



The Honorable Charles Schumer
Senate Majority Leader
United States Senate
S-221 U.S. Capitol
Washington, D.C. 20510

The Honorable Mitch McConnell
Senate Minority Leader
United States Senate
S-230 U.S. Capitol
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-232 U.S. Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
House Minority Leader
U.S. House of Representatives
H-204 U.S. Capitol
Washington, D.C. 20515

Re: Supplemental Pandemic Funding

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and Minority Leader McCarthy:

As Congress considers providing supplemental pandemic relief and recovery funding via reconciliation, we write on behalf of the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to request that you: (1) continue to provide Inspectors General with adequate resources for robust oversight; and (2) allow oversight funds provided to Inspectors General to remain available until expended (*i.e.*, after the agency's pandemic funds expire). These steps will sustain ongoing oversight of pandemic expenditures and maximize the recovery of misused funds.

As we have witnessed, emergency response programs, including pandemic relief, carry an elevated risk of fraud, due in part to the desire to release the funds quickly. Recognizing this heightened vulnerability, Congress increased the funding for Offices of Inspector General (OIGs) whose agencies received significant supplemental funding under the CARES Act and created the Pandemic Response Accountability Committee (PRAC), composed of over 20 OIGs. Members of the PRAC and the extended IG community have produced a strong track record of oversight, which demonstrates the value of investing in Inspector General oversight of pandemic-related funding. CIGIE recommends that Congress continue this policy in any further supplemental funding legislation.

To maximize the value of Inspector General oversight, it is critical that funds provided to OIGs remain available throughout the period needed to initiate and complete oversight activities. Given the nature of relief programs, time is of the essence for emergency agency expenditures, which are designed to meet the urgent needs of the American people and to immediately stimulate the economy. These funds accordingly tend to be spent quickly, to ensure that benefits reach affected communities as soon as possible. OIG actions and expenditures operate on a different schedule. While IGs have developed innovative forms of real-time oversight to protect the integrity of the various pandemic relief programs and prevent fraud before funds are expended, much oversight work, regardless of whether it is an audit, evaluation, inspection, or investigation, takes place *after* the agency's expenditures and continues well


beyond the funding cycle.¹ For instance, when OIG investigators uncover fraud and work with the Department of Justice on a criminal or civil action, the OIG's support of the Justice Department can take years, up to the applicable six-year civil and five-year criminal statutes of limitations.

Allowing OIGs to utilize funds provided for pandemic oversight until they are expended would help ensure that OIGs have sufficient resources to pursue these investigations to their logical conclusion and thereby strengthen their ability to identify and hold individuals who misuse these funds accountable, to the benefit of agency programs, taxpayers, and the public. Enabling OIGs to expend these funds as needed is a no-cost way to improve oversight, hold more wrongdoers accountable, and increase the return on this critical investment.

Recognizing the need for extended oversight, the CARES Act provided that the supplemental funding for certain OIGs would remain available until expended. Examples include the OIGs for the Departments of Justice, Housing and Urban Development, and Transportation, and the Small Business Administration.² Because experience teaches that significant oversight of pandemic expenditures will be needed for years to come, these provisions should be the model for supplemental OIG funding in the pending pandemic legislation and any future relief bills.

For these reasons, CIGIE urges that the supplemental funding for OIGs to protect pandemic-related relief funds remain available until expended. This approach will provide essential resources for OIGs to fulfill their responsibilities to prevent and detect fraud, waste, and abuse; to pursue all civil and criminal fraud cases under the applicable statute of limitations; and to maximize recoveries for the taxpayer.

Respectfully,



Allison C. Lerner
Chairperson, CIGIE



Kathy Buller
Chairperson, CIGIE Legislation Committee

CC: The Honorable Gary Peters
Chairman, Senate Committee on Homeland Security and Governmental Affairs

The Honorable Rob Portman
Ranking Member, Senate Committee on Homeland Security and Governmental Affairs

The Honorable Patrick Leahy
Chairman, Senate Committee on Appropriations

The Honorable Richard Shelby
Ranking Member, Senate Committee on Appropriations

The Honorable Rosa DeLauro

¹ For this reason, Federal awardees are required to maintain auditable records for three to five years after the close-out of their grants.

² See Pub. L. 116-136, 134 Stat. 512 (2020) (DOJ), 134 Stat. 612 (2020) (HUD), 134 Stat. 600 (2020), (Transportation) and 134 Stat. 301 (2020) (SBA.). In other cases, the CARES Act provided that certain OIGs' funds would expire on the same date or one year later than their respective agencies' funds, which may significantly curtail oversight capabilities.

Chairwoman, House Committee on Appropriations

The Honorable Kay Granger
Ranking Member, House Committee on Appropriations

The Honorable Carolyn Maloney
Chairwoman, House Committee on Oversight and Reform

The Honorable James Comer
Ranking Member, House Committee on Oversight and Reform

Lesley Field
Acting Deputy Director for Management, Office of Management and Budget

John Pasquantino
Acting Controller, Office of Management and Budget