



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

OFFICE OF
INSPECTOR GENERAL

May 8, 2025

OIG-CA-25-041

**MEMORANDUM FOR GREGORY TILL, ACTING CHIEF PROGRAM OFFICER,
OFFICE OF CAPITAL ACCESS, DEPARTMENT OF THE
TREASURY**

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

SUBJECT: Desk Review of the State of Wisconsin's Use of
Coronavirus Relief Fund Proceeds

On February 14, 2023, we initiated a desk review of the State of Wisconsin's (Wisconsin) 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 Wisconsin's documentation supporting the uses of its CRF proceeds for aggregate payments to individuals (API) as reported in the GrantSolutions² portal and to assess the risk of unallowable use of funds. The scope of our review included all obligation and expenditure data reported quarterly in the GrantSolutions portal from March 1, 2020, through December 31, 2022 (cycles 1 through 11) and for the period of July 1, 2023, through September 30, 2023 (cycle 14).

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

- 1) reviewed Wisconsin's quarterly Financial Progress Reports (FPRs) submitted in the GrantSolutions portal for cycles 1 through 11 and 14;
- 2) reviewed the *Department of the Treasury's (Treasury) Coronavirus Relief Fund Guidance* (Guidance) as published in the Federal Register on January 15, 2021;³
- 3) reviewed Treasury's Office of Inspector General (OIG) *Coronavirus Relief*

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 which developed a customized and user-friendly reporting solution to capture the use of CRF payments from recipients.

³ 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

Fund Frequently Asked Questions Related to Reporting and Recordkeeping (FAQs),⁴

- 4) reviewed Treasury OIG's monitoring checklists⁵ of Wisconsin's quarterly FPR submissions for reporting deficiencies;
- 5) reviewed other issued audit reports, 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 a risk or impact Wisconsin's uses of CRF proceeds;
- 6) reviewed Treasury OIG Office of Investigations, the Council of the Inspectors General on Integrity and Efficiency's Pandemic Response Accountability Committee (PRAC),⁶ and Treasury OIG Office of Counsel input on issues that may pose a risk or impact Wisconsin's uses of CRF proceeds;
- 7) interviewed key personnel responsible for preparing and certifying the quarterly FPR submissions in Wisconsin's GrantSolutions portal, as well as officials responsible for obligating and expending CRF proceeds;
- 8) made a non-statistical selection of APIs⁷ identified through GrantSolutions reporting; and
- 9) evaluated documentation and records used to support Wisconsin's quarterly FPRs.

Based on the results of our desk review, Wisconsin's documentation supporting the uses of CRF proceeds complied with the CARES Act and Treasury's Guidance. Additionally, we determined that Wisconsin's risk of unallowable use of funds is low. As such, we will not be conducting an audit of Wisconsin.

⁴ 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).

⁵ 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* to monitor the prime recipients quarterly (OIG-CA-20-029R; April 19, 2021).

⁶ 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 11 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.

⁷ 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.

Non-Statistical Transaction Selection Methodology

Treasury issued a \$1,997,294,786 CRF payment to Wisconsin. As of September 30, 2023, Wisconsin's cumulative obligations and expenditures for the API payment type as reported in GrantSolutions for cycles 1-11 and subsequently cycle 14 was \$109,398,573.

We made a non-statistical selection of 143 transactions related to individuals Wisconsin made payments to with its CRF proceeds. Selections were made using auditor judgment based on (1) noticeable outliers;⁸ (2) duplicate transactions; and (3) transactions with the highest obligation/payment amounts.

These transactions were selected from 12 of 24 programs for which Wisconsin reported API related expenditures. The 12 programs are listed below:

- Department of Administration – Federal Funds Team
- Department of Administration – Wisconsin Rental Assistance Program Administration
- Department of Health Services – Direct Care Staff
- Department of Health Services – Federal Admin Leave
- Department of Health Services – Interchanged Staff
- Department of Public Instruction – State GEER Administration
- Department of Revenue – Agency Cost Tracker
- Department of Tourism – State Operations
- Department of Workforce Development – Unemployment Insurance Administration
- University of Wisconsin – Higher Education
- University of Wisconsin – System (Madison) Testing
- University of Wisconsin – System Testing

Background

The CARES Act appropriated \$150 billion to establish the CRF. Under the CRF, Treasury made payments for specified uses to States; eligible units of certain local governments; the District of Columbia; 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 Wisconsin for \$1,997,294,786. The CARES Act stipulates that a recipient may only use the funds to cover costs that—

- 1) were necessary expenditures incurred due to the public health emergency with respect to COVID-19;

⁸ Outliers include transactions (1) that did not align with the CARES Act criteria; (2) with missing/inconsistent information; or (3) with obligations incurred outside of the period that began on March 1, 2020, and ended on December 31, 2021.

- 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, 2021.⁹

Section 15011 of the CARES Act required each covered recipient¹⁰ 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^{11,12} 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 subcontracts or subgrantees.

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 the authority to recoup funds if it is determined a recipient failed to comply with the requirements of subsection 601(d) of the Social Security Act, as amended by (42 U.S.C. 801(d)).

Desk Review Results

Our review of Wisconsin's quarterly FPR submissions through September 30, 2023, found that FPR submissions were timely. Transactions selected for detailed review were supported by documentation and were allowable expenditures in accordance with the CARES Act and Treasury's Guidance. We noted that the tested API 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 of March 1, 2020, to December 31, 2021. The transactions selected for testing were not selected statistically, and therefore results cannot be extrapolated to the total universe of transactions.

⁹ 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.

¹⁰ 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.

¹¹ 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.

¹² Section 15011 of P.L. 116-136 defines large, covered funds as covered funds that amount to more than \$150,000.

Conclusion

Based on our review of Wisconsin’s documentation supporting the uses of CRF proceeds as reported in the GrantSolutions portal, we determined that the expenditures complied with the CARES Act and Treasury’s Guidance. Additionally, we determined Wisconsin’s risk of unallowable use of funds was low. As such, we will not be conducting an audit of Wisconsin.

State of Wisconsin Response

The State of Wisconsin concurred with our assessment. On April 30, 2025, the State 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.¹³ We appreciate the courtesies 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.

Sincerely,

/s/

Pauletta P. Battle
Acting Assistant Inspector General for Audit

- cc: Danielle R. Christensen, Deputy Chief Program Officer for State and Local Programs, Office of Capital Access, Department of the Treasury
- Michelle A. Dickerman, Deputy Assistant General Counsel, Department of the Treasury
- Anne Hanson, Deputy Secretary, Department of Administration, State of Wisconsin
- Colleen Holtan, Director, Bureau of Financial Management, Division of

¹³ <https://www.ignet.gov/sites/default/files/files/Silver%20Book%20Revision%20-%208-20-12r.pdf>

Enterprise Operations, Department of Administration, State of Wisconsin
Daniel Subach, Executive Policy and Budget Analyst, Division of Executive
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**STATE OF WISCONSIN
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April 30, 2025

Dear Director Jones:

Thank you for the opportunity to review the formal draft memo for the limited desk review of the State of Wisconsin's use of the Coronavirus Relief Fund (CRF).

We are pleased that the Department of Treasury Office of Inspector General found the State's documentation supporting the use of CRF proceeds complied with federal law and Treasury's guidance. We concur with the assessment and accordingly have no plans for corrective action(s).

We appreciate the professionalism and collegiality your staff demonstrated throughout the engagement.

Sincerely,

Andrew Schwartz

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