

PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE

# Semiannual Report to Congress

APRIL 1, 2022 - SEPTEMBER 30, 2022



# Message from the Chair

I am pleased to present the Pandemic Response Accountability Committee's (PRAC) fifth Semiannual Report to Congress, describing our work between April 1, 2022, and September 30, 2022. The PRAC has now been operational for two and a half years, and this report shows the impact of our innovative approaches to overseeing historical levels of emergency government spending and fighting pandemic relief fraud.

But fighting fraud can take time. The recent [extension of the statute of limitations](#) for two pandemic-related small business loan programs gives investigators 10 years rather than 5 years to pursue fraud. And we're doing so by using advanced data analytics to drive investigations with our federal law enforcement partners.

During the reporting period, our Pandemic Analytics Center of Excellence (PACE) completed several projects that support the work of our partner Inspectors General (IGs). For example, PACE data scientists developed a fraud risk score for 40 million Paycheck Protection Program (PPP) and Economic Injury Disaster Loans (EIDL). This helps the Small Business Administration (SBA) Office of Inspector General more effectively target its investigations.

Our Fraud Task Force worked with the Department of Justice (DOJ), the National Credit Union Administration and other law enforcement partners to identify nearly \$8.75 million in potentially fraudulent pandemic relief funds held by credit unions that could be recovered. The Fraud Task



**During the reporting period, 26 OIGs issued 114 reports related to pandemic relief oversight with a total of 343 recommendations and \$31.2 billion in monetary findings during the past six months.**

Force now numbers 50 criminal investigators from 15 federal agencies, helping to surge resources where they are needed most.

We collaborate and coordinate with our federal law enforcement partners to support a whole-of-government response to fighting pandemic fraud. For example, the PRAC and 30 partner agencies are part of the Department of Justice's COVID-19 Fraud Enforcement Task Force, which has made significant progress prosecuting fraudsters who stole PPP or EIDL loans.

In August 2022, the U.S. Secret Service worked with the SBA OIG to return \$286 million in fraudulently obtained EIDLs to the SBA. These funds were initially claimed through fraudulently submitted loan applications that used fake or stolen personal information. In September 2022, the Inspector General for the Department of Labor (DOL) announced that his office has charged more than 1,000 individuals with Unemployment Insurance (UI)

fraud since the beginning of the pandemic. These charges have resulted in more than 400 criminal convictions to date.

As of September 14, 2022, the DOJ has reported criminal charges against more than 1,500 defendants with alleged losses exceeding \$1.1 billion; the seizure of over \$1.2 billion in relief funds; and civil investigations into more than 1,800 individuals and entities for alleged misconduct in connection with pandemic relief loans totaling more than \$6 billion. The PRAC and its partner OIGs are involved in many of these cases.

We continue to focus on our education and outreach goals by adding interactive features to our website, [PandemicOversight.gov](https://PandemicOversight.gov), to promote transparency over pandemic relief spending. We launched new agency funding profiles that enable the public to see the total amount of pandemic relief money that nearly 40 federal agencies received and the specific programs funded. The website also includes relevant oversight work from federal OIGs, whose audits and investigations alert the public and policymakers to fraud, waste, and abuse involving pandemic funds. During the reporting period, 26 OIGs issued 114 reports related to pandemic relief oversight with a total of 343 recommendations and \$31.2 billion in monetary findings during the past six months.

We issued new oversight work, including an update to our foundational [Lessons Learned in Oversight of Pandemic Relief Funds](#) and the first report by our [Identity Fraud Reduction and Redress Working Group](#) on how agencies can reduce identity fraud in pandemic relief programs and help victims recover. We also issued a [joint risk advisory](#) with the Department of Housing and Urban Development (HUD) OIG and SBA OIG on potential identity fraud targeting elderly and minors. Together, these products reflect coordinated, comprehensive oversight and fraud prevention through leading-edge data insights and analytic tools.

We also added state-level expertise to our team to further advance our strategic goal of collaborating across all levels of the oversight community. We brought on Elaine Howle as Special Advisor for State, Local, Tribal, and Territorial Oversight. A nationally recognized expert and the former California State Auditor, Ms. Howle brings nearly 40 years of professional auditing and leadership experience to the PRAC. In a new initiative—the State Auditor-in-Residence program—we welcomed two auditors from the Tennessee Comptroller’s Office, adding more than 30 years’ worth of state and local oversight experience to our team.

The PRAC and its partners have the tools, the talent, and the teamwork to effectively oversee \$5 trillion in pandemic relief funds and fight fraud, waste, and abuse. Our approach to collaborative oversight has been recognized as a successful template to follow. For example, in April 2022, the Office of Management and Budget (OMB) issued a memorandum directing agencies to oversee infrastructure spending with the same collaborative approach used for pandemic spending. This approach has led to stronger controls for small business loan programs and improved the sharing of state unemployment insurance data to fight fraud.

I hope you find this Semiannual Report encouraging and insightful.



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

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# Highlights

## Audit Reports

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**26**

Offices of Inspectors General



**114**

Oversight reports



**\$31.2B**

In monetary findings



**343**

Recommendations

## Website

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**13**

New data stories



**35**

New agency pages



**127**

New data visualizations



**3**

New data dashboards

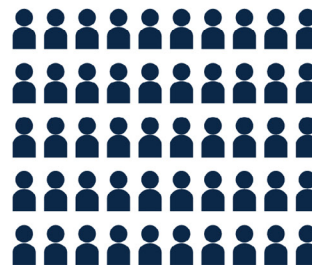
## PRAC Fraud Task Force

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**15**

Agencies



**50**

Investigators

## PRAC Initiatives

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**5**

Updated Lessons Learned  
with additional insights.



**34**

Added new state and local reports



**2**

Hosted virtual roundtables  
on the "time tax" of applying  
for benefits and effective  
pandemic data sharing

# Background

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

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

The PRAC is comprised of 21 IGs (see PRAC membership below). We are staffed by a full-time Executive Director and 54 employees distributed across three lines of business (Oversight & Accountability, Outreach & Engagement, and Transparency) and four support functions (Chief Information Officer, Chief Counsel, Chief Data Officer, and Chief Management Officer).

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

## PRAC Membership

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

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

## MISSION

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

## VISION

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

## GOALS

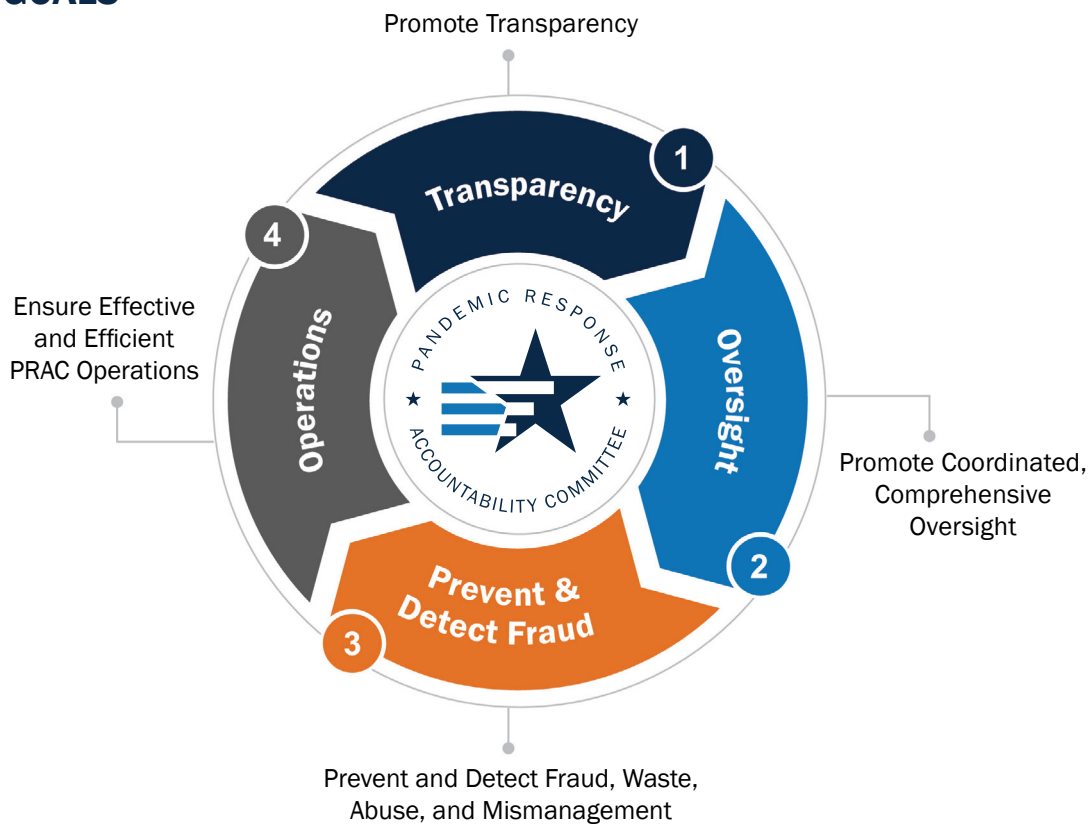


Figure 1. PRAC Mission, Vision, and Goals

# PRAC Accomplishments

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

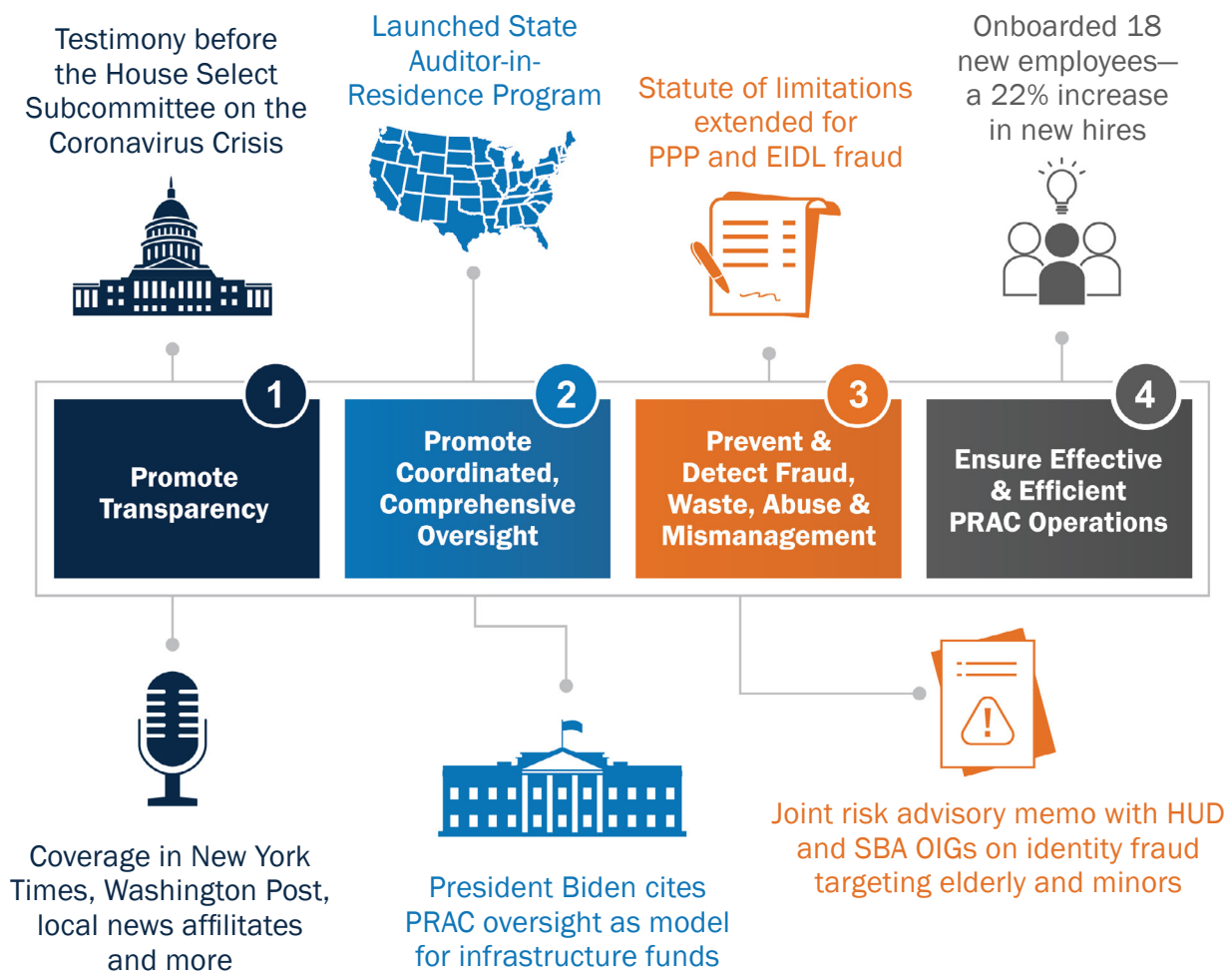


Figure 2. PRAC Goals



# Goal One – Promote Transparency

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

Transparency is core to the PRAC mission laid out by Congress in the CARES Act. We continue to explore ways to engage the public and empower them to act as citizen watchdogs. We do this through our oversight reports, public events, Congressional testimony, and our website.

During this reporting period, we updated our [Lessons Learned report](#) with five additional lessons. We originally published a version of this report in September 2021. This was our first update with lessons from programs in the American Rescue Plan Act.

Meanwhile, our Identity Fraud Reduction and Redress Working Group released its [first report](#), providing insights agencies can use to reduce identity fraud in pandemic relief programs and help victims recover. The working group found that while the government has issued over 241 indictments and 110 convictions related to identity fraud in pandemic relief programs, the onus is on victims to reclaim their stolen identities.

Identity fraud victims might even have to start two or more separate processes and navigate multiple different benefit systems to regain needed benefits. This legwork adds to what the White House has called a “time tax,” a phenomenon we further explored in a [virtual panel discussion](#) we co-hosted with the National Academy of Public Administration on June 15, 2022.

In his [June testimony](#) before the House Select Subcommittee on the Coronavirus Crisis, PRAC Chair Michael E. Horowitz further emphasized the need to curtail identity fraud across government

programs, stating that, “because of the siloed nature of government, each benefits program has its own redress process, leaving victims lost in a bureaucratic maze that they have to figure out on their own.”

On June 8, 2022, we issued an update to our [Lessons Learned in Oversight of Pandemic Relief Funds](#), adding five new insights.



1. Allocate **funding based on need**



2. New programs need **more outreach** to increase public awareness and participation



3. Watchdogs need **access to data** to find fraud



4. **Collaboration** is critical to oversee pandemic relief programs



5. **Better reporting** is needed to track pandemic relief spending

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“[Our] priority is to help identify gaps in victim redress, figure out how to address them, and help victims move forward—and regain their rightful benefits.”

[Read more](#) from PRAC Chair Michal Horowitz's June testimony before the House Select Subcommittee on the Coronavirus Crisis

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In addition to our reports and public-facing events, we remain committed to making publicly available data accessible on our website. PandemicOversight.gov gives the power of insight to the people, allowing them to search through trillions of dollars' worth of relief funding directly from their devices.

During the reporting period, we launched [new agency funding profiles](#) that show the total amount of pandemic relief money that nearly 40 federal agencies received, and the specific programs funded. These profiles also include relevant oversight work from their respective OIGs. In addition, we added 13 new data stories, 127 data visualizations, a simpler way to search PPP data, a live spending tracker, and new dashboards featuring spending data from the [State and Local Fiscal Recovery Fund](#), [Shuttered Venue Operators Grants](#), and the [Restaurant Revitalization Fund](#). We provided a public demo of our new dashboards at another virtual roundtable we hosted on June 29 of this year, on impactful ways local governments are using data dashboards and websites to shed light on pandemic relief spending in their own communities.

During this reporting period, [34 reports from state and local oversight agencies](#) became available on our website. We will continue to add more as they are published so the public and policymakers can see the full inventory of what federal, state, and local agencies are finding in their oversight of the pandemic response.

Finally, this reporting period was another strong one for media engagement. The PRAC has continued to build relationships with journalists from small local

publications to large national newspapers, as well as radio and podcasts.

As the public's interest in pandemic relief spending continues to grow—exemplified in front page stories from the New York Times, in the Washington Post's Covid Money Trail series, on National Public Radio, and Fox Business—this engagement is more important than ever. It speaks to our credibility as an authoritative source of government information and analysis. It also supports the impact of our strategic goal to promote transparency through producing and sharing timely updates that answer questions the public and policymakers are asking.

# Goal Two— Promote Coordinated, Comprehensive Oversight

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

During this reporting period, President Biden signed the COVID-19 EIDL Fraud Statute of Limitations Act of 2022 and the PPP and Bank Fraud Enforcement Harmonization Act of 2022 into law, extending the statute of limitations for PPP and EIDL fraud from 5 years to 10 years. The [10-year statute of limitations is consistent with that for bank fraud](#), the charge in most of these cases.

PRAC Chair Michael Horowitz and SBA IG Hannibal “Mike” Ware championed these bills. At the time of signing on August 5, there were more than 650 active investigations into PPP and EIDL fraud. Further, OIG investigations had already resulted in more than 700 indictments with total charged losses of more than \$1.2 billion. Signage of these bills into law represent a monumental achievement for the PRAC and our partners, giving investigators more time to pursue those who defrauded programs intended to assist small business owners and their employees during a national crisis.



Statue of limitations extended  
**from 5 to 10 years.**



## Trends, Insights, and Observations across the Oversight Community

Our coordination efforts with federal, state, and local auditors uniquely position us to identify common trends in pandemic relief oversight, innovative methodologies, and work that can be replicated across the oversight community.



**Data visualization tools make critical information more accessible** to both decision makers and the public. For example, USDA OIG developed a [data tool](#) for USDA’s Farmers to Families Food Box Program that allows users to explore the program’s distributors and recipients across the country.



**Many states lacked the infrastructure to efficiently collect and release data at the beginning of the pandemic.** A multi-state COVID-19 Data Quality Task Force created a data quality template to assess the collection, reporting, and monitoring of COVID-19 cases across states.



**How federal agencies institutionalize anti-fraud mechanisms, or fail to do so, can impact future programs.** SBA waived collections on purchased PPP loans with an outstanding balance of \$100,000 or less—a total of \$1.1 billion in loans—because the cost to collect on these loans would likely be more than the recovery amount. However, SBA OIG [expressed concern](#) that the decision could set a dangerous precedent by incentivizing ineligible borrowers to request loans below this amount.



**Listening to recipients of federal funds can provide critical information on program effectiveness and inform future programs.** Of note, HUD OIG surveyed recipients of [Community Development Block Grants](#) and [Emergency Solution Grants](#) to understand the challenges they faced. In both programs, grantees lacked the staffing capacity to administer funds, expressed challenges with coordinating and managing other pandemic funding sources, and struggled to spend their funds before the program’s deadline.

Another key aspect of our mission is identifying major risks that cut across program and agency boundaries. One of the ways we accomplish this mission is by working closely with the federal IG community and oversight partners like the U.S. Government Accountability Office, as well as state and local auditors.

During this reporting period, we launched [two new initiatives](#) to deepen these relationships.

- First, we brought on Elaine Howle as Special Advisor for State, Local, Tribal, and Territorial Oversight. As a nationally recognized expert and former California State Auditor, Ms. Howle brings nearly 40 years of professional auditing and leadership experience to the PRAC.
- Second, we rolled out the State Auditor-in-Residence program, welcoming two auditors from the Tennessee Comptroller’s Office with a combined 30 years’ worth of experience in state and local oversight.

## Foster Sound Stewardship of Covered Funds and Programs

The PRAC has learned that efficient and effective implementation of large-scale spending like the coronavirus relief programs requires coordinated government oversight. In April 2022, the Office of Management and Budget (OMB) issued guidance to federal agencies recommending they follow the PRAC’s successful model of [pandemic relief oversight](#) for infrastructure funds.



(AP Photo/Susan Walsh)

President Joe Biden, left, sitting with Office of Management and Budget Director Shalanda Young, right, and Michael Horowitz, Inspector General for the Department of Justice and chair of the PRAC.

On April 29, 2022, Chair Michael Horowitz and other PRAC leadership met with President Biden, the Director of OMB, federal IGs, and other senior officials to discuss the importance of ensuring robust oversight of the Infrastructure Investment

and Jobs Act. The White House meeting coincided with the issuance of [OMB Memorandum M-22-12](#) that directs agencies to oversee infrastructure spending with the same collaborative approach that has been used for pandemic spending.

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

With the funding Congress provided in the American Rescue Plan Act of 2021, we launched the PACE to deliver analytic, audit, and investigative support to the oversight community. We've acquired dozens of public and non-public federal datasets and shared them with IGs to help investigators find fraud across relief programs. We've brought in the best and brightest data science talent and have assigned 14 data science fellows to member IGs to help analyze pandemic relief data.

Here are a few case studies to illustrate how the PACE is delivering data-driven, technology-enabled tools to support pandemic oversight.

The PACE created a dashboard to provide details on transactions and entities that received pandemic assistance from two SBA programs, PPP and EIDL.

To develop this dashboard, the PACE ingested data from about 12.5 million PPP applications and about 27.8 million EIDL loan applications. Together, these applications account for more than \$1.2 trillion in pandemic relief money.

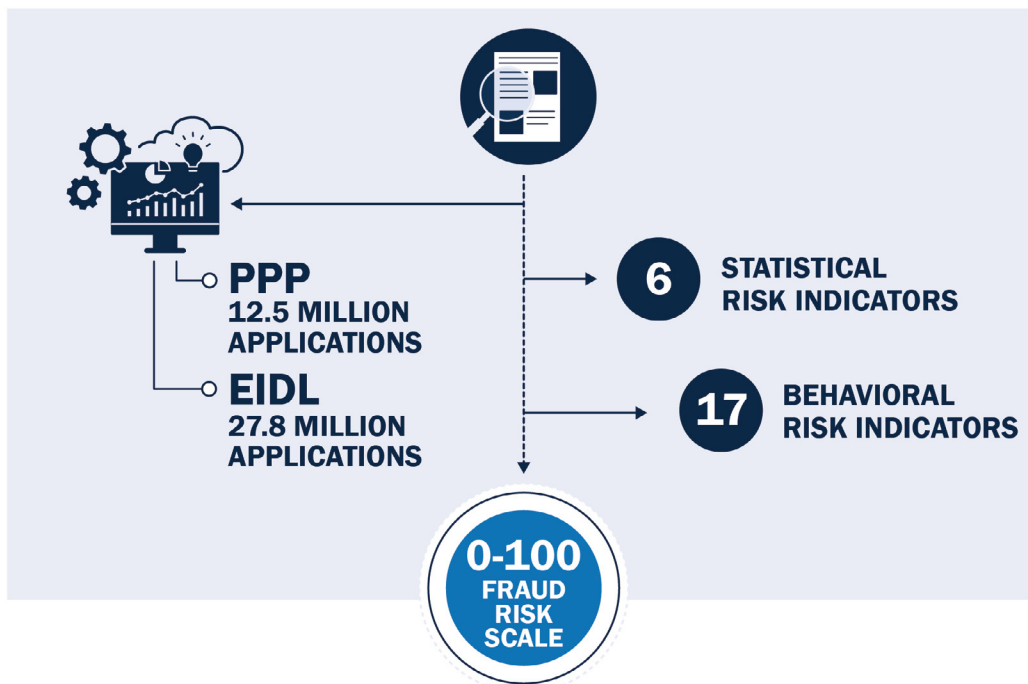


Figure 3. The PACE ranked more than 40 million transactions and entities into a Fraud Risk Scale

### What's the difference between a transaction and an entity?

A transaction refers to a single event or instance, in this case the submission of a PPP or EIDL loan application.

An entity, on the other hand, can include multiple transactions or similarities across transactions—like nearly identical company names with slightly different spellings.

Entity analytics allows data analysts to decipher relationships among people, transactions, and events, and rate the likelihood of risk.

The PACE then ran this data through 17 behavioral risk indicators and six statistical risk indicators. From this analysis, they were able to assign each transaction and entity a risk score value between 0 and 100.

The data generated from this dashboard can now help the IG community:

- target transactions and entities with the highest fraud risk score;
- provide quantitative insights on how much fraud existed across both programs; and
- identify gaps in internal controls that could have been addressed at the program level.

## Created indicators of pandemic spending abuse among federal contractors.

The PACE partnered with the DOJ's Procurement Collusion Strike Force team on a project to surface suspicious actors that have potential relationships with suspicious entities. That is, relationships with entities that have a history of colluding or engaging in other activities to limit competition.

These indicators can be used to:

- see connections between defendants accused of pandemic-related fraud with recipients of recent government contracts;
- identify and connect pandemic-related loan recipients to government contractors that were awarded large contracts within 6 months of pandemic loan actions;
- and identify and connect pandemic-related loan recipients to contractors that were awarded more government contracts from 2020-2021, in comparison to 2018-2019.

Ultimately, the aim of this project is to identify contractors who received pandemic assistance but might not have needed it—and to find contractors who misused the proceeds they received.

## Enhanced investigators' ability to query pandemic spending data.

The PACE built an Investigative Support Tool to fully scan SBA pandemic program data. This tool empowers investigators to conduct complex Structured Query Language analysis, or SQL, even if they don't have coding skills.

Among the Investigative Support Tool's features:

- a flexible form to capture as much nuanced detail as possible from an agent's request;
- the ability to process a subject's information into specially designed SQL queries across all PPP and EIDL data; and
- pre-formatted output—that is, an easy-to-read Excel document delivered straight to the requesting agent.

### What is Structured Query Language (SQL) analysis?

SQL is a programming language that helps data analysts read, manipulate, and interact with data

## Helping to identify federal employees' misuse of PPP and EIDL funds.

The PACE is engaging in a series of joint projects with federal OIGs and law enforcement agencies to identify active employees that applied for PPP or EIDL, which they are ineligible to receive. Here are the steps involved:

1. Determine which employees applied for pandemic related loans and grants.
2. Compare and connect pandemic-related loan recipients against federal employee information to identify matches that require further review.
3. Prioritize the quality of the data matches for investigative review on the likelihood of matches between PPP and EIDL applicants and federal employees.
4. So far, this analysis has helped six agency OIGs match tens of thousands of employees with SBA loans for which they were not eligible.

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

## Hold Wrongdoers Accountable

The PRAC’s Fraud Task Force serves as a resource for the IG community by surging investigative resources into areas with the greatest need. We have 50 agents across 15 OIGs detailed to work on Task Force cases. These agents are located around the country and are working cases that would otherwise go unaddressed due to the scale of pandemic fraud.

The idea behind our Task Force is to harness the expertise of the oversight community and attack this problem with every tool we have—criminal, civil, forfeitures of money and property, and suspensions and debarments. Our PRAC Fraud Task Force works closely with other entities to combat pandemic fraud such as DOJ’s COVID-19 Fraud Enforcement Task Force. The PACE provides investigative support to

the Task Force, flagging anomalies or potential leads in pandemic relief data.

Working collaboratively with DOJ, the National Credit Union Administration, and our law enforcement partners, the PRAC collected information about pandemic funds being held by credit unions due to suspected fraud. This data collection effort identified nearly \$8.75 million that may be subject to recovery. The money comes from a variety of sources, including the Paycheck Protection Program, Economic Injury Disaster Loan program, and Pandemic Unemployment Assistance.



Figure 4. PRAC’s Fraud Task Force Agents are located across the United States

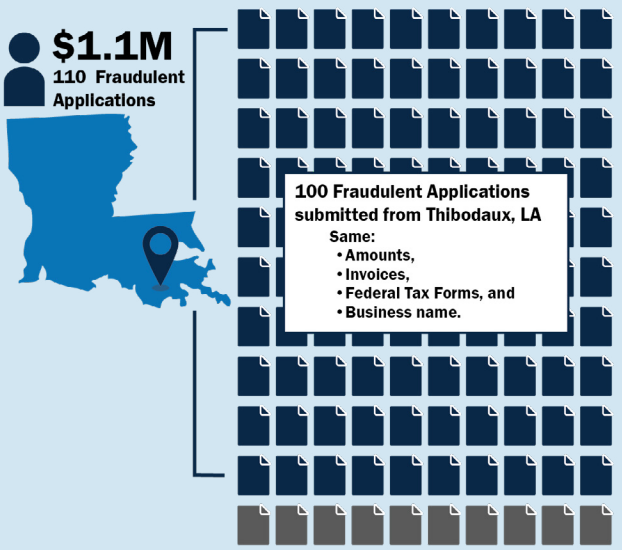


## Mitigate Major Risks That Cut Across Program and Agency Boundaries

The PRAC works with our OIG members and state and local partners to identify emerging fraud risks created by the pandemic. For instance, on September 1, 2022, the PRAC entered into a Memorandum of Understanding with the Massachusetts Office of the Inspector General to assist with investigative support. Both agencies share an interest in pandemic relief investigations and entered into this agreement to fully promote interagency collaboration.

In addition, we issued a [joint risk advisory](#) with the HUD OIG and SBA OIG on potential identity fraud targeting elderly and minors. Through advanced data analytics, we identified possible identity or other fraud in SBA programs involving 945 minors and 231 elderly individuals. These minors and elderly individuals were listed as household members in HUD's Low Rent and/or Housing Choice Voucher Program, which helps low and very low-income families, the elderly, and the disabled afford decent, safe, and sanitary housing in the private market.

And we continue to work closely with OMB, the American Rescue Plan implementation team, and partner IGs to address issues with pandemic relief data and opportunities to enhance payment integrity.



**\$1.1M**  
110 Fraudulent Applications


100 Fraudulent Applications submitted from Thibodaux, LA  
Same:  
• Amounts,  
• Invoices,  
• Federal Tax Forms, and  
• Business name.

### Task Force Indictment

On September 9, 2022, a Louisiana woman was [indicted](#) for preparing more than 110 fraudulent PPP applications totaling \$1.1 million.

Our investigators uncovered her scheme after finding that more than 100 sole proprietor loan applications had been submitted in and around Thibodaux, Louisiana, all with the same invoices and federal tax forms, listing the same business name and amount.

An agent detailed from the Department of Veterans Affairs OIG worked the case. [Learn more.](#)



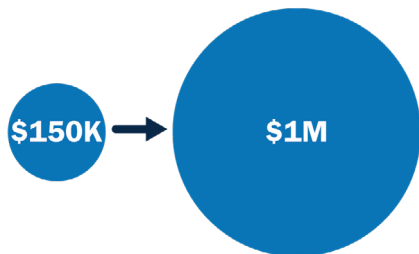
# Goal Four—Ensure Effective and Efficient PRAC Operations

## Fulfill Statutory Responsibilities

As previously mentioned, PRAC Chair Michael Horowitz testified before the House Select Subcommittee on the Coronavirus Crisis this past June about the PRAC’s ongoing oversight work, achievements over the past two years, and the collaborative model we are building to provide a legacy for effective, coordinated government oversight during and after the pandemic.

In his testimony, Chair Horowitz also highlighted results the PRAC achieved through discussions with the Biden Administration and reiterated the imperative that executive departments and agencies do more to incorporate lessons learned from previous rounds of COVID-19 stimulus—such as those discussed in our recently [updated Lessons Learned in Oversight of Pandemic Relief Funds](#).

Further, Chair Horowitz testified that the PRAC’s efforts could be enhanced by the reforms outlined in the Administrative False Claims Act of 2021, which would raise the jurisdictional limit for administrative recoveries of ‘smaller’ false or fraudulent claims against the government from \$150,000 to \$1 million. This change would extend the PRAC’s and the IG community’s ability to use this fraud-fighting tool to recover pandemic-related funds for taxpayers.



## Build a Diverse Team of Innovative Thought Leaders

What started in March 2020 as a Committee within CIGIE with few employees has grown to a nationally distributed workforce of 54 staff members spread across five time zones. Congress gave the PRAC direct hiring authority in the CARES Act to expedite our recruiting process, enabling us to continue recruiting from a deep pool of candidates in the private sector, academia, and government. With our partners, tools, staff, and ethos of teamwork, the PRAC is well positioned to effectively oversee \$5 trillion in pandemic relief funds.

## Supporting the Independent Oversight of Inspectors General

The PRAC is mindful of the complexity of the federal programs involved in the pandemic response and the need for deep programmatic expertise in these programs to ensure efficient and effective auditing and review. Inspectors General 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, the PRAC relies on the existing expertise and experience of individual agency IGs while respecting their autonomy to conduct their own audits or investigations.

# Holding Wrongdoers Accountable Through Investigations

A key role of OIGs is to support law enforcement in pursuing fraud investigations and criminal enforcement. A total of 17 OIGs publicly reported 740 indictments and arrests, and 450 convictions from April 1, 2022, through September 30, 2022, 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.



[Highlights](#)

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**Percentage of Cases by Program**  
 (April 1, 2022, through September 30, 2022)

<i>Program Area</i>	<i>Percentage of Cases by Program</i>
Paycheck Protection Program	50%
Pandemic Unemployment	32%
Economic Injury Disaster Loans	24%
Health & Safety (Vaccination, Testing, PPE)	3%
Other (Coronavirus Food Assistance Program, Price Gouging, Economic Impact Payments)	4%

Source: Assembled by the PRAC from DOJ RSS feed.

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

Table 1. Percentage of Cases by Program

**Investigative Results**  
 (April 1, 2022, through September 30, 2022)

<i>Office of Inspector General</i>	<i>Arrests/Indictments</i>	<i>Convictions</i>
Amtrak	2	2
Defense Criminal Investigative Service	26	7
Department of Health and Human Services	48	32
Department of Homeland Security	70	12
Department of Housing and Urban Development	0	1
Department of Justice	2	0
Department of Labor	255	157
Department of the Treasury	2	0
Department of Veterans Affairs	0	3
Federal Deposit Insurance Corporation	70	33
Federal Housing Finance Agency	10	8
Federal Reserve Board	38	28
Small Business Administration	129	100
Social Security Administration	7	2
Special Inspector General for Pandemic Recovery	1	1
Treasury Inspector General for Tax Administration	68	52
U.S. Postal Service	12	12

Source: Assembled by the PRAC from Department of Justice RSS feed

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

Table 2. Investigative Results

## Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) Case Highlights

### Amtrak OIG

#### Former Employee Sentenced for Defrauding Paycheck Protection Program and Unemployment Fraud

A former Amtrak train attendant based in New Orleans was sentenced in the Eastern District of Louisiana to three years of probation and 12 months of home confinement for stealing government funds and making false statements. He was also ordered to pay the SBA and the Louisiana Workforce Commission nearly \$65,000 and \$23,000 in restitution, respectively. The investigation found that the former employee made false statements to the SBA and fraudulently obtained almost \$90,000 in PPP loans. He also fraudulently applied for and received unemployment benefits through the Louisiana Workforce Commission despite being fully employed by Amtrak.

#### Florida Man Pleads Guilty to Wire Fraud

A Florida man pleaded guilty in U.S. District Court, Southern District of Florida, to one count of wire fraud in relation to his application for a PPP loan and in obtaining an EIDL in the amount of \$149,900. The PPP loan, in the amount of \$150,000, was denied. Investigators found that the defendant used an invalid social security number and included other false information on his PPP and EIDL applications.

### Department of Defense OIG

#### Fort Stewart Soldier Admits Guilt in Prolific Fraud Scheme Targeting COVID-19 Relief Programs and Student Loans

An Army soldier stationed at Fort Stewart admitted that she led a “prolific fraud scheme” in which she and others illegally raked in millions of dollars from COVID-19 relief programs and federal student loan forgiveness. The defendant led a conspiracy to fraudulently obtain PPP loans and to secure the fraudulent discharge of federal student loans using falsified disability claims. The soldier admitted submitting more than 150 fraudulent PPP loan applications in all, resulting in more than \$3.5 million in fraudulent disbursements.

### Department of Labor OIG

#### Man Pleads Guilty to Role in Stealing More than \$2.2 Million in Pandemic Assistance Benefits

The defendant plead guilty to conspiracy to commit wire fraud and mail fraud in connection with schemes to defraud multiple state workforce agencies, the SBA, and U.S. Postal Service. The defendant and his co-conspirators submitted more than 240 fraudulent unemployment insurance claims to more than 20 states and territories, obtaining more than \$2.2 million in benefits. He also successfully obtained a fraudulent PPP loan for more than \$20,000.

## Federal Deposit Insurance Corporation OIG

### California Man Sentenced to Over 11 Years for \$27 Million PPP Fraud Scheme

The defendant submitted 27 PPP loan applications to four banks on behalf of eight companies. In the applications, the defendant sought a total of \$27 million in forgivable PPP loans. In his fraudulent applications, the defendant represented that each of his companies had 100 employees and average monthly payroll of \$400,000, even though he knew the companies did not have any employees or payroll expenses.

The evidence further showed that the defendant submitted fake Internal Revenue Service (IRS) documents. Although the defendant represented that the funds would be used for payroll and other business expenses, evidence showed that he used the money for personal expenses, including cash withdrawals, payments on his personal credit cards, transfers to other personal and business accounts he controlled, and renting an oceanfront apartment in Santa Monica.

The defendant was sentenced to more than 11 years in prison.

## Federal Housing Finance Agency OIG

### New York and Florida Resident Sentenced to 51 Months in Prison for \$6.8 Million Paycheck Protection Program Fraud Scheme

A business owner was sentenced to 51 months in prison, two years supervised release, and ordered to pay over \$4.5 million in restitution and forfeiture for his role in a scheme to fraudulently obtain over \$6.8 million in PPP loans. The defendant previously pleaded guilty to wire fraud and money laundering.

On the fraudulent PPP applications, the defendant falsified the number of employees at his company, and faked federal tax returns and payroll documentation. He obtained over \$4.5 million in PPP funds and then misused the loan proceeds, including losing approximately \$3 million in unsuccessful stock trades.

### Philadelphia Man Sentenced for Fraudulently Obtaining Nearly \$1 Million in PPP Funds

A business owner was sentenced to 78 months in prison, five years supervised release, and ordered to pay \$939,350 in restitution and \$937,500 in forfeiture in connection with a scheme to unlawfully obtain and misuse PPP loans. The defendant previously pleaded guilty to bank fraud, attempted bank fraud, and money laundering.

According to court records, the defendant fraudulently obtained approximately \$937,500 in PPP loans by making multiple false representations about his business, including the number of employees, wages paid, and payroll taxes paid on those wages. The defendant then used the PPP loan proceeds for personal purchases including a new residential property in Florida, a motorcycle, an all-terrain vehicle, a luxury automobile, and diamond jewelry.

### Texas Woman Sentenced to Over Five Years for COVID Relief Fraud Scheme

A business owner was sentenced to 70 months in prison, five years supervised release, and ordered to pay over \$2 million in restitution for defrauding PPP of over \$1.9 million in forgivable loans. The defendant was previously convicted by a federal jury of bank fraud and making false statements to a financial institution.

## Federal Reserve Board & Consumer Financial Protection Bureau OIG

### Florida Man to Plead Guilty to \$2.5 Million COVID Relief Fraud

The defendant owned Complete Home Care, LLC (CHC), a painting company in Massachusetts. In April 2020, the defendant submitted four different PPP loan applications on behalf of CHC. The first three applications, in which the defendant allegedly listed five employees and an average monthly payroll of between \$10,000 and \$18,000, were denied. In the fourth application for CHC, it is alleged that the defendant falsely claimed to have 154 employees and an average monthly payroll of \$1 million. On May 11, 2020, a bank issued the defendant's company a \$2,500,000 loan based on the allegedly false representations in the fourth application.

After receiving the funds, it is alleged that the defendant misused the loan proceeds to buy real estate and cars and to invest in cryptocurrency.

### Owner of Tech Services Company Sentenced to More than Three Years in Prison for \$13 Million COVID-Relief Fraud Scheme

The defendant was sentenced in federal court in Boston in connection with filing fraudulent loan applications seeking more than \$13 million in PPP loans. The defendant devised a scheme to obtain PPP funds by repeatedly filing false and fraudulent loan applications in which he systematically used fake tax documents and payroll processing records until he was ultimately awarded a loan.

The defendant submitted six fraudulent PPP loan applications on behalf of his company to four different SBA-approved lenders. In each loan application, the defendant misrepresented the number of employees he had and payroll expenses.

The defendant also submitted fraudulent IRS tax forms to support his applications. The evidence at trial showed that his company was a startup with no U.S.-based payroll and no U.S.-based employees. As a result of his scheme, the defendant obtained a \$2 million PPP loan. The government recovered approximately \$1.97 million of the loan funds.

The defendant was sentenced to 39 months incarceration and three years of supervised release, ordered to pay restitution of \$2 million, and forfeiture of \$2 million.

## Small Business Administration OIG

### Chinese National Sentenced To 52 Months For \$20 Million Covid-19 Pandemic Loan Fraud Scheme

The defendant was sentenced to 52 months in prison in connection with a fraudulent scheme to obtain over \$20 million in government-guaranteed loans designed to provide relief to small businesses during the COVID-19 pandemic. Over the course of two months in 2020, the defendant applied to the SBA and at least six banks for a business he claimed had hundreds of employees. However, the defendant was, in fact, the only employee. To support the false representations on his applications, the defendant submitted fake bank, tax, insurance, and payroll records to six different banks. He also used the name and identity of another person in connection with the scheme.

## Special Inspector General for Pandemic Recovery

### **Naples Felon Pleads Guilty to \$2.6 Million COVID Relief Fraud Scheme**

The defendant, a previously convicted felon, submitted false and fraudulent EIDL, Main Street Lending Program (MSLP), and PPP applications to the SBA, as well as PPP and MSLP approved lenders. The loan applications contained numerous false representations, including the criminal history, average monthly payroll, number of employees, and gross revenues of the applicant.

To support the fraudulent applications, the defendant submitted fake payroll and tax documents, as well as a fake commercial lease. The defendant received more than \$2 million and used the money to buy residences in Naples, Florida, stocks and investment securities, a 2019 Tiara 34LS boat, a 4.02 carat engagement ring, and ammunition. (As a convicted felon, the defendant was prohibited from possessing ammunition.)

The defendant pled guilty to wire fraud, bank fraud, illegal monetary transaction, and possession of ammunition by a convicted felon. As part of his guilty plea, the defendant agreed to forfeit the boat, real estate, and engagement ring.

## Social Security Administration OIG

### **Fairhope Man Pleads Guilty to Over \$1.2 Million in PPP Fraud**

The defendant pleaded guilty to two counts of wire fraud and one count of money laundering for fraudulently obtaining two PPP loans on behalf of two companies. The defendant used false tax forms, altered checks, and falsified loan documents to obtain the loans. After successfully securing over \$1.2 million in PPP loan funds, the defendant spent the money on luxury goods and real estate, among other things.

### **Florida Man Charged with \$1.6 Million CARES Act Loan Fraud Scheme**

The defendant engaged in a scheme to illegally obtain over \$1.6 million in PPP and EIDL loans through numerous misrepresentations to lenders. He submitted fraudulent loan applications that fabricated numbers of employees and misrepresented company information. The defendant also submitted falsified tax documents to support the applications.

The defendant transferred the loan proceeds among various bank accounts he controlled, withdrawing significant amounts in cash, and transferring at least \$760,000 out of the country via wire transfers to banks in Egypt. The defendant was charged with two counts of wire fraud.



## Treasury Inspector General for Tax Administration

### Riverside County Man Pleads Guilty to Federal Criminal Charges for Fraudulently Obtaining \$6.6 Million in COVID-Relief Business Loans

The defendant submitted 11 fraudulent PPP loan applications for seven of his shell companies. The fraudulent PPP loan applications misrepresented the number of employees and the average monthly payroll expenses of the defendant's companies, and falsely certified he would use the loan proceeds for permissible business purposes. The defendant also submitted false tax and payroll documentation to support his loan applications. In total, the defendant received more than \$6.6 million in loan proceeds even though none of his companies were legitimate recipients of relief funds at that time. The defendant then laundered loan proceeds to bank accounts in the United States and Pakistan.

### Twenty-two People Charged in Connection with a Multi-Million Dollar PPP Fraud Scheme

Twenty-two individuals across the United States were charged with wire fraud conspiracy and other related charges in connection with a scheme to obtain nearly \$4 million in PPP loans.

The conspirators allegedly submitted, or assisted in the submission of, PPP loan applications on behalf of twenty-two businesses. In connection with the scheme, one defendant allegedly directed a co-conspirator to fabricate documents on behalf of individuals that the defendant identified so they could apply for and receive PPP loans. The co-conspirator allegedly communicated with the purported business owners about the loan amount they wanted to receive, and then fabricated tax documents and other supporting documents to submit with the PPP loan application to support that amount.

To date, two of the co-conspirators have been sentenced for their involvement in the scheme. Collectively, the two subjects received 17 months' imprisonment and were ordered to pay the SBA over \$218,000 in restitution.

## Pandemic Unemployment Case Highlights

### Amtrak OIG

#### Former Amtrak Employee Indicted for Fraudulently Obtaining Emergency Pandemic Relief Funding

The indictment alleges that a former Amtrak employee fraudulently applied for and received Pandemic Unemployment Assistance while she was a full-time employee of Amtrak. Further, the defendant applied for and received a PPP loan for what she claimed was a small catering business. She was terminated from employment with Amtrak after the crimes alleged in the indictment occurred.

### Department of Defense OIG (Defense Criminal Investigative Services)

#### Sandown Man Pleads Guilty to Wire Fraud Related to the COVID-19 Pandemic

The defendant executed two schemes to defraud government programs intended to provide economic assistance related to the COVID-19 pandemic. New Hampshire Employment Security administers the unemployment insurance program in New Hampshire. The defendant was the Chief Financial Officer of several companies located in Plaistow, including Environment and KSC Industrial (a Department of Defense contractor), that were controlled by his co-defendant. In late-March 2020,

the defendant and his co-defendant directed company employees to file for unemployment benefits with New Hampshire Employment Security while continuing to work. This resulted in the unemployment system effectively paying the employees' salaries. The defendant also made false representations to lenders to fraudulently obtain a PPP and EIDL loan for KSC Industrial. For example, he certified that KSC Industrial was not engaged in illegal activity. However, when making that certification, he knew that he and his co-defendant were fraudulently using the unemployment benefits system to pay their employees' salaries.

Through this scheme, the defendant fraudulently obtained more than \$135,000 in loans.

## Department of Homeland Security OIG

### Midlothian Woman Sentenced for \$1.8 Million COVID-19 Fraud Using Information Obtained from Her State Employment

A Midlothian, VA woman was sentenced to 70 months in prison for defrauding PUA, PPP, and EIDL, using victims' personal identifying information that she obtained from her state government employment.

In one scheme, the defendant and a co-conspirator defrauded the Virginia Employment Commission by filing at least 20 fraudulent unemployment applications using the personal identifying information of inmates. The conspirators further defrauded the Virginia Employment Commission by filing at least 30 fraudulent applications in the names of other individuals whose personal identifying information was obtained, in part, by the defendant querying a government database she had access to as an employee of the Virginia Motor Vehicle Dealer Board. Through this fraud scheme,

the conspirators obtained approximately \$1 million in PUA and Unemployment Insurance benefits.

### Couple Charged with Using Fake Employer Accounts and Stolen Identities to Obtain More than \$1.5 Million in Unemployment Insurance Benefits

The defendants were indicted for allegedly using stolen identities to fraudulently claim unemployment insurance under fictitious employer accounts registered with the Georgia Department of Labor. The scheme resulted in the fraudulent payment of more than \$1.5 million in unemployment insurance benefits, including Pandemic Unemployment Assistance and Lost Wage Assistance—programs that were created and expanded to assist individuals experiencing unemployment due to the COVID-19 pandemic.

Starting in June 2020, the defendants allegedly created several fictitious employer accounts with the Georgia Department of Labor. Through these accounts, they submitted false information that was used to determine whether persons associated with the employer were entitled to receive benefits. This information included the names and personally identifiable information for purported employees, which were stolen identities of individuals who had no knowledge of the scheme and did not consent to the use of their information. The defendants allegedly used some of the same stolen identities to submit fraudulent claims for unemployment insurance benefits in California.

## Department of Labor OIG

### State Employee Charged in Over \$1 million Unemployment Fraud Scheme

Three women have been charged in a criminal complaint for their alleged role in a \$1.6 million dollar unemployment insurance fraud scheme aimed at defrauding the State of Michigan and

federal government of funds earmarked for unemployment assistance during the COVID-19 pandemic.

The defendant was employed by the State of Michigan as an Unemployment Insurance Examiner in the Benefit Payment Control Unit. Her duties included reviewing, approving, and adjudicating various PUA and unemployment insurance claims. Starting in March 2020, the defendant and her co-conspirators fraudulently filed and accessed over 123 PUA claims, resulting in the disbursement of approximately \$1.6 million in federal funds earmarked for PUA and unemployment insurance agency benefit payments. The defendant acted outside the scope of her authority by electronically accessing, altering, and approving approximately 101 of the fraudulent claims, which were all associated with the co-conspirators residences. They are alleged to have received money from third parties to assist them with the claims and paid the defendant for her assistance in processing the fraudulent claims.

## U.S. Department of Agriculture OIG

### Former USDA Employee Sentenced to 10 Months in Prison for Fraud in Connection with Pandemic Assistance Funds

A former Food Safety and Inspection Service employee was sentenced to 10 months in prison and 24 months of supervised release and was ordered to pay restitution in the amount of \$37,555 and a \$100 special assessment.

USDA OIG initiated this investigation to determine whether the employee applied for and received Pennsylvania Pandemic Unemployment Assistance while being gainfully employed as a Consumer Safety Inspector. The investigation determined the employee falsely claimed to be unemployed due to

the pandemic and reaffirmed this unemployment status on a weekly basis, ultimately receiving \$37,555 in benefits. The employee resigned from the agency and was charged with wire fraud.

This was a joint investigation with the U.S. Department of Labor OIG.

## Health Care/Medicare Fraud Case Highlights

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

#### MorseLife Nursing Home Health System Agrees to Pay \$1.75 Million to Settle False Claims Act Allegations for Facilitating COVID-19 Vaccinations of Ineligible Donors and Prospective Donors

MorseLife Health System Inc. has agreed to pay the United States \$1.75 million to resolve its potential liability under the False Claims Act for facilitating COVID-19 vaccinations for hundreds of individuals ineligible to participate in the Centers for Disease Control and Prevention's (CDC) Pharmacy Partnership for Long-Term Care Program, a program specifically designed to vaccinate long-term care facility residents and staff when doses of COVID-19 vaccine were in limited supply at the beginning of the CDC's COVID-19 Vaccination Program. MorseLife is a not-for-profit corporation located in West Palm Beach, Florida, that oversees health care facilities on its campus.

## Other Case Highlights

### U.S. Department of Housing and Urban Development OIG

#### **Wife of Former West Haven City Employee Admits Role in Scheme to Steal COVID Relief Funds**

According to court documents and statements made in court, the defendant conspired with her husband, who at the time was a Connecticut State Representative and West Haven city employee, to steal money that was provided to West Haven to alleviate the economic impact of the COVID-19 pandemic. The defendant's husband submitted fraudulent invoices to West Haven for services related to a Youth Violence Prevention Program. These invoices listed charges for in-home counseling, cleaning supplies, special needs hourly service, wifi assistance for low- and moderate-income families, counseling services, license fees, a fall youth clinic, meals, support group supplies, equipment rental, and youth clinic support group. The payment vouchers requested that checks be made out to directly to the defendant.

The City of West Haven made 16 payments totaling \$147,776 to the defendant, who never provided any services to the City of West Haven. The defendant and her husband used the proceeds for their own benefit. The defendant pled guilty to a conspiracy and wire fraud charges stemming from her role in the scheme.

### U.S. Postal Service OIG

#### **Queens Postal Workers Charged with Bribery and Theft of Mail Linked to Covid-19 Benefits Fraud**

While employed as letter carriers with the U.S. Postal Service and working in Queens, New York, the defendants accepted cash bribes to intercept and steal mail sent by the New York State Department of Labor to addresses on their assigned postal routes.

The stolen mail was linked to a scheme to obtain COVID-19 unemployment benefits through the fraudulent filing and verification of benefit claims using the names and social security numbers of hundreds of other individuals. Law enforcement agencies were first alerted to the scheme after a pair of other conspirators fled a hotel, leaving behind over 700 pieces of New York State Department of Labor mail, containing, among other items, benefit debit cards. The stash was tied to over 500 unemployment benefit claims seeking in excess of \$16 million in benefits, approximately \$3 million of which had already been disbursed.

# Key Insights Through Oversight Reports

From April 1, 2022, through September 30, 2022, 26 Offices of Inspectors General issued 114 oversight reports related to the Federal Government's COVID-19 pandemic response, and these reports identified \$31.2 billion in monetary findings (e.g., questioned costs or funds put to better use).<sup>1</sup> OIGs also made 343 recommendations to improve the government's response to the pandemic, such as improving internal controls and providing more oversight of recipients. See table 3 for more information about the reports issued by our OIG partners. For a complete list of all oversight reports issued, see "[Appendix B](#)" on page 32.

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

1. Ways the pandemic created program monitoring challenges and increased program risk.
2. Risks with self-certification that extend beyond the Pandemic Unemployment Assistance, the Paycheck Protection Program, and Economic Injury Disaster Loan programs.
3. How failure to implement or effectively modify critical pandemic-related internal controls created risks for agency programs.
4. Why assessing emergency planning procedures used during the pandemic can help inform and improve future emergency responses.
5. Ways data can help inform the design of more equitable programs.

## Key Insight 1: The Pandemic Created Program Monitoring Challenges and Increased Program Risks

With significant increases in federal funding provided to recipients, monitoring the money to see if it helped achieve intended goals and objectives was critical. Oversight reports issued during this reporting period identified several challenges recipients experienced implementing pandemic response activities. For example, travel restrictions delayed inspections and large increases in funding made it difficult to monitor subrecipients. These difficulties show that federal agencies need to adapt during the pandemic to effectively monitor funds.

In one example, the Environmental Protection Agency (EPA) OIG [found](#) that travel restrictions caused inspection delays at Superfund sites (a contaminated area that has not been cleaned up). Specifically, 147 sites (31%) had a delayed inspection of more than one month due to travel restrictions. The delays caused prolonged human health and environmental exposure to pollutants and/or hazardous chemicals at 31 sites.

EPA changed its guidance and protocols to increase oversight and monitoring of these sites, including an increase in virtual communication. This increased participation and clean-up activities. However, virtual communication increased inspection costs at some sites and complicated participation and clean-up at other sites with unreliable internet access.

<sup>1</sup> These oversight reports include all reports, memorandums, and advisories issued by the OIGs related to the COVID-19 response funding and programs.

## Oversight Reports from April 1, 2022, through September 30, 2022

<i>Office of Inspector General</i>	<i>Total Reports</i>	<i>Total Recommendations</i>	<i>Total Monetary Findings<sup>a</sup></i>
Architect of the Capitol	1	0	
Department of Agriculture	5	7	\$5,928,922
Department of Defense	5	3	\$26,630,773
Department of Education	5	21	\$652,720
Department of Health and Human Services	17	45	
Department of Homeland Security	11	53	\$45,000,000
Department of Housing and Urban Development	3	6	
Department of the Interior	2	6	\$466,044
Department of Justice	1	6	
Department of Labor	4	12	\$29,607,092,604 <sup>b</sup>
Department of State	1	0	
Department of Transportation	1	7	\$360,352,764
Department of the Treasury	4	8	\$1,105,256
Department of Veterans Affairs	4	4	\$2,336,381
Election Assistance Commission	6	25	\$914,835
Environmental Protection Agency	1	3	
General Services Administration	2	2	
Federal Reserve Board & Consumer Financial Protection Bureau	2	0	
National Security Agency	1	4	\$16,400,000
Pandemic Response Accountability Committee	2	0	
U.S. Postal Service	2	3	\$2,336,381
Railroad Retirement Board	1	1	\$28,575,000
Small Business Administration	8	27	\$18,559,541
Social Security Administration	3	18	
Special Inspector General for Pandemic Recovery	8	2	
U.S. Treasury Inspector General for Tax Administration	14	80	\$1,130,882,934
<b>Totals</b>	<b>114</b>	<b>343</b>	<b>\$31,247,234,155</b>

<sup>a</sup> "Monetary findings" include all questioned costs and funds put to better use identified by each OIG. <sup>b</sup> One [recommendation](#) was \$29,600,000,000.

Table 3. Oversight Reports from April 1, 2022, through September 30, 2022

In another example, a survey by HUD OIG [found](#) it was difficult for prime recipients of Emergency Solutions Grants to monitor their subrecipients. This may increase the risk of misuse of the funds and delay spending. These monitoring challenges were driven by a large increase in federal funding and the expectation that funds be used quickly to address the impact of the pandemic. HUD OIG recommended that the agency consider incorporating this challenge into the program's risk assessment.

## Key Insight 2: Risks with Self-Certification Extend Beyond Pandemic Unemployment Assistance, PPP, and EIDL

The PRAC and its partner OIGs have issued reports highlighting the challenges associated with using self-certification to approve federal funds or benefits. The use of self-certification in small business assistance programs and unemployment insurance programs sought to distribute funds quickly to meet the needs of the public. However, it led to an increase in fraud and improper payments. For example, in a September 2022 report, SBA OIG found \$8.5 billion in EIDL payments were disbursed before SBA began using tax information to verify eligibility. SBA OIG found more than \$92 million was disbursed to businesses with suspect taxpayer identification numbers.

Additional reports issued during this reporting period identified issues with self-certification in other programs. For example, the Department of Homeland Security (DHS) OIG [reported](#) that FEMA's Lost Wages Assistance Program—implemented by state workforce agencies—provided \$3.7 billion in improper payments (\$3.3 billion of which was



### Insights through Single Audits

Under federal regulations, any recipient (or subrecipient) that receives more than \$750,000 in federal funding during its fiscal year is subject to a single audit. This can include state governments, local governments, and non-profit organizations. Single audits assess a recipient's controls over compliance for federal assistance and identify possible areas of improvements and questioned costs. If a finding or concern is identified, the recipient must prepare a corrective action plan to address those concerns. As of September 30, 2022, 36 fiscal year 2021 statewide single audits had been issued. These audits include:

- 114 findings related to the Coronavirus Relief Fund (CRF)
- 140 findings related to unemployment insurance

For example, the single audit for Washington state found the state spent \$17.6 billion in federal pandemic funding between July 1, 2020, and June 30, 2021. The Washington State Auditor looked at 17 pandemic relief funds, including \$9.3 billion in unemployment insurance funds and \$3.4 billion in Medicaid funds related to the pandemic. The single audit identified several issues with reporting requirements and subrecipient monitoring, including not evaluating subrecipient risk, resulting in \$4.1 million in question costs, and \$6.4 million in likely improper payments for the Coronavirus Relief Fund. See the [report summary](#) for more information.

The Tennessee single audit showed a dramatic increase in federal assistance from \$14 billion in 2019 to \$24 billion in 2021. The report questioned approximately \$1.8 million of UI benefits that were not properly paid. The audit also questioned nearly \$500,000 of duplicate expenditures charged to the CRF program and reported that two departments receiving CRF funds did not monitor subrecipients. See [Tennessee's single audit report](#) for more information.

fraudulent) in 21 states reviewed. The DHS OIG previously identified the use of self-certification by FEMA as a decades-long problem.

The Department of Transportation (DOT) OIG [found](#) that within two weeks of the CARES Act passage—which gave the Federal Aviation Administration (FAA) \$10 billion—FAA had announced awards to more than 3,000 airports through their Airport Improvement Program. DOT OIG found that FAA did not provide clear guidance on documenting information and data the grant application needed to provide prior to award approval. As a result, FAA had to rely on airport self-certification, which was often inconsistent, to assess grant compliance and monitor recipient activity effectively.

State oversight offices have also found risks related to self-certification within pandemic programs. The Wisconsin State Auditor [found](#) that the controls of their state’s Emergency Rental Assistance program, funded by the Department of the Treasury (Treasury), did not comply with Treasury’s guidance that required documentation to verify eligibility. Instead, Wisconsin’s Rental Assistance Program allowed individuals to provide a rental attestation form, signed by an individual and a landlord, and an income attestation form in place of Treasury’s required documentation to prove eligibility. In a random sample of 40 individuals who received benefits, 29 provided signed rental attestation forms but not housing documentation, and 8 individuals did not provide a signed rental attestation form or housing documentation at all, which may indicate the applications were not compliant with federal or state guidance.

## Key Insight 3: Failure to Implement or Effectively Modify Critical Internal Controls Created Risks in Pandemic Relief Programs

The pandemic created unique challenges that required distinct controls to mitigate fraud or improper payments. It was also critical for agencies to adapt or modify initial controls as needs shifted during the pandemic, but this did not always occur. Examples included failing to institutionalize proper procedures or effectively train program personnel. In some cases, these controls were legislatively required to improve programs and reduce fraud.

For example, Department of Defense (DoD) OIG [found](#) that the North American Aerospace Defense Command and U.S. Northern Command used \$19.2 million of its CARES Act funds for purposes that did not contribute to the overall federal and agency priorities for the pandemic response. This occurred because those commands did not have sufficient controls in place to review and approve expenditures related to the pandemic—instead they relied on existing controls, which did not require adequate support that goods and services aligned with guidance.

HHS also did not update its controls to account for new roles and responsibilities for public health services. HHS historically has been the primary coordinator for emergency support functions related to the public health and medical services, but FEMA was assigned as the federal response lead for COVID-19 instead of HHS. However, given this difference, HHS did not update its controls to properly identify the roles and responsibilities for ventilator contracts. Therefore, HHS does not have documentation to support decisions made by FEMA that directly impact its procurement process.



Alternatively, SBA OIG [found](#) that SBA updated its controls for verifying eligibility once Congress allowed the agency to use tax information. However, SBA took four months to implement the new controls. During that time, nearly \$8.5 billion in EIDL funds were disbursed, including \$92 million issued to businesses with suspect Taxpayer Identification Numbers.

Issues with modifying pandemic-related controls also existed at the state level. For example, the Alaska Legislative Auditor, which assessed their state's Small Business Relief Program, [found](#) that the eligibility requirements for the program changed multiple times over the course of the program. Program staff received directives to speed up the approval process, since the program design and the number of incomplete and/or inaccurate applications slowed disbursement. To increase speed, several program requirements were inconsistently considered or enforced by program operators. As a result, the Alaska State Auditor identified at least one error for 39 percent of the grants it tested (155 grants), such as grant awards exceeding amounts requested and grants being provided to unlicensed businesses.

## Key Insight 4: Assessing Emergency Planning Procedures Used During the Pandemic Can Help Inform and Improve Future Emergency Responses

During this reporting period, OIGs assessed some of their agencies' emergency planning and response processes and identified good practices and areas for improvement or consideration for agencies' overall emergency planning processes. These include:

- Proper coordination among all stakeholders during evacuations.
- Improved coordination and communication when changing policies that impact other federal offices; and
- Proper assessment or re-evaluation of needed supplies or services.

For example, the Department of State OIG [identified](#) several good practices used by the Department of State to repatriate more than 800 Americans back to the United States from Wuhan, China at the beginning of the COVID-19 outbreak. These practices include coordination with interagency partners, the development of a Wuhan Evacuation Task Force, and compliance with existing crisis response and planning policies and guidance. However, the Department of State OIG also identified areas of improvement where coordination between the Department of State and HHS deviated from established practices—which resulted in challenges coordinating with state and local partners that would be receiving the repatriated Americans.

A [report](#) by HHS OIG also highlighted the need to improve communication among government agencies. The CDC did not comply with best practices for coordinating overlapping programs and initiatives and did not coordinate with the Office of Refugee Resettlement to implement a public health order that significantly affected one of their programs. When CDC issued a federal order that required most non-citizen children entering the United States without a parent be expelled to their home country, the CDC did not notify the required stakeholders in advance of the order. As a result, the Office of Refugee Resettlement was unable to plan for how much care they may be required to provide. HHS OIG recommended the agency take steps to improve its internal communication and coordination regarding unaccompanied children and that HHS ensure that CDC coordinates with the

Office of Refugee Resettlement when making future decisions that may affect unaccompanied children placed in the office's care.

In another example, the Department of Veterans Affairs (VA) Veterans Health Administration purchased 10,000 iPhones and more than 80,900 iPads to help veterans experiencing homelessness or enrolled in supportive housing programs connect to telehealth services. The VA OIG [found](#) that while the program was laudable, VA OIG noted areas for improvement. Specifically, the agency paid \$1.8 million in data plans for iPhones and \$2.3 million in data plans for iPads and iPhones while they were not in use or in storage. VA OIG recommended that the program implementation could be improved by turning on a data plan when there is an immediate need.

## Key Insight 5: Data Can Help Inform the Design of More Equitable Programs

Although the pandemic affected everyone, minority and socioeconomically disadvantaged communities faced additional and unique challenges related to public health risks, accessing medical expertise, and obtaining federal benefits.

During this reporting period, both agencies and oversight entities have used data to provide more equitable services and inform program design, respectively. In January 2021, President Biden issued an [Executive Order](#) focused on advancing racial equity and support for under-served communities through government programs. The insights from the following reports can help program managers implement more equitable federal emergency response programs.

A significant public health initiative during the pandemic was to ensure equitable access to vaccines. A recent DHS OIG [report](#) highlighted the efforts by the Federal Emergency Management Agency to work with other federal agencies to use the CDC Social Vulnerability Index to identify and address inequalities in under-served communities' access to vaccination centers. The report also showed how FEMA is modifying its strategic plan and plans to collect demographic data on applicants to help target resources to under-served communities.

Work by HHS OIG shows another [example](#) of obtaining and using data to assess equity in federal programs. They completed a quantitative analysis to identify which communities used telehealth during the first year of the pandemic. HHS OIG found that beneficiaries in urban areas were more likely to use this virtual service. Additionally, beneficiaries eligible for both Medicare and Medicaid, Hispanic beneficiaries, younger beneficiaries, and female beneficiaries were more likely than others to use telehealth. The findings could inform broader expansion or design of future Medicare telehealth services, and inform discussions on issues of health care access, quality of care, cost, health equity, and program integrity.

The pandemic also had significant economic impacts on different professional sectors and communities. The Oregon Audits Division [found](#) that disparities in processing UI claims could have occurred because communities of color were overrepresented in leisure and hospitality jobs which were significantly affected by the pandemic. The state received a federal grant of more than \$4.5 million to increase outreach and develop more robust data analysis to identify disparities and provide more equitable services to under-served communities.

# Appendix A: Acronyms

CARES Act	Coronavirus Aid, Relief, and Economic Security Act	MSLP	Main Street Lending Program
CDC	Centers for Disease Control and Prevention	OIG	Office of Inspector General
CIGIE	Council of the Inspectors General on Integrity and Efficiency	OMB	Office of Management and Budget
COVID-19	novel coronavirus disease 2019	PACE	Pandemic Analytics Center of Excellence
DHS	Department of Homeland Security	PPP	Paycheck Protection Program
DoD	Department of Defense	PRAC	Pandemic Response Accountability Committee
DOJ	Department of Justice	PUA	Pandemic Unemployment Assistance
EIDL	Economic Injury Disaster Loan	SBA	Small Business Administration
EPA	Environmental Protection Agency	SQL	Structured Query Language
FAA	Federal Aviation Administration	Treasury	Department of the Treasury
FEMA	Federal Emergency Management Agency	UI	Unemployment Insurance
HHS	Department of Health and Human Services	VA	Department of Veterans Affairs
HUD	Department of Housing and Urban Development		
IG	Inspector General		
IRS	Internal Revenue Service		

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

Offices of Inspectors General (OIGs) issued a total of 114 reports between April 1, 2022, and September 30, 2022, related to the COVID-19 pandemic response. The following information provides a list and summary of each of those reports.

## [U.S. Architect of the Capitol OIG](#)

*Architect of the Capitol's COVID-19 Emergency Supplemental Spending*, OIG-AUD-2022-06, July 25, 2022

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

*The CFPB Implemented Safety Measures in Accordance with Its Reentry Plan*, 2022-MO-C-011, September 21, 2022

*The Board Implemented Safety Measures in a Manner Consistent with Its Return-to-Office Plan*, 2022-MO-B-010, September 7, 2022

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

*COVID-19—Oversight of the Emergency Food Assistance Program—Final Report*, 27801-0001-21, August 18, 2022

*COVID-19 – Food Safety and Inspection Service Pandemic Response at Establishment*, 24801-0001-23, July 26, 2022

*COVID-19—Food and Nutrition Service's Pandemic Electronic Benefits Transfer—Interim Report*, 27801-0001-23(1), June 24, 2022

*COVID-19—Farmers to Families Food Box Program Administration—Interim Report*, 01801-0001-22(1), June 24, 2022

*USDA Farmers to Families Food Box Program*, 22-001-01, June 22, 2022

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

*Audit of the DoD Certification Process for Coronavirus Aid, Relief, and Economic Security Act Section 4003 Loans Provided to Businesses Designated as Critical to Maintaining National Security*, DODIG-2022-131, September 20, 2022

*Audit of DoD Cooperative Agreements with Coronavirus Aid, Relief, and Economic Security Act Obligations*, DODIG-2022-102, June 8, 2022

*Audit of North American Aerospace Defense Command and U.S. Northern Command Use of Coronavirus Aid, Relief, and Economic Security Act Funding*, DODIG-2022-098, May 17, 2022

*Audit of U.S. Indo-Pacific Command's Execution of Coronavirus Aid, Relief, and Economic Security Act Funding*, DODIG-2022-091, May 5, 2022

*Evaluation of Department of Defense Military Medical Treatment Facility Challenges During the Coronavirus Disease-2019 (COVID-19) Pandemic in Fiscal Year 2021*, DODIG-2022-081, April 5, 2022

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

*The Department's Use of Pandemic Assistance Program Administration Funds*, F22DC0059, September 27, 2022

*Allocation of ESSER I Funds at Selected Local Educational Agencies, F20IT0049, September 26, 2022*

*Michigan's Administration of the Governor's Emergency Education Relief Fund, A20GA0039, September 14, 2022*

*Oklahoma's Administration of the Governor's Emergency Education Relief Fund, A20GA0011, July 18, 2022*

*The Office of Postsecondary Education's Oversight of Higher Education Emergency Relief Grant Funds, A20CA0029, June 1, 2022*

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

*HHS's and HRSA's Controls Related to Selected Provider Relief Fund Program Requirements Could Be Improved, A-09-21-06001, September 29, 2022*

*End-Stage Renal Disease Network Organizations' Reported Actions Taken in Response to the COVID-19 Pandemic, A-05-20-00051, September 23, 2022*

*FDA Repeatedly Adapted Emergency Use Authorization Policies to Address the Need for COVID-19 Testing, OEI-01-20-00380, September 21, 2022*

*FDA's Work with the Tri-Agency Task Force for Emergency Diagnostics Helped Labs Implement COVID-19 Tests, OEI-01-20-00381, September 21, 2022*

*IHS's National Supply Service Center Was Generally Effective in Providing Supplies to Facilities During the COVID-19 Pandemic, but Its Internal Controls Could Be Improved, A-07-20-04124, September 20, 2022*

*Certain Life Care Nursing Homes May Not Have Complied With Federal Requirements for Infection Prevention and Control and Emergency Preparedness, A-01-20-00004, September 19, 2022*

*The IHS Telehealth System Was Deployed Without Some Required Cybersecurity Controls, A-18-21-03100, September 9, 2022*

*Certain Medicare Beneficiaries, Such as Urban and Hispanic Beneficiaries, Were More Likely Than Others to Use Telehealth During the First Year of the COVID-19 Pandemic, OEI-02-20-00522, September 7, 2022*

*Medicare Telehealth Services During the First Year of the Pandemic: Program Integrity Risks, OEI-02-20-00720, September 7, 2022*

*HHS Did Not Fully Comply with Federal Requirements and HHS Policies and Procedures When Awarding and Monitoring Contracts for Ventilators, A-02-20-02002, September 2, 2022*

*Certain Nursing Homes May Not Have Complied With Federal Requirements for Infection Prevention and Control and Emergency Preparedness, A-01-20-00005, July 26, 2022*

*CDC Found Ways to Use Data To Understand and Address COVID-19 Health Disparities, Despite Challenges With Existing Data, OEI-05-20-00540, July 15, 2022*

*An Estimated 91 Percent of Nursing Home Staff Nationwide Received the Required COVID-19 Vaccine Doses, and an Estimated 56 Percent of Staff Nationwide Received a Booster Dose, A-09-22-02003, June 27, 2022*

*Office of Refugee Resettlement's Influx Care Facility and Emergency Intake Sites Did Not Adequately Safeguard Unaccompanied Children From COVID-19, A-06-21-07002, June 23, 2022*

*Selected Dialysis Companies Implemented Additional Infection Control Policies and Procedures to Protect Beneficiaries and Employees During the COVID-19 Pandemic, A-05-20-00052, May 26 2022*

*HHS Should Improve Internal Coordination Regarding Unaccompanied Children, OEI-BL-20-00670, May 2, 2022*

*National Snapshot of Trends in the National Domestic Violence Hotline's Contact Data Before and During the COVID-19 Pandemic, A-09-21-06000, April 27, 2022*

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

*FEMA's Management of Mission Assignments to Other Federal Agencies Needs Improvement, OIG-22-76, September 30, 2022*

*FEMA Made Efforts to Address Inequities in Disadvantaged Communities Related to COVID-19 Community Vaccination Center Locations and Also Plans to Address Inequity in Future Operations, OIG-22-74, September 29, 2022*

*More than \$2.6 Million in Potentially Fraudulent LWA Payments Were Linked to DHS Employees' Identities, OIG-22-79, September 28, 2022*

*A Review of FEMA Funding for Coronavirus Disease 2019 (COVID-19) Response and Relief, OIG-22-72, September 16, 2022*

*FEMA Did Not Implement Controls to Prevent More than \$3.7 Billion in Improper Payments from the Lost Wages Assistance Program, OIG-22-69, September 16, 2022*

*FEMA Needs to Improve Its Oversight of the Emergency Food and Shelter Program, OIG-22-56, August 10, 2022*

*Violations of ICE Detention Standards at Folkston ICE Processing Center and Folkston Annex, OIG-22-47, June 30, 2022*

*ICE Did Not Follow Policies, Guidance, or Recommendations to Ensure Migrants Were Tested for COVID-19 before Transport on Domestic Commercial Flights, OIG-22-44, May 18, 2022*

*Lessons Learned from DHS' Employee COVID-19 Vaccination Initiative, OIG-22-42, May 10, 2022*

*Management Alert - FEMA's COVID-19 Funeral Assistance Operating Procedures Are Inconsistent with Previous Interpretation of Long-Standing Regulations for Eligible Funeral Expenses, OIG-22-36, April 13, 2022*

*ICE Spent Funds on Unused Beds, Missed COVID-19 Protocols and Detention Standards while Housing Migrant Families in Hotels, OIG-22-37, April 12, 2022*

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

*Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds, 2022-FO-0007, September 29*

*Community Development Block Grant CARES Act Implementation Challenges, 2022-LA-0003, September 28, 2022*

*Emergency Solutions Grants CARES Act Implementation Challenges, 2022-LA-0002, August 17, 2022*

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

*The Three Affiliated Tribes Did Not Account for CARES Act Funds Appropriately, 2021-FIN-032-C, September 28, 2022*

*The Lower Brule Sioux Tribe Did Not Account for CARES Act Funds Appropriately, 2021-FIN-032-A, September 19, 2022*

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

*Audit of the Management and Coordination of Pandemic-Related Fraud Allegations and Referrals Between the Criminal Division and Executive Office for U.S. Attorneys, 22-109, September 21, 2022*

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

*COVID-19: ETA and States Did Not Protect Pandemic-Related UI Funds from Improper Payments Including Fraud or from Payment Delays, 19-22-006-03-315, September 30, 2022*

*Alert Memorandum: Potentially Fraudulent Unemployment Insurance Payments in High-Risk Areas Increased to \$45.6 Billion, 19-22-005-03-315, September 21, 2022*

*Alert Memorandum: Employment and Training Administration Needs to Ensure State Workforce Agencies Report Activities Related to CARES Act Unemployment Insurance Programs, 19-22-004-03-315, August 2, 2022*

*The U.S. Department of Labor Did Not Meet the Requirements for Compliance, 22-22-007-13-001, July 1, 2022*

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

*Review of Department of State Evacuations from Wuhan, China in Response to COVID-19, ISP-I-22-19, May 10, 2022*

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

*FAA Quickly Awarded CARES Act Funds but Can Enhance Its Oversight Approach to Promote Effective Stewardship, AV2022032, July 18, 2022*

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

*CORONAVIRUS DISEASE 2019 PANDEMIC RELIEF PROGRAMS Audit of Air Carrier Worker Support Certifications - XOJET Aviation, LLC, OIG-22-041, September 28, 2022*

*CORONAVIRUS DISEASE 2019 PANDEMIC RELIEF PROGRAMS Audit of Air Carrier Worker Support Certifications - Alpine Aviation, Inc., OIG-22-043, September 28, 2022*

*CORONAVIRUS DISEASE 2019 PANDEMIC RELIEF PROGRAMS: Audit of Air Carrier Worker Support Certifications - Pegasus Elite Aviation, Inc., OIG-22-043, September 28, 2022*

*Inquiry on Use of Pandemic Relief Funds for Increased Broadband Access to Unserved Communities, OIG-CA-22-020, August 30, 2022*

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

*Comprehensive Healthcare Inspection Summary Report: Evaluation of Medication Management in Veterans Health Administration Facilities, Fiscal Year 2021, 22-00814-230, September 1, 2022*

*The Veterans Health Administration Needs to Do More to Promote Emotional Well-Being Supports Amid the COVID-19 Pandemic, 21-00533-15, May 10, 2022*

*Purchases of Smartphones and Tablets for Veterans' Use during the COVID-19 Pandemic, 21-02125-132, May 4, 2022*

*Comprehensive Healthcare Inspection of Facilities' COVID-19 Pandemic Readiness and Response in Veterans Integrated Service Networks 2, 5, and 6, 21-03917-123, April 7, 2022*

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

*Audit of the Help America Vote Act Grants Awarded to the Commonwealth of Pennsylvania, G22PA0014-22-07, September 22, 2022*

*Audit of the Help America Vote Act Grants Awarded to the State of Delaware, G22DE0010-22-06, September 21, 2022*

*Audit of the Help America Vote Act Grants Awarded to the State of Washington, G22WA0015-22-04, September 6, 2022*

*Audit of the Help America Vote Act Grants Awarded to the State of Indiana, G22IN0011-22-03, September 2, 2022*

*Audit of the Help America Vote Act Grants Awarded to the State of Arizona, G22AZ0008-22-01, August 9, 2022*

*Audit of the Help America Vote Act Grants Awarded to the State of Ohio, G22OH0013-22-02, August 9, 2022*

### [U.S. Environmental Protection Agency OIG](#)

*The Coronavirus Pandemic Caused Schedule Delays, Human Health Impacts, and Limited Oversight at Superfund National Priorities List Sites, 22-E-0049, June 23, 2022*

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

*COVID-19: PBS Faces Challenges in Its Efforts to Improve Air Filtration in GSA-Controlled Facilities, A201018P4R22008, September 30, 2022*

*Alert Memorandum: PBS Did Not Test Water Prior to Reopening GSA Child Care Centers Closed During the COVID-19 Pandemic, A201018-8, September 6, 2022*

### [U.S. National Security Agency OIG](#)

*Audit of the Implementation of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Section 3610, AU-20-0008, May 26, 2022*

### [Pandemic Response Accountability Committee](#)

*Risk Advisory – Potential Identity or Other Fraud in SBA Pandemic Relief Programs, PRAC-2022-08, September 20, 2022*

*Key Insights: Identity Fraud Reduction and Redress in Pandemic Response Programs, PRAC-2022-07, June 13, 2022*

### [U.S. Postal Service OIG](#)

*COVID-19 Test Kit Distribution, 22-076-R22, September 28, 2022*

*Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding, 21-234-R22, July 7, 2022*

### [U.S. Railroad Retirement Board OIG](#)

*The RRB Did Not Have Detailed Project Plans to Expend Information Technology Modernization Funds, 22-10, June 29, 2022*

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

*SBA's Guaranty Purchases for Paycheck Protection Program Loans, 22-25, September 30, 2022*

*Follow-up Inspection of SBA's Internal Controls to Prevent COVID-19 EIDLs to Ineligible Applicants, 22-22, September 29, 2022*



*COVID-19 and Disaster Assistance Information Systems Security Controls, 22-19, September 27, 2022*

*Paycheck Protection Program Eligibility for Nonprofit Organizations, 22-21. September 26, 2022*

*COVID-19 Economic Injury Disaster Loan Applications Submitted from Foreign IP Addresses, 22-17, September 12, 2022*

*SBA's Award and Payment Practices in the Shuttered Venue Operators Grant Program, 22-15, July 5, 2022*

*SBA's Handling of Potentially Fraudulent Paycheck Protection Program Loans, 22-13, May 26, 2022*

*Evaluation of SBA's Disaster Assistance Loan Recommendation Services, 22-10, April 14, 2022*

### [U.S. Social Security Administration OIG](#)

*Summary of the Audit of the Social Security Administration's Information Security Program and Practices for Fiscal Year 2022, A-14-22-51179, September 30, 2022*

*The Social Security Administration's Enumeration Services During the COVID-19 Pandemic, A-15-21-51015, September 30, 2022*

*The Social Security Administration's Mail Processing During the COVID-19 Pandemic, A-08-21-51115, May 13, 2022*

### [U.S. Special Inspector General for Pandemic Recovery](#)

*Independent Review of 4003(b) Loan Recipient's Validation Memo – Meridian Rapid Defense Group, LLC, SIGPR-A-22-003-10, August 4, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – Mesa Airlines, Inc., SIGPR-A-22-003-9 August 2, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – Map Large, Inc., SIGPR-A-22-003-8, July 11, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – United Airlines, SIGPR-A-22-003-7, June 22, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – SkyWest Airlines, Inc., SIGPR-A-22-003-6, June 2, 2022*

*Alert Memorandum: Delays in the Quarterly Monitoring of Borrowers' Compliance with Loan Requirements, SIGPR-A-22-002-1, May 24, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – Hawaiian Airlines, Inc., SIGPR-A-22-003-5, May 19, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – JetBlue Airways Corporation, SIGPR-A-22-003-4, April 28, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – SpinLaunch, Inc., SIGPR-A-22-003-12, September 27, 2022*

*Independent Review of 4003(b) Loan Recipient's Validation Memo – Republic Airways, Inc., SIGPR-A-22-003-11, September 14, 2022*

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

*Mainframe Platform Configuration Compliance Controls Need Improvement, 2022-20-050, September 30, 2022*

*Reporting on the Use of Coronavirus Response Funding Could Be Enhanced, 202110624, September 22, 2022*

*American Rescue Plan Act: Accuracy of Advance Child Tax Credit Periodic Payments, 2022-47-070, September 21, 2022*

*Delays in Management Actions Contribute to the Continued Tax Processing Center Backlogs, 2022-46-057, September 16, 2022*

*The IRS's Inability to Keep Pace with Non-Corporate Applications for Refund of Net Operating Losses Under the CARES Act Has Cost Taxpayers Millions of Dollars in Additional Interest, 2022-36-048, September 7, 2022*

*The IRS Effectively Planned to Use and Provide Oversight of the American Rescue Plan Act Funds; However, Subsequent Reallocation of Modernization Funds Resulted in Significant Replanning, 2022-27-045, September 2, 2022*

*Compliance Efforts Are Needed to Address Refund Claims Reported on Form 1139 That Are Based on the CARES Act Net Operating Loss Carryback Provisions, 2022-35-049, August 31, 2022*

*Delays Continue to Result in Businesses Not Receiving Pandemic Relief Benefits, 2022-46-059, August 31, 2022*

*American Rescue Plan Act: Assessment of the Child Tax Credit Update Portal's Capabilities and Related Processes, 2022-47-02, July 25, 2022*

*Fingerprinting and Employment Eligibility Verification Delays Due to the COVID-19 Pandemic May Increase Taxpayer Data Exposure Risks, 2022-16-039, July 7, 2022*

*Final Report – The IRS Leveraged Its Telework Program to Continue Operations During the COVID-19 Pandemic, 2022-IE-R003, May 23, 2022*

*Processing of Recovery Rebate Credit Claims During the 2021 Filing Season, 2022-46-032, May 19, 2022*

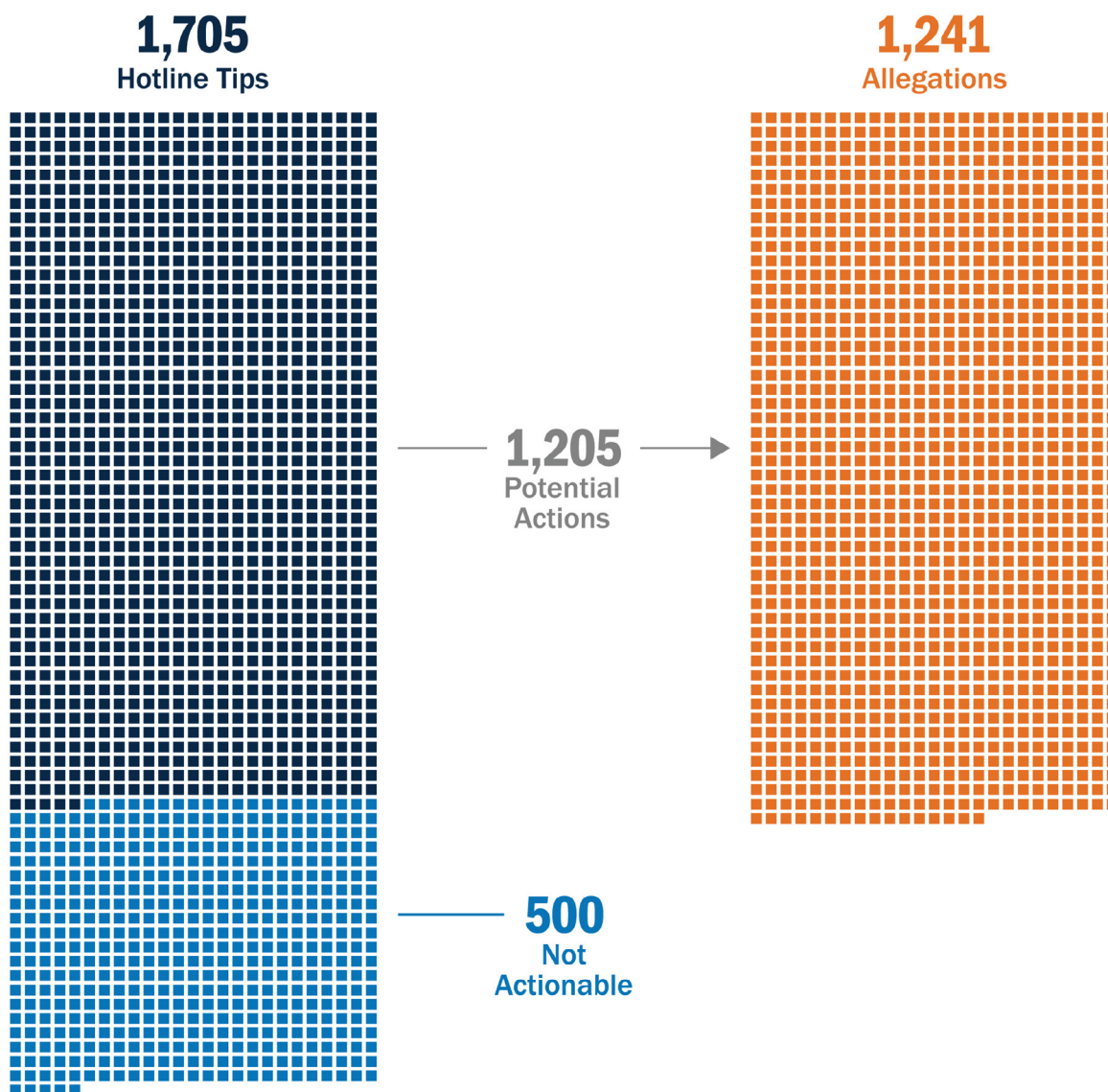
*The Child Tax Credit Update Portal Was Successfully Deployed, but Security and Process Improvements Are Needed, 2022-27-028, May 18, 2022*

*American Rescue Plan Act: Implementation of Premium Tax Credit Provisions, 2022-47-034, May 2, 2022*

# Appendix C: Hotline Data

Since inception, the PRAC received most of its hotline complaints through its [electronic complaint form](#). The PRAC's hotline provides an avenue for concerned citizens to report potential fraud, waste, abuse, and mismanagement related to the pandemic response, including the CARES Act and other related legislation.

During the reporting period, we received 1,705 hotline communications, of which 500 were filed for information or not actionable. The remaining 1,205 were deemed potentially actionable for fraud, waste, abuse, or mismanagement. From these, the PRAC forwarded 1,241 allegations to 16 different OIGs for review and appropriate action. Referrals might be sent to more than one OIG based on the allegation(s) referenced, resulting in the slightly higher number reported here.



## **For more information:**

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

[PandemicOversight.gov](https://PandemicOversight.gov).



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