



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

OFFICE OF  
INSPECTOR GENERAL

May 13, 2026

OIG-CA-26-032

Mr. Jamie Jerosky  
Assistant Director  
Pennsylvania Office of the Budget  
555 Walnut Street  
Harrisburg, PA 17101

Re: Final Determination on Corrective Actions for Desk Review of the  
Commonwealth of Pennsylvania's Use of Coronavirus Relief Fund Proceeds  
(OIG-CA-25-012)

Dear Mr. Jerosky:

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act),<sup>1</sup> established the Coronavirus Relief Fund (CRF) and appropriated \$150 billion for making payments to states, District of Columbia, local, territorial, and tribal government entities. CRF recipients may use the CRF award funds to cover costs that:

1. were 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 government's budget most recently approved as of March 27, 2020; and
3. were incurred during the period that began on March 1, 2020, and ended on 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).

Under a contract monitored by our office, a certified independent public accounting firm (IPA) performed a desk review to evaluate the Commonwealth of Pennsylvania's (Pennsylvania) documentation supporting its use of CRF proceeds as reported in the GrantSolutions<sup>2</sup> portal. In the desk review memorandum,<sup>3</sup> the IPA identified total unsupported and ineligible questioned costs of \$61,282,912.

Specifically,

---

<sup>1</sup> P.L. 116-136 (March 27, 2020)

<sup>2</sup> GrantSolutions, a grant and program management Federal shared service provider under the United States Department of Health and Human Services, developed a customized and user-friendly reporting solution to capture the use of CRF payments from prime recipients.

<sup>3</sup> Treasury OIG, *Desk Review of the Commonwealth of Pennsylvania's Use of Coronavirus Relief Fund Proceeds*, OIG-CA-25-012 (December 4, 2024)

- In the “grants greater than or equal to \$50,000” category, the IPA identified unsupported questioned costs of \$1,677,874 related to four grant programs and \$4,121,902 for a grant incentive program.
- In the “transfers greater than or equal to \$50,000” category, the IPA identified unsupported questioned costs of \$4,121,714 related to transfers made to four sub-recipients and ineligible questioned costs of \$2,250 related to workforce bonuses.
- In the “direct payments greater than or equal to \$50,000” category, the IPA identified unsupported questioned costs of \$50,133,833 related to two grant programs and \$931,092 for potential duplicates payments; and ineligible questioned costs of \$18,151 related to prepaid subscriptions.
- In the “aggregate reporting less than \$50,000” category, the IPA identified unsupported questioned costs of \$38,032 for payroll expenses and ineligible questioned costs of \$238,064 related to interest costs.

In April 2025, we contacted Pennsylvania requesting the state to provide supporting documentation for the questioned costs. Between May 2025 and March 2026, Pennsylvania provided adequate documentation for the \$28,861,650 questioned costs, and eligible replacement expenses documentation for the \$32,421,262 questioned costs. The replacement expenses were related to public health and safety payroll costs. As such, Pennsylvania’s corrective actions addressed the questioned costs identified in the desk review.

We appreciate the courtesies and cooperation provided to our staff during the desk review follow-up. If you have any questions or require further information, please contact me at (202) 927-5400, or a member of your staff may contact Olivia Scott, Acting Audit Director, at (202) 277-1196.

Sincerely,

/s/

Pauletta Battle  
Assistant Inspector General for Audit

cc: Michelle A. Dickerman, Deputy Assistant General Counsel, Department of the Treasury  
Danielle Christensen, Deputy Chief Program Officer for State and Local Programs, Office of Capital Access, Department of the Treasury  
Jeffery W. Stout, Acting Chief Program Officer, Office of Capital Access, Department of the Treasury  
Thao P. Tran, Acting Chief Operating Officer, Department of the Treasury