



Recovery Accountability and Transparency Board
1717 Pennsylvania Avenue NW, Suite 700
Washington DC 20006-4614

August 13, 2010 Minutes

A meeting of the Recovery Accountability and Transparency Board was held in Washington, D.C. on Friday, August 13, 2010, at 1:30 p.m. and continued until 2:30 p.m.

ATTENDEES

Board Members:

Earl E. Devaney, Chairman, Recovery Accountability and Transparency Board
Richard Skinner, Inspector General, U.S. Department of Homeland Security
Phyllis Fong, Inspector General, U.S. Department of Agriculture
Todd Zinser, Inspector General, U.S. Department of Commerce
Gregory H. Friedman, Inspector General, U.S. Department of Energy
Daniel Levinson, Inspector General, U.S. Department of Health and Human Services
Glenn A. Fine, Inspector General, U.S. Department of Justice
Calvin L. Scovel III, Inspector General, U.S. Department of Transportation
Eric M. Thorson, Inspector General, U.S. Department of the Treasury
Mary Kendall, Acting Inspector General, U.S. Department of the Interior

Proxy Attendee (Non-Voting):

Lynne Halbrooks, Principal Deputy, U.S. Department of Defense
Judy Grady, Senior Advisor to the Treasury Inspector General for Tax Administration
Mary Mitchelson, Deputy Inspector General, U.S. Department of Education

Board Staff:

Glen Walker, Executive Director
Ed Pound, Director, Communications
Jennifer Dure, General Counsel
John Higgins, Director, Accountability
Douglas Hasebrock, Assistant Director, Investigations
Michael Wood, Director, Recovery.gov
Tara Porter, Board Secretary

DISCUSSION

Mr. Devaney called the meeting to order at 1:30 p.m. By unanimous vote of Board members present the July 9, 2010 minutes were approved.

Mr. Scovel, Chair, Recovery Funds Working Group Committee provided the Board members with an update on the activities of the Working Group. The data quality report on the accuracy of Recovery Act recipient reported data will be submitted to the Board prior to the September 2010 meeting. A new working group, the Grant Fraud Indicator Work Group, will identify points in the grant process that may be susceptible to fraud. The kick-off meeting for the new working group will occur in September. Board staff will sample job estimates from Recovery Act recipients. The sample will be used to determine the accuracy of job estimates and to gain a better understanding of jobs being created at the sub-recipient level. Data from the October 2010 reporting cycle will be used for this analysis. Board staff is examining Single Audit data to

determine what steps can be taken to ensure agencies are using Single Audit data to conduct risk assessments prior to a Recovery Act award being made.

On behalf of Mr. George, Chair, Recovery.gov, who was unable to attend the meeting, Mr. Wood, Director, Recovery.gov, indicated that MITRE, a non-profit organization, has completed a second review of Recovery.gov and provided the Board with a report on possible improvements for the website. Mr. Devaney indicated that some of the improvements have already been made and he is inclined to implement the other suggestions. Mr. Wood noted that the Recovery.gov website will be redesigned to include a display of Recovery Act data designed by Edward Tufte. Mr. Wood also provided Board members with updated statistics from the fourth round of recipient reporting. Finally, Mr. Wood provided the Board members with an overview of the number of OIG reports posted to Recovery.gov thus far. A Board member suggested that a summary/synthesis of the OIG reports be issued.

Mr. Skinner, Chair, Accountability Committee, proposed that the Board purchase additional software for the Recovery Operations Center (ROC) to aid in the effort to identify entities that may be committing fraud with Recovery Act funds. Mr. Hassebrock, Assistant Director, Investigations, indicated that the new software would enable the ROC to compare data sets and choose search parameters that are unique to specific data sets. Board members discussed the cost associated with the software and the scope of work envisioned with the new software. The Board members present did not object to moving forward with procuring the new software. Mr. Devaney indicated that the Board members would be kept apprised of the procurement process.

Mr. Hassebrock notified the Board members that the CMS pilot, a review of CMS hotline calls and potential enrollee data using fraud analytics software available in the ROC, would end in August. Mr. Hassebrock also provided an overview of the statistics associated with Recovery Act investigations. Board members discussed the importance of all OIGs providing Recovery Act complaint data to the Board and discussed an approach to work with those OIGs that are not providing the data.

Mr. Devaney informed the Board that the Recovery Independent Advisory Panel held its first public meeting on August 5, 2010 in Massachusetts. Officials from the Massachusetts Recovery and Reinvestment Office and the City of Boston made presentations to the panel about Recovery Act implementation, oversight, and transparency. The Executive (closed) Session of the Panel focused on how to better understand the amount of fraud that may be occurring in the Recovery Act programs. Board members discussed possible approaches to identifying the amount of fraud in the Recovery Act programs.

Mr. Devaney reminded the Board members about the Recovery Act-themed Biennial National Procurement Fraud Task Force Training scheduled for November 2010 and encouraged participation in the event. He also indicated that DOJ was in the process of finalizing its *Total Accountability Initiative* that will focus on taking criminal, civil, and administrative action against entities fraudulently using Recovery Act funds. Finally, Mr. Devaney informed the Board members that a recently passed jobs bill included language that the job funds would be subject to the requirements of the Recovery Act. Board staff is meeting with OMB to determine what this means in terms of reporting and displaying the information on Recovery.gov.