

Special Inspector General for Pandemic Recovery

Program Summary by Budget Activity

Dollars in Thousands

Budget Activity	FY 2023		FY 2024		FY 2025		FY 2024 to FY 2025	
	Operating Plan		Annualized CR		Request		% Change	
New Appropriated Resources	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Audits and Investigations	53	\$12,000	38	\$12,000	11	\$5,327	-71.1%	-55.6%
Subtotal SIGPR	53	\$12,000	38	\$12,000	11	\$5,327	-71.1%	-55.6%
Other Resources								
Reimbursables	0	\$15	0	\$100	0	\$0	0	-100.0%
Unobligated Balances from Prior Years	0	\$5,697	0	\$2,842	0	\$2,899	0	-68.4%
Subtotal Other Resources	0	\$5,712	0	\$2,942	0	\$2,899	0	-69.4%
Total Budgetary Resources	53	17,712	38	\$14,942	11	\$8,226	-71.1%	-58.3%

FY 2023 Other Resources and Full-time Equivalents (FTE) reflect actuals.

Current: For Fiscal Year (FY) 2025, SIGPR is requesting \$5.3 million which will enable SIGPR to winddown operations in a responsible and orderly manner to hand off remaining open cases (investigative and administrative) and audits to future stewards and assist all career employees in finding new permanent jobs matching their experience, professional abilities, and career goals while managing and archiving records leading up to closure of the agency.

Background: SIGPR, an independent office within the Department of the Treasury (Treasury), was established by section 4018 of the CARES Act in March 2020. Mr. Brian Miller was confirmed by the U.S. Senate in June 2020 as the Special Inspector General for Pandemic Recovery. SIGPR continues to lead the way by providing oversight of Treasury activities under the CARES Act by conducting independent audits and investigations necessary to prevent and detect waste, fraud, and abuse in programs and operations. SIGPR's CARES Act program jurisdiction includes two significant programs, the Direct Loan Program (loans to air carriers and national security businesses consisting of 35 loans, 35 borrowers for \$2.7 billion), and the Main Street Lending Program (loans to small and medium-sized for-profit businesses and nonprofit organizations consisting of 319 lenders, 1,830 loans for \$17.5 billion). SIGPR conducts audits of these Treasury programs, investigates fraud by recipients of CARES Act funds, and makes recommendations designed to improve the administration of pandemic recovery programs. SIGPR also conducts criminal investigations into allegations of waste, fraud, and abuse while helping to ensure that SIGPR protects and secures taxpayer data.

By the end of FY 2021, during the worst pandemic in over a century resulting in socio-economic challenges, SIGPR succeeded in expeditiously establishing a workable near-term initial minimally operational baseline by bringing onboard 56 employees. SIGPR developed and executed a recruitment and hiring strategy, a procurement and acquisition plan, and an information technology capital plan; executed an occupancy agreement with the General Services Administration (GSA); developed a myriad of policies, procedures, and manuals to govern SIGPR's work in the key areas of audits, investigations, and critical mission support services.

In FY 2022, FY 2023 and throughout FY 2024, SIGPR continued to diligently follow the facts through the Office of Audits (OA) and Investigations (OI), working collaboratively with other Offices of Inspectors General, the Pandemic Response Accountability Committee (PRAC) Fraud Task Force, the Department of Justice (DOJ) COVID-19 Fraud Enforcement Task Force, Financial Crimes Enforcement Network, and other Federal Offices of Inspector General and law enforcement agencies to uncover large-scale and far-reaching fraud, waste, and abuse of CARES program funds recovering \$42 million by the end of FY 2023, and identifying an additional \$582 million in potential fraud recoveries through diligent, professional and collaborative case development.

The \$5.3 million funds requested for FY 2025 are critically important to ensure maintaining maximum staff in place until the last minute focused on continuing existing case/audit finalization while being available to knowledgeably support pending DOJ pandemic fraud prosecutions to obtain closure/remittance of \$582 million in identified fraud.

Summary

The \$5.3 million FY 2025 request is a 56 percent reduction from FY 2023 enacted level. The FY 2025 request aligns with SIGPR’s ‘winddown’ plan. SIGPR plans to utilize remaining multi-year funding while requesting an absolute minimum amount of funds to complete and finalize the following vital and impactful final program objectives:

- Winddown SIGPR’s operations in a responsible and orderly manner to hand off remaining open cases (investigative and administrative) and audits to future stewards.
- Assist all career employees in finding new permanent jobs matching their experience, proven professional ability and career goals.
- Manage and archive records upon closure of the agency.

FY 2025 Budget Highlights

Dollars in Thousands

	FTE	Amount
FY 2024 Annualized CR	38	\$12,000
Changes to Base:		
Adjustment to Reach Winddown Level	(27)	(\$6,995)
Maintaining Current Levels (MCLs):	0	\$322
Pay Annualization (2024 5.2% average pay raise)	0	\$142
Pay Raise (2025 2.0% average pay raise)	0	\$121
Non-Pay (2025 2.2% non-pay inflation)	0	\$59
Subtotal Changes to Base	(27)	(\$6,673)
FY 2025 Current Services	11	\$5,327
FY 2025 President's Budget Request	11	\$5,327

Budget Adjustments

Other Adjustments-\$6,995,000 / -27 FTE
Reduction to Reach Winddown Level -\$6,995,000 / -27 FTE

Proceeding with orderly program winddown to March 2025 shutdown.

Maintaining Current Levels (MCLs)+\$322,000 / +11 FTE
Pay Annualization (5.2% in 2024) +\$142,000 / +0 FTE

Funds are requested for annualization of the January 2024 5.2% average pay raise.

Pay Raise (2.0% in FY 2025) +\$121,000 / +0 FTE

Funds are requested for a 2.0% average pay raise in January 2025.

Non-Pay (2.2% in FY 2025) +\$64,000 / +0 FTE

Funds are requested for non-labor expenses such as travel, contracts, rent, supplies, and equipment.

Legislative Proposals

SIGPR has no legislative proposals.

Performance Highlights

Budget Activity	Performance Measure	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
		Actual	Actual	Actual	Target	Target
Audits and Investigations	Percentage of audit products delivered to stakeholders by the due date.	B	100%	100%	100%	DISC
Audits and Investigations	Percentage of audit products subject to implementation reviews.	B	50%	50%	50%	DISC

Key: DISC - Discontinued; B - Baseline

Description of Performance

SIGPR continues to keep Congress, the Department of the Treasury, and other stakeholders aware of an impending crisis in the programs created in March 2020 via the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). For both the Main Street Lending Program (MSLP) and Treasury’s Direct Loan Program, SIGPR notes an alarming rate of defaults by borrowers who are failing to pay even the interest payments on the loans.

SIGPR has developed 90 percent of its investigative cases proactively rather than waiting for tips or defaults and is investigating cases nationwide with potential fraud totaling more than \$582 million. • SIGPR has opened a total of 65 cases, of which 47 cases remain pending, with at least 130 potential defendants. 94 percent of SIGPR’s investigations involve a combination of MSLP, Payroll Protection Program, and Economic Injury Disaster Loan Program fraud (double and triple dippers). SIGPR’s investigations have thus far resulted in 21 federal indictments, 21 arrests, four guilty pleas, and four sentencings which have generated more than \$11.9 million in court ordered restitution, \$9.8 million in seizure/forfeiture orders, and a \$350,000 civil settlement. \$20.8 million in MSLP loans have been repaid following notification of an investigation. Recently, multiple arrests were made in connection with a complex fraud scheme representing over \$52 million in alleged fraud loss.