

Special Inspector General for Pandemic Recovery (SIGPR)

Program Summary by Budget Activity

Dollars in Thousands

Budget Activity	FY 2021	FY 2022	FY 2023	FY 2022 to FY 2023	
	Operating Plan	Annualized CR	Request	Nominal Change	% Change
Special Inspector General for Pandemic Recovery	\$0	\$0	\$25,000	\$25,000	NA
Subtotal, SIGPR	\$0	\$0	\$25,000	\$25,000	NA
Direct FTE	35	38	66	+28	+73.7%
Total Full-time Equivalents (FTE)	35	38	66	+28	+73.7%

In FY 2020, an initial appropriation of \$25M in no-year funds were provided to establish SIGPR under the CARES Act to expeditiously provide resources required for administrative, IT, general counsel, and external affairs to support the mission of SIGPR.

FY 2021 and FY 2022 Other Resources and Full-time Equivalents (FTE) reflect actuals (55 positions in September 2021 and 51 positions as of March 2022) in spending of carryover funds from the initial FY 2020 \$25M appropriation.

The FY 2022 Budget included appropriations language to provide SIGPR an additional \$25 million in unobligated mandatory funding from the CARES Act.

Summary

The Special Inspector General for Pandemic Recovery (SIGPR) Fiscal Year (FY) 2023 annual budget request of \$25,000,000 will enable SIGPR to continue critical and impactful audit and investigative services to protect the integrity of covered funds under the CARES Act with the fiduciary goal of identifying potential waste, fraud and abuse of government funded pandemic relief. SIGPR's FY 2022 Full-time Equivalent (FTE) projection reflects annualized levels based on current resources.

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 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 reduced CARES programs jurisdiction currently includes two significant programs, the Direct Loan Program (loans to air carriers and national security businesses consisting of 35 loans, 35 borrowers for \$2.7B), 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 \$17.5B). 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.

In accordance with the *Government Performance and Results Act Modernization Act (GPRAMA)* of 2010, the Department of the Treasury is currently developing the FY 2022 – 2026 Departmental Strategic Plan. SIGPR published a Strategic Plan for FY 2021 - 2023 and will publish a new component plan that aligns bureau activities and priorities to the Department's in 2022.

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 positions. 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, SIGPR has 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.

Budget Highlights

Dollars in Thousands

	FTE	Amount
FY 2022 Operating Level	38	\$13,000
Changes to Base:		
2023 Maintaining Current Levels (MCLs):	0	\$445
Pay Annualization (2.7% average pay raise)		\$58
Pay Raise (4.6% average pay raise)		\$299
Non-Pay		\$88
Other Adjustments:		
Adjustments to Meet Current Operating Levels	14	\$7,000
Subtotal Changes to Base	14	\$7,445
FY 2023 Current Services	52	\$20,445
Program Changes:		
Program Increases:		
Audits and Investigations	14	\$4,555
FY 2023 President's Budget Request	66	\$25,000

Note: The FY 2022 Operating Level reflects annualized FTE level based on available carryover resources. SIGPR did not receive funding through the 2022 Continuing Resolution (CR).

Budget Adjustments

Adjustments to Request

Maintaining Current Levels (MCLs) +\$445,000 / +0 FTE

Pay Annualization (2.7%) +\$58,000 / +0 FTE

Funds are requested for annualization of the January 2022 2.7% average pay raise.

Pay Raise (4.6%) +\$299,000 / +0 FTE

Funds are requested for a 4.6% average pay raise in January 2023.

Non-Pay +\$88,000 / +0 FTE

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

Other Adjustments.....+7,000,000 / +14 FTE
Adjustments to Meet Current Operating Levels +\$7,000,000 / +14 FTE

As of March 2022, SIGPR employed 52 FTE that are critical to SIGPR’s audits and investigations work. Funding is requested to maintain current operating levels and to avoid cuts to mission-critical FTEs.

Program Increases+\$4,555,000 / +14 FTE
Audits and Investigations +\$4,555,000 / +14 FTE

Funding is requested for increased audits and investigations staffing to administer the expected significant increase in active case load and the expected DOJ prosecutorial team support requirements in FY 2023. Additionally, funds are requested for the acquisition of cutting-edge technology for predictive data analytics for adequate analysis of complex data to enhance detection of CARES Act funds waste, fraud, and abuse, while bringing lawbreakers to justice, seizing ill-gotten gains, and collecting court-ordered restitution.

Legislative Proposals

SIGPR has no legislative proposals.

Performance Highlights

Budget Activity	Performance Measure	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
		Actual	Actual	Actual	Target	Target
Audit and Investigations	Percentage of Audit Products Delivered to Stakeholders by the Due Date	NA	B	100	67	67
Audit and Investigations	Percentage of Audit Products Subjected to Implementation Reviews	NA	NA	B	50	50

Key: NA- Not Available

Description of Performance

For FY 2022, the target for Percentage of Audit Products Delivered When Promised to Stakeholders will remain at 66.6 percent. The target for conducting Implementation Reviews will also remain at 50 percent. SIGPR believes that these targets are best attained through effective monitoring of ongoing audit work and essential communication with the Treasury regarding findings and the most appropriate recommendations for corrective action. Consequently, SIGPR’s Office of Audits will continue to accentuate the importance of these processes with Treasury leadership.

- Percentage of Audit Products Delivered to Stakeholders by the Due Date – SIGPR’s products will have a more significant impact if they are delivered when needed to support congressional and Treasury decision making.
- Percentage of Audit Products Subjected to Implementation Reviews - The SIGPR Office of Audits has established a process to review and verify the implementation actions taken by Treasury on SIGPR recommendations. This measure assesses SIGPR’s effect on improving Treasury’s accountability, operations, and services.

As part of the audit process, Treasury provides a written response and action plan to address SIGPR audit recommendations. Audit resolution is achieved when SIGPR accepts Treasury's time phased plan of action to implement each recommendation.

In fiscal year 2021, SIGPR conducted an implementation review on the audit product issued in the prior fiscal year and found that Treasury management had fully implemented the report's recommendation.

Recent Office of Investigations accomplishments and initiatives build upon SIGPR's continued efforts to identify and pursue pandemic-relief fraud within its jurisdiction include:

- Notable case trendline growth by steadily increasing quantity of investigative case load to a total of 28 open cases, in addition to 9 closed cases, and 23 preliminary inquiries converted to full investigations. This growth represented more than a 400 percent increase over a nine-month period in FY 2021.
- In less than one year after staffing OI with criminal investigators (special agents):
 - SIGPR obtained its first indictment, involving false statements to fraudulently obtain more than \$1.6M in federal funds for business loans intended to relieve financial distress caused by the COVID-19 pandemic; and
 - In early January 2022, a SIGPR-initiated investigation resulted in a guilty plea related to a loan obtained through the Main Street Lending Program, a lending facility established by the Federal Reserve Board and supported with Treasury's investment in CARES Act funds. As part of the plea, it was agreed to include court-ordered restitution in the amount of \$252,143.