DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

OFFICE OF
INSPECTOR GENERAL

November 9, 2026

OIG-27-022

MEMORANDUM FOR **JEFFREY W. STOUT, ACTING CHIEF PROGRAM OFFICER, OFFICE OF CAPITAL ACCESS, DEPARTMENT OF THE TREASURY**

FROM: Pauletta P. Battle /s/
Assistant Inspector General for Audit

SUBJECT: Desk Review of Native Village of Kiana, Alaska's Use of Coronavirus Relief Fund Proceeds

On March 31, 2022, we initiated a desk review of Native Village of Kiana, Alaska's (Kiana) use of Coronavirus Relief Fund (CRF) proceeds, authorized under Title VI of the Social Security Act, as amended by Title V Division A of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).[1] This review was initiated in response to Kiana's failure to submit required quarterly data in the GrantSolutions[2] portal for cycles 1 through 7.[3] The objective of our desk review was to evaluate Kiana's documentation supporting its uses of CRF proceeds as reported in GrantSolutions and to assess the risk of unallowable use of funds. The scope of our desk review covered Kiana's obligation and expenditure data for the period March 1, 2020, through September 30, 2022,[4] as reported in GrantSolutions.

As part of our desk review, we performed the following:

1) reviewed Kiana's quarterly Financial Progress Reports (FPRs) submitted in GrantSolutions through September 30, 2022;

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1 P.L.116-136 (March 27, 2020)

2 GrantSolutions, a grant and program management Federal shared service provider under the U.S. Department of Health and Human Services, developed a customized and user-friendly reporting solution to capture the use of CRF payments from recipients.

3 Department of the Treasury Office of Inspector General's quarterly reporting timeline for prime recipients included 14 cycles with cycle 1 ending June 30, 2020, and cycle 14 ending September 30, 2023. Tribal government recipients were able to incur eligible costs through December 31, 2022. Recipients were expected to have complete all expenditures of CRF awards by March 31, 2023. Closeout of CRF awards was due in GrantSolutions no later than July 10, 2023.

4 Kiana's final Financial Progress Report was submitted in cycle 10 for the period ending September 30, 2022.

2) reviewed the *Department of the Treasury's (Treasury) Coronavirus Relief Fund Guidance* (Guidance) as published in the Federal Register on January 15, 2021;[5]
3) reviewed Treasury Office of Inspector General's (OIG) *Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping;*[6]
4) reviewed Treasury OIG's *Coronavirus Relief Fund Reporting and Record Retention Requirements;*
5) reviewed other audit reports issued, such as Single Audit Act reports, and those issued by the Government Accountability Office and other applicable Federal agency OIGs for internal control or other deficiencies that may pose risk or impact Kiana's use of CRF proceeds;
6) reviewed Treasury OIG Office of Investigations, the Council of the Inspectors General on Integrity and Efficiency (CIGIE) Pandemic Response Accountability Committee (PRAC),[7] and Treasury OIG Office of Counsel input on issues that may pose risk or impact Kiana's use of CRF proceeds;
7) interviewed key personnel responsible for preparing and certifying Kiana's quarterly FPR submissions, as well as officials responsible for obligating and expending CRF proceeds;
8) made a non-statistical selection of Aggregate Contracts less than $50,000, Aggregate Direct Payments less than $50,000,[8] and Aggregate Payments to Individuals[9] data identified through GrantSolutions; and
9) evaluated documentation and records used to support Kiana's quarterly FPRs.

Based on our review of Kiana's documentation supporting the uses of its CRF proceeds as reported in the FPRs, we determined that the expenditures were incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) and were incurred during the period that began

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5 Coronavirus Relief Fund Guidance as published in the Federal Register (January 15, 2021) https://home.treasury.gov/system/files/136/CRF-Guidance-Federal-Register_2021-00827.pdf

6 Treasury OIG, *Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping*, OIG-20-028R (March 2, 2021)

7 Section 15010 of P.L. 116-136 established the PRAC within CIGIE to promote transparency and conduct and support oversight of covered funds (see Footnote 12 for a definition of covered funds) and the coronavirus response to (1) prevent and detect fraud, waste, abuse, and mismanagement; and (2) mitigate major risks that cut across program and agency boundaries.

8 Prime recipients were required to report CRF transactions greater than or equal to $50,000 in detail in the GrantSolutions portal. Transactions less than $50,000 could be reported as an aggregate lump-sum amount by type (contracts, grants, loans, direct payments, and transfers to other government entities).

9 Obligations and expenditures for payments made to individuals, regardless of amount, were required to be reported in the aggregate in the GrantSolutions portal to prevent inappropriate disclosure of personally identifiable information.

March 1, 2020, and ended on December 31, 2022 as described in the CARES Act and Treasury's Guidance.
Kiana did not have a budget as of March 27, 2020. Because a budget did not exist, we were unable to assess compliance with the CARES Act criterion requiring that costs must not be accounted for in the budget most recently approved as of that date. Despite this limitation, we proceeded with assessing Kiana's expenditures against the two CARES Act criteria that could be evaluated: (1) whether the expenditures were necessary due to the COVID-19 public health emergency, and (2) whether the expenditures were incurred during the covered period.

Based on our assessment of their expenditures, we determined that Kiana's risk of unallowable use of funds is low. Accordingly, we will not be conducting an audit.

Non-Statistical Transaction Selection Methodology

Treasury issued a total of $1,204,480 in CRF payments to Kiana. As of September 30, 2022, Kiana expended all its CRF proceeds. We made a non-statistical selection of 30 transactions from the Aggregate Contracts less than $50,000, Aggregate Direct Payments less than $50,000, and Aggregate Payments to Individuals payment types. We made selections using auditor judgment based on the total CRF award amount, amounts claimed within each payment type, and our overall risk assessment of Kiana.

After our initial selection, Kiana disclosed that $72,341 in American Rescue Plan Act[10] transactions had been "mis-coded" in the dataset and improperly charged to CRF. Kiana replaced these funds with other eligible CRF expenditures. As a result, we expanded our testing and judgmentally selected an additional 21 transactions, bringing the total number of transactions reviewed to 51. Because the transactions tested were non-statistically selected, results could not be extrapolated to the total universe of transactions.

Background

The CARES Act appropriated $150 billion to establish the CRF. Under the CRF, Treasury made payments for specified uses to States and certain local governments; the District of Columbia and U.S. Territories including the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands; and Tribal governments (collectively referred to as "prime recipients"). Treasury issued a total of $1,204,480 in CRF payments to Kiana. The CARES Act stipulates that a prime recipient may only use the funds to cover costs that were:

[10] P.L. 117-2 (March 11, 2021)

1. necessary expenditures incurred due to the public health emergency with respect to the coronavirus disease 2019 (COVID–19);
2. not accounted for in the budget most recently approved as of March 27, 2020; and
3. incurred during the period between March 1, 2020, and December 31, 2021, for states, local governments, and territories. In the case of tribal governments, were incurred during the period that began on March 1, 2020, and ended on December 31, 2022 (covered period).

Kiana did not have a budget as of March 27, 2020. As a result, compliance with criterion (2) could not be assessed during our review.

Section 15011 of the CARES Act required each covered recipient[11] to submit to Treasury and the PRAC, no later than 10 days after the end of each calendar quarter, a report that contained (1) the total amount of large covered funds[12,13] received from Treasury; (2) the amount of large covered funds received that were expended or obligated for each project or activity; (3) a detailed list of all projects or activities for which large covered funds were expended or obligated; and (4) detailed information on any level of subcontracts or subgrants awarded by the covered recipient or its subrecipients.

The CARES Act assigned Treasury OIG the responsibility for compliance monitoring and oversight of the receipt, disbursement, and use of CRF proceeds. Treasury OIG was also assigned the authority to recoup funds in the event it is determined a prime recipient failed to comply with requirements of subsection 601(d) of the Social Security Act, as amended, (42 U.S.C. 801(d)).

Desk Review Results

We reviewed the GrantSolutions portal and found that Kiana did not timely file quarterly FPRs as required under Treasury OIG's Guidance, *Coronavirus Relief Fund Reporting and Record Retention Requirements*. Kiana failed to file quarterly FPRs in cycles 1 through 7. Kiana submitted quarterly FPRs in cycles 8, 9 and 10, and marked its cycle 10 FPR submission as final within the GrantSolutions portal.

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[11] Section 15011 of P.L. 116-136 defined a covered recipient as any entity that received large, covered funds and included any State, the District of Columbia, and any territory or possession of the United States.

[12] Section 15010 of P.L. 116-136 defined covered funds as any funds, including loans, that were made available in any form to any non-Federal entity, not including an individual, under Public Laws 116-123, 127, and 136, as well as any other law which primarily made appropriations for Coronavirus response and related activities.

[13] Section 15011 of P.L. 116-136 defined large, covered funds as covered funds that amounted to more than $150,000.

We found that the transactions tested in the Aggregate Contracts less than $50,000, Aggregate Direct Payments less than $50,000, and Aggregate Payments to Individuals payment types were necessary expenditures incurred due to the public health emergency with respect to COVID–19 and were incurred during the covered period. Because Kiana did not have a budget as of March 27, 2020, we could not assess whether or not these expenditures were accounted for in the budget most recently approved.

Table 1 shows a summary of expenditure totals and the results of our testing.

Table 1. Summary Non-Statistical Testing Results						
Payment Type	**Cumulative Expenditure Population Amount**	**Cumulative Expenditure Tested Amount**	**Number of Transactions Tested**	**Unsupported Questioned Costs**	**Ineligible Questioned Costs**	**Total Questioned Costs**
Aggregate Contracts <$50,000	$1,980	$1,980	5	$ -	$ -	$
Aggregate Direct Payments < $50,000	$293,005	$238,382	10	$ -	$ -	$
Aggregate Payments to Individuals (in any amount)	$909,495	$29,239	36	$ -	$ -	$
Totals	**$1,204,480**	**$269,601**	51	$ -	$ -	$

Source: Treasury OIG

Aggregate Contracts Less Than $50,000

Kiana had one contract valued at less than $50,000. We tested all five transactions associated with the contract, totaling $1,980, and identified no exceptions. Transactions tested included contract labor expenditures associated with trash pick-up for tribal members during the COVID-19 pandemic lockdown.

Aggregate Direct Payments Less Than $50,000

We tested 10 transactions totaling $238,382 without exception. Transactions tested included tribal member assistance payments for purchasing cleaning products, groceries and other necessities, and the purchase of an all-terrain vehicle and a water truck. The all-terrain vehicle was used for patrolling the grounds to ensure compliance with curfew restrictions, providing rides, and delivering supplies to tribal members who were under quarantine. The water

truck was used to deliver clean water to tribal members and to keep the dust down on the roads.

Aggregate Payments to Individuals

We tested 36 transactions totaling $29,239 without exception. Transactions tested included tribal member assistance payments and payroll costs. Payments were for assistance and other essential needs, such as household cleaning products. Payroll costs related to non-public health and safety personnel who were substantially dedicated to mitigating or responding to the COVID-19 public health emergency.

Stimulus assistance payments were made under two separate tribal member assistance programs:

1) A one-time $(b) (4) payment to tribal members who tested positive for COVID-19. Tribal member assistance forms were required for this program and were provided to the desk review team for all sampled transactions.

2) Three rounds of assistance to each tribal member in the amounts of $(b) (4) $(b) (4) and $(b) (4) respectively. Each payment was accompanied by a letter informing the tribal member that the funds were intended to "*prepare, prevent, and respond to the pandemic.*" The letter further explained that Kiana's goal in providing this assistance was to "*assist with the unplanned costs of purchasing cleaning products, stocking up on food or other necessities to prepare during this difficult time.*"

Conclusion

We determined that Kiana's expenditures, as tested, were necessary due to the COVID-19 public health emergency and were incurred during the covered period from March 1, 2020, through December 31, 2022. Because Kiana did not have a budget as of March 27, 2020, we were unable to assess compliance with the CARES Act requirement that costs must not be accounted for in the budget most recently approved as of that date.

Overall, we determined that Kiana's risk of unallowable use of funds is low. As a result, we will not be conducting an audit.

Native Village of Kiana's Response

The Native Village of Kiana concurred with our assessment. On October 27, 2026, Kiana provided its written response which is included in its entirety as Appendix 1.

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All work completed complies with the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Federal Offices of Inspectors General, which require that the work adheres to the professional standards of independence, due professional care, and quality assurance to ensure the accuracy of the information presented.[14] We appreciate the courtesy and cooperation provided to our staff during the desk review. If you have any questions or require further information, please contact me at (202) 927-5400, or a member of your staff may contact Virginia Shirley, Acting Deputy Assistant Inspector General for Audit, at (202) 246-0362.

cc: Michelle A. Dickerman, Deputy Assistant General Counsel, Department of the Treasury
Thao P. Tran, Acting Chief Operating Officer, Office of Capital Access, Department of the Treasury
Lilian R. Lowery, Supervisory Grants Management Specialist, Department of Treasury
Kemberly Henry, Tribal Administrator, Native Village of Kiana

[14] https://www.ignet.gov/sites/default/files/files/Silver%20Book%20Revision%20-%208-20-12r.pdf

Appendix 1

Native Village of Kiana
Kiana Traditional Council
P.O. Box 69
Kiana, Alaska 99749
Phone: (907) 475-2109/ Fax: (907)475-2180

October 9, 2026

Pauletta P. Battle
Assistant Inspector General for Audit
U.S. Department of the Treasury
Washington, D.C. 20005

Re: Response to Draft Memorandum – Desk Review of Native Village of Kiana, Alaska's Use of Coronavirus Relief Fund Proceeds

Dear Ms. Battle,

On behalf of the Native Village of Kiana, this letter serves as the official management response to the draft memorandum regarding the desk review of our use of Coronavirus Relief Fund (CRF) proceeds.

The Kiana Traditional Council accepts the Treasury's final determination and notes the finding that our risk of unallowable use of funds is low, resulting in no further audit. We appreciate the review conducted by your office and the confirmation that our tested expenditures met the necessary requirements under the CARES Act.

Thank you for your guidance and courtesy throughout this process.

Sincerely,

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Lorena Walker
Tribal President
Native Village of Kiana

"To Strengthen our Culture by Empowering our Tribe"