



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

PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE  
**Semiannual Report to Congress**

APRIL 1, 2020 - SEPTEMBER 30, 2020

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## Message from the Acting Chair

I am pleased to present the Pandemic Response Accountability Committee's (PRAC) first Semiannual Report to Congress, covering the period from April 1, 2020 through September 30, 2020. As longtime stewards of taxpayer dollars, the Inspectors General who comprise the PRAC are dedicated to the mission, vision, and values described in this report.

In response to the COVID-19 outbreak, Congress authorized historic levels of emergency funding for federal agencies to provide relief to individuals, businesses, state and local governments, and public services. The PRAC is charged with providing a large and diverse group of stakeholders—the public; their elected representatives in Congress; federal, state, and local governments; and private sector and non-profit entities—with a transparent accounting of the covered funds, the effective coordination of oversight to avoid duplication and overlap, and actionable insight into fraud, waste, abuse, and mismanagement of those funds.

By building on established partnerships, the PRAC will fulfill its mission to ensure COVID-19 relief and recovery funds intended to mitigate the economic, social, and health impacts of this coronavirus pandemic are awarded appropriately. Accordingly, the PRAC will pursue its four Strategic Goals by ensuring effective and efficient operations, conducting objective and independent oversight, detect fraud, waste, and abuse, and promoting transparency via our public [website](#).

We hope this report will help inform our stakeholders about the crucial mission of the PRAC and the high-quality, effective, and independent oversight of emergency pandemic spending - ongoing by the PRAC and Offices of Inspectors General.

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



## Message from the Executive Director

The PRAC has a vital job to oversee an historic level of emergency spending amid this unprecedented human and economic crisis. Our role is to help ensure the \$2.6+ trillion in pandemic response spending is administered efficiently and effectively. Every Coronavirus Aid, Relief, and Economic Security Act (CARES Act) dollar lost to fraud is one less dollar available to those who need support in this challenging time.

In our first six months, Committee members—the 21 PRAC Inspectors General (IGs)—as well as other IGs whose agencies received emergency pandemic funding have issued nearly 90 oversight reports covering a wide range of programs. Recognizing the need to provide policymakers with insights now, the IGs have issued many agile oversight products including inspections conducted remotely, flash reports, agency program funding snapshots, management alerts, and white papers. Meanwhile, Offices of Inspectors General (OIGs) and our law enforcement partners at the Department of Justice and elsewhere have been aggressively pursuing fraud cases. On August 25, the Department of Justice announced that 33 inmates and accomplices in Pennsylvania were charged with illegally obtaining coronavirus pandemic unemployment benefits. On September 10, the federal law enforcement community announced a major milestone: over 50 defendants have been criminally charged with fraud involving the Paycheck Protection Program.

OIG audits have reported significant findings regarding CARES Act programs. For example, the CARES Act included an estimated \$260 billion

in funding for new or expanded Unemployment Insurance (UI) benefits. The Department of Labor OIG found that department guidance did not sufficiently address the risk of fraud, waste, or abuse. Assuming the improper payment rate continues above 10%, at least \$26 billion of the estimated \$260 billion in expanded UI program funds could be paid improperly.

In July, the Small Business Administration OIG issued a management alert to inform the agency of strong indicators of widespread potential fraud in the Economic Injury Disaster Loan (EIDL) and Advance grant program that require immediate attention. The OIG's review found indications of deficiencies with internal controls and identified \$250 million in economic injury loans and advance grants given to potentially ineligible recipients and approximately \$45.6 million in potentially duplicate payments. Details on these and other matters related to COVID-19 can be found on our website.

The PRAC will continue to engage the public, enable the IG community, empower other agencies, and support state and local governments. We encourage the American public to visit our website at [pandemicoversight.gov](https://pandemicoversight.gov), get involved with our mission, and follow our progress as we work to promote transparency and accountability of coronavirus stimulus funds.

Robert A. Westbrook  
Executive Director



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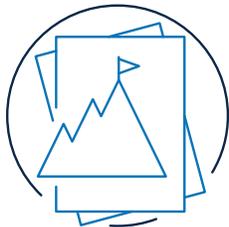
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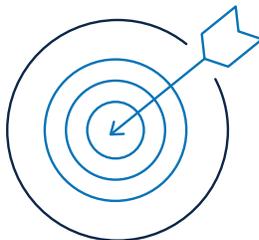
## Highlights



To support greater transparency of covered funds activity and the government's response to the COVID-19 pandemic, we established a public-facing website on April 27, 2020 and launched an enhanced version on September 10, 2020.



In June 2020, we issued a Top Challenges Report to provide insight into top management challenges for agencies that received pandemic response funds, as identified by OIGs.



On July 23, 2020, the PRAC released its Strategic Plan for 2020 through 2025 that identifies four goals to carry out its mission and vision.



For this reporting period, 12 OIGs publicly reported 141 investigations, 241 indictments/complaints, 163 arrests, and 10 convictions related to the Federal Government's COVID-19 pandemic response.



For the current reporting period, 26 OIGs issued a total of 89 oversight reports related to the Federal Government's COVID-19 pandemic response.

## Background

Established in March 2020 by the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act (Public Law 116-136), the Pandemic Response Accountability Committee (PRAC) is a Committee of the Council of the Inspectors General on Integrity and Efficiency (CIGIE). We are a Committee composed of Inspectors General (IGs) identified by Congress, IGs designated by the Chairperson of the Committee, an Executive Director, a Deputy Executive Director, and staff.

We released our Strategic Plan for 2020 through 2025 on July 23, 2020. The plan identifies four goals to carry out the PRAC’s mission and vision (see Figure 1). The goals and objectives in the strategic plan are not mutually exclusive—audits, investigations, reviews, and other activities may meet more than one goal or objective.

The PRAC promotes transparency and provides Congress, agencies, and the public with objective, reliable information on covered funds – defined as funds, including loans, that are made available in any form to any non-Federal entity, not including individuals, under the CARES Act, Families First Coronavirus Response Act, Coronavirus Preparedness and Response Supplemental Appropriations Act, and any other act primarily making appropriations for the coronavirus response and related activities. We strive to detect fraud, waste, abuse, and mismanagement in federal programs related to the Federal Government’s response to the nationwide public health emergency and to programs that provide relief to individuals, large corporations, small businesses, state and local governments, and public services. We work with IGs to develop recommendations

### MISSION

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

### VISION

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

### GOALS



Figure 1 - PRAC’s Mission, Vision, and Goals

## BACKGROUND

for program improvements, refer matters for criminal investigations, and identify misspent covered funds for recovery. Our work helps to safeguard the Federal Government's more than \$2.6 trillion in emergency aid to individuals, businesses, and state, local, and tribal governments nationwide.

The PRAC is a Committee of CIGIE, an independent entity established within the executive branch by the Inspector General Act of 1978, as amended, which includes the 75 statutorily created federal IGs who share a mission to address integrity, economy, and effectiveness issues transcending individual government agencies.

The CARES Act specifically identifies IGs from nine agencies as members of the PRAC but

allows the PRAC Chair to designate additional IGs to serve on the Committee from any agency that receives funds or is otherwise involved in the government's response to the COVID-19 pandemic. Consistent with the CARES Act, the IGs serving on the Committee will continue to perform their IG duties. At present, the PRAC is composed of 21 IGs (see PRAC Membership list below).

The CARES Act requires the CIGIE Chairperson to appoint an Executive Director and Deputy Executive Director. The Executive Director is a full-time employee of PRAC and reports directly to the PRAC Chairperson; appoints staff of the Committee, subject to the approval of the Chairperson; supervises and coordinates Committee functions and staff; and performs other duties as assigned.

### PRAC Membership

<i>Name</i>	<i>Department or Agency</i>
Michael E. Horowitz, Acting Chair	Department of Justice
Paul K. Martin, Vice Chair	National Aeronautics and Space Association
Mark Bialek	Federal Reserve System / Consumer Financial Protection Bureau
Sandra D. Bruce	Department of Education
Kathy A. Buller	Peace Corps
Joseph Cuffari	Department of Homeland Security
Rae Oliver Davis	Department of Housing and Urban Development
Richard Delmar	Department of the Treasury
Howard R. "Skip" Elliott	Department of Transportation
Phyllis K. Fong	U.S. Department of Agriculture
J. Russell George	Treasury Inspector General for Tax Administration
Susan Gibson	National Reconnaissance Office
Christi A. Grimm	Department of Health and Human Services
Allison C. Lerner	National Science Foundation
Jay N. Lerner	Federal Deposit Insurance Corporation
Brian D. Miller	Special Inspector General for Pandemic Recovery
Michael J. Missal	Department of Veterans Affairs
Sean W. O'Donnell	Department of Defense
Larry D. Turner	Department of Labor
Hannibal "Mike" Ware	Small Business Administration
Tammy L. Whitcomb	U.S. Postal Service

## Accomplishments

The PRAC was established to serve the American public by promoting transparency and facilitating coordinated oversight of the Federal Government’s COVID-19 pandemic response and associated spending with the goal to detect fraud, waste, abuse, and mismanagement and to identify and mitigate major risks that cross program and agency boundaries. Our goal is to serve as the eyes

and ears of the American public, monitoring the government’s pandemic response spending and reporting accessible, timely, accurate, comprehensive data that can be translated into actionable insights. The PRAC’s Strategic Plan for 2020 through 2025 identifies the following four goals to carry out PRAC’s mission and vision (see Figure 2).

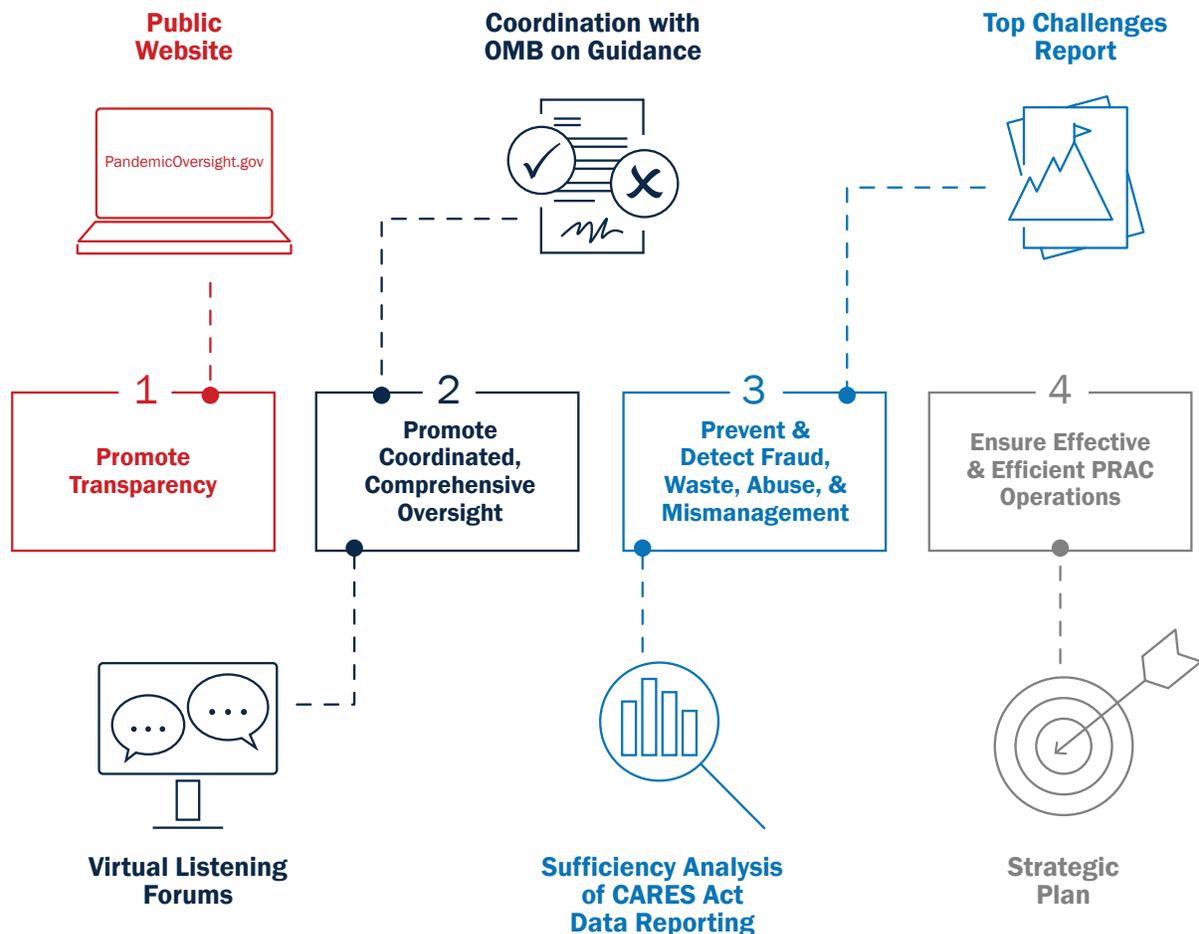


Figure 2 - PRAC’s Accomplishments Aligned to Strategic Goals

ACCOMPLISHMENTS

## Goal One: Promote Transparency

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

In support of our first goal, we foster greater transparency of covered funds usage as well as the government’s response to the COVID-19 or coronavirus pandemic. We pursue this goal via a robust, publicly-accessible website. We make available to the public details on the \$2.6 trillion coronavirus relief funds, providing details on who received the funding, how much they received, and how programs and industries are spending the money.

The PRAC was required to establish by April 27, 2020 a user-friendly, public-facing website to foster greater accountability and transparency in the use of covered funds and the coronavirus pandemic response. We released the first version of our website within this statutory time frame. Our updated website, [pandemicoversight.gov](https://pandemicoversight.gov), was launched on September 10, 2020 and includes pandemic spending data from USASpending, Paycheck Protection Program (PPP) data from the Small Business Administration (SBA), enhanced data visualizations, and accountability information from member IGs (see Figure 3).

Through our website, we have made publicly available a wide range of data related to covered funds and the coronavirus response and will continue to expand it as we receive more data from agencies.

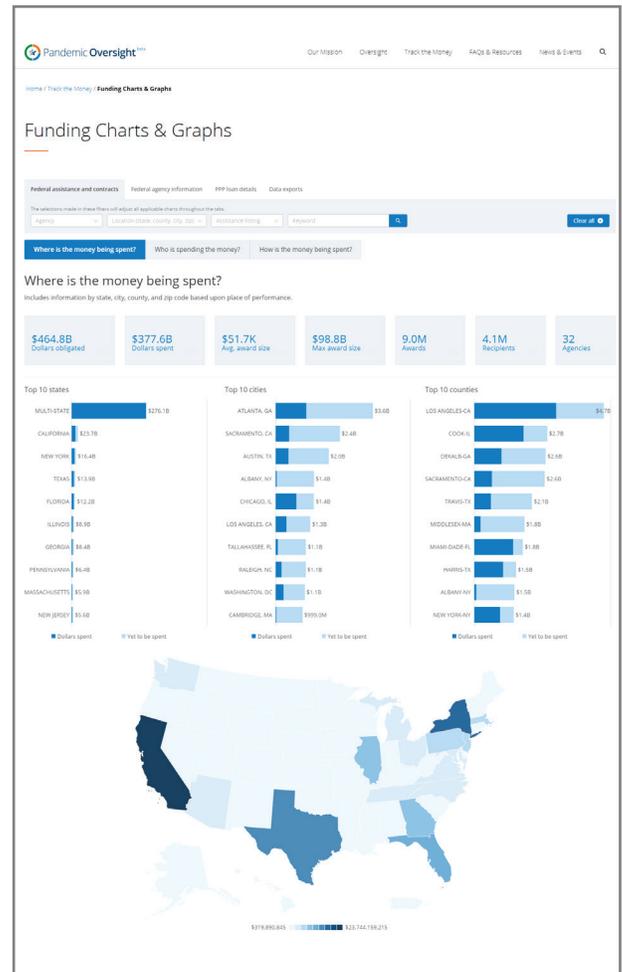


Figure 3 - pandemicoversight.gov’s data visualizations

Our website contains the following:

- Easy to understand and regularly updated materials and information explaining the coronavirus response and how covered funds are being used
- Accountability information, including findings from OIGs, such as progress reports, audits, and inspections

## ACCOMPLISHMENTS

- Data on relevant operational, economic, financial, and grant information in user-friendly visual presentations to enhance public awareness on how covered funds are used and the Federal Government's coronavirus response
- Detailed data on any Federal Government awards using covered funds
- An analysis of the funding provided by four coronavirus response laws, broken down into broad funding categories displayed in multiple visualizations
- A map of the world showing places of performance for pandemic response funding
- Downloadable reports on covered funds
- A channel for the public to give feedback on the performance of any covered funds, the pandemic response, and the website
- Appropriate links to other government websites with information concerning covered funds and the coronavirus response, including federal agency websites
- A plan from federal agencies for using covered funds
- Recommendations made to agencies relating to covered funds and the coronavirus response, as well as the status of each recommendation

In addition to developing a robust website, we coordinated with the Office of Management and Budget (OMB) who issued an alert and guidance on award descriptions.

This effort helped provide clarity on the required reporting agencies must follow for covered funds.

We have developed a communications strategy to heighten the visibility of the PRAC's efforts, the work and recommendations of OIGs and other oversight partners, and to encourage the public to provide feedback on the use or misuse of covered funds.

Since April 2020, we have provided information to the public through a variety of channels and activities, including a stakeholder listening forum, regular updates on social media, and a 90-day update video. Our outreach and engagement team has contacted universities and nonprofit organizations to better understand how we might work together. Within the PRAC, we have added new capabilities for partner OIGs by implementing a shared services model for subject matter experts, such as data analytics and visual information design. This expertise is shared across the community, producing visually appealing products to communicate complex data to the public and promote data literacy.

### **Goal Two: Promote Coordinated, Comprehensive Oversight**

*Facilitate Exceptional Coordination and Collaboration to Ensure High-Impact Results*

OIGs have a rich history of collaboration and coordination among themselves and with their federal, state, and local partners in pursuit of effective oversight. The PRAC serves as an effective forum for coordination and collaboration among OIGs and other

## ACCOMPLISHMENTS

oversight partners, including GAO and state and local auditors, evaluators, and inspectors, to minimize duplication of effort and support high-impact oversight of covered funds and the coronavirus response. To facilitate this coordination and collaboration, we have established five subcommittees—chaired by PRAC members—to share ongoing oversight and accountability efforts, best practices, and lessons learned; and to ensure regular, formalized coordination efforts occur. Additionally, we created three issue groups to address specific areas of concern during the pandemic.

### Subcommittees

1. Investigations
  - Law Enforcement Coordination
  - Training
  - Data Analytics
  - Special Investigative Techniques
2. Audit, Inspections, and Evaluation
3. Information Technology
4. Legislative/External Communications
5. GAO, State, and Local Coordination

### Issue Groups

1. Intelligence Oversight
2. Health Care Oversight
3. Financial Institutions Oversight

The subcommittees and issue groups are self-governing and serve as communities of interest for surfacing common concerns and providing strategic input to the PRAC and the PRAC's Executive Director. The PRAC staff participate in the subcommittees and issue groups as supporting members, provide guidance when needed, and strive to inform

the broader community of current events that may affect them.

In June 2020, the PRAC issued a report titled *Top Challenges Facing Federal Agencies: COVID-19 Emergency Relief and Response Efforts*. This report provides insight into the top management challenges of those federal agencies that received pandemic response funding as identified by OIGs. To prepare the report, OIGs from 37 agencies that received emergency funds or were involved in the pandemic response submitted their agencies' top challenges. We summarized these challenges by broad issue areas to identify common themes and key areas of concern. While many challenges varied agency to agency, the analysis identified common concerns across agencies despite their different sizes and agency missions, as follows:

### Financial Management

- The need for accurate information concerning pandemic-related spending
- The significant amount of money federal agencies may lose as the result of improper payments



### Grant and Guaranteed Loan Management

- Oversight of grant funds
- Receipt of accurate financial and performance information from grantees in a timely manner
- Assessment of performance to ensure grants achieve intended results



## ACCOMPLISHMENTS

**Information Technology Security and Management**

- Management of federal information technology (IT) systems to permit maximum telework and ensuring continued agency operations
- Safeguarding of federal systems against cyber attacks

**Protecting Health and Safety**

- Protection of federal employees and facilities
- Protection of inmates and detainees in federal custody
- Protection of patients, consumers, and private sector workers in industries regulated by the Federal Government
- Maintaining effective operations

**Foster Sound Stewardship of Covered Funds and Programs**

Efficient and effective management and administration of taxpayer-funded programs are essential to ensure coronavirus pandemic response programs achieve their intended purposes and provide relief to intended individuals and entities. To achieve this, the PRAC has initiated two projects in coordination with the Treasury Inspector General for Tax Administration (TIGTA) and with the Committee's Health Care Issue Group.

First, with the assistance of TIGTA we initiated an engagement on contracts funded by covered funds as well as contracts supporting the pandemic response. The project is based on the CARES Act requirement that the PRAC review "whether

competition requirements applicable to contracts and grants using covered funds have been satisfied..." We separately received a request to review this issue from several Members of Congress. Our work is focused on contracts awarded without competitive bidding to first-time federal contractors.

Second, in partnership with the Health Care Oversight Issue Group, we have initiated a project on COVID-19 testing with select federal health care programs. To complete the work, participating OIGs will identify and report COVID-19 testing data and relevant department information.

**Ensure Efficient Sharing of Data, Analytics, and Other Information**

The PRAC will use its authorities to provide, directly or in partnership with OIGs who have existing data capabilities, a modern infrastructure to allow the efficient sharing of timely, relevant, actionable data among OIGs and the broader oversight community.

To fulfill this mission, we have written a draft Data Strategy and hired a Chief Data Officer. We have also developed a Request for Information to collect insights from the private sector on tools available to help meet our mission. In the coming months, our leadership will evaluate the information and begin acquiring the tools needed to provide the OIG community access to advanced data analytics tools.

We also have conducted outreach to universities to identify opportunities to recruit data science talent and to collaborate on open-source data analytics platforms.

## ACCOMPLISHMENTS

## Goal Three: Prevent and Detect Fraud, Waste, Abuse, and Mismanagement

### *Mitigate Major Risks That Cut Across Program and Agency Boundaries*

The PRAC works with federal OIGs and other oversight partners to identify major cross-cutting risks by using data analytics and risk assessments. Such risks may include criminal fraud schemes, internal control weaknesses with the disbursement and accounting of covered funds, and deficiencies with coordination across agencies and programs.

In September 2020, the PRAC Investigations Subcommittee on Special Investigative Techniques issued a bulletin on Investigative Considerations for COVID-19 Operations (see Figure 4). It contains considerations for digital evidence in a high-telework environment and considerations during the execution of a physical warrant.

### *Hold Wrongdoers Accountable*

The PRAC supports law enforcement in pursuing fraud investigations and criminal enforcement. To this end, we offer a “hotline” or online submission tool, encouraging the public to report concerns, including allegations of fraud, waste, abuse, or whistleblower reprisal. We refer such allegations to the appropriate OIG or agency as well as other federal, state, and local oversight entities.

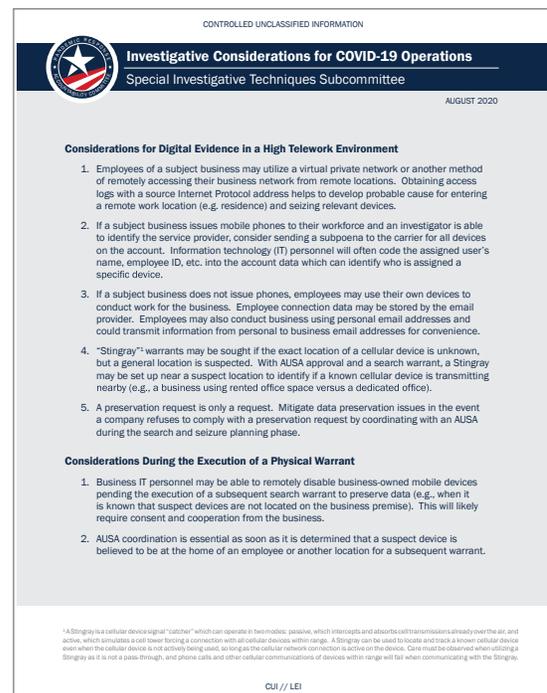


Figure 4 - Investigative Considerations Bulletin

## Goal Four: Ensure Effective and Efficient PRAC Operations

### *Fulfill Statutory Responsibilities*

In our first six months, we have utilized our budget to hire and train staff, enhance our website, and conduct Committee operations. The PRAC is now at a 90% staffing level, with an Executive Director, Deputy Executive Director, Chief Data Officer, Chief Information Security Officer, and Associate Directors leading our three lines of business—Oversight & Accountability, Outreach & Engagement, and Transparency. We may also use funds

## ACCOMPLISHMENTS

to support relevant oversight duties of OIGs and to engage contractors to conduct audits or reviews. The PRAC's Executive Director, in consultation with the Committee, will continuously evaluate and promote the PRAC's performance in overseeing the coronavirus response.

### *Support the Independent Oversight of Inspectors General*

The PRAC uses modern tools and practices to support OIGs. We will establish a data warehouse and an analytics capability to provide OIGs with accessible data, tools, infrastructure, data analytics, and other support to help them conduct vigorous coronavirus pandemic response oversight, including oversight of cross-cutting vulnerabilities.

We respect the independence of IGs to conduct audits or investigations of covered funds and the coronavirus response. We are mindful of the complexity of the federal programs involved in the coronavirus response and recovery effort and the need for deep programmatic expertise in these programs to ensure efficient and effective auditing and review. IGs have specialized expertise and institutional knowledge regarding the programs of their respective agencies and the most effective oversight methods for those programs. This expertise, experience, credibility, and institutional knowledge is critical to fulfilling the PRAC's mission. Accordingly, to the extent feasible, we will rely on and tap into the existing expertise and experience of individual agency OIGs for oversight of emergency pandemic spending.

We support OIG efforts to procure equipment and technology necessary to conduct coordinated, effective, and safe oversight.

### *Build a Diverse Team of Innovative Thought Leaders*

We encourage creative and practical problem-solving and insightful thought leadership. We also foster collaborative professional relationships. The leadership team's stand-up plan guided the organization from day one with six 30-day phases of maturation, articulating key milestones and deadlines. In order to recruit and retain the best candidates, provide a positive work environment, and mitigate the risk of current and future pandemic-related workplace disruptions, the PRAC functions as a distributed workforce in a virtual workplace with plans for a small physical footprint in Washington, DC.

## Holding Wrongdoers Accountable Through Investigations

A key role of OIGs is to support law enforcement in pursuing fraud investigations and criminal enforcement. A total of 12 OIGs have publicly reported investigations, indictments/complaints, arrests, and/or convictions from April 1, 2020 through

September 30, 2020 related to the Federal Government's COVID-19 pandemic response. The following section provides the total number of accountability actions organized by agency and highlights cases categorized by criminal activity.

### Investigative Results from April 1, 2020 through September 30, 2020



#### Publicly Reported Investigations

**141**



#### Indictments/ Criminal Complaints (# of Defendants)

**241**



#### Arrests

**163**



#### Convictions

**10**

Department of Defense / Defense Criminal Investigative Service	1	1	1	
Department of Labor	10	58	18	
Federal Deposit Insurance Corporation	24	38	29	2
Federal Housing Finance Agency	10	11	11	
Federal Reserve Board	5	7	7	
Department of Health and Human Services	8	10	10	
Small Business Administration	42	75	63	5
Social Security Administration	2	3	2	
Treasury Inspector General for Tax Administration	34	34	19	3
U.S. Agency for International Development	1			
U.S. Postal Service	1	1	1	
Department of Veterans Affairs	3	3	2	

Source: Assembled by the PRAC from DOJ RSS feed

Note: The counts above credit all agencies involved in a single case. Therefore, some of the results are counted more than once.

HOLDING WRONGDOERS  
ACCOUNTABLE

**Investigative Results by Criminal Activity**

	 Publicly Reported Investigations	 Indictments/ Criminal Complaints (# of Defendants)	 Arrests	 Convictions
PPP / EIDL	49	81	69	5
Pandemic Unemployment	10	47	18	
Securities / Investment Fraud	2	2	2	1
Fraudulent Treatments / Supplies	2	8	1	
Economic Impact Payment	2	4	4	
Medicare Fraud	4	4	2	
PPE (Theft)	2	1		
Election Fraud	1	1	1	

Source: Assembled by the PRAC from DOJ RSS feed

Note: The counts above represent separate and distinct investigative results. All results have been counted only once.

**PPP Case Highlights**

**Federal Housing Finance Agency (FHFA) OIG,  
Small Business Administration (SBA) OIG**

*Houston Entrepreneur Charged with Spending COVID Relief Funds on Improper Expenses Including a Lamborghini and Strip Clubs, August 2020*

A Houston man has been taken into custody on allegations he fraudulently obtained more than \$1.6 million in PPP loans, announced the U.S. Attorneys of the DOJ’s Criminal Division.

The complaint alleges an individual was involved in a scheme to submit fraudulent PPP loan applications to federally insured banks and other lenders. The SBA guarantees the loans for COVID-19 relief through the PPP under the CARES Act.

**SBA OIG**

*National Football League (NFL) Player Charged in South Florida Federal Court for Alleged Role in \$24 Million COVID-Relief Fraud Scheme, September 2020*

Federal prosecutors have charged an NFL player for his alleged participation in a scheme to file fraudulent loan applications seeking more than \$24 million in forgivable PPP loans guaranteed by the SBA under the CARES Act.

The complaint alleges the NFL player conspired with others to obtain millions of dollars in fraudulent PPP loans. Early in the scheme, an individual allegedly obtained a fraudulent PPP loan for his talent management company using falsified documents. After submitting the application, the individual then began to work with other

## HOLDING WRONGDOERS ACCOUNTABLE

co-conspirators, including the NFL player, on a scheme to submit numerous fraudulent PPP loan applications for confederate loan applicants, in order to receive kickbacks for obtaining the forgivable loans for them.

Federal prosecutors charged an NFL player for his alleged participation in a scheme to file fraudulent loan applications seeking more than \$24 million in PPP loans guaranteed by SBA under the CARES Act.

The complaint alleges the scheme involved the preparation of at least 90 fraudulent applications, most of which were submitted worth more than \$24 million. Many of those loan applications were approved and funded by financial institutions, paying out at least \$17.4 million.

[Federal Deposit Insurance Corporation \(FDIC\) OIG, Social Security Administration \(SSA\) OIG, Treasury Inspector General for Tax Administration \(TIGTA\), SBA OIG](#)

*Two Men Who Allegedly Used Synthetic Identities, Existing Shell Companies, and Prior Fraud Experience to Exploit COVID-19 Relief Programs Charged in Miami Federal Court, August 2020*

Federal prosecutors have charged two Florida residents with bank fraud conspiracy for allegedly using synthetic identities to commit crimes, including defrauding banks and stealing over \$3 million from COVID-19 relief programs.

Synthetic identities combine real (albeit stolen) identity information, such as stolen social security numbers, with fraudulent identity information, such as fake names and dates of birth. Criminals create these synthetic identities and use them to open fraudulent bank

Federal prosecutors charged two Florida residents with bank fraud conspiracy for allegedly using synthetic identities to defraud banks and steal over \$3 million from COVID-19 relief programs.

and credit card accounts, and to make fraudulent purchases.

From about April through July of 2020, members of the conspiracy allegedly utilized the already-established synthetic identities and associated shell companies to fraudulently apply for assistance under the PPP, a

program established under the CARES Act to help small businesses financially survive the pandemic. According to the complaint, the defendants fraudulently sought and received over \$3 million in PPP relief. This money was paid to companies registered to the synthetic identities.

## Pandemic Unemployment Case Highlights

[Department of Labor \(DOL\) OIG](#)

*33 Inmates and Accomplices Charged with Illegally Obtaining Coronavirus Unemployment Benefits, August 2020*

Thirty-three individuals, including inmates at eight state and county jails and prisons in western Pennsylvania and their accomplices, have been charged in federal and state criminal complaints for illegally obtaining CARES Act unemployment benefits using false or fraudulent statements.

The criminal complaints detail the defendants' alleged roles in the acquisition of Pandemic Unemployment Assistance (PUA) benefits. In general, the inmates used jail phones or other inmate communications to

## HOLDING WRONGDOERS ACCOUNTABLE

direct or assist persons outside the prison to file claims online using the inmate's accurate Personal Identifying Information (PII), including full name, date of birth, and Social Security number, but falsely asserting that the inmate is available to work and is unemployed as a result of the COVID-19 pandemic. The benefits were then directed to the applicants' addresses on file outside of the correctional facility. Once approved, applicants were required to provide weekly certifications to continue to receive PUA program benefits.

### DOL OIG

#### *Two Charged in \$1.8 million Unemployment Insurance Scam, August 2020*

An employee of the State of Michigan's Unemployment Insurance Agency and a Detroit woman were charged in a criminal complaint for their alleged role in a \$1.8 million unemployment insurance (UI) fraud scheme aimed at defrauding the State of Michigan and the U.S. Government of funds earmarked for unemployment assistance during the COVID-19 pandemic, announced the U.S. Attorney.

Lead Claims Examiner for the State of Michigan Unemployment Insurance Agency used his insider access to release payment on hundreds of fraudulent claims resulting in disbursement of over \$1.1 million of federal and state funds intended for unemployment assistance.

Beginning in May 2020, a Lead Claims Examiner for the State of Michigan Unemployment Insurance Agency, whose duties included reviewing, processing, and verifying the legitimacy of UI claims, used his insider access to release payment on hundreds of fraudulent claims. Specifically, the individual is alleged to have used his network credentials to override "fraud stops" on UI claims that the State computer system had identified as potentially fraudulent. His actions resulted in the fraudulent disbursement of over \$1.1 million of federal and state funds intended for unemployment assistance during the pandemic. He attempted to override another \$761,000 in fraudulent unemployment claims, but the State was able to prevent payment on those additional claims.

### Securities/Investment Fraud Case Highlight

Department of Health and Human Services (HHS) OIG, Defense Criminal Investigative Service, Department of Veterans Affairs (VA) OIG

#### *Medical Technology Company President Charged in Scheme to Defraud Investors and Health Care Benefit Programs in Connection With COVID-19 Testing, June 2020*

The president of a California-based medical technology company was charged in a complaint unsealed today in the Northern District of California, in connection with his alleged participation in schemes to mislead investors, manipulate the company's stock price, and conspire to commit health care fraud in connection with the submission of over \$69 million in false and fraudulent claims for allergy and COVID-19 testing.

HOLDING WRONGDOERS  
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The complaint is the first criminal securities fraud prosecution related to the COVID-19 pandemic brought by the Department of Justice (DOJ) and charges one count of securities fraud and one count of conspiracy to commit health care fraud.

## Fraudulent Treatments/Supplies Case Highlight

### HHS OIG

*Tulare County Man Indicted for Falsely Marketing Herbal Mixtures as FDA-Approved Treatment for COVID-19, July 2020*

A Porterville man was arrested after a federal grand jury returned a five-count indictment on July 9, 2020, charging him with mail fraud and introducing a misbranded drug into interstate commerce with the intent to defraud.

According to the indictment, he made these misrepresentations for the purpose of soliciting customers, both patients and health care professionals, to acquire Golden Sunrise products so he could submit reimbursement claims to the patients' insurers, including Medicare and Medi-Cal. He dispensed his products to customers in the Porterville area and shipped the products to other parts of California and the U.S.

## Other Case Highlight

### U.S. Postal Service (USPS) OIG

*Pendleton County Mail Carrier Charged with Attempted Election Fraud, May 2020*

The mail carrier is charged with "Attempt to Defraud the Residents of West Virginia of a Fair Election." According to the affidavit filed

with the complaint, he held a USPS contract to deliver mail in Pendleton County. In April 2020, the Clerk of Pendleton County received "2020 Primary Election COVID-19 Mail-In Absentee Request" forms from eight voters on which the voter's party-ballot request appeared to have been altered.

The clerk reported the finding to the West Virginia Secretary of State's office, which began an investigation. The investigation found five ballot requests that had been altered from "Democrat" to "Republican". On three other requests, the party was not changed, but the request had been altered.

## Insights Through Oversight Reports

A key role of OIGs is to provide oversight of Federal Government funds and programming and to issue corresponding oversight reports. Twenty-six OIGs issued a total of 89 oversight reports<sup>1</sup> related to the Federal Government's COVID-19 pandemic response from April 1, 2020 through September 30, 2020. These oversight reports generally aligned with the most common areas of concern the PRAC identified in its Top Management Challenges

<sup>1</sup> These oversight reports include all reports, memorandums, and advisories issued by the OIGs related to coronavirus response funding and programs.

report. Notably, the efforts focused on responding to the pandemic have affected overall agency operations, and as such, OIGs have assigned staff to help mitigate major risks.

This section identifies the total number of issued reports for each management challenge area and presents summaries of key reports. For a complete list and summaries of all oversight reports issued, see [“Appendix B” on page 46.](#)

### Oversight Reports from April 1, 2020 through September 30, 2020

<i>Office of Inspector General</i>	<i>Report Count</i>
Amtrak	1
Architect of the Capitol	1
Department of Agriculture	2
Department of Defense	7
Department of the Interior	15
Department of Education	1
Department of Health and Human Services	1
Department of Homeland Security	2
Department of Housing and Urban Development	4
Department of Justice	8
Department of Labor	10
Department of Transportation	1
Department of the Treasury	2
Department of Veterans Affairs	6
Environmental Protection Agency	5
Federal Housing Finance Agency	3
General Services Administration	1
National Science Foundation	1
Pandemic Response Accountability Committee	1
Railroad Retirement Board	1
Small Business Association	5
Special Inspector General for Pandemic Recovery	2
Special Inspector General for the Troubled Asset Relief Program	1
U.S. Agency for International Development	2
U.S. Postal Service	5
U.S. Treasury Inspector General for Tax Administration	1
<b>Total Reports</b>	<b>89</b>

## OVERSIGHT REPORTS

## Management Challenge: Financial Management of Relief Funding



Total Reports	18
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### KEY REPORTS

#### Department of the Interior (DOI) OIG

*Management Advisory – Recommendations for Reimbursing Contractors’ Paid Leave Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, July 6, 2020*

CARES Act Section 3610 allows federal agencies to reimburse their contractors and subcontractors for any paid leave, including sick leave, that the contractors provide to keep their employees or subcontractors in what the section refers to as a “ready state.” Because these reimbursements present several risks and DOI is already receiving Section 3610 claims from contractors, DOI urgently needs to put policies in place to ensure consistent oversight of reimbursed leave costs. In this management advisory memorandum, The DOI OIG offers three recommendations that, if implemented, will help DOI prevent fraud, waste, and abuse related to costs reimbursed under Section 3610.

DOI OIG  
recommends three  
ways to ensure  
consistent oversight  
of reimbursed leave  
costs.

#### Department of Defense (DOD) OIG

*Special Report on Best Practices and Lessons Learned for DOD Contracting Officials in the Pandemic Environment, DODIG-2020-085, June 2, 2020*

DOD officials are under increased pressure to provide goods and services in a fast-paced, ever-changing environment under the COVID-19 pandemic, pressures similar to those present during past disaster response and relief efforts. The DOD OIG developed a list of best practices and lessons learned that DOD officials should consider following to minimize opportunities for fraud, waste, and abuse in awarding and overseeing the large amount of contracts needed to respond to the COVID-19 pandemic. Specifically, the DOD OIG identified lessons learned related to communication and coordination, documentation, consistency in contracting processes, and staffing and training. This special report contains a brief discussion of each of these areas.

#### DOD OIG

*Special Report: Controls Implemented by the Defense Health Agency to Control Costs for TRICARE Coronavirus Disease-2019 Pandemic Related Services, DODIG-2020-125, September 3, 2020*

This special report summarizes actions the Defense Health Agency (DHA) has taken to control costs for health care claims related to the COVID-19 pandemic. The DOD OIG interviewed DHA officials and managed care support contractor personnel and catalogued actions the DHA planned or had taken to control payments for health care claims related to COVID-19. Although the DHA implemented controls related to

OVERSIGHT REPORTS

COVID-19 health care claims, the pandemic is dynamic and evolving. DHA officials must continue to address controlling costs and prevent fraudulent providers from exploiting the health system. Executing the controls identified in this report, to include continued oversight and monitoring of the controls, should ensure continued success and mitigation of risks identified.

**Management Challenge:  
Grants and Guaranteed  
Loan Management**



Total Reports

28

**KEY REPORTS**

**Department of Labor (DOL) OIG**

*COVID-19: More Can Be Done to Mitigate Risk to Unemployment Compensation Under the CARES Act, Rpt. No. 19-20-008-03-315, August 7, 2020*

While the Employment and Training Administration (ETA) implemented CARES Act UI provisions in a timely way, additional guidance could better assist states in mitigating the risk of fraud. Further, ETA has directed states to leverage their existing program integrity systems to include CARES Act UI programs, but ETA can do more to ensure adequate program assessment and reporting. ETA's guidance did not sufficiently address the risk of fraud, waste, or abuse. ETA is leveraging existing tools to combat fraud, but more needs to be done. ETA's oversight plan does not sufficiently address

the assessment of CARES Act UI program results because the CARES Act UI programs are not included in its program assessments.

**Small Business Administration (SBA) OIG**

*Management Alert: Serious Concerns of Potential Fraud in Economic Injury Disaster Loan Program Pertaining to the Response to COVID-19, Rpt. No. 20-16, July 28, 2020*

The SBA OIG issued this management alert to inform the agency of strong indicators of widespread potential fraud in the Economic Injury Disaster Loan and Advance grant program that require immediate attention and mitigation. The OIG received

SBA OIG management alert informs agency of potential widespread fraud in the Economic Injury Disaster Loan and Advance grant programs that require immediate attention and mitigation.

complaints of more than 5,000 instances of suspected fraud from financial institutions receiving economic injury loan deposits. Nearly 3,800 of those reported instances of suspected fraud came from only six financial institutions. The OIG suggested swift management action to engage financial institutions immediately to identify disbursements that may have been obtained fraudulently, recover disbursed funds, and prevent additional taxpayer losses.

OVERSIGHT REPORTS

**Federal Housing Finance Agency (FHFA) OIG**

*Oversight of Fannie Mae and Freddie Mac of Compliance with Forbearance Requirements Under the CARES Act and Implementing Guidance by Mortgage Servicers, Rpt. No. OIG-2020-004, July 27, 2020*

This report provides information about oversight by the Enterprises over mortgage servicers' compliance with Section 4022 of the CARES Act and implementing guidance. During the review, the FHFA OIG learned from the Enterprises they do not consider testing part of their responsibilities to determine whether its servicers comply with legal and regulatory requirements.

**DOL OIG**

*CARES Act: Key Areas of Concern Regarding Implementation of Dislocated Worker Grant Provisions, Rpt. No. 19-20-005-03-391, June 23, 2020*

This advisory report presents the DOL OIG's key areas of concern regarding ETA's implementation of Dislocated Worker Grant provisions included in the CARES Act. ETA received \$345 million to prevent, prepare for, and respond to COVID-19 for dislocated workers assistance. The concerns presented in this report represent years of oversight work relating to ETA grant programs, including the use of prior stimulus funds and the Department's response to past natural disasters.

**SBA OIG**

*Flash Report Small Business Administration's Implementation of the Paycheck Protection Program Requirements, Rpt. No. 20-14, May 8, 2020*

The SBA OIG produced a flash report to identify issues it found during a review of

the PPP. The OIG found that SBA's Interim Final Rules for implementing the PPP and SBA's FAQs mostly aligned with the Act. The OIG also identified the following areas, however, that did not fully align with the Act's provisions: Prioritizing Underserved and Rural Markets; Loan Proceeds Eligible for Forgiveness; Guidance on Loan Deferments; and Registration of Loans.

**Department of Housing and Urban Development (HUD) OIG**

*Some Mortgage Loan Servicers' Websites Offer Information about CARES Act Loan Forbearance That Is Incomplete, Inconsistent, Dated, and Unclear, April 27, 2020*

The HUD OIG conducted this study to assess what information servicers of mortgage loans insured by Federal Housing Administration are providing to borrowers regarding forbearance options available under the CARES Act.

**Management Challenge: Information Technology Security and Management**



Total Reports

1

**KEY REPORTS**

**DOD OIG**

*Special Report on Protecting Patient Health Information During the COVID-19 Pandemic, Rpt. No. DODIG-2020-080, April 23, 2020*

The DOD OIG recognizes that medical treatment facilities are seeing and treating patients at increasing rates. Over the past

OVERSIGHT REPORTS

three years, the DOD OIG and GAO assessed the effectiveness of security controls implemented to protect DOD controlled unclassified information, including patient health information and personally identified information maintained on DOD networks and systems, from internal and external cyber threats. The DOD OIG provided this document to share lessons learned and best practices identified during our previous work related to the security and protection of patient health information at medical treatment facilities.

**Management Challenge:  
Protecting Health and  
Safety**



Total Reports	23
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**KEY REPORTS**

**Department of Homeland Security (DHS) OIG**  
*Early Experiences with COVID-19 at Border Patrol Stations and Office of Field Operations Ports of Entry, Rpt. No. OIG-20-69, September 4, 2020*

The DHS OIG surveyed staff at Border Patrol stations and Office of Field Operations ports of entry from April 22, 2020 to May 1, 2020. The 136 Border Patrol stations and 307 Office of Field Operations ports of entry that responded to our survey described various actions they have taken to prevent and mitigate the spread of the pandemic among travelers, detained individuals, and staff. These actions include increased cleaning and disinfecting of common areas, and

having personal protective equipment for staff, as well as supplies available to those individuals with whom they come into contact. However, facilities reported concerns with their inability to practice social distancing and the risk of exposure to COVID-19 due to the close-contact nature of their work. Regarding staffing, facilities reported decreases in current staff availability due to COVID-19 but have contingency plans in place to ensure continued operations. The facilities expressed concerns regarding staff availability, however, if there were an outbreak of COVID-19 at the facility. Overall, most respondents reported that their facilities were prepared to address COVID-19.

Facilities reported concerns with their inability to practice social distancing and the risk of exposure to COVID-19 due to the close-contact nature of their work.

**General Services Administration (GSA) OIG**  
*Alert Memorandum: Concerns Regarding Public Buildings Service’s Communication and Cleaning Procedures for Coronavirus Disease 2019 (COVID-19) Exposures, Rpt. No. A201018-2, September 3, 2020*

The GSA OIG found that the Public Buildings Service did not always receive timely notice of COVID-19 incidents from building occupants and did not always provide timely notification of confirmed COVID-19 cases. In addition, because the Public Buildings Service does not have a standard

## OVERSIGHT REPORTS

inspection process for COVID-19 cleaning and disinfection services, it does not have assurance that the contractors are cleaning and disinfecting spaces in accordance with guidance issued by the Public Buildings Service and Centers for Disease Control and Prevention.

### Department of Justice (DOJ) OIG

*Remote Inspection of Federal Bureau of Prisons Contract Correctional Institution McRae, Operated by CoreCivic, Rpt. No. 20-098, August 31, 2020*

The DOJ OIG issued a report assessing McRae's management of COVID-19. The OIG found that the Federal Bureau of Prisons' (BOP) Privatization Management Branch issued guidance to contract prisons after the BOP issued comparable guidance to BOP-managed institutions between February and April 2020. The OIG also found that McRae officials did not immediately restrict all inmates to their housing units after the first inmate presented symptoms and ultimately tested positive for COVID-19. A McRae physician told the DOJ OIG that the delay in restricting inmates likely led to the spread of COVID-19 within the prison.

### Department of Veterans Affairs (VA) OIG

*Alleged Deficiencies in the Management of Staff Exposure to a Patient with COVID-19 at the VA Portland Health Care System in Oregon, Rpt. No. 20-02240-248, August 27, 2020*

The VA OIG conducted a health care inspection to determine the validity of allegations related to the management of staff exposure to a patient diagnosed with COVID-19 at the VA Portland Medical Center

(facility) in Oregon. The events under review involved the facility's first patient diagnosed with COVID-19. The OIG did not substantiate that the emergency department staff failed to notify imaging department staff that a patient was suspected to have COVID-19 before sending the patient to the imaging department. At the time of the patient's transport to the imaging department, emergency department staff had not identified suspicion of COVID-19. However, emergency department staff failed to alert imaging department staff of the patient's

VA OIG identified some missteps at the VA Portland Medical Center in Oregon related to the management of staff exposure to patients diagnosed with COVID-19.

potential influenza. The OIG did not substantiate that the imaging department supervisors failed to properly and promptly notify imaging department staff which members had contact with a patient who was diagnosed with COVID-19 after admission to the facility, or that leaders failed to take appropriate action following staff exposure to a patient with COVID-19. The OIG identified some missteps in the facility's processes when responding to staff exposure, which affected the accuracy of exposure risk assessments and monitoring for some exposed staff. While missteps were noted, the facility made a significant and timely effort to identify staff with potential exposure and respond in accordance with the most

OVERSIGHT REPORTS

current guidance from the Centers for Disease Control and Prevention and Oregon Health Authority. Facility leaders and infection prevention and control staff developed and revised policies to better address COVID-19 as new guidance became available.

**U.S. Department of Agriculture (USDA) OIG**

*COVID-19: Forest Services Wildland Fire Response Plans, Rpt. No. 08025-0001-41, August 14, 2020*

This memorandum provides the USDA OIG’s comments on the Wildland Fire Response developed to more safely and effectively combat wildland fires during the COVID-19 pandemic.

**VA OIG**

*Review of Veterans Health Administration’s COVID-19 Response and Continued Pandemic Readiness, Rpt. No. 20-03076-217, July 16, 2020*

This report outlines Veterans Health Administration (VHA)’s continued response to the pandemic and provides VHA leaders’ descriptions of the evolving challenges they faced in caring for veterans and potentially nonveteran patients as well. The VA OIG engaged leaders from 70 selected facilities in discussions about patient-care services provided from March 11, 2020, through June 15, 2020. Overall, this report highlights a multitude of actions taken by VHA, Veterans Integrated Systems Network, and facility leaders to maintain operations during a national emergency. With the uncertainty of timing and magnitude of possible recurrent outbreaks, this review presents strategies various facilities put into place over the past several months that will hopefully promote

discussion and consideration of lessons learned and best practices among facility and community health care leaders.

**HHS OIG**

*Hospital Experiences Responding to the COVID-19 Pandemic: Results of a National Pulse Survey March 23-27, 2020, Rpt. No. OEI-06-20-00300, April 3, 2020*

This review provides HHS and other decision-makers (e.g., state and local officials and other federal agencies) with a national snapshot of hospitals’ challenges and needs in responding to the COVID-19 pandemic. This is not a review of HHS response to the COVID-19 pandemic. The HHS OIG collected this information as an aid for HHS as it continues to lead efforts to address the public health emergency and support hospitals and other first responders. In addition, hospitals may find the information about each other’s strategies useful in their efforts to mitigate the challenges they are facing.

**Other: Agency Operations**



Total Reports

19

**KEY REPORTS**

**Department of Education OIG**

*Challenges for Consideration in Implementing and Overseeing the CARES Act, Rpt. No. X20DC0003, September 10, 2020*

This management information report provides the OIG’s perspective on challenges

## OVERSIGHT REPORTS

the Department of Education may face as it implements and oversees the CARES Act. The Education OIG identified challenges related to grantee oversight and monitoring, student financial assistance oversight and monitoring, and data quality and reporting that the Department should consider as it implements and oversees the CARES Act.

### DOL OIG

*COVID-19: OSHA Needs to Improve Its Handling of Whistleblower Complaints During the Pandemic, Rpt. No. 19-20-010-10-105, August 14, 2020*

The Occupational Safety and Health Administration (OSHA) investigates complaints of discriminatory actions taken against employees who “blow the whistle” under any of 23 statutes, the basic provisions of which are administered by 11 different federal agencies. The DOL OIG found the pandemic has significantly increased the number of whistleblower complaints filed with OSHA. OSHA was challenged to complete investigations in a timely manner before the pandemic, and the potential exists for even greater delays now.

### HUD OIG

*Telework Impact on HUD’s Operations Due to the COVID-19 Pandemic, Rpt. No. 2020-OE-0006, June 1, 2020*

This memorandum report summarizes survey and interview results on how mandatory telework affects HUD’s operations. The HUD OIG conducted surveys and interviews to evaluate HUD’s use of agency-wide telework in response to the COVID-19 pandemic. The study was designed to provide insights

into the types of obstacles that impeded HUD operations and how HUD responded to identified limitations. HUD demonstrated a capacity to sustain mission essential operations during a period of mandatory telework. Although some processes were significantly affected, most were only slightly impacted or not affected at all.

Click on the links below to view all reports within each challenge area:

[Financial Management of Relief Funding](#)

[Grants and Guaranteed Loan Management](#)

[IT Security and Management](#)

[Protecting Health and Safety](#)

[Other Agency Operations](#)

## Appendix A Acronym List

BIA	Bureau of Indian Affairs
BOP	Federal Bureau of Prisons
BSEE	Bureau of Safety and Environmental Enforcement
CARES Act	Coronavirus Aid, Relief, and Economic Security Act
CDC	Centers for Disease Control and Prevention
CIGIE	Council of the Inspectors General on Integrity and Efficiency
COVID-19	Coronavirus Disease 2019
DOD	Department of Defense
DOI	Department of the Interior
DOJ	Department of Justice
DOL	Department of Labor
EPA	Environmental Protection Agency
ETA	Employment and Training Administration
FFCRA	Families First Coronavirus Response Act
FHFA	Federal Housing Finance Agency
GAO	Government Accountability Office
GSA	General Services Administration
HHS	Department of Health and Human Services
HUD	Department of Housing and Urban Development
IG	Inspector General
IT	Information Technology
NFL	National Football League
NSF	National Science Foundation
OIA	Office of Insular Affairs
OIG	Office of Inspector General
OMB	Office of Management and Budget
OSHA	Occupational Safety and Health Administration
OWCP	Office of Workers' Compensation Programs
PPP	Paycheck Protection Program
PRAC	Pandemic Response Accountability Committee
PUA	Pandemic Unemployment Assistance
SBA	Small Business Administration
SIGPR	Special Inspector General for Pandemic Recovery
TIGTA	Treasury Inspector General for Tax Administration
UI	Unemployment Insurance
USDA	U.S. Department of Agriculture
USPS	U.S. Postal Service
VA	Department of Veterans Affairs
VBA	Veterans Benefits Administration
VHA	Veterans Health Administration

## Appendix B

### Pandemic-Related Reports by Office of Inspector General (OIG)

Offices of Inspectors General (OIG) issued a total of 89 reports between April 1, 2020 and September 30, 2020 related to the novel coronavirus 2019 (COVID-19) pandemic response. Below is a list of all 89 reports with a summary for each one.

#### U.S. Agency for International Development (USAID) OIG

*Information Brief: USAID COVID-19 Activity Update January – August 2020, September 21, 2020*

This brief provides information on U.S. Agency for International Development’s response to the COVID-19 pandemic and associated challenges, as well as related oversight plans and activities. The OIG prepared this informational brief to increase stakeholder knowledge and public transparency regarding these efforts. This brief reports on activities from the start of the COVID-19 pandemic through August 31, 2020.

*Key Questions to Inform USAID’s COVID-19 Response, May 21, 2020*

This advisory notice poses key questions from past lessons learned for U.S. Agency for International Development to consider while planning and executing its response to the COVID-19 pandemic. The lessons learned and corresponding questions fall under four broad areas: (1) managing risks to humanitarian assistance amid a public health emergency of international concern; (2) maintaining responsibilities for planning, monitoring, and sustaining U.S.-funded development; (3) maximizing stakeholder coordination for a global COVID-19 response; and (4) addressing vulnerabilities and implementing needed controls in Agency core management functions.

#### Amtrak OIG

*Governance: Observations on Amtrak’s Use of CARES Act Funds, Rpt. No. OIG-MAR-2020-013, August 5, 2020*

This management advisory reports on Amtrak’s ability to monitor and assess how the company is using CARES Act funds and the controls it has in place to accurately account for and report on them. The Amtrak OIG determined that so far, the company’s initial steps to use, account for, and report on the CARES Act funds are encouraging, and it identified three areas where additional focus could reduce risks—more transparent data, more timely verification of expenses, and ensuring adequate controls are in place.

## Appendix B

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### Architect of the Capitol (AOC) OIG

*Architect of the Capitol Status of CARES Act Funding, August 5, 2020*

This report presents the Architect of the Capitol's progress as of July 22, 2020 in obligating its CARES Act appropriations. Specifically, the Architect of the Capitol had obligated \$24,852,000 of its \$25,000,000 total appropriations, and included the procurement of face coverings, hand sanitizer, disinfectant wipes, and gloves for the Architect of the Capitol, the U.S. House of Representatives, U.S. Senate, legislative branch agencies, and the Supreme Court.

### U.S. Department of Agriculture (USDA) OIG

*USDA Coronavirus Disease Funding 2019, 50025-0001-23, September 30, 2020*

This report provides the OIG's summarization of USDA's COVID-19 funding as of May 31, 2020.

*COVID-19: Forest Services' Wildland Fire Response Plans, 08025-0001-41, August 14, 2020*

This memorandum provides the OIG's comments on the Wildland Fire Response Plans that were developed to more safely and effectively combat wildland fires during the COVID-19 pandemic.

### Department of Defense (DOD) OIG

*Evaluation of Department of Defense Medical Treatment Facility Challenges During the Coronavirus Disease-2019 (COVID-19) Pandemic, DODIG-2020-133, September 30, 2020*

The DOD OIG report determined the challenges and needs encountered by personnel working at DOD Medical Treatment Facilities while responding to the coronavirus disease 2019 pandemic. DOD Medical Treatment Facilities respondents reported challenges within five main areas: personnel, supplies, testing capabilities, information technology, and guidance and lines of authority. The OIG recommended that the Under Secretary of Defense for Personnel and Readiness, in conjunction with the Assistant Secretary of Defense for Health Affairs and Secretaries of the Military Departments, establish a working group within 30 days of this report's publication, to address the challenges that the OIG identified during the COVID-19 pandemic that exist between the Services and the Defense Health Agency.

*Evaluation of the U.S. Africa Command's Response to the Coronavirus Disease-2019, DODIG-2020-132, September 30, 2020*

The DOD OIG determined how U.S. Africa Command, and its component commands, executed pandemic response plans; and identified the challenges encountered in implementing the response plans and the impact to operations resulting from COVID-19. The results of this evaluation are classified.

## Appendix B

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### *Audit of Screening and Quarantine Procedures for Personnel Entering Al Udeid Air Base, Qatar, DODIG-2020-128, September 24, 2020*

The DOD OIG determined the 379th Air Expeditionary Wing Expeditionary Security Forces Squadron and the Expeditionary Forces Support Squadron developed screening and quarantine procedures for personnel entering Al Udeid Air Base in accordance with applicable guidance in response to COVID-19. The Squadrons implemented most procedures, but improvements are needed. If screening procedures are not consistently applied to all personnel entering Al Udeid Air Base, there is a risk that U.S. military, civilian, and contractor personnel may contract and spread COVID-19. If a surge in COVID-19 cases develops, ongoing operations and exercises in Qatar and the U.S. Central Command area of responsibility could be canceled, postponed, or impacted by staffing shortages caused by rapid increases in infected personnel.

### *Special Report: Controls Implemented by the Defense Health Agency to Control Costs for TRICARE Coronavirus Disease-2019 Pandemic Related Services, DODIG-2020-125, September 3, 2020*

This special report identified the actions the Defense Health Agency has taken to control costs for health care claims related to the COVID-19 pandemic. Although the Defense Health Agency implemented controls related to COVID-19 health care claims, the Defense Health Agency officials must continue to address controlling costs and preventing fraudulent providers from exploiting the health system.

### *Special Report on Best Practices and Lessons Learned for DOD Contracting Officials in the Pandemic Environment, DODIG-2020-085, June 2, 2020*

DOD officials are under increased pressure to provide goods and services in a fast-paced, ever-changing environment under the COVID-19 pandemic, which are similar to the pressures that were present during past disaster response and relief efforts. This report identifies lessons learned related to communication and coordination, documentation, consistency in contracting processes, and staffing and training to help minimize opportunities for fraud, waste, and abuse in the awarding and overseeing of the large number of COVID-19 related contract.

### *Special Report on Protecting Patient Health Information During the COVID-19 Pandemic, DODIG-2020-080, April 23, 2020*

Over the past three years, the DOD OIG and GAO have assessed the effectiveness of security controls implemented to protect DOD controlled unclassified information, including patient health information and personally identifiable information maintained on DOD networks and systems, from internal and external cyber threats. This report provides lessons learned and best practices that we identified during our previous work related to the security and protection of patient health information at medical treatment facilities.

## Appendix B

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### *COVID-19 Expenditures - Lessons Learned Regarding Awareness of Potential Fraud, Waste, and Abuse Risk, April 6, 2020*

This memorandum shares best practices and lessons learned during previous oversight work that can help the DOD use CARES Act funds effectively, while at the same time seeking to prevent fraud, waste, and abuse.

### **Department of Education OIG**

#### *Challenges for Consideration in Implementing and Overseeing the CARES Act, X20DC0003, September 10, 2020*

This management information report identifies challenges the Department of Education may face as it implements and oversees the CARES Act. These challenges include grantee oversight and monitoring, student financial assistance oversight and monitoring, and data quality and reporting that the Department of Education should consider as it implements and oversees the CARES Act.

### **Department of Health and Human Services (HHS) OIG**

#### *Hospital Experiences Responding to the COVID-19 Pandemic: Results of a National Pulse Survey March 23-27, 2020, OEI-06-20-00300, April 3, 2020*

This report provides HHS and other decision-makers (e.g., state and local officials and other federal agencies) with a national snapshot of hospitals' challenges and needs in responding to the COVID-19 pandemic. This was not a review of HHS response to the COVID-19 pandemic, but the information presented serves as an aid for HHS as it continues to lead efforts to address the public health emergency and support hospitals and other first responders. In addition, hospitals may find the information about each other's strategies useful in their efforts to mitigate the challenges they are facing.

### **Department of Homeland Security (DHS) OIG**

#### *Early Experiences with COVID-19 at CBP Border Patrol Stations and OFO Ports of Entry, OIG-20-69, September 4, 2020*

The 136 Border Patrol stations and 307 Office of Field Operations ports of entry—surveyed from April 22, 2020 to May 1, 2020 about experiences and challenges managing COVID-19—described various actions they have taken to prevent and mitigate the disease's spread among travelers, detained individuals, and staff. Overall, the majority of respondents reported that their facilities were prepared to address COVID-19.

## Appendix B

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### *Early Experiences with COVID-19 at ICE Detention Facilities, OIG-20-42, June 18, 2020*

Immigration and Customs Enforcement detention facilities were surveyed from April 8-20, 2020 regarding their experiences and challenges managing COVID-19 among detainees in their custody and among their staff. Overall, almost all facilities stated they were prepared to address COVID-19 but expressed concerns if the pandemic continued to spread. At the time of the survey, 23 facilities reported having detainees who had tested positive for COVID-19; this number had risen to 52 facilities as of May 26, 2020.

### **Department of Housing and Urban Development (HUD) OIG**

#### *Opportunities Existed to Improve HUD's Responses to Inquiries from Borrowers, Industry Partners, and the General Public Regarding Forbearance and Foreclosure Relief Provided by the CARES Act, September 22, 2020*

The HUD OIG reviewed the accuracy of HUD's responses to inquiries from borrowers, industry partners, and the general public regarding forbearance and foreclosure relief provided by the CARES Act. The OIG found that HUD's National Servicing Center provided accurate and complete responses to 30 of 44 inquiries (68%) reviewed, and the contractor operating the Federal Housing Administration Resource Center provided accurate and complete responses to 88 of 94 inquiries (94%) reviewed. Although the contractor responded accurately to a high percentage of inquiries, the OIG advised that HUD staff could provide better customer service to owners, industry partners, and the general public with more direct, accurate, and complete responses.

#### *Telework Impact on HUD's Operations Due to the COVID-19 Pandemic, 2020-OE-0006, June 1, 2020*

This memorandum report summarizes survey and interview results on the impact mandatory telework in response to the COVID-19 pandemic is having on HUD's operations. The survey results provide insights into the types of obstacles that impeded HUD operations and how HUD responded to identified limitations. The HUD OIG found that HUD demonstrated a capacity to sustain mission essential operations during a period of mandatory telework, but some processes were significantly impacted.

#### *Some Mortgage Loan Servicers' Websites Offer Information about CARES Act Loan Forbearance That Is Incomplete, Inconsistent, Dated, and Unclear, April 27, 2020*

This report presents the findings of the HUD OIG, who performed a study assessing what information servicers of mortgage loans insured by Federal Housing Administration are providing to borrowers regarding forbearance options available under the CARES Act. The OIG found that not all servicers' websites provided readily accessible information about forbearance and servicers' websites provided inconsistent information about durations of forbearances. Additionally, some servicers' website information was dated prior to

## Appendix B

enactment of the CARES Act, did not specifically meet the mandates of the Act, or indicated that they were awaiting further guidance. Finally, several servicers' websites gave the impression that lump sum payments would be required at the end of the forbearance period.

### Department of the Interior (DOI) OIG

*The Bureau of Safety and Environmental Enforcement's Safety Inspection Program COVID-19 Response, 2020-CR-047, September 21, 2020*

We reviewed the actions the Bureau of Safety and Environmental Enforcement's (BSEE's) three regions—the Gulf of Mexico Region, Pacific Region, and Alaska Region—have taken to protect inspectors and offshore employees from COVID-19 and evaluated any impacts the virus had on inspections BSEE conducted since March 2020. We found that BSEE developed, communicated, and updated COVID-19 guidance for all personnel involved with offshore inspections; continued to complete its required inspections; and adapted its practices and remotely witnessed operators' blowout preventer tests by accessing the operators' software systems. BSEE did not, however, provide the inspectors with guidance on how to witness the blowout preventer remotely. As of July 15, 2020, BSEE officials informed us they were developing this guidance.

*Where's the Money? DOI Use of CARES Act Funds as of August 31, 2020, 2020-FIN-068, September 28, 2020*

This report presents DOI's progress as of August 31, 2020, in spending CARES Act appropriations. Specifically, DOI's expenditures to date total \$526,662,366, and its obligations total \$624,399,884. The report also provides information on important milestones DOI has for the CARES Act. These milestones are closely monitored and updated in each installment of the report.

*Bureau of Indian Affairs Funding Snapshot, 2020-FIN-051, September 3, 2020*

Under the CARES Act, the Bureau of Indian Affairs (BIA) received \$453 million to prevent, prepare for, and respond to the COVID-19 pandemic, in addition to funds allotted to American Indian tribes and Alaska Native organizations from the Department of the Treasury, USDA, and HHS. This report summarizes the spend plans and time frames for the BIA's use of CARES Act funds from these sources and provides information about potential fraud indicators and controls for effective oversight to help the BIA manage these funds.

*CARES Act Flash Report: Lessons Learned for Purchase Card Use, 2020-FIN-055, August 25, 2020*

When this was issued, the CARES Act had provided DOI with \$909.7 million. This report presents lessons learned and risks identified in prior work—both audits and investigations—that DOI should consider as it makes purchases under the CARES Act. The following factors are crucial for successful oversight of purchase cards transactions: ensuring sufficient

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documentation for purchases; timely reviewing and approving statements or transactions; using mandatory sources for purchases; and providing training to cardholders and approving officials.

### *Where's the Money? DOI Use of CARES Act Funds as of July 31, 2020, 2020-FIN-059, August 17, 2020*

This report presents DOI's progress as of July 31, 2020, in spending CARES Act appropriations. Specifically, DOI's expenditures to date total \$502,312,984 and its obligations total \$599,016,669. This report also provides information on important milestones DOI has for the CARES Act. These milestones are closely monitored and updated in each installment of the report.

### *CARES Act Funds for DOI's Wildland Fire Management Program as of June 19, 2020, 2020-ER-042, July 31, 2020*

DOI approved \$11.3 million in funding for its Wildland Fire Management program through September 30, 2020. As of June 19, 2020, DOI had approved \$11.3 million, and the Wildland Fire Management program had obligated \$547,596 (or 5%) and spent \$381,431 (or 3%) of those approved funds.

### *Where's the Money? DOI Use of CARES Act Funds as of June 30, 2020, 2020-FIN-052, July 28, 2020*

This report presents DOI's progress as of June 30, 2020, in spending CARES Act appropriations. Specifically, DOI's expenditures to date total \$393,538,262 and its obligations total \$534,545,127. This also provides information on important milestones DOI has for the CARES Act. These milestones are closely monitored and updated in each installment of the report.

### *Bureau of Indian Education Snapshot, 2020-FIN-050, July 14, 2020*

This report summarizes priorities of the Bureau of Indian Education's CARES Act spend plan, as of July 14, 2020, which covers the \$69 million in Operation of Indian Education Programs and the \$153.75 million from the Education Stabilization Fund.

### *Management Advisory - Recommendations for Reimbursing Contractors' Paid Leave Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, July 6, 2020*

CARES Act Section 3610 allows federal agencies to reimburse their contractors and subcontractors for any paid leave, including sick leave, that the contractors provide to keep their employees or subcontractors in a "ready state." Because these reimbursements present several risks and DOI has already received Section 3610 claims from contractors, DOI urgently needs to put policies in place to ensure consistent oversight of reimbursed leave costs.

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### *The Office of Insular Affairs Took Appropriate Action With CARES Act Funds, 2020-WR-041, June 25, 2020*

The Office of Insular Affairs (OIA) received \$55 million to distribute among the seven Insular Area governments to assist them in their preparation for, response to, and prevention measures for the COVID-19 pandemic. This report provides a summary of the DOI OIG's review of OIA's oversight of the CARES Act funds to the Insular Area governments to date. The DOI OIG found that the OIA had taken prompt and immediate action in its allocation of CARES Act funds to Insular Area governments. Less than two weeks after the passage of the CARES Act, OIA supplemented its official website with information on the CARES Act funding, developed a fair allocation method and made funds available to Insular Area governments for immediate action, and provided clear guidance to the Insular Area governments.

### *The National Park Service's Coronavirus Response Operating Plans, 2020-CR-039, June 25, 2020*

As of May 12, 2020, most of the national parks were entirely closed or still partially closed. Of the 62 national parks, 32 did not yet have an anticipated date to increase recreational access, visitor services, or use of some facilities, while 30 parks had either already begun a phased reopening or anticipated an opening date between May 2020 and July 2020. The National Park Service cannot take a one-size-fits-all approach to reopening its locations, as each national park must consider guidance from federal, state, and local officials. Considering the risks associated with COVID-19 and the phased reopening of the national parks, it is imperative that all National Park Service locations have a park-specific plan to operate in a way that provides public access while protecting visitors and staff from further transmission of the virus.

### *Lessons Learned for Indian Country, 2020-FIN-045, June 25, 2020*

This report presents lessons learned from prior work that DOI, the Bureau of Indian Affairs, and the Bureau of Indian Education should consider as they make awards, promote safety, and provide oversight under the CARES Act. The following areas are important for improved safety and successful oversight: ensuring Indian school safety and health while providing educational services; providing oversight to help prevent mismanagement of financial awards; and minimizing the spread of the virus while maintaining safety within tribal detention centers.

### *Where's the Money? DOI Use of CARES Act Funds as of May 31, 2020, 2020-FIN-046, June 15, 2020*

This report presents DOI's progress as of May 31, 2020, in spending CARES Act appropriations. Specifically, DOI's expenditures to date total \$337,105,190 and its obligations total \$448,680,794. The report also provides information on important milestones DOI has for the CARES Act. These milestones are closely monitored and updated in each installment of the report.

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### *Lessons Learned for CARES Act Awards, 2020-FIN-037, May 20, 2020*

This report presents lessons learned and risks identified in prior work—both audits and investigations—that DOI should consider as it makes awards and provides oversight under the CARES Act. The following factors are important for successful oversight: ensuring sufficient workforce capacity; ensuring use of the appropriate award vehicle (contract vs. grant vs. cooperative agreement); maximizing competition in the source selection process; ensuring background research and risk assessments of potential recipients; monitoring documentation and use of funds by recipients; and reviewing recipients' performance and financial reports.

### *Where's the Money? DOI Use of CARES Act Funds as of April 28, 2020, 2020-FIN-036, May 5, 2020*

This report presents DOI's progress as of April 28, 2020, in spending CARES Act appropriations. Specifically, DOI's expenditures to date total \$168,719,791 and its obligations total \$387,887,389; a total of 491 grants and contracts have been awarded, with a total value of \$390,845,278; and expenditures by charge card total \$2,409,399. The report also provides information on important milestones DOI has for the CARES Act.

## Department of Justice (DOJ) OIG

### *Remote Inspection of Federal Bureau of Prisons Contract Correctional Institution McRae, Operated by CoreCivic, 20-098, August 31, 2020*

The DOJ OIG issued a report assessing McRae's management of coronavirus disease 2019 (COVID-19). The OIG found that the BOP Privatization Management Branch issued guidance to contract prisons after the BOP issued comparable guidance to BOP-managed institutions between February and April 2020. The OIG also found that McRae officials did not immediately restrict all inmates to their housing units after the first inmate presented symptoms and ultimately tested positive for COVID-19. A McRae physician told the DOJ OIG that the delay in restricting inmates likely led to the spread of COVID-19 within the prison.

### *Remote Inspection of Federal Bureau of Prisons Contract Correctional Institution Moshannon Valley, Operated by the Geo Group, Inc., 20-097, August 31, 2020*

The DOJ OIG issued a report assessing Moshannon Valley's management of COVID-19. The OIG found that the BOP's Privatization Management Branch issued guidance to contract prisons after the BOP issued comparable guidance to BOP-managed institutions between February and April 2020. The OIG also found that, due to supply issues, for over two weeks Moshannon was unable to comply with the April 3 recommendation from the Centers for Disease Control and Prevention (CDC) for individuals to wear cloth face coverings in public settings. In addition, Moshannon officials adhered to all other applicable COVID-19 related BOP policies and CDC guidelines and regularly communicated changes to staff and inmates.

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### *Remote Inspection of the Federal Bureau of Prisons Contract Correctional Institution Giles W. Dalby, Operated by Management & Training Corporation, 20-096, August 31, 2020*

The DOJ OIG issued a report assessing Dalby's management of COVID-19. The OIG found that the BOP's Privatization Management Branch issued guidance to contract prisons after the BOP issued comparable guidance to BOP-managed institutions between February and April 2020. The OIG also found that for two weeks Dalby had an insufficient number of face coverings to comply with the April 3 CDC guideline for individuals to wear cloth face coverings in public settings. The OIG's survey of Dalby staff rated Dalby better than average on the availability of personal protective equipment, timeliness of guidance to staff, and management of potentially symptomatic inmates.

### *Remote Inspection of Federal Correctional Complex Tucson, 20-087, July 23, 2020*

The DOJ OIG issued a report assessing the steps Federal Correctional Complex Tucson officials took to prepare for, prevent, and manage COVID-19 transmission within its facilities. The OIG found that Federal Correctional Complex Tucson officials adhered to applicable BOP policies related to COVID-19 and CDC guidelines and regularly communicated changes to staff and inmates. The OIG determined that several factors assisted Federal Correctional Complex Tucson in responding to the COVID-19 pandemic, including Federal Correctional Complex Tucson's proactive implementation of preventive measures before they were required by the BOP.

### *Remote Inspection of Federal Correctional Complex Lompoc, 20-086, July 23, 2020*

The DOJ OIG issued a report assessing the steps Federal Correctional Complex Lompoc officials took to prepare for, prevent, and manage COVID-19 transmission within its facilities. The OIG found that preexisting staffing shortages were among the institution's biggest challenges in controlling the spread of infection. Additionally, the OIG found that Lompoc's initial COVID-19 screening process was not fully effective, as two staff members came to work in late March after experiencing COVID-19 symptoms. The OIG also found that the BOP's use of home confinement in response to the spread of COVID-19 at Federal Correctional Complex Lompoc was extremely limited.

### *Interim Report - Review of the Office of Justice Programs' Administration of CARES Act Funding, 20-079, July 9, 2020*

The DOJ OIG released an interim report examining the Office of Justice Programs' (OJP) administration of CARES Act funding. This report covered OJP's actions during the Coronavirus Emergency Supplemental Funding solicitation's open period from March 30 to May 29, 2020. Generally, OJP has distributed Coronavirus Emergency Supplemental Funding quickly and in accordance with CARES Act requirements. However, the OIG found that OJP approved awards to areas with limited pandemic impact, and the OIG has identified multiple fraud schemes specifically targeting funding made available through the CARES Act, some of which could directly impact OJP Coronavirus Emergency Supplemental Funding award

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recipients. The report contained no recommendations to Office of Justice Programs. The OIG shared information on the areas of risk discussed above, and OJP agreed that the DOJ OIG's work provided useful monitoring strategies to mitigate the potential for fraud, waste, and abuse in the Coronavirus Emergency Supplemental Funding program.

### *Status of CARES Act Funding as of June 12, 2020 (Unaudited), 20-074, June 24, 2020*

The DOJ OIG released a report providing the status of DOJ funding received from the CARES Act and other DOJ CARES Act reporting requirements. It is designed to give a snapshot of the status of the \$1.007 billion in CARES Act funding received by DOJ components. The report also lists upcoming due dates related to reporting requirements outlined in the CARES Act and subsequent Office of Management and Budget guidance, as well as the initial initiatives the DOJ OIG has taken to ensure robust oversight of this critical funding.

### *COVID-19 Challenges for the U.S. Department of Justice, 20-072, June 17, 2020*

The DOJ OIG released a report identifying the top pandemic-related challenges facing DOJ. In particular, the report identifies challenges related to quickly and efficiently distributing grant funding provided under the CARES Act, protecting DOJ prison staff and inmates, and adjudicating immigration cases.

## **Department of Labor (DOL) OIG**

### *COVID-19: OSHA Needs to Improve Its Handling of Whistleblower Complaints During the Pandemic, 19-20-010-10-105, August 14, 2020*

The DOL OIG found that the pandemic has significantly increased the number of whistleblower complaints filed with the Occupational Safety and Health Administration (OSHA). OSHA was challenged to complete investigations in a timely manner before the pandemic, and the potential exists for even greater delays now.

### *COVID-19: More Can Be Done to Mitigate Risk to Unemployment Compensation under the CARES Act, 19-20-008-03-315, August 7, 2020*

While the Employment and Training Administration (ETA) implemented CARES Act Unemployment Insurance (UI) provisions in a timely way, additional guidance could better assist states in mitigating the risk of fraud. Further, ETA directed states to use their existing program integrity systems to include CARES Act UI programs, but ETA can do more to ensure adequate program assessment and reporting. ETA's guidance did not sufficiently address the risk of fraud, waste, or abuse, and its oversight plan does not sufficiently address the assessment of CARES Act UI program results because the CARES Act UI programs are not included in its program assessments.

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*COVID-19: WHD Needs to Closely Monitor the Pandemic Impact on Its Operations, 19-20-009-15-001, August 7, 2020*

Even though the Wage and Hour Division (WHD) acted quickly after Congress passed the Families First Coronavirus Response Act (FFCRA) by issuing guidance, training staff, and conducting oversight, the agency continues to face challenges as it implements and enforces the requirements of the FFCRA. One challenge includes conducting enforcement activities while maximizing telework and maintaining social distancing. Another major challenge is ensuring appropriate eligibility for FFCRA's emergency paid leave benefits.

*COVID-19: ETA Should Continue to Closely Monitor Impact on Job Corps Program, 19-20-007-03-370, July 28, 2020*

Job Corps temporarily suspended operations on its campuses on March 16, 2020 and transported nearly 30,000 students to their homes or found them housing. Fifty-five centers remained open to house and feed 445 students who had nowhere to go. Between March 16 and May 31, 2020, four of these students tested positive for COVID-19. Thirty-five staff tested positive while they were actively working. Job Corps transitioned all centers to remote learning on May 11, 2020, in order to continue educating and training students. Remote learning will create challenges for Job Corps, such as addressing students' deficiencies in basic skills and ability to learn technical skills.

*COVID-19: MSHA Faces Multiple Challenges in Responding to The Pandemic, 19-20-006-06-001, July 24, 2020*

The DOL OIG found that the Mine Safety and Health Administration (MSHA) faces a number of current and potential challenges related to COVID-19. While MSHA has taken actions to address some concerns, more is required to ensure the safety of its workforce and the mining industry. More action is needed to determine if the agency should issue a temporary standard to suspend or reduce some of its activities, i.e., reducing unnecessary contact. These actions could impact miner health or safety as well as result in a backlog of work. Mine Safety and Health Administration is also challenged in completing mandatory inspections in a timely way while ensuring the safety of its inspectors and providing critical training to mine rescue personnel.

*COVID-19: OWCP Should Continue to Closely Monitor Impact on Claims Processing, 19-20-004-04-001, July 6, 2020*

The DOL OIG found that most of the programs under the Office of Workers' Compensation Programs were experiencing or expecting delays and resource management issues as a result of increasing claims or social distancing mandates brought on by the pandemic. In response, the programs are tracking the delays, providing guidance, extending deadlines, and taking additional actions as needed.

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### *CARES Act: Key Areas of Concern Regarding Implementation of Dislocated Worker Grant Provisions, 19-20-005-03-391, June 23, 2020*

This advisory report presents the OIG's key areas of concern regarding ETA's implementation of Dislocated Worker Grant provisions included in the CARES Act. ETA received \$345 million to prevent, prepare for, and respond to COVID-19 for dislocated workers assistance.

### *Alert Memorandum: The Pandemic Unemployment Assistance Program Needs Proactive Measures to Detect and Prevent Improper Payments and Fraud, 19-20-002-03-315, May 26, 2020*

The DOL OIG identified a concern regarding the Unemployment Insurance (UI) Program's expansion under the CARES Act and self-certification. To establish eligibility, the CARES Act requires individuals to self-certify that they have lost employment income due to a reason related to COVID-19. Reliance on self-certification alone to ensure eligibility for the Pandemic Unemployment Assistance program will lead to increased improper payments and fraud.

### *Alert Memorandum: ETA Needs to Improve its Plans for Providing Administrative, Financial Management, and Audit Requirements Relief to Grant Recipients Impacted by the Novel Coronavirus (COVID-19), 19-20-003-03-001, May 19, 2020*

The DOL OIG found that ETA needs to improve its communication with grant recipients regarding the availability of flexibilities provided in the Office of Management and Budget memorandum M-20-17, including any subsequent updates and ETA's related implementation plans. Given the time limit imposed on these flexibilities, it is imperative ETA communicate this information quickly and through the most effective means possible, such as DOL's public facing websites or direct communication with grant recipients.

### *CARES Act: Initial Areas of Concern Regarding Implementation of Unemployment Insurance Provisions, 19-20-001-03-315, April 21, 2020*

This advisory report presents initial areas of concern that DOL and the states should consider given the implementation of the UI provisions included in the CARES Act. UI is a joint federal-state program, with ETA providing oversight of states.

## **Department of Transportation (DOT) OIG**

### *Memorandum to the Secretary: Key Potential Risk Areas for the Department of Transportation in Overseeing CARES Act Requirements, CC2020005 (DOT), June 17, 2020*

The CARES Act provides the Department of Transportation with over \$36 billion to prevent, prepare for, and respond to COVID-19 across all modes of transportation. This report provides a summary of key risk areas for Department of Transportation's consideration in bolstering its oversight of CARES Act grantees and contractors to promote efficiencies; help ensure compliance; and better prevent fraud, waste, and abuse.

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### Department of the Treasury (Treasury) OIG

#### *American Samoa Uses of Coronavirus Relief Fund Payment, OIG-CA-023, July 14, 2020*

The Treasury OIG issued a letter to the Director of the Department of Treasury American Samoa related to concerns over uses of its Coronavirus Relief Fund proceeds to make direct payments to members of its Fono (Legislature) of \$20,000 to the Senate President and Speaker of the House and \$10,000 to other members to support teleworking from their homes. Since Fono members were already teleworking prior to COVID-19 due to ongoing construction of its legislature building, The Treasury OIG requested that funds be returned to the American Samoa government for future uses related to COVID-19. The letter also clarified the permissibility of other proposed uses related to a hotel lease and payments to villages.

#### *Interim Audit Update - Coronavirus Relief Fund Recipient Reporting, OIG-20-036, May 27, 2020*

Treasury disbursed initial Coronavirus Relief Fund payments to recipients in the form of direct payments rather than financial assistance (i.e., grants) and without agreements or terms and conditions notifying recipients of the reporting requirements outlined in Section 15011 of the CARES Act, Reporting on the Use of Funds. Furthermore, as required by the CARES Act, Treasury has not provided user-friendly means for recipients to meet reporting requirements. Without the use of an agreement with terms and conditions requiring recipient reporting and reporting mechanisms, there is risk that reporting will not be done as required by the CARES Act resulting in the lack of accountability and transparency surrounding recipients' use of funds. While Treasury General Counsel's position that reporting requirements of Section 15011 under Division B of the CARES Act did not apply to the Coronavirus Relief Fund under Division A, management expressed its commitment, among other things, to ensuring transparency, accountability, and adherence to all statutory requirements in connection with the CARES Act.

### Department of Veterans Affairs (VA) OIG

#### *Date of Receipt of Claims and Mail Processing During the COVID-19 National State of Emergency, 20-02825-242, September 17, 2020*

This report presents the VA OIG's review of the Veterans Benefits Administration's (VBA) processing of benefit claims and mail during the COVID-19 pandemic. The OIG found VBA staff did not properly apply date of receipt guidance for an estimated 98% of 3,200 claims established from April 7 through April 20, 2020, which may be used to establish when veterans become entitled to benefit payments. VBA staff did continue to process mail received at VA facilities, with the postal service forwarding all regional office mail to a scanning facility starting March 31, 2020.

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### *Appointment Management During the COVID-19 Pandemic, 20-02794-218, September 1, 2020*

This report presents the VA OIG's assessment of the Veterans Health Administration's (VHA) appointment management strategies and the status of canceled appointments. The OIG's ongoing surveillance of VHA data shows that overall, from March 15 through June 15, 2020, VHA has canceled nearly 11.2 million appointments and needs to follow up on about 3.3 million of those cancellations. The OIG acknowledges that VA medical facilities made significant efforts to see patients virtually or to track patient cancellations for rescheduling, but still have much work to do in following up on the appointments canceled during the COVID-19 pandemic.

### *Alleged Deficiencies in the Management of Staff Exposure to a Patient with COVID-19 at the VA Portland Health Care System in Oregon, 20-02240-248, August 27, 2020*

The VA OIG completed a health care inspection to determine the validity of allegations related to the management of staff exposure to a patient diagnosed with COVID-19 at the VA Portland Medical Center (facility) in Oregon. The OIG identified some missteps in the facility's processes when responding to staff exposure, which affected the accuracy of exposure risk assessments and monitoring for some exposed staff. While missteps were noted, the facility made a significant and timely effort to identify staff with potential exposure and respond in accordance with the most current guidance from the CDC and Oregon Health Authority.

### *Review of Veterans Health Administration's COVID-19 Response and Continued Pandemic Readiness, 20-03076-217, July 16, 2020*

This report outlines VHA's continued response to the pandemic and provides VHA leaders' descriptions of the evolving challenges they faced in caring for veterans and potentially nonveteran patients as well. Overall, this report highlights a multitude of actions taken by VHA, Veterans Integrated Service Network, and facility leaders to maintain operations during a national emergency. With the uncertainty of timing and magnitude of possible recurrent outbreaks, this review presented strategies that various facilities put into place over the past several months that will hopefully promote discussion and consideration of lessons learned and best practices among facility and community health care leaders.

### *OIG Inspection of Veterans Health Administration's COVID-19 Screening Processes and Pandemic Readiness, 20-02221-120, March 26, 2020*

This report presents the VA OIG's evaluation of COVID-19 screening processes at 237 VA facilities (medical centers, community-based outpatient clinics, and community living centers) and to collect data on pandemic preparations. The OIG recognizes VA staff's tremendous efforts and that challenges related to the pandemic may change rapidly. The OIG hopes that the report will provide VHA leaders with a better assessment of the screening, access, and emergency preparedness at the facilities.

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### Environmental Protection Agency (EPA) OIG

*EPA Has Sufficiently Managed Emergency Responses During the Pandemic but Needs to Procure More Supplies and Clarify Guidance, 20-E-0332, September 28, 2020*

The EPA OIG found that EPA has sufficiently managed responses during the pandemic, but that EPA On Scene Coordinators may not be safe deploying during the pandemic without sufficient personal protective equipment and clear guidance. The OIG recommended that the EPA implement a strategy to provide necessary personal protective equipment and cleaning supplies to On Scene Coordinators, including N95 masks; develop communications mechanisms to address On Scene Coordinators' safety concerns; clarify its pandemic guidance; and provide COVID-19 tests to On Scene Coordinators being deployed. The Agency agreed with one recommendation but disagreed with the other three.

*EPA OIG's Response to the COVID-19 Pandemic, July 31, 2020*

This report summarizes the EPA OIG's audits, evaluations, and investigations to date that met new challenges posed by the COVID-19 pandemic. It covers work related to the pandemic's impact on both the EPA's and the Chemical Safety Board's missions, and on public health and the environment at the core of those missions.

*EPA's FYs 2020–2021 Top Management Challenges, 20-N-0231, July 21, 2020*

The EPA OIG identified a new challenge for Fiscal Years 2020-2021 related to the COVID-19 pandemic that affects all government agencies. Specifically, the EPA needs to maintain human health and environmental protections, business operations, and employee safety during the COVID-19 pandemic and future natural disasters.

*FY 2020 U.S. Chemical Safety and Hazard Investigation Board Management Challenges, 20-N-0218, July 6, 2020*

The EPA OIG identified a new management challenge for the Chemical Safety and Hazard Investigation Board: "The U.S. Chemical Safety and Hazard Investigation Board Must Continue Operations During the Coronavirus Pandemic." This challenge relates to risk to both the Chemical Safety and Hazard Investigation Board mission achievement and operations. In the event of a high-consequence incident, the Chemical Safety and Hazard Investigation Board will need to safely deploy staff with proper training and identify appropriate testing laboratories. Additionally, the Chemical Safety and Hazard Investigation Board must hire more investigators, and for its workforce to return to federal facilities, the Chemical Safety and Hazard Investigation Board must successfully implement cleaning, social distancing, and continued protection protocols.

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### *EPA's Initial Implementation of CARES Act Section 3610, 20-N-0202, June 29, 2020*

This report outlines the EPA OIG's finding that the Office of Acquisition Solutions created and provided detailed guidance to EPA contracting personnel and contractors related to reimbursements under Section 3610 of the CARES Act.

### **Federal Housing Finance Agency (FHFA) OIG**

#### *Management Advisory: FHFA-OIG's Investigation of Allegations of Fraud Affecting Paycheck Protection Program Loans Obtained or Sought from Federal Home Loan Bank Member Institutions, OIG-2020-005, September 8, 2020*

The FHFA OIG issued a status report on investigations into allegations of Paycheck Protection Program (PPP) fraud perpetrated at financial institutions that are members of the Federal Home Loan Bank system. These multiagency investigations, working closely with the DOJ's Criminal Division's Fraud Section, have led to the recovery of more than \$300,000 in cash and disrupted the funding of several fraudulent loans.

#### *Impact of Pandemic-Related Forbearance and Foreclosure Relief for Single-Family Mortgages on the Enterprises' Implementation of Current Expected Credit Loss, WPR-2020-007, September 3, 2020*

This white paper discusses the impact of forbearance and foreclosure relief for single-family mortgages on Fannie Mae and Freddie Mac's implementation of the Current Expected Credit Loss methodology during the first and second quarters of 2020. Due to the COVID-19 pandemic, both Fannie Mae and Freddie Mac expected an increase in credit losses, which was reflected in their financial reporting.

#### *Oversight by Fannie Mae and Freddie Mac of Compliance with Forbearance Requirements Under the CARES Act and Implementing Guidance by Mortgage Servicers, OIG-2020-004, July 27, 2020*

This report provides information about oversight by the Enterprises over mortgage servicers' compliance with Section 4022 of the CARES Act and implementing guidance. Section 4022 provides single-family homeowners experiencing financial hardship due to the COVID-19 pandemic the right to a period of forbearance from making mortgage payments on loans owned or securitized by the Enterprises. During the review, the FHFA OIG learned from the Enterprises that neither views its responsibilities to include testing whether its servicers comply with legal and regulatory requirements.

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### General Services Administration (GSA) OIG

*Alert Memorandum: Concerns Regarding PBS's Communication and Cleaning Procedures for Coronavirus Disease 2019 (COVID-19) Exposures, A201018-2, September 3, 2020*

The GSA OIG found that the Public Buildings Service did not always receive timely notice of COVID-19 incidents from building occupants and did not always provide timely notification of confirmed COVID-19 cases. In addition, because the Public Buildings Service does not have a standard inspection process for COVID-19 cleaning and disinfection services, it does not have assurance that contractors are cleaning and disinfecting spaces in accordance with guidance issued by the Public Buildings Service and CDC.

### National Science Foundation (NSF) OIG

*Review of the National Science Foundation CARES Act Spending Plan, OIG-20-6-001, May 21, 2020*

The NSF OIG found NSF's plan to be reasonable, prudent, and consistent with the intent of the CARES Act's funding objectives. This report discusses NSF's processes and controls to disperse and track the funds provided by the Act, including the use of existing funding mechanisms and unique fund codes.

### Pandemic Response Accountability Committee (PRAC)

*Top Challenges Facing Federal Agencies: COVID-19 Emergency Relief and Response Effort, June 17, 2020*

This report provides insight into the top management challenges facing federal agencies that received pandemic related funding as identified by Offices of Inspector General.

### U.S. Postal Service (USPS) OIG

*Military, Diplomatic, and Other International Election Mail, 20-271-R20, September 30, 2020*

USPS processes international election and political mail for eligible U.S. citizens throughout the world. Military and diplomatic members and their families or other U.S. citizens located in foreign countries can use or receive these types of mail. The COVID-19 pandemic significantly impacted international mail service. As result, the OIG evaluated the USPS' preparedness for processing international election mail, including military and diplomatic mail.

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### *Package Delivery in Rural and Dense Urban Areas, RISC-WP-20-008, September 16, 2020*

In 2019, carriers delivered nearly six billion packages to every corner of America—more than 19 million every day. This represents an 87% increase in USPS's package volume since 2013, driven by booming e-commerce sales. The OIG analyzed package volume data for Fiscal Year 2017, 2018, and 2019 in urban, rural, and suburban areas and explored ways to improve package delivery efficiency in urban and rural areas. In addition, the OIG analyzed package volume data for calendar year 2020 through July 3 to study the impact of COVID-19 on USPS package volume.

### *The U.S. Postal Service and Emergency Response: A History of Delivering for the American Public, RISC-WP-20-006, September 10, 2020*

This white paper discusses USPS's formal role in the federal National Response Framework, which guides the country's response to disasters and emergencies like hurricanes, bioterrorism, pandemics, and other incidents. USPS has delivered essential items like prescriptions, unemployment benefit and stimulus payments, personal protective equipment, and COVID-19 test kits. Ensuring the continuation of mail service during this challenging time is helping to keep the American public stay safe, secure, and connected.

### *Processing Readiness of Election and Political Mail During the 2020 General Elections, 20-225-R20, August 31, 2020*

USPS plays a vital role in the American democratic process and this role continues to grow as the volume of Election and Political Mail increases. In addition to the next general election, which will be held November 3, 2020, there will be federal elections for all 435 seats in the U.S. House of Representatives and 35 of the 100 seats in the U.S. Senate. There will also be 13 state and territorial elections for governor and numerous other state and local elections. Due to the COVID-19 pandemic, there is an expected increase in the number of Americans who will choose to vote by mail and avoid in-person voting. Our objective was to evaluate the USPS's readiness for timely processing of Election and Political Mail for the 2020 general elections.

### *Management Alert - Timeliness of Ballot Mail in the Milwaukee P&DC Service Area, 20-235-R20, July 7, 2020*

This management alert presents the results of the USPS OIG's investigation into reports of absentee ballots not delivered in a timely manner for the Wisconsin primary election held on Tuesday, April 7, 2020, and provides recommendations to address the issues identified.

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### **Railroad Retirement Board (RRB) OIG**

*Management Information Report – Interim Report Regarding CARES Act Expenditures and Controls, 20-08, September 28, 2020*

This management information report identifies that the Railroad Retirement Board purchased 685 mobile phones to improve mobility of its workforce with CARES Act funding; 70 percent of those mobile phones acquired did not function properly, and the associated mobile phone numbers were not accessible internally. In addition, CARES Act payments were being issued without concurrent verification against state wages and unemployment benefits.

### **Small Business Administration (SBA) OIG**

*Management Alert: Serious Concerns of Potential Fraud in EIDL Program Pertaining to the Response to COVID-19, 20-16, July 28, 2020*

The SBA OIG issued this management alert to inform the agency of strong indicators of widespread potential fraud in the Economic Injury Disaster Loan and Advance grant programs that require immediate attention and action. Nearly 3,800 of more than 5,000 instances of suspected fraud reported to the SBA OIG came from only six financial institutions.

*Flash Report: Small Business Administration’s Implementation of the Paycheck Protection Program Requirements, 20-14, May 5, 2020*

The SBA OIG found that SBA’s Interim Final Rules for implementing the PPP and SBA’s FAQs mostly aligned with the CARES Act. The OIG identified the following areas, however, that did not fully align with the Act’s provisions: Prioritizing Underserved and Rural Markets; Loan Proceeds Eligible for Forgiveness; Guidance on Loan Deferments; and Registration of Loans.

*White Paper: Risk Awareness and Lessons Learned from Prior Audits of Entrepreneurial Development Programs, 20-13, April 23, 2020*

This white paper identifies lessons learned and risks from prior audits and other reviews that the SBA should consider as it implements mandates to administer federal funds to Small Business Development Centers, Women’s Business Centers, and resource partner associations related to the COVID-19 pandemic.

*White Paper: Risk Awareness and Lessons Learned from Audits and Inspections of Economic Injury Disaster Loans and Other Disaster Lending, 20-12, April 3, 2020*

This white paper identifies lessons learned and risks from prior audits and inspections that it should consider in managing and mitigating the risk of loss for COVID-19 related loans. The expected increase in loan volumes and amounts and expedited processing time frames

## Appendix B

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will place additional stress on existing controls. This document is intended to assist SBA with ensuring program integrity, program goals and objectives are met, and managing lending risk.

*White Paper: Risk Awareness and Lessons Learned from Prior Audits of Economic Stimulus Loans, 20-11, April 3, 2020*

This white paper provides information regarding lessons learned and risks identified in prior audits and reviews that the SBA should consider to ensure program integrity and mitigate the risk of financial loss for COVID-19 related loans. While the SBA has improved controls related to existing loan programs, the report notes several risk areas that may present the SBA with challenges while issuing and administering requirements under the COVID-19 related 7(a) stimulus loan programs.

### **Special Inspector General for Pandemic Recovery (SIGPR)**

*Special Inspector General for Pandemic Recovery | Quarterly Report to Congress, September 30, 2020*

This quarterly report to Congress summarizes the Special Inspector General for Pandemic Recovery's (SIGPR) activities during the third quarter of calendar year 2020. It provides details on the categories of loans and other investments made by the Secretary of Treasury to date, including, where applicable and known, a summary listing of the loans and investments made under each category and program. It further highlights SIGPR's application of its jurisdictional analysis to particular CARES Act programs and includes two recommendations for Congress.

*Special Inspector General for Pandemic Recovery | Initial Report to Congress, August 3, 2020*

This is the initial report to Congress issued by the SIGPR, as required by the CARES Act, within 60 days of the IG's Senate confirmation. It provides details on the categories of loans and other investments made by the Secretary of Treasury to date, including, where applicable and known, a summary listing of the loans and investments made under each category and program. It further highlights SIGPR's jurisdictional analysis for the major CARES Act oversight entities and includes recommendations for Treasury and Congress.

## Appendix B

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### **Special Inspector General for the Troubled Asset Relief Program (SIGTARP)**

*Special Inspector General for the Troubled Asset Relief Program Recommends Treasury Put to Better Use Unspent Funds in Tarp to Enhance Unemployment Mortgage Assistance Through Hardest Hit Fund in Light of Recent Significant Unemployment, April 8, 2020*

In this letter to the Treasury Secretary, the Special Inspector General for the Troubled Asset Relief Program recommended that Treasury put to better use all remaining \$685 million in the Hardest Hit Fund, to be used for the Hardest Hit Fund's traditional form of assistance—mortgage assistance related to unemployment—including the significant recent unemployment caused by COVID-19. The letter also recommends that Treasury expand the Hardest Hit Fund by any amounts that will be unspent in the Troubled Asset Relief Program's Home Affordable Modification Program for that same purposes, given that Treasury de-obligated \$4.3 billion in that program in the last two years.

### **Treasury Inspector General for Tax Administration (TIGTA)**

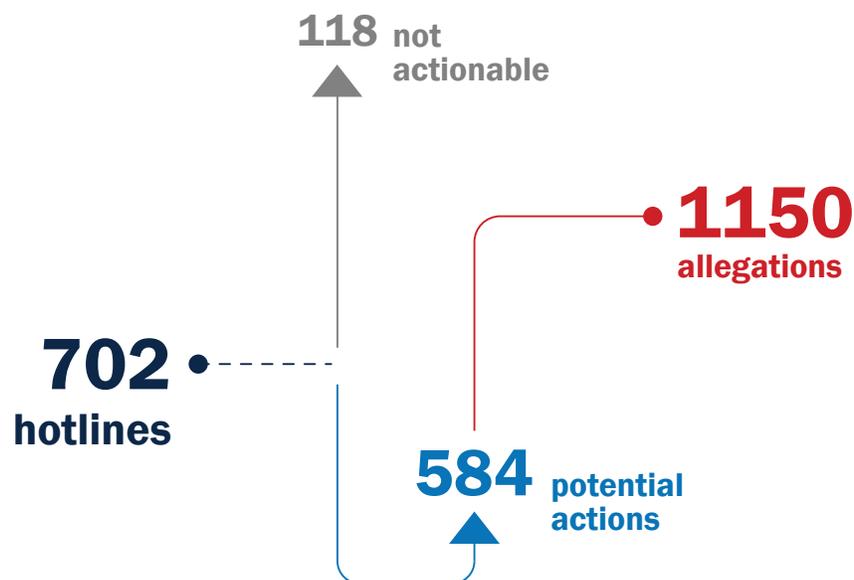
*Interim Results of the 2020 Filing Season: Effect of COVID-19 Shutdown on Tax Processing and Customer Service Operations and Assessment of Efforts to Implement Legislative Provisions, 2020-46-041, June 30, 2020*

This provides selected information related to the impact of the COVID-19 on the 2020 Filing Season. Significant coordination and efforts were taken by the Internal Revenue Service to expedite its analysis and reprogramming of systems and to educate individuals on the Economic Impact Payment. As a result of these efforts, the Internal Revenue Service has issued more than 157 million payments totaling more than \$264 billion as of May 21, 2020.

## Appendix C Hotlines

Since inception, the PRAC received the majority of its hotline complaints through its electronic complaint form located here: <https://www.pandemicoversight.gov/contact/about-hotline>. Our hotline provides an avenue for concerned citizens to report potential fraud, waste, abuse, and mismanagement related to the pandemic response, CARES Act, and other related legislation.

During the reporting period, we received 702 hotline communications, of which 118 were filed for information or not actionable. The remaining 584 were deemed potentially actionable for fraud, waste, abuse, or mismanagement. Since actionable items can relate to multiple OIGs, we forwarded 1150 allegations to 18 different Offices of Inspectors General for review and appropriate action.



## REPORT FRAUD, WASTE, ABUSE, OR MISCONDUCT

To report allegations of fraud, waste, abuse, or misconduct regarding funds or programs covered within the following Acts, please go to the PRAC website at [pandemicoversight.gov](https://pandemicoversight.gov).

**CARES Act**

**Paycheck Protection Program and Health Care Enhancement Act**

**Families First Coronavirus Response Act**

**Coronavirus Preparedness and Response Supplemental Appropriations Act**

