



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 7, 2023

**MEMORANDUM FOR JESSICA MILANO, ACTING CHIEF RECOVERY OFFICER,
DEPARTMENT OF THE TREASURY**

FROM: Deborah L. Harker /s/
Assistant Inspector General for Audit

SUBJECT: Desk Review of Turtle Mountain Band of Chippewa
Indians' Use of Coronavirus Relief Fund Proceeds
(OIG-CA-23-026)

Please find the attached desk review memorandum¹ on Turtle Mountain Band of Chippewa Indians' (TMBCI) use of Coronavirus Relief Fund (CRF) proceeds. The CRF is 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). Under a contract monitored by our office, Castro & Company, LLC (Castro), a certified independent public accounting firm, performed the desk review. Castro performed the desk review in accordance with the Council of the Inspectors General on Integrity and Efficiency *Quality Standards for Federal Offices of Inspector General* standards of independence, due professional care, and quality assurance.

In its desk review, Castro found that TMBCI personnel did not complete the required quarterly Financial Progress Reports (FPR) for Cycle 3². Castro personnel reviewed documentation for a non-statistical selection of 20 transactions reported in the quarterly reports and found that TMBCI personnel could not provide the necessary documentation to support 14 of the 20 transactions resulting in total unsupported expenditures of \$ [REDACTED].

In addition, Castro reviewed complaints received by the Department of the Treasury (Treasury) Office of Inspector General (OIG) Office of Investigations alleging improper expenditures with CRF proceeds. Castro found expenditures related to the allegations reported in the grants portal of \$ [REDACTED] were unsupported due to a lack of documentation. Of this questioned amount, \$7,508,564.41 was included in Castro's original transactions selected for testing, with \$ [REDACTED] not included for detailed testing. Given the lack of supporting

¹ The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) assigned the Department of the Treasury Office of Inspector General with responsibility for compliance monitoring and oversight of the receipt, disbursement, and use of Coronavirus Relief Fund (CRF) payments. The purpose of the desk review is to perform monitoring procedures of the prime recipient's receipt, disbursement, and use of CRF proceeds as reported in the grants portal on a quarterly basis.

² Calendar quarter ending December 31, 2020.

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documentation related to these transactions and the inability to determine eligibility of the expenditures, along with the \$ [REDACTED] questioned above, Castro questioned total costs of \$32,333,620.36 (see the attached schedule of monetary benefits). Castro and Treasury OIG met with TMBCI personnel to discuss the results of the desk review and the questioned costs.

Based on the results of its desk review, Castro determined that TMBCI did not comply with the CARES Act and Treasury Guidance. Additionally, Castro determined that the risk of unallowable use of funds is high. As such, Castro is recommending that OIG pursue obtaining the missing documentation from TMBCI personnel. Further, based on TMBCI's responsiveness to Treasury OIG's requests and its ability to provide the documentation, Castro recommends Treasury OIG determine if a full-scope audit is feasible.

In connection with our contract with Castro, we reviewed Castro's desk review memorandum and related documentation and inquired of its representatives. Our review, as differentiated from an audit performed in accordance with generally accepted government auditing standards, was not intended to enable us to express an opinion on TMBCI's use of the CRF proceeds. Castro is responsible for the attached desk review memorandum and the conclusions expressed therein. Our review found no instances in which Castro did not comply in all material respects with the *Quality Standards for Federal Offices of Inspector General*.

We appreciate the courtesies and cooperation provided to Castro and our staff during the desk review. If you have any questions or require further information, please contact me at (202) 486-1420, or a member of your staff may contact Lisa DeAngelis, Deputy Assistant Inspector General for Audit, at (202) 487-8371.

cc: Michelle. A. Dickerman, Deputy Assistant General Counsel, Department of the Treasury
Victoria Collin, Chief Compliance & Finance Officer, Office of Recovery Programs, Department of the Treasury
Jamie S. Azure, Tribal Chairman, Turtle Mountain Tribal Council
Wayne Ference, Partner, Castro & Company, LLC

Attachment

Schedule of Monetary Benefits

According to the Code of Federal Regulations,³ a questioned cost is a cost that is questioned due to a finding:

- (a) which resulted from a violation or possible violation of a statute, regulation, or the terms and conditions of a Federal award, including for funds used to match Federal funds;
- (b) where the costs, at the time of the review, are not supported by adequate documentation; or
- (c) where the costs incurred appear unreasonable and do not reflect the actions a prudent person would take in the circumstances.

Questioned costs are to be recorded in the Department of the Treasury's (Treasury) Joint Audit Management Enterprise System (JAMES).⁴ The amount will also be included in the Office of Inspector General (OIG) Semiannual Report to Congress. It is Treasury management's responsibility to report to Congress on the status of the agreed to recommendations with monetary benefits in accordance with 5 USC Section 405(b) of the Inspector General Act of 1978.

Recommendation

Recommendation No. 1

Questioned Costs

\$32,333,620.36

The questioned cost represents amounts provided by Treasury under the Coronavirus Relief Fund. As discussed in the attached desk review, \$32,333,620.36 is TMBCI's expenditures reported in the grant-reporting portal that lacked supporting documentation.

³ 2 CFR § 200.84 – Questioned Cost

⁴ JAMES is Treasury's audit recommendation tracking system.

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OIG-CA-23-026

**MEMORANDUM FOR DEBORAH L. HARKER,
ASSISTANT INSPECTOR GENERAL FOR AUDIT**

FROM: Wayne Ference
Partner, Castro & Company, LLC

SUBJECT: Desk Review of Turtle Mountain Band of Chippewa Indians

On August 10, 2021, we initiated a desk review of the Turtle Mountain Band of Chippewa Indians' (TMBCI) use of the Coronavirus Relief Fund (CRF) 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 The objective of our desk review was to evaluate TMBCI's documentation supporting its uses of CRF proceeds as reported in the GrantSolutions² portal and to assess the risk of unallowable use of funds. The scope of our desk review was limited to obligation and expenditure data for the period of March 1, 2020 through June 30, 2021 as reported in Cycles 1³ through 5⁴ in the GrantSolutions portal.

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

- 1) reviewed TMBCI's quarterly Financial Progress Reports (FPRs) submitted in the GrantSolutions portal through June 30, 2021;
- 2) reviewed the *Department of the Treasury's (Treasury) Coronavirus Relief Fund Guidance* as published in the Federal Register on January 15, 2021;⁵

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 Calendar quarter ending June 30, 2020.

⁴ Calendar quarter ending June 30, 2021.

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

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- 3) reviewed Treasury Office of Inspector General (OIG) *Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping*;⁶
- 4) reviewed Treasury OIG's monitoring checklists⁷ of TMBCI's quarterly FPR submissions for reporting deficiencies;
- 5) reviewed other audit reports issued, such as Single Audit 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 TMBCI's uses of CRF proceeds;
- 6) reviewed Treasury OIG Office of Investigations (OI), the Council of the Inspectors General on Integrity and Efficiency Pandemic Response Accountability Committee (PRAC),⁸ and Treasury OIG Office of Counsel input on issues that may pose risk or impact TMBCI's uses of CRF proceeds;
- 7) interviewed key personnel responsible for preparing and certifying TMBCI's GrantSolutions portal quarterly FPR submissions, as well as officials responsible for obligating and expending CRF proceeds;
- 8) made a non-statistical selection of contracts, grants, transfers to other government entities,⁹ direct payments, aggregate reporting data,¹⁰ and aggregate payments to individuals¹¹ identified through GrantSolutions reporting; and
- 9) evaluated documentation and records used to support TMBCI's quarterly FPRs.

⁶ Department of the Treasury Office of Inspector General *Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping* OIG-20-028R; March 2, 2021.

⁷ The checklists are used by Treasury OIG personnel to monitor the progress of prime recipient reporting in the GrantSolutions portal. GrantSolutions quarterly submission reviews are designed to identify material omissions and significant errors, and where necessary, include procedures for notifying prime recipients of misreported data for timely correction. Treasury OIG follows the *CRF Prime Recipient Quarterly GrantSolutions Submissions Monitoring and Review Procedures Guide*, OIG-CA-20-029R to monitor the prime recipients quarterly.

⁸ Section 15010 of P.L. 116-136 established the Pandemic Response Accountability Committee within the Council of the Inspectors General on Integrity and Efficiency to promote transparency and conduct and support oversight of covered funds (see Footnote 18 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.

⁹ A transfer to another government entity is a disbursement or payment to a government entity that is legally distinct from the prime recipient.

¹⁰ Recipients are required to report CRF transactions greater than or equal to \$50,000 in detail in the GrantSolutions portal. Transactions less than \$50,000 can be reported as an aggregate lump-sum amount by type (contracts, grants, loans, direct payments, and transfers to other government entities).

¹¹ Obligations and expenditures for payments made to individuals, regardless of amount, are required to be reported in the aggregate in the GrantSolutions portal to prevent inappropriate disclosure of personally identifiable information.

Desk Review of the Turtle Mountain Band of Chippewa Indians

Based on the results of our desk review, TMBCI's documentation supporting the uses of CRF proceeds did not comply with the CARES Act and Treasury's Guidance, resulting in total questioned costs of \$32,333,620.36. Additionally, Castro determined TMBCI's risk of unallowable use of funds to be high. As such, Castro is recommending that Treasury OIG pursue obtaining documentation from TMBCI personnel and ensure reporting corrections are made within the GrantSolutions portal. Further, based on TMBCI's responsiveness to Treasury OIG's requests and its ability to provide documentation, we recommend Treasury OIG determine if a full-scope audit is feasible.

Non-Statistical Transaction Selection Methodology

Treasury issued a CRF payment to TMBCI of \$54,827,702.70. As of Cycle 5,¹² TMBCI's cumulative obligations and expenditures were \$54,827,702.70 and \$46,845,491.48, respectively. TMBCI's cumulative obligations and expenditures by payment type as reported in GrantSolutions through Cycle 5¹³ are summarized below:

Payment Type	Cumulative Obligations	Cumulative Expenditures
Contracts >= \$50,000	\$ 12,736,577.41	\$ 7,563,096.28
Grants >= \$50,000	\$ 3,161,378.62	\$ 2,081,498.53
Loans >= \$50,000	\$ -	\$ -
Transfers >= \$50,000	\$ 1,728,850.00	\$ -
Direct Payments >= \$50,000	\$ 19,450,965.61	\$ 19,450,965.61
Aggregate Reporting < \$50,000	\$ 8,475,135.82	\$ 8,475,135.82
Aggregate Payments to Individuals (Any Amount)	\$ 9,274,795.24	\$ 9,274,795.24
Totals	\$ 54,827,702.70	\$ 46,845,491.48

Castro made a non-statistical selection of Contracts greater than or equal to \$50,000, Grants greater than or equal to \$50,000, Transfers greater than or equal to \$50,000, Direct Payments greater than or equal to \$50,000, Aggregate Reporting less than \$50,000, and Aggregate Payments to Individuals. Selections were made using auditor judgment based on information and risks identified in reviewing audit reports, the GrantSolutions portal reporting anomalies¹⁴ identified by the Treasury OIG CRF monitoring team, and review of TMBCI's FPR submissions. Castro noted TMBCI personnel did not obligate or expend CRF proceeds for Loans

¹² Calendar quarter ending June 30, 2021.

¹³ Calendar quarter ending June 30, 2021.

¹⁴ Treasury OIG has a pre-defined list of risk indicators that are triggered based on data submitted by recipients in the FPR submissions that meet certain criteria. Castro reviewed these results provided by Treasury OIG for TMBCI.

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greater than or equal \$50,000; therefore, we did not make a selection of transactions from this category.

The number of transactions (20) we selected to test was based on TMBCI's total CRF award amount and our overall initial risk assessment of TMBCI. To allocate the number of transactions (20) by obligation type (Contracts greater than or equal to \$50,000, Grants greater than or equal to \$50,000, Transfers greater than or equal to \$50,000, Direct Payments greater than or equal to \$50,000, Aggregate Reporting less than \$50,000, and Aggregate Payments to Individuals), we compared the obligation type dollar amounts as a percentage of cumulative obligations for Cycle 5.¹⁵ Additionally, Treasury OIG identified two anomaly transactions which were already included in our transactions selected for testing for Contracts greater than or equal to \$50,000 and Direct Payments greater than or equal to \$50,000; therefore, these anomalies did not result in additional transactions for testing. The transactions selected for testing were not selected statistically, and therefore results cannot be extrapolated to the total universe of transactions.

Background

The CARES Act appropriated \$150 billion to establish the CRF. Under CRF, Treasury made payments for specified uses to States; eligible units of local governments; the District of Columbia and U.S. Territories, including the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands; and Tribal governments. Treasury issued a CRF payment to TMBCI for \$54,827,702.70. The CARES Act stipulates that a recipient may only use the funds to cover costs that—

- (1) are necessary expenditures incurred due to the public health emergency with respect to the coronavirus disease 2019 (COVID-19);
- (2) were not accounted for in the budget most recently approved as of March 27, 2020; and
- (3) were incurred between March 1, 2020 and December 31, 2022.¹⁶

¹⁵ Calendar quarter ending June 30, 2021.

¹⁶ P.L. 116-260 (December 27, 2020). The period of performance end date of the CRF was extended through December 31, 2021 by the Consolidated Appropriations Act, 2021. The period of performance end date for tribal entities was further extended to December 31, 2022 by the State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act, Division LL of the Consolidated Appropriations Act, 2023, PL 117-328, December 29, 2022, 136 Stat. 4459.

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Section 15011 of the CARES Act, requires each covered recipient¹⁷ to submit to Treasury and the PRAC, no later than 10 days after the end of each calendar quarter, a report that contains (1) the total amount of large covered funds^{18,19} 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 sub-contracts or sub-grants awarded by the covered recipient or its sub-recipients.

The CARES Act assigned Treasury OIG the responsibility for compliance monitoring and oversight of the receipt, disbursement, and use of CRF proceeds. Treasury OIG also has authority to recoup funds in the event that it is determined a 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

Our review of TMBCI's quarterly FPR submissions through June 30, 2021 identified reporting issues and variances, as detailed below.

Financial Progress Reports

TMBCI was required to submit Quarterly FPRs by the 10th day of the month following quarter end unless it falls on a holiday. Based on our review of the quarterly FPRs, TMBCI was not compliant with Treasury OIG Guidance²⁰ for Cycle 3.²¹

¹⁷ Section 15011 of P.L. 116-136 defines a covered recipient as any entity that receives large covered funds and includes any State, the District of Columbia, and any territory or possession of the United States.

¹⁸ Section 15010 of P.L. 116-136 defines covered funds as any funds, including loans, that are 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 makes appropriations for Coronavirus response and related activities.

¹⁹ Section 15011 of P.L. 116-136 defines large covered funds as covered funds that amount to more than \$150,000.

²⁰ Department of the Treasury Office of Inspector General *Coronavirus Relief Fund Reporting and Record Retention Requirements* OIG-CA-20-021; July 2, 2020.

²¹ Calendar quarter ending December 31, 2020.

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Obligation and Expenditure Variance

TMBCI's cumulative expenditures for the period of March 1, 2020 to June 30, 2021 were \$46,845,491.48. The expenditure detail total for Aggregate Payments to Individuals provided by TMBCI personnel was higher than the obligated and cumulative expenditure amount reported in GrantSolutions by \$1,543,784.91. Specifically, Aggregate Payments to Individuals in GrantSolutions was \$9,274,795.24 and the support provided included expenditures of \$10,818,580.15. TMBCI personnel told us that the cause of this variance was an erroneously prepared spreadsheet.

Treasury OIG released *CRF Frequently Asked Questions Related to Reporting and Recordkeeping (Revised)*²² (herein referred to as "FAQs") to assist prime recipients with their reporting and record keeping requirements. We found TMBCI was not compliant with the following FAQs as the errors noted above have not yet been corrected. The errors will require correction in subsequent cycles.

- "FAQ 57. If an error is identified or an addition/modification needs to be made, is there an ability to amend the previous submitted data?"

Yes, if a prime recipient determines corrections or additions are necessary, the current GrantSolutions submission may be recalled, corrected, and resubmitted within the first 10 days after the quarter end."

- "FAQ 60. If a prime recipient reports a cost allocated to the CRF in one reporting cycle, but subsequently determines to allocate that cost to a different funding source, can the prime recipient remove the obligations and related expenditures from its CRF reporting submission?"

Yes, if a prime recipient determines corrections or additions to a quarterly submission are necessary and the quarterly submission has already been approved by Treasury OIG, changes to a previous quarterly submission may be made in the subsequent reporting submission."

Complaints Received by OIG and Related Eligible Costs²³

Treasury OIG's Office of Investigations (OI) received nine complaints detailing instances in which the TMBCI allegedly used CRF proceeds for ineligible uses. Treasury OIG personnel met with TMBCI officials to discuss the allegations and

²² Department of the Treasury Office of Inspector General *Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping* OIG-20-028R; March 2, 2021.

²³ Department of the Treasury Office of Inspector General *Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping* OIG-20-028R; March 2, 2021, Question #44 states, "The prime recipient should only report eligible costs for which obligations have been made with CRF payments or specific determinations have been made related to using CRF funds."

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based on information gathered during that meeting, OI referred the complaint to the Office of Audit to review supporting documentation and determine whether the amounts were eligible uses for the CRF. Castro has quantified those instances where we were able to corroborate amounts related to the allegations as claimed within GrantSolutions as of Cycle 5.²⁴ As a result of our review of these complaints that we were able to quantify as reported in GrantSolutions, Castro questions expenditures of \$ [REDACTED], with \$7,508,564.41 out of this amount included and questioned as part of our detailed transaction testing and \$ [REDACTED] of this amount considered to be untested, as summarized in the **Summary of Testing Results** section below. The complaints alleged that CRF proceeds were used for the purchase of the following items:

- Allegation #1:** [REDACTED]
- Allegation #2:** [REDACTED]
- Allegation #3:** [REDACTED]
- Allegation #4:** [REDACTED]
- Allegation #5:** construction of a building to house a butcher business;
- Allegation #6:** construction and purchases for a fire and emergency medical services facility;
- Allegation #7:** [REDACTED]
- Allegation #8:** [REDACTED]
- Allegation #9:** six miscellaneous budgeted expenditures.

For allegation numbers seven and eight, Treasury OIG personnel spoke with TMBCI officials who claimed that CRF proceeds were not used to [REDACTED] or [REDACTED]. TMBCI personnel told OIG that they did use CRF funds to [REDACTED]. OIG confirmed the statements made by TMBCI personnel by reviewing charges in GrantSolutions and determined no additional work was required. Therefore, Castro did not perform any additional procedures over these two allegation balances.

For allegation numbers one through six and number nine, Treasury OIG was unable to conclude on eligibility based on the documentation provided by TMBCI. As such, Castro requested documentation from TMBCI to support the eligibility of expenditures for these allegations. Castro noted that TMBCI personnel did not provide the requested expenditure documentation, such as invoices, to support these amounts; therefore, Castro was unable to conclude whether the expenditures related to the open allegations met the CARES Act eligibility requirements. Specifically, Castro noted the following issues with these seven allegations:

²⁴ Calendar quarter ending June 30, 2021.

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- For allegation number one, we were able to identify and quantify complaint allegation expenditures of \$ [REDACTED] as reported in GrantSolutions within the Direct Payments greater than or equal to \$50,000 payment type, and therefore question this amount as unsupported. Castro was unable to conclude whether the expenditures related to the open allegations met the CARES Act eligibility requirements because TMBCI did not provide us with sufficient invoice expenditure documentation.
- For allegation numbers two through six and allegation number nine, we noted that TMBCI provided us with underlying general ledger detail population files utilized to generate its Cycle 5²⁵ GrantSolutions submission; however, these general ledgers did not include sufficient descriptions needed to determine if TMBCI claimed these expenditures within GrantSolutions. Therefore, we were unable to quantify or question these amounts. Additionally, for allegation numbers four and six we noted the following:
 - For allegation number four, we are questioning \$ [REDACTED] for the cost [REDACTED] that TMBCI reported in GrantSolutions within the Contracts greater than or equal to \$50,000 payment type because TMBCI did not provide us with sufficient documentation to verify eligibility. Additionally, we are separately questioning \$ [REDACTED] in costs tested related to road repairs because TMBCI did not provide us with sufficient documentation to verify eligibility, as discussed further in our Contracts greater than or equal to \$50,000 testing below. Therefore, we question a total amount of \$ [REDACTED] related to this allegation. However, the total amount tested did not agree with the amount that TMBCI told us that they spent on this project, and therefore we cannot determine whether there should be additional questioned costs related to this allegation.
 - For allegation number six, we are questioning \$ [REDACTED] in similar costs related to an emergency response center because TMBCI personnel did not provide us with sufficient documentation to verify eligibility, as discussed further in our Direct Payments greater than or equal to \$50,000 testing below. However, the total amount tested did not agree with the amount that TMBCI told us that they spent on this project, and therefore we cannot determine whether there should be additional questioned costs related to this allegation.

For the remaining complaint amounts, TMBCI personnel did not provide sufficient invoice expenditure documentation or provide sufficient evidence needed for Castro to verify amounts as reported in GrantSolutions. As such, we could not

²⁵ Calendar quarter ending June 30, 2021.

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determine a questioned cost amount. As such, we recommend that Treasury OIG follow-up with TMBCI to quantify the remaining CRF expenditure amounts related to these allegations and to obtain sufficient support needed to corroborate whether these represent eligible CRF expenditures.

As discussed below in our **Summary of Testing Results**, TMBCI was not compliant with the Coronavirus Relief Fund Guidance as published in the Federal Register on January 15, 2021 (herein referred to as “Eligibility Criteria in the Federal Register”), which states that:

“The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures. Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments.”

Summary of Testing Results

Transactions selected for detailed review were not supported by documentation and we were unable to determine if expenditures were allowable in accordance with the CARES Act and Treasury’s guidance. We were unable to determine if the Contracts greater than or equal to \$50,000, Grants greater than or equal to \$50,000, Transfers to Other Government Entities greater than or equal to \$50,000, Direct Payments greater than or equal to \$50,000, Aggregate Reporting less than \$50,000, and Aggregate Payments to Individuals tested were necessary expenditures due to the COVID-19 public health emergency, were not accounted for in the budget most recently approved as of March 27, 2020, and were incurred during the covered period. The transactions selected for testing were not selected statistically, and therefore results cannot be extrapolated to the total universe of transactions.

The following table includes the total cumulative expenditure population amount and the cumulative expenditure amount tested. Additionally, this table includes a summary of Castro’s testing results over cumulative expenditure transaction balances. Within the “Exception Noted: IPA [Independent Public Accountant] Recommended for Treasury OIG Follow-up” section of this table, we have included a summary of unsupported and ineligible exception balances identified

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as questioned costs as a result of our desk review. These costs are not compliant with both the CARES Act and Treasury’s Guidance. Additionally, in the far-right column, we have identified the cumulative expenditures that Castro tested without exceptions noted. See the discussion below this table for additional information on questioned costs and other issues identified throughout the course of our desk review.

Summary of Expenditure Testing and Recommended Results – As of Cycle 5²⁶

Payment Type	Cumulative Expenditure Population Amount	Cumulative Expenditure Tested Amount	Untested Complaint Allegations ²⁷ Exception	Unsupported Tested Exception	Ineligible Tested Exception	Castro Reviewed Value Without Exception (per Support)
Contracts >= \$50,000	\$ 7,563,096.28	\$ 5,754,781.53	\$ [REDACTED]	\$ [REDACTED]	\$ -	\$ [REDACTED]
Grants >= \$50,000	\$ 2,081,498.53	\$ 1,550,744.78	\$ -	\$ [REDACTED]	\$ -	\$ [REDACTED]
Loans >= \$50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers >= \$50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Payments >= \$50,000	\$ 19,450,965.61	\$ 15,556,389.41	\$ [REDACTED]	\$ [REDACTED]	\$ -	\$ [REDACTED]
Aggregate Reporting < \$50,000	\$ 8,475,135.82	\$ 3,319,597.75	\$ -	\$ [REDACTED]	\$ -	\$ -
Aggregate Payments to Individuals (in any amount)	\$ 9,274,795.24	\$ 7,421,372.98	\$ -	\$ [REDACTED]	\$ -	\$ -
Totals	\$ 46,845,491.48	\$ 33,602,886.45	\$ [REDACTED]	\$ [REDACTED]	\$ -	\$ 2,046,740.09

In accordance with Treasury OIG Guidance OIG-CA-20-021, “Recipients of Coronavirus Relief Fund payments shall maintain and make available to the Treasury OIG upon request all documents and financial records sufficient to establish compliance with the CARES Act.” TMBCI did not maintain and make available financial records sufficient to support obligation and expenditure

²⁶ Calendar quarter ending June 30, 2021.

²⁷ As a result of our review of allegations made to OIG, we were able to quantify expenditures reported in GrantSolutions for certain of these items that were not included as a part of our detailed testing and documentation review. Castro questions these additional complaint cumulative expenditures reported in GrantSolutions as unsupported costs because of a lack of invoice and expenditure supporting documentation. However, we do not consider this amount to be tested as a part of our original transaction selections, and therefore we excluded this amount from the “Cumulative Expenditure Tested Amount” column.

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amounts reported in GrantSolutions.

Contracts greater than or equal to \$50,000

The TMBCI's Contracts greater than or equal to \$50,000 were not in compliance with the CARES Act and Treasury's Guidance As a result, we were unable to determine if TMBCI met the eligibility requirements for two of the five transactions tested due to the lack of supporting documentation. We selected five transactions and requested documents to include, but not limited to, contracts, purchase orders, resolutions, application and certificates for payment, invoices, payment requests, and proof of payment. During our review of Contracts, we identified exceptions within all five transactions selected for testing as listed below:

- Contract No. [REDACTED] (Transaction No. 1)
 - The purpose of Contract No. [REDACTED] was to provide paving and road infrastructure services on roads that were preventing public safety and public health personnel from accessing patients. Castro received support for the obligated amount of \$ [REDACTED] as reported within GrantSolutions. However, we reviewed the contractor's application for payment²⁸ documentation and noted a variance in cumulative expenditure amounts reported. The cumulative expenditure amount reported in GrantSolutions of \$ [REDACTED] varied from the total amount of the contractor's application for payment documentation support of \$ [REDACTED], resulting in a potential understatement of GrantSolutions reported cumulative expenditures of \$ [REDACTED].

As of TMBCI's Cycle 5²⁹ submission, the total cumulative expenditures of \$ [REDACTED] from the contractor's application for payment documentation support provided exceeded the total cumulative obligations of \$ [REDACTED] as reported in GrantSolutions by \$ [REDACTED]. We noted that TMBCI personnel did not provide detailed invoices to support these expenditure amounts. Without detailed invoices, we were unable to make a full assessment on the correct entries to cumulative expenditures to be made to the contract obligation type in GrantSolutions.

- TMBCI personnel did not provide sufficient documentation to support the payment dates of the expenditures. TMBCI personnel confirmed that the Tribe did not have readily available access to the checks.

²⁸ The Contractor's Application for Payment is used by TMBCI personnel to document work performed under a contract and to request funds accordingly.

²⁹ Calendar quarter ending June 30, 2021.

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- Castro requested documentation from TMBCI personnel to support use of expenditures under the CARES Act Road Repairs project. TMBCI personnel failed to provide documentation that these expenses were substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Therefore, Castro was unable to conclude on whether the expenditures met the eligibility requirements. As a result of the above issues noted, the cumulative expenditure amount of \$ [REDACTED] as reported in GrantSolutions is questioned due to a lack of sufficient supporting documentation.
- Contract No. [REDACTED] (Transaction No. 2)
 - The purpose of Contract No. [REDACTED] was to provide technology that would allow a camera system for live instruction at local K-12 schools, with work being done in the schools. TMBCI personnel did not provide us with a contract between TMBCI and the vendor who was responsible for supplying audio equipment to facilitate distance learning. Since TMBCI personnel did not provide us sufficient support for the obligation amount of \$ [REDACTED] reported in GrantSolutions, we were unable to determine if this obligation was classified correctly as a contract. Additionally, without the contract between TMBCI and the vendor, we were unable to determine if expenditure amounts were incurred within the contractual period of performance or whether they were completely incurred within the correct expenditure categories and under the correct contract type.

TMBCI personnel stated that the Cycle 5³⁰ progress report was hastily prepared with inadequate access to information. TMBCI personnel were unable to locate the contract.

- TMBCI was able to support the expenditure dates were within the period of performance; however, TMBCI personnel did not provide sufficient documentation to support the payment dates to the contractor as reported within GrantSolutions. This did not result in questioned costs as the expenditure amount of \$ [REDACTED] fell within the period of performance of the CARES Act. TMBCI personnel confirmed that these checks were not readily accessible to the Tribe.

Contracts were expected to be completed by December 30, 2020, the initial CRF sunset date. As such, TMBCI did not include contract completion dates in this contract.

³⁰ Calendar quarter ending June 30, 2021.

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- Contract No. [REDACTED] (Transaction No. 3)
 - The purpose of Contract No. [REDACTED] was to provide engineering services for critical roads that were impacting public safety and emergency medical technicians' access to patients. We did not receive contracts or other obligating documentation applicable to support the obligation amount reported in GrantSolutions of \$ [REDACTED]. We followed up with TMBCI personnel to provide applicable contract documents, but they failed to provide a response or additional documentation. We were unable to determine whether the obligation was appropriately reported under Contracts greater than or equal to \$50,000 within GrantSolutions, or should have been reported under Direct Payments greater than or equal to \$50,000. Therefore, TMBCI personnel did not ensure that obligations were sufficiently supported by documentation.

TMBCI personnel told us that the obligation records associated with this contract were maintained by the Director of Transportation, resulting in the TMBCI personnel's inability to access the records to support the desk review.

- TMBCI was able to support the expenditure dates were within the period of performance; however, TMBCI personnel did not provide sufficient documentation to support the payment dates to the contractor as reported within GrantSolutions. This did not result in questioned costs as the expenditure amount of \$ [REDACTED] fell within the period of performance of the CARES Act. TMBCI personnel confirmed that these checks were not readily accessible to the Tribe.
- Contract No. [REDACTED] (Transaction No. 4):
 - The purpose of Contract No. [REDACTED] was to purchase and deliver gravel for transportation safety. Gravel was used to repair critical roadways and driveways of tribal members that had been washed out by the spring weather. The current conditions of the roads impeded public safety personnel from reaching tribal members. We reviewed TMBCI's resolution for contract number [REDACTED] and noted a variance in cumulative obligation amounts reported. Specifically, the cumulative obligation amount reported in GrantSolutions of \$ [REDACTED] differed from the total obligation amount authorized within TMBCI's resolution of \$ [REDACTED] resulting in a variance of \$ [REDACTED]. Additionally, the contract did not provide a period of performance. Without this information, we were unable to verify if the expenditures were incurred within the period of performance.

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TMBCI personnel provided purchase orders to support the amount of \$ [REDACTED] but did not provide detailed invoices to support the cumulative expenditure amount. Without these detailed invoices, we were unable to determine that all expenditures were properly reported in the appropriate obligation category at the correct amount. Further, the unsupported cumulative expenditure amount of \$ [REDACTED] reported within GrantSolutions exceeded the \$ [REDACTED] total obligation amount authorized within TMBCI's most recent resolution as of the Cycle 5³¹ reporting deadline of June 30, 2021. Without the expenditure supporting documentation, Castro was unable to determine that these expenses were substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Therefore, Castro was unable to conclude on whether the expenditures met the eligibility requirements.

TMBCI personnel stated that the relationship with the vendor was for the delivery of gravel for road access from remote homes. At the commencement of the contract, it was not known how much gravel would be needed. The vendor delivered the goods and TMBCI was billed, and the expenditures were paid. TMBCI personnel stated that the Cycle 5³² progress report was hastily prepared with inadequate access to information. TMBCI personnel were unable to locate the contract. TMBCI personnel confirmed that they would make the correction to the reported obligation amount within GrantSolutions to future cycles.

- TMBCI personnel did not provide sufficient documentation to support the payment dates of the expenditure. TMBCI personnel confirmed that these checks were not readily accessible to the Tribe. Total questioned expenditures amounted to \$ [REDACTED]
- Contract No. [REDACTED] (Transaction No. 5):
 - The purpose of Contract No. [REDACTED] was to purchase computers and a charging cart for elementary school students. TMBCI was able to support the expenditure dates were within the period of performance; however, TMBCI personnel did not provide sufficient documentation to support the payment dates to the contractor as reported within GrantSolutions. This did not result in questioned costs as the expenditure amount of \$ [REDACTED] fell within the period of performance of the CARES Act. TMBCI personnel confirmed the root cause of the missing support was that these checks were not readily accessible to the Tribe.

³¹ Calendar quarter ending June 30, 2021.

³² Calendar quarter ending June 30, 2021.

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Grants greater than or equal to \$50,000

TMBCI's Grants greater than or equal to \$50,000 were not in compliance with the CARES Act and Treasury's Guidance. We were unable to determine if TMBCI met the eligibility requirements for the selected transaction due to the lack of supporting documentation. We selected one transaction and requested documents to include, but not limited to, the grant agreement, purchase orders, application and certificates for payment, invoices, sub-recipient monitoring reports, payment requests, quotations, and proof of payment. Due to the inadequate support, we determined that selecting additional transactions would not make sense. We identified an exception within the one transaction selected for testing as detailed below:

- Grant No. [REDACTED] (Transaction No. 1):
 - The purpose of Grant No. [REDACTED] was to [REDACTED]. [REDACTED]. TMBCI personnel provided purchase orders in support of cumulative expenditures of \$1,550,744.78 made under the grant, which reconciled to GrantSolutions. TMBCI personnel only provided detailed invoices for \$ [REDACTED] of the expenditures resulting in unsupported questioned expenditures in the amount of \$ [REDACTED]. Although TMBCI personnel provided cancelled checks totaling the amount reported in GrantSolutions, without the detailed invoices we were unable to verify that the payments made to the sub-recipient were expenses incurred within the period of the grant agreement.

TMBCI personnel noted that this project was managed by an engineering firm; therefore, documentation was not readily available to TMBCI personnel other than what was provided to it through its sub-recipient monitoring efforts.

Transfers to Other Government Entities greater than or equal to \$50,000

TMBCI's Transfers to Other Government Entities greater than or equal to \$50,000 were not in compliance with the CARES Act and Treasury's Guidance. We were unable to determine if TMBCI met the eligibility requirements for the selected transaction due to the lack of supporting documentation. We selected one transaction and requested documents to include, but not limited to, tribal resolutions, sub-recipient monitoring forms, wire transfer support, and project budget statements. Due to the inadequate support provided, we determined that selecting additional transactions would not make sense. We noted the following exceptions with the one transaction selected for testing as detailed below:

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- Transfer No. [REDACTED] (Transaction No. 1):
 - Castro reviewed the Cycle 5³³ FPR and noted that TMBCI personnel reported \$0 of cumulative expenditures incurred using transferred funds. The sub-recipient monitoring form, as of December 14, 2020, indicated that total expenditures made to date were \$ [REDACTED]. TMBCI personnel did not provide any detailed invoices to corroborate the cumulative expenditure amount that should have been recorded in GrantSolutions. Since TMBCI personnel did not provide us with detailed invoices needed to make a full assessment, we were unable to determine the correct amount of cumulative expenditures that should have been reported.

TMBCI personnel confirmed that the Tribe made additional expenditures beyond the sub-recipient agreement for things like [REDACTED]. TMBCI personnel confirmed that the Cycle 5³⁴ report was prepared in haste without access to the accounting software and the preparer committed an error in reporting this amount. TMBCI personnel confirmed that they would make the correction to future cycles. We are not questioning any costs because no expenditures were recorded in GrantSolutions as of Cycle 5.³⁵

Direct Payments greater than or equal to \$50,000

TMBCI's Direct Payments greater than or equal to \$50,000 were not in compliance with the CARES Act and Treasury's Guidance. We were unable to determine if TMBCI met the eligibility requirement for four of the seven transactions selected for testing due to the lack of supporting documentation. We selected seven transactions and requested documents to include, but not limited to, invoices, purchase orders, contracts, application and certificates for payment requests, and proof of payment. Due to the inadequate support provided by TMBCI personnel, we determined that selecting additional transactions would not make sense. We identified exceptions with all seven transactions selected for testing as detailed below:

- We reviewed the contractor's application for payment documents provided to support the Direct Payments greater than or equal to \$50,000 entries and noted that they appeared to be related to contracts for six of seven transactions. Of these, TMBCI personnel did not provide any contracts for our review for transaction numbers 1, 2, 3, 4, 6, and 7. Since TMBCI personnel did not provide us sufficient support, we were unable to determine if this obligation was classified correctly. TMBCI personnel confirmed that the cumulative expenditure amount for transactions 1, 2, 3, 4, 6, and 7 of \$ [REDACTED] reported in GrantSolutions is erroneously misclassified within

³³ Calendar quarter ending June 30, 2021.

³⁴ Calendar quarter ending June 30, 2021.

³⁵ Calendar quarter ending June 30, 2021.

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the Direct Payments greater than or equal to \$50,000 category. TMBCI personnel reported that the cumulative expenditures for transactions 1, 2, 3, 4, 6, and 7 of \$ [REDACTED] should have been recorded under the contract obligation and expenditure type. Additionally, TMBCI personnel confirmed that transaction number 1, of these misclassified entries was duplicated within GrantSolutions and reported in both Direct Payments greater than or equal to \$50,000 and Aggregate Payments for Individuals.

Castro determined that amounts reported in GrantSolutions were overstated by \$ [REDACTED] for Direct Payments greater than or equal to \$50,000. Additionally, this amount is reported as questioned costs. Further, the Contracts greater than or equal to \$50,000 obligation type was understated by an indeterminate amount because TMBCI personnel did not provide all documentation needed to make a full assessment on the correct entries to be made in GrantSolutions. TMBCI personnel provided only high-level summary information (such as the Application and Certificate for Payment), instead of providing a contract and detailed invoices. Castro did not consider this to be sufficient to support these expenditure amounts. Further, the Application and Certificate for Payments cumulative amounts did not agree to the amount reported in GrantSolutions. TMBCI personnel provided either no payment support or partial payment support that did not consistently agree to the total amount reported in GrantSolutions.

- For four of seven transactions tested (transactions 1, 2, 6, and 7) Castro requested additional support from TMBCI personnel to support the eligible use for expenditures under the associated projects. Documentation was not provided to support eligibility that these expenses were substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Therefore, Castro was unable to conclude on whether the expenditures met the eligibility requirements. The ineligible amount for transactions 1, 2, 6, and 7 in the amount of \$ [REDACTED] was included in the questioned costs above of \$ [REDACTED] therefore, there was no additional questioned costs as a result of this issue.
- Transaction No. 5:
 - The expenditure amount reported in GrantSolutions of \$ [REDACTED] varied from the expenditure amount in the supporting documentation of \$ [REDACTED] resulting in questioned expenditures of \$ [REDACTED]. Without the remainder of these invoices, we were unable to confirm the obligation category and associated project for those related balances.

For Direct Payments greater than or equal to \$50,000, TMBCI personnel told us that they contracted an outside independent public accounting firm to prepare the

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GrantSolutions FPR and that the preparer had little knowledge of the process and inadequate access to information needed to complete an accurate submission. The preparer and legal counsel could only access spreadsheet documents rather than a general ledger from the accounting software. TMBCI personnel stated that the Tribe's legal counsel deemed submission of the FPR imperative and confirmed that they would make the correction to future cycles. Additionally, TMBCI personnel confirmed that there was a lack of monitoring by the Tribe evidenced by their lack of source documentation available.

Based on the issues noted above, we determined that TMBCI was noncompliant with Treasury OIG Guidance OIG-CA-20-021.

Aggregate Reporting less than \$50,000

TMBCI's Aggregate Reporting less than \$50,000 was not in compliance with the CARES Act and Treasury's Guidance. We were unable to determine if TMBCI met the eligibility requirements for the selected transactions due to the lack of supporting documentation. We selected three transactions and requested documents to include, but not limited to, purchase orders, payment requests, application and certificates for payment, invoices, and sub-recipient monitoring forms. Due to the inadequate support provided by TMBCI personnel, we determined that selecting additional transactions would not make sense. During our review of Aggregate Reporting, we noted exceptions in all three transactions tested.

- Transaction No. 1:
 - For one of three transactions tested, obligations exceeded \$50,000. TMBCI misclassified these obligations and expenditures within GrantSolutions, causing Aggregate Reporting less than \$50,000 to be overstated by \$ [REDACTED]. TMBCI personnel did not provide sufficient support to make an assessment as to the correct obligation and expenditure type or amount of the correct entry to be made within GrantSolutions. This resulted in total questioned costs of \$ [REDACTED].

- Transactions Nos. 2 and 3:
 - For two of three transactions tested, these obligations exceeded \$50,000. Therefore, TMBCI personnel misclassified these obligations within GrantSolutions, causing Aggregate Reporting less than \$50,000 to be overstated by \$ [REDACTED]. These transactions were also included as duplicate entries within the Direct Payment greater than or equal to \$50,000, and instead should have been reported within the Contracts greater than or equal to \$50,000.

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TMBCI personnel did not provide documentation needed for us to make a full assessment on the correct entries to be made to reclassify these obligations. TMBCI personnel did not provide any contracts for our review. TMBCI personnel provided high-level summary information, including Application and Certificate for Payment, which agreed to the amount reported. However, we did not consider this to be sufficient to support these expenditure amounts or to support eligibility as TMBCI personnel did not provide any detailed invoices to support the expenditures. As a result, this resulted in total questioned costs of \$ [REDACTED]

For Aggregate Reporting less than \$50,000, TMBCI personnel confirmed that the Cycle 5³⁶ report was prepared in haste without access to the accounting software and the preparer committed an error when reporting this as an expenditure of less than \$50,000. TMBCI personnel noted that these transactions were inappropriately stated as a building purchase when in fact it was for infrastructure development of a road to some quarantine isolation residences. TMBCI personnel confirmed that these transactions should have been reported as Contracts greater than or equal to \$50,000. Further, TMBCI personnel were unable to provide adequate documentation to support the expenditures which they confirmed was due to a lack of support from an architecture firm contracted to review the payments requests. The architecture firm acted as the Tribe's representative. Such records were maintained by an architecture firm to support the expenditures, along with the pay requests provided with the Purchase Orders. TMBCI personnel confirmed that they would make the correction to future reporting cycles. As a result, this resulted in total questioned costs of \$ [REDACTED]

Based on the issues noted above, we determined that TMBCI was noncompliant with Treasury OIG Guidance OIG-CA-20-021.

Aggregate Payments to Individuals

TMBCI's Aggregate Payments to Individuals were not in compliance with the CARES Act and Treasury's Guidance. We were unable to determine if TMBCI met the eligibility requirements for all three of the transactions selected due to a lack of supporting documentation. We selected three transactions and requested documents to include, but not limited to, contracts, purchase orders, payment requests, application and certificates for payment, invoices, sub-recipient monitoring forms, and proof of payments. During our review of Aggregate Payments to Individuals, we identified exceptions within all three transactions selected for testing as detailed below:

³⁶ Calendar quarter ending June 30, 2021.

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- Transaction Nos. 1 and 3:
 - We reviewed the cancelled checks and contractor's applications for payment provided to support the Aggregate Payment to Individuals entries for two of three transactions. We noted that these payments, totalling \$ [REDACTED] were both duplicated and misclassified within GrantSolutions. TMBCI personnel indicated that this \$ [REDACTED] cumulative expenditure amount should have been recorded under the Contract greater than or equal to \$50,000 obligation type.

We determined that amounts reported in GrantSolutions were overstated by \$ [REDACTED] because of known errors related to inclusion of duplicated costs and Contracts greater than or equal to \$50,000 were understated by an indeterminate amount because TMBCI personnel did not provide documentation needed to make a full assessment. Specifically, TMBCI personnel provided only high-level summary information instead of providing a contract and detailed invoices. We did not consider this to be sufficient to support these expenditure amounts. As a result, this resulted in total questioned costs of \$ [REDACTED]

- Transaction No. 2:
 - We reviewed the contractor's applications and cancelled checks provided. We noted that these payments related to a contract for emergency response. TMBCI personnel confirmed that this entry was duplicated and misclassified within GrantSolutions. Additionally, TMBCI personnel told us that this \$ [REDACTED] cumulative expenditure amount should have been recorded under the Contracts greater than or equal to \$50,000 obligation type.

We determined that amounts reported in GrantSolutions were overstated by \$ [REDACTED] for both Direct Payments greater than or equal to \$50,000 and Aggregate Payments to Individuals. Further, the Contracts greater than or equal to \$50,000 obligation type was understated by an indeterminate amount because TMBCI personnel did not provide documentation for us to make a full assessment. Specifically, TMBCI personnel provided only high-level summary information instead of providing a contract and detailed invoices. We did not consider this to be sufficient to support these expenditure amounts. As a result, this resulted in total questioned costs of \$ [REDACTED]

- For all three transactions tested, TMBCI personnel were unable to provide support that these expenses were substantially dedicated to mitigating or responding to the COVID-19 public health emergency. Therefore, Castro was unable to conclude on whether the expenditures met the eligibility

requirements.

For Aggregate Payments to Individuals, TMBCI personnel confirmed that the Cycle 5³⁷ report was prepared in a rush and TMBCI CARES program personnel failed to perform the required reporting duties in the GrantSolutions portal. As a result, the TMBCI legal counsel requested the assistance of an independent public accounting firm to assist in completing the information in GrantSolutions. The accounting firm worked with a spreadsheet rather than its accounting software. This resulted in errors because of the lack of access to the appropriate information. TMBCI did not have accounting professionals to assist with reporting, which created issues with various reporting requirements. Additionally, TMBCI personnel confirmed that these transactions should have been reported as Contracts greater than or equal to \$50,000. TMBCI personnel confirmed that they would make the correction in future GrantSolutions reporting cycles. As a result, Castro reported total questioned costs of \$ [REDACTED] for Aggregate Payments to Individuals. Based on the issues noted above, we determined that TMBCI was noncompliant with Treasury OIG Guidance OIG-CA-20-021.

Conclusion

We determined that the expenditures related to all payment types reviewed did not comply with the CARES Act and Treasury Guidance resulting in total questioned costs of \$32,333,620.36. Therefore, we determined TMBCI's risk of unallowable use of funds to be high. As such, Castro is recommending that Treasury OIG pursue obtaining supporting documentation from TMBCI personnel and ensure reporting corrections are made. Further, based on TMBCI's responsiveness to Treasury OIG's requests and its ability to provide documentation, we recommend Treasury OIG determine if a full-scope audit is feasible.

Additionally, we reviewed certain complaint allegations received by OIG. We found that expenditures related to the allegations reported in GrantSolutions of \$ [REDACTED] were unsupported due to a lack of documentation. Of the questioned amount, \$7,508,564.41 was included in our original transactions selected for testing as summarized in the *Summary of Expenditure Testing, Cumulative Expenditure Tested Amount* column above and we consider \$ [REDACTED] of this amount to be untested. We recommend that Treasury OIG follow-up with TMBCI personnel to obtain sufficient support to quantify expenditures related to these allegations and determine whether the amounts represent eligible CRF costs.

³⁷ Calendar quarter ending June 30, 2021.

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All work completed with this letter 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.³⁸ We appreciate the courtesies and cooperation provided to our staff during the desk review.

Sincerely,



Wayne Ference
Partner, Castro & Company, LLC

³⁸ <https://www.ignet.gov/sites/default/files/files/Silver%20Book%20Revision%20-%208-20-12r.pdf>