services

More information about the scope and methodology for phase two of this review can be found in our March 2024 report.

Methodology

We visited Sheridan County in August 2022 and conducted interviews with government, community, and business leaders to discuss the community's experiences with the pandemic, federal guidance, best practices, lessons learned, and suggestions for improvement. The overall methods we used to achieve the objectives included reviewing laws, program guidelines, and background information for the programs, as well as working with our OIG partners. The specific scope and methodology used to review each of the selected programs and subprograms is provided in each of the program sections.

Standards

Each OIG and the PRAC conducted this study in accordance with its own respective processes and standards to ensure that all the contributions to this report met quality standards issued in accordance with the generally accepted government auditing standards, CIGIE's *Quality Standards for Inspection and Evaluation*, and internal OIG guidance. All these standards require that we planned and performed this study to obtain sufficient and appropriate evidence to provide a reasonable basis for the insights and conclusions. This work was completed between October 2021 and November 2023 and complies with the CIGIE's *Quality Standards for Inspection and Evaluation*.

Coronavirus Relief Fund | U.S. Department of the Treasury, Office of Inspector General

Objectives/Scope/Methodology

Treasury OIG's objectives were to determine whether subrecipients located in Sheridan County (1) used CRF award funds in alignment with program goals and objectives, and (2) believe that CRF funding impacted (positively or negatively) their ability to respond to the pandemic.

The scope of Treasury OIG's engagement covered CRF expenditures reported in GrantSolutions from March 1, 2020 (Cycle 1) through June 30, 2022 (Cycle 9). Nebraska allocated $147,732 to only one subrecipient, a minority resource center. Treasury OIG tested $76,424 (52 percent) of CRF expenditures to determine whether the center used the CRF award funds in alignment with the program's goals and objectives.

To accomplish these objectives, Treasury OIG performed the following during engagement fieldwork conducted from August through November 2022:

- Reviewed Title VI of the Social Security Act, as amended by Title V of Division A of the CARES Act[41]

41 P. L. 116-136 (March 27, 2020).

- Reviewed the Consolidated Appropriations Act, 2021[42]
- Reviewed Treasury Guidance and Frequently Asked Questions published in the Federal Register, Volume 86, No. 10 (January 15, 2021)
- Reviewed Nebraska and subrecipient policies and procedures for determining CRF eligible use
- Inquired about and analyzed Nebraska and subrecipient policies and procedures for determining eligible use of CRF
- Interviewed subrecipient officials regarding CRF usage, experience, and impact
- Reviewed Nebraska and subrecipient Single Audit Reports for fiscal years 2020 and 2021 to assess findings that may suggest risk with the subrecipients' uses of CRF
- Reviewed media reports associated with the COVID-19 pandemic and CRF impacts within Sheridan County and the state of Nebraska
- Reviewed supporting documentation to determine if the selected grant expenditures were (1) necessary expenditures incurred due to the public health emergency with respect to COVID-19; (2) for costs not accounted for in the budget most recently approved as of March 27, 2020; and (3) incurred between March 1, 2020, and December 31, 2021. Supporting documentation includes grant agreements, invoices, purchase orders, application packages, and data extracts from Nebraska and subrecipient accounting systems.

Standards

Treasury OIG conducted this engagement in accordance with CIGIE's *Quality Standards for Inspection and Evaluation*.

42 P. L. 116-260 (December 27, 2020).

Elementary and Secondary School Emergency Relief Program | Pandemic Response Accountability Committee and U.S. Department of Education, Office of Inspector General

Methodology

Scope | The PRAC and ED OIG's review covered the two school districts that fall within the boundaries of Sheridan County—Gordon-Rushville Public School District and Hay Springs Public School District—and their use of three rounds of ESSER funding from program inception through September 30, 2021. Our objectives were to identify how the districts used the ESSER funding it received, and to determine whether the districts generally spent ESSER funds in alignment with program goals and objectives. The PRAC staff coordinated this work with ED OIG.

Methodology | To answer these objectives, we:

- Reviewed applicable ESSER guidance including Frequently Asked Questions, Elementary and Secondary School Emergency Relief Program Governor's Emergency Relief Programs issued in May 2021 and revised December 7, 2022.
- Obtained summary descriptions of ESSER spending from the districts.
- Determined if funding use descriptions aligned with ESSER's objectives of helping the districts prevent, prepare for, and respond to coronavirus, domestically or internationally.
- Interviewed district officials, local officials, and Nebraska ED officials about funding uses as well as the effects the ESSER funds had on the districts' ability to respond to and recover from the pandemic.

Standards

We conducted this study in accordance with the *Quality Standards for Inspection and Evaluation* issued by CIGIE.

Farmers to Families Food Box Program | Pandemic Response Accountability Committee and U.S. Department of Agriculture, Office of Inspector General

Methodology

Scope | The PRAC and USDA OIG's review covered the use and impact of USDA's Food Box Program and its rounds of funding provided to the Sheridan County community from May 15, 2020, through May 31, 2021. Our objectives were to identify how many food boxes went to the Sheridan County community and whether the program met its goals and objectives in serving producers, distributors, and the local food recipient organization as intended.

Methodology | To answer these objectives, we:

- Reviewed multiple federal reports evaluating the Food Box Program.
- Obtained and reviewed data showing the number of food boxes sent to the food recipient organization serving the Sheridan County community.
- Interviewed a food box recipient to determine how the Food Box Program helped Sheridan County respond to the pandemic.
- Worked with USDA OIG to obtain data about the total number of food recipients and to ensure that we fully understood the program objectives and structure.

Data Limitations

We used data collected and analyzed by USDA OIG during the first part of this case-study-based review. Part one of this review introduced data limitations which prevented us from determining if the program served producers, distributors, and the food recipient organization in accordance with program goals and objectives.

Standards

We conducted this study in accordance with CIGIE's *Quality Standards for Inspection and Evaluation*.

Pandemic Unemployment Insurance | U.S. Department of Labor, Office of Inspector General

Methodology

Scope | DOL OIG's evaluation covered DOL's UI response to the COVID-19 pandemic. Specifically, the federal UI benefits from the following three key CARES Act UI programs were reviewed: FPUC, PUA, and PEUC. These three CARES Act UI programs were extended or resumed under the Continued Assistance for Unemployed Workers Act of 2020 and extended by the ARP Act of 2021 until September 6, 2021. Three states ended the expanded UI programs early. Specifically, Nebraska and Idaho ended their programs on June 19, 2021, and Georgia on June 26, 2021. DOL OIG's evaluation included any benefits that claimants received from these programs as reported by the states. These programs were selected based on federal spending research and program funding amounts.

Data Sources | The DOL OIG team assessed UI payments to individuals in the designated geographic areas based upon UI claims data transfers from state workforce agencies to DOL OIG. Additionally, the DOL OIG team performed on-site surveys of claimants confirmed to have collected benefits from FPUC, PUA, or PEUC.

Methodology | To answer the objective, the DOL OIG team reviewed the CARES Act, Continued Assistance for Unemployed Workers Act of 2020, ARP Act of 2021, ETA guidance, Federal Emergency Management Agency guidance, state agreements, PandemicOversight.gov, and USASpending data. To determine the amount of fraud flags for the three key CARES Act programs paid in the designated geographic areas, the review team worked with DOL OIG data scientists to assess claimants in the designated area for several key fraud indicators.

To assess the participants' experiences with the three key CARES Act UI programs in the designated geographic areas, DOL OIG judgmentally selected 39 claimants with whom DOL OIG investigators performed on-site interviews between November 1–3, 2022, for Sheridan County, NE.[43] Prior to selection, claimants with fraud indicators were removed to ensure interviews of only eligible UI claimants and to not impact ongoing or future investigations. OIG investigators traveled to the area and performed in-person interviews with the claimants. The survey results were then aggregated to present an overall depiction of the participants' experiences in the area.

Data Limitations

Since the claimants were judgmentally selected, DOL OIG cannot project the results of its audit to larger populations, such as statewide or nationally. This limitation is acceptable based on the objective of this evaluation.

43 Judgmental sampling is a non-probability sampling technique in which the sample members are chosen on the basis of the auditor's knowledge and judgment.

Standards

DOL OIG conducted this study in accordance with CIGIE's *Quality Standards for Inspection and Evaluation*. Those standards require that it plans and performs the review to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on DOL OIG's objective.

Public Housing Operating Fund – CARES Act | U.S. Department of Housing and Urban Development, Office of Inspector General

Methodology

Scope | HUD OIG conducted the review remotely from August through December 2022. Its review covered the use of CARES Act supplemental operating funds by two PHAs in Sheridan County from program inception through September 30, 2021. Its review objectives were to determine whether the CARES Act supplemental operating funds were spent in alignment with program goals and objectives and whether the funds positively or negatively impacted the PHAs' ability to respond to the pandemic.

Methodology | To accomplish its review objectives, HUD OIG:

- Reviewed applicable HUD requirements (HUD notices).
- Interviewed HUD staff to gain an understanding of the goals and objectives for the Public Housing Operating Fund CARES Act funding.
- Interviewed the executive director of Scotts Bluff Housing Authority who managed the two PHAs in Sheridan County (Gordon Housing Authority and Hay Springs Housing Authority) to obtain an understanding of how the two PHAs used the CARES Act supplemental operating funds to prevent, prepare for, and respond to the pandemic.
- Reviewed supporting documentation for all Public Housing Operating Fund CARES Act expenditures, including ledgers, invoices, and payroll summaries.

The review universe consisted of two awards of the CARES Act supplemental operating funds made to two PHAs in Sheridan County totaling $13,972. Of this amount, $9,519 was awarded to Gordon Housing Authority, and $4,453 was awarded to Hay Springs Housing Authority. Both PHAs had spent all of their CARES Act supplemental operating funds by December 31, 2020. HUD OIG reviewed all expenditures to determine whether the PHAs spent CARES Act supplemental operating funds in alignment with the program goals and objectives.

To achieve its objectives, HUD OIG relied in part on the PHAs' computer-processed data. Although HUD OIG did not perform a detailed assessment of the reliability of the data, it determined that the data was sufficiently reliable for the purposes of its review because it corroborated the data for the expenditures against supporting documentation provided.

HUD OIG determined that internal controls were not relevant to its objectives. Its objectives were not to evaluate or provide assurance of the PHAs' internal controls. Therefore, it did not assess the PHAs' controls or express an opinion on them.

Standards

HUD OIG conducted this review in accordance with generally accepted government auditing standards. Those standards require that it plans and performs the review to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on its objective(s). HUD OIG believes the evidence obtained provides a reasonable basis for its conclusions based on HUD OIG's objectives.

Provider Relief Fund | U.S. Department of Health and Human Services, Office of Inspector General

Scope

HHS OIG examined the use of targeted PRF payments to three nursing homes in Sheridan County during calendar years (CYs) 2020 and 2021. The selected facilities received direct PRF payments through distributions that HHS targeted for nursing homes and certified SNFs.[44] HHS OIG conducted its data collection concurrently with the PRAC's site visit to Sheridan County during August 2022 as part of its larger contributions to the PRAC study on the impact of federal pandemic relief spending in six select locations. HHS OIG used interviews, documentation, and data analysis to identify how the nursing homes used the PRF payments and whether they experienced any challenges using these funds. Through its review, HHS OIG also gathered the perspectives of facility leaders, staff, and residents regarding whether the PRF payments helped them prevent, prepare for, and respond to COVID-19, and whether the facilities complied with terms and conditions related to PRF use.

44 To determine the sample of nursing homes, HHS OIG filtered data about PRF payments to nursing homes, which HHS OIG's Division of Data Analytics accessed directly through its data use agreement with HRSA, using ZIP Codes for Sheridan County provided by the PRAC. HHS OIG also verified the sample by using mapping tools to identify any additional nursing homes that were located within the ZIP Codes but included in the PRF data under another location, such as the location of the facility's owners.

Methodology

Data Sources

Interviews

To evaluate the nursing homes' use of PRF payments, HHS OIG interviewed leadership, staff, and a small number of residents from the selected facilities. It also conducted two group interviews with HRSA officials who were responsible for administering and overseeing the payments. HHS OIG employed adaptable interview protocols that allowed them to modify questions, as needed, and follow up on additional issues as it learned new information and identified key issues.

Nursing Home Interviews | HHS OIG conducted group interviews with facility leaders and staff in each selected nursing home. Participants consisted of nursing home leadership, including representatives from a larger health system and a contracted management group, and a small number of clinical and nonclinical staff. It also conducted small group interviews with residents at two of the three facilities as a way of gathering additional insights and illustrations about facility services and resident perceptions about the effects of the funding. The remaining facility was under COVID-19 restrictions at the time of the review and had no residents available to speak with them.

During these interviews, HHS OIG discussed how the nursing homes used the PRF payments and their experiences in using the funds and reporting the information to HRSA. It discussed leadership and staff perceptions of how the payments helped the facilities prevent, prepare for, and respond to COVID-19, and challenges that hindered their use of the funds. Additionally, it discussed nursing home interactions with HRSA officials related to PRF use and oversight, and any additional assistance from HRSA that the facilities reported would have been useful. Although HHS OIG's evaluation focused on targeted PRF distributions to nursing homes and certified SNFs, the responses also included references to other general or targeted payments that the facilities received.

HRSA Interviews | HHS OIG conducted a few group interviews with PRF program administrators within HRSA's Provider Relief Bureau. During the interviews, it gathered more detailed information about PRF goals and performance metrics. It also discussed HRSA's efforts to manage and oversee the PRF, including the agency's efforts related to PRF payment distribution, provider reporting processes, audits, the recovery of improper or unintended payments, and other efforts.

Document Review

HHS OIG collected available funding receipt attestations and reports to HRSA about how the nursing homes used the PRF payments. The documents were extracted directly by HHS OIG's Division of Data Analytics, using a data use agreement it has with HRSA, during late April 2022 in preparation for the PRAC's series of location site visits, which began in May 2022. At that time, only two of four required reporting periods had passed, so the facilities had not yet reported on their use of all PRF payments. They had, however, reported on most of the payments they received through the targeted distributions to nursing homes and certified SNFs. HHS OIG also requested and reviewed summary documentation from the facilities supporting expenses and lost revenue outlined in those reports. Additionally, it requested any correspondence between HRSA officials and the facilities about the PRF money and the reports, as well as any documentation of HRSA's actions to assess and enforce terms and conditions related to use of the funds or to rescind funds not used according to those requirements. As of June 8, 2022, HRSA had no documentation of oversight actions related to the facilities.

Data

To summarize the PRF payments the nursing homes received and kept, HHS OIG reviewed PRF payment data from HRSA for the selected facilities, which HHS OIG's Division of Data Analytics accessed directly through its data use agreement with HRSA. It collected the PRF payment data in preparation for the PRAC's series of location site visits; the data was extracted on February 28, 2022, and, depending on whether payments were made electronically or by check, were current through the beginning of January or February 2022. The data therefore included all payments made during the study timeframe of CYs 2020 and 2021 (the first four distribution periods) and were collected in time for HHS OIG to conduct an initial analysis prior to the site visits.

Data Analysis

HHS OIG conducted a qualitative analysis of interview data and documentation from the nursing homes and HRSA. It used its analysis to gain a deeper understanding of PRF program strengths and weaknesses from the perspective of the nursing homes. This analysis also helped determine how the selected nursing homes used targeted payments to improve infection control and address health care expenses and lost revenue related to the pandemic.

HHS OIG conducted a quantitative review of PRF payment data and the nursing homes' financial documentation. It used its analysis of the data to briefly summarize the types and amounts of PRF payments each facility received and how the funds were used.

Limitations

HHS OIG focused only on the experiences of the selected nursing homes. Its findings cannot be extrapolated to all nursing homes that received PRF payments.

Although HHS OIG compared the nursing homes' reports to HRSA against supporting documentation and PRF terms and conditions to assess appropriateness, it did not conduct an audit of the facilities' financial documentation to verify their reports and supporting material.

Standards

HHS OIG conducted this study in accordance with the *Quality Standards for Inspection and Evaluation* issued by CIGIE.

For more information:

Lisa Reijula
Associate Director of Outreach and Engagement, PRAC
Lisa.Reijula@cigie.gov

Visit us at:

PandemicOversight.gov

Follow us at:

Report Fraud, Waste, Abuse, or Misconduct:

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

PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE

A Committee of the
Council of the Inspectors General
on Integrity and Efficiency