

# Auditing Hurricane Sandy Disaster Relief Funds

## HHS Office of Inspector General



October 24, 2013



# About Your Speaker

- **Steven M. DeGroff, Senior Auditor, CFE, CGFM**
  - With the Office of Inspector General (OIG) in our Albany, NY Field Office since 2001
  - Responsible for supervising audits in many areas, including public health programs, family aid programs, grant and contract awards, Federal Government procurement activities, and Medicaid

# Disclaimer

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- The opinions expressed today are those of the speaker and not necessarily the opinions of the Department of Health and Human Services (HHS), Office of Inspector General

# Agenda

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- Who We Are
- HHS Hurricane Sandy Funding
- Prior Audit Experience with Disasters
- Planned Audit Approach

# Who We Are

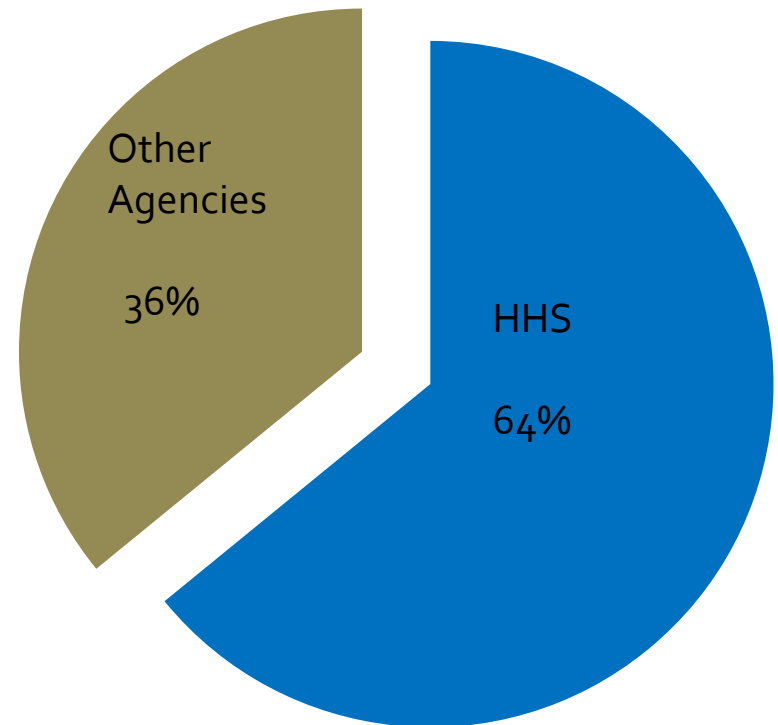
# Who We Are

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- OIG oversight includes
  - Medicare
  - Medicaid
  - Discretionary-funding programs (e.g., National Institutes of Health (NIH) and Centers for Disease Control and Prevention (CDC))

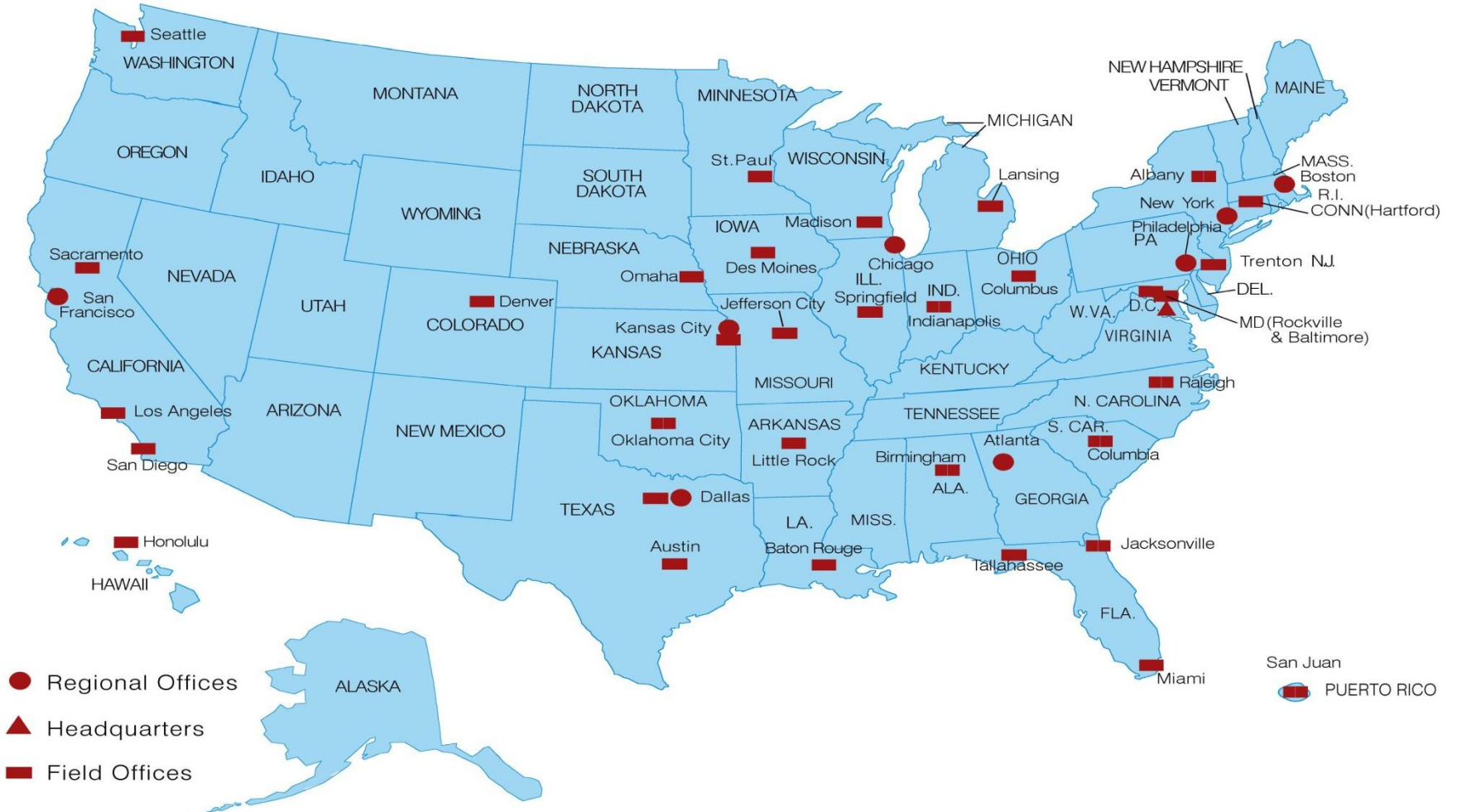
# Who We Are

- FY2012 Federal Discretionary Grant Spending
- Government-wide - \$532 billion
- HHS - \$341 billion



# Who We Are

## Office of Audit Services Locations



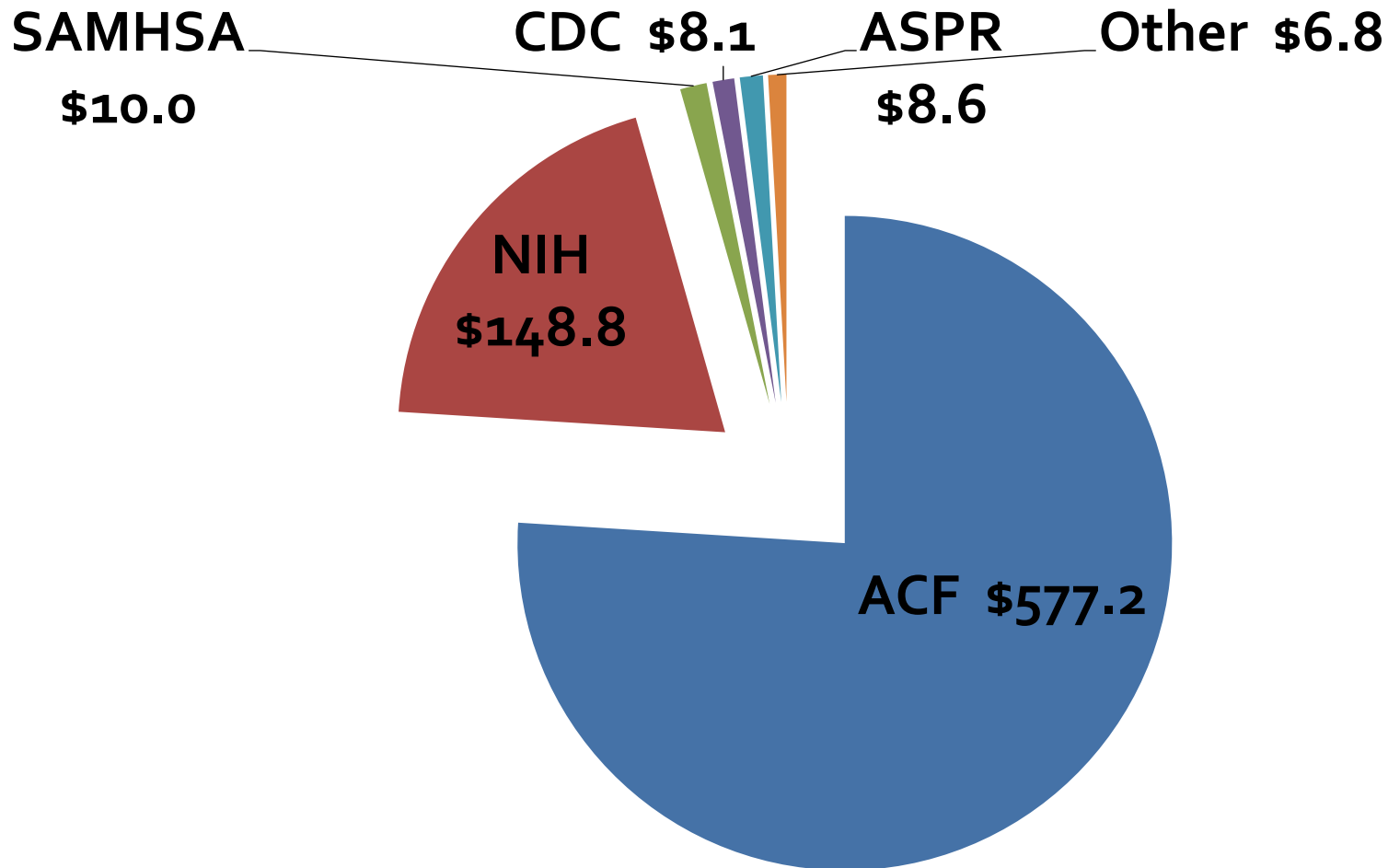


# HHS Hurricane Sandy Funding

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- The Disaster Relief Act provided HHS about \$760 million in funding for use in aiding Hurricane Sandy disaster victims and their communities
  - Hurricane Sandy – October 29, 2012
  - Disaster Relief Act – January 29, 2013

# HHS Hurricane Sandy Funding (in millions)



# **Administration for Children and Families (ACF)**

- ACF's mission is to foster health and well-being by providing federal leadership, partnership and resources for the compassionate and effective delivery of human services

# ACF

- ACF awards grants to state and local governments, non-profit groups, faith and community-based organizations, and Native American communities to promote the economic and social well-being of families, children, individuals and communities

# ACF

- ACF Received \$577.2 Million in Sandy Funding
- Programs
  - Social Services Block Grant (SSBG) - \$474.5 million
  - Head Start - \$95 million
  - Family Violence Prevention Services - \$2 million
  - Administration and Oversight - \$5.7 million

# ACF Social Services Block Grant

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- The SSBG enables each state or territory to meet the needs of its residents through locally relevant social services



# ACF Social Services Block Grant

## ■ SSBG (All Sandy Funds Awarded as of 9/13/13)

■ New York:	\$235,434,600
■ New Jersey:	\$226,794,105
■ Connecticut:	\$ 10,569,192
■ Maryland:	\$ 1,185,675
■ Rhode Island:	<u>\$ 516,428</u>
■ Total	\$474,500,000

# ACF Head Start Program

- The Head Start program provides grants to local public and private non-profit and for-profit agencies to promote the school readiness of children from low-income families by enhancing their cognitive, social, and emotional development

# ACF Head Start Program

- Head Start - Total Sandy funding was \$94,976,000
  - 24 grantees submitted funding applications totaling \$45,929,682
    - \$7,545,919 has been awarded to 9 grantees as of 9/13/13
  - The remaining \$49,046,318 is still available for grantees to submit funding applications

# ACF Family Violence Prevention

- The Family Violence Prevention and Services Act (FVPSA) provides grants to local organizations and programs demonstrating effectiveness in the field of domestic violence services and prevention

# ACF Family Violence Prevention

- FVPSA (All Sandy funds awarded as of 9/13/13)
  - NJ Department of Children & Family \$775,000
  - NY Office of Children & Family Services \$775,000
  - Family Violence Hotline for Disaster Relief \$275,000
  - NJ Coalition for Battered Women \$175,000
  - Total \$2,000,000

# ACF Administration and Oversight

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- Administration and Oversight
  - Sandy funding \$5.7 million

# National Institutes of Health (NIH)

- NIH's mission is to seek fundamental knowledge about the nature and behavior of living systems and the application of that knowledge to enhance health, lengthen life, and reduce illness and disability



- NIH Received Sandy Funding of \$148.8 Million
- Program
  - Research Restoration, Construction & Safety Training
- NIH has issued six Funding Opportunity Announcements (FOAs)

- (1) Extramural Research Facilities Construction/Restoration
  - \$66 million
- (2) Administrative Supplements to Recover Non-Construction Losses
  - \$64.1 million
- (3) Restoring Research Resources
  - \$9.5 million

- (4) Shared Instrumentation
  - \$5 million
- (5) Restoration of New Investigator Pilot Projects
  - \$2 million
- (6) Hazardous Materials Worker Health and Safety Training
  - \$1.3 million

# **Substance Abuse and Mental Health Services Administration (SAMHSA)**

# SAMHSA

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- SAMHSA's mission is to reduce the impact of substance abuse and mental illness on America's communities

# SAMHSA

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- SAMHSA Received \$10 Million in Sandy Funding
  - \$2.5 million will be returned

# SAMHSA

- Programs
  - National Disaster Distress Helpline (\$2.1 million)
  - Behavioral Health Treatment (\$2.95 million)
  - Crisis Counseling & Treatment for Relocated Survivors (\$900,000)
  - Medication Assisted Treatment of Opioid Addiction Restoration (\$800,000)
  - Resiliency Training for Educators (\$750,000)

# Centers for Disease Control and Prevention (CDC)



- As the nation's health protection agency, CDC saves lives and protects people from health threats
- To accomplish its mission, CDC conducts critical science research and provides health information that protects our nation against expensive and dangerous health threats, and responds to these threats when they arise



- CDC Received Sandy Funding of \$8.1 Million
- Programs
  - Office of Public Health Preparedness & Response  
\$4.55 million
  - National Institute for Occupational Safety & Health  
\$2.7 million
  - National Center of Environmental Health  
\$100,000
- Remaining \$750,000 will be returned

# CDC - Office of Public Health Preparedness & Response

Fungal Exposure in NYC Homes Damaged by Hurricane Sandy and Respiratory Outcomes	\$1,000,000
Assessing Health Effects and Risk Factors after Hurricane Sandy in NYS	600,000
Impact of Hurricane Sandy on Morbidity and Mortality in NYC	600,000
Development of a Vulnerability profile of the psychological sequelae of Hurricane Sandy	600,000
Impacts on Health and Mental Health Post Superstorm Sandy, New Jersey	550,000
NYSDOH Hurricane Sandy Recovery: Priority Research Area C – Evaluation of the Public Health Response	400,000
Evaluation of Public Health Systems Response to Hurricane Sandy in the NYC Area	400,000
Examining and Enhancing Public Health Workers Sense of Efficacy Toward Hurricane Sandy	400,000
Total	\$4,550,000

# CDC - National Institute for Occupational Safety & Health

Assessing and Managing Health Risks from Fugitive Chemicals after Hurricane Sandy	\$ 600,000
Reducing Occupational Hazards of Sandy-Related Work of Immigrant Day Laborers	550,000
Impact of Health Department Worker Safety Training on Health Impacts after Sandy	550,000
Evaluating the Needs, Knowledge and Health Impacts of Three Worker Populations During and After Super-storm Sandy	500,000
Recovery from Catastrophic Weather: Mold Exposure and Health-Related Training	500,000
Total	\$2,700,000

# CDC - National Center of Environmental Health

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- Contract with American Association of Poison Control Centers
  - \$100,000

# Assistant Secretary for Preparedness and Response (ASPR)

# ASPR

- ASPR focuses on preparedness planning and response; building federal emergency medical operational capabilities; countermeasures research, advance development, and procurement; and grants to strengthen the capabilities of hospitals and health care systems in public health emergencies and medical disasters

# ASPR

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- ASPR Received Sandy Funding of \$8.6 Million
- \$7.6 Million-Health System Response & Recovery Research & Evaluation Projects
- \$1 Million-Create a Data Set



# Other Funding

# Other Funding

- \$6.8 million in Sandy funding
  - \$5 million for OIG for oversight of funds
  - \$1.8 million in unallocated funds that are reserved for emerging issues

# **Prior Audit Experience**

## **Economic and Natural Disaster Recovery Efforts**

# Recovery Act (ARRA) Funding

- Grantees pressured to spend down funds immediately
- Costs were not reasonable, allowable, and allocable
- Costs were not properly documented

# Hurricane Katrina Funding

- OIG issued over 200 reports
  - Grantee non-compliance with Federal requirements during the award process
  - Emergency services provided to ineligible recipients
  - Costs not properly documented
  - Costs not applicable to Federal program

# Planned Audit Approach

# Planned Audit Approach

- Current Audit
  - Internal controls at ACF, NIH, SAMHSA, CDC, and ASPR
- Future Audits
  - Audits of states and selected grantees, based on risk assessments

# Planned Audit Approach

- Things We Will be Looking for
  - Eligibility
  - Unallowable purchases
  - Duplicate reimbursement
  - Misallocation of costs
  - Unsupported costs
  - Federal interest in property



# Questions?

