



U.S. Department of Agriculture
Office of Inspector General



OIG Oversight Plan American Relief Act Funding

March 2025



**UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF INSPECTOR GENERAL
OIG OVERSIGHT PLAN
AMERICAN RELIEF ACT FUNDING
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Introduction

The [*American Relief Act of 2025*](#), Pub. L. No. 118-158 (the Act) provided the U.S. Department of Agriculture (USDA) with approximately \$39.8 billion to carry out projects and activities related to agricultural disaster assistance. It also provided USDA Office of Inspector General (OIG) with \$7.5 million for oversight of such projects and activities carried out with the funds made available to USDA under the Act.

This document describes our plan to oversee these funds. It includes a breakdown of the funding provided for USDA OIG's approach to oversight and our strategic framework for oversight of the \$39.8 billion provided to USDA for disaster relief efforts. USDA programs, grants, and activities funded by that Act include:

- Approximately \$30.7 billion to the Office of the Secretary for necessary expenses related to losses of revenue, quality or production of crops (including milk, on-farm stored commodities, crops prevented from planting, and harvested adulterated wine grapes), trees, bushes, and vines. The loss of revenue, quality or production must be a consequence of droughts, wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, and excessive moisture occurring in calendar years 2023 and 2024, under such terms and conditions as determined by the Secretary of Agriculture. Of this amount:
 - \$2 billion shall be used to provide assistance to producers of livestock, as determined by the Secretary for losses incurred during calendar years 2023 and 2024, due to drought, wildfires, or floods;
 - Up to \$30 million may be used for reimbursement for administrative and operating expenses available for crop insurance contracts for 2022 and 2023 reinsurance years;
 - \$3 million shall be used to carry out regular testing for the purposes of verifying and validating the methodology and protocols of the inspection of molasses at any U.S. ports of entry; and
 - \$10 billion is available for economic assistance available pursuant to section 2102 of the Act.
- \$220 million for the Secretary to provide assistance in the form of block grants to eligible States to provide compensation to producers for necessary expenses related to crop, timber, and livestock losses, including on-farm infrastructure, as a consequence of any weather event in 2023 or 2024, that a State, in its sole discretion, determines warrants such relief;
- \$42.5 million to the Agricultural Research Service for Buildings and Facilities;

- Approximately \$356.5 million to the Farm Service Agency (FSA) for its Emergency Forest Restoration Program;
- \$828 million to FSA for its Emergency Conservation Program;
- \$920 million to the Natural Resources Conservation Program for the Emergency Watershed Protection Program;
- \$362.5 million for the Rural Development Disaster Assistance Fund;
- \$25 million for the Food and Nutrition Service’s Commodity Assistance Program; and
- Approximately \$6.3 billion for the Forest Service, for necessary expenses related to the consequences of calendar years 2022, 2023, and 2024 wildfires, hurricanes, and other natural disasters, as follows:
 - \$68.1 million for Forest Service Operations;
 - \$26 million for Forest and Rangeland Research;
 - \$208 million for State, Private, and Tribal Forestry, of which:
 - \$14 million shall be to provide Forest Health Protection assistance to States for an emerging eastern spruce budworm outbreak approaching the northeastern U.S. border;
 - Approximately \$2.5 billion for National Forest System, of which:
 - Approximately \$2.4 billion shall be for necessary expenses related to the consequences of calendar years 2022, 2023, and 2024 wildfires, hurricanes, and other natural disasters; and
 - \$75 million shall be for the construction or maintenance of shaded fuel breaks in the Pacific Regions; and
 - Approximately \$3.5 billion for Capital Improvement and Maintenance.

OIG’s Approach to Oversight

OIG’s [Strategic Plan](#) provides the foundation for all oversight activities, including investigations, audits, inspections, and analytics products. Our first goal is to promote effective oversight of USDA programs and operations with a focus on safety and security, integrity of benefits, the efficient delivery of USDA programs and initiatives, and oversight of USDA activities associated with supplemental funding. Under that goal, we have three strategic objectives:

- Prioritize work in high-risk and high-impact areas;
- Deliver high-quality and timely audit, inspections, investigations, and analytics products; and
- Leverage technology and data analytics to create and deploy advanced analytical tools utilized for potential fraud detection and performance risk assessments.

In addition, OIG focuses its oversight work to ensure that:

- USDA effectively distributes funds for assistance in a timely manner to be used appropriately;

- Agencies establish proper internal controls to prevent, detect, and deter fraud, waste, and abuse;
- Program participants meet eligibility guidelines;
- Program participants comply with program requirements;
- Agencies establish effective compliance operations;
- Agencies promote transparency and accountability in program spending and execution; and
- Officials investigate allegations of criminality and misconduct in a timely manner and hold those responsible for criminal activity related to USDA programs accountable.

Building on our oversight goals and objectives, OIG will form a multidisciplinary team composed of members from our Offices of Audit, Investigations, and Analytics and Innovation. This team will create a strategic framework to guide OIG's oversight of the funds provided to USDA for disaster relief.

We will post our disaster relief oversight products on our [website](#).

Strategic Framework for Disaster Relief Oversight

Our strategic framework will provide a structured approach for disaster relief oversight, including specific OIG oversight initiatives. This section describes (1) how we will assess risk and prepare to oversee disaster relief funds, (2) types of oversight activities and engagements, and (3) our planned coordination activities.

1. Assessing Risk:

As we prepare to oversee disaster relief funds, our team will assess the following areas, along with additional factors that we identify as we develop our strategic framework.

- Pertinent legislative history and guidance from the American Relief Act;
- Government-wide direction and reporting for disaster relief funding;
- Prior oversight history that is relevant to the use of disaster relief funds;
- Program funding in relation to Top Management Challenges;
- Number of open recommendations relevant to program vulnerabilities and improper payments for disaster relief-funded activities and how long the recommendations have been open;
- Known potential fraud risks associated with spending methodologies (e.g., contracts, grants);
- Programs receiving disaster relief funding with known fraud concerns or a high susceptibility to fraud;
- Data sources associated with USDA disaster relief-funded activities;
- USDA and agency plans to implement and oversee the disaster relief-funded activities;

- Dollar value of disaster relief funding for each program (materiality) and whether this funding will be used in new or existing programs and/or activities;
- Risk assessments of USDA disaster relief-funded activities;
- Error rate/improper payment data/default rate associated with existing programs that received disaster relief funding;
- Timing of disbursements (i.e., will funds be processed quickly to recipients or extended over a period of time);
- Agency implementation of new or enhanced controls or a control structure specifically for disaster relief funding;
- Known fraud indicators to assist in proactively isolating anomalies in disaster relief related data;
- Work planned or in progress within the oversight community (e.g., other Federal OIGs, State and local auditors, and the Government Accountability Office (GAO)) to avoid duplication of oversight efforts and allow for cross-agency collaboration as appropriate; and
- Identifying potential fraud and/or mismanagement to include assessing allegations from OIG complaint intake mechanisms; referrals from USDA agencies; referrals from law enforcement partners and whistleblower complaints; and potential fraud identified through OIG audits, inspections, and/or analytics activities.

2. Types of oversight activities and engagements:

Based on that review, our OIG team, including Audit, Investigations, and Analytics and Innovation, will direct their oversight efforts, both collectively and individually, toward the highest-risk activities pertaining to disaster relief funded by USDA. Specific activities and engagements to support the overall objectives of disaster relief oversight and the strategic framework may include the following but not be limited to:

- Issuing memoranda or reports that highlight prior oversight work and recommendations, including key themes and issues, which could strengthen the effective and efficient delivery of disaster funding;
- Evaluating and performing the necessary tests of the internal control systems for new and existing programs that received disaster relief funding to ensure: (1) funds are distributed timely, (2) program participants meet eligibility requirements, and (3) payments are accurately computed;
- Developing concept papers that highlight prior oversight work and recommendations, including key themes and issues, which could strengthen the effective and efficient delivery of disaster relief funding;
- Performing final action verifications of prior recommendations for the agencies and programs that received disaster relief funding;

- Developing spending transparency products (i.e., dashboards, data briefs, data stories) that provide stakeholders insight into disaster relief spending;
- Developing business intelligence products to proactively identify Federal program spending anomalies, patterns, known fraud indicators (i.e., red flags, tripwires) and trends to be used for investigative consideration;
- Conducting surveys and reporting results, as appropriate;
- Conducting statistical samples, computer matches, and other advanced data analysis activities (e.g., data mining, link analysis) related to planned and ongoing audits, inspections, and investigations;
- Investigating potentially false statements or false certifications to obtain funds and/or false documents submitted for reimbursement or payment;
- Developing additional expertise in tracing funds and assets that are suspected or otherwise proven as directly linked to fraudulently obtained reimbursements or payments and working to seize those funds/assets;
- Investigating allegations of contract fraud with the intent to help ensure a fair and equal playing field and weed out fraud and corruption schemes that occur before, during and after contracts are awarded;
- Opening criminal, civil, and/or administrative investigations as appropriate;
- Seeking agency administrative sanctions, including suspension and debarment, where appropriate;
- Further refining the strategic framework and associated plans as OIG performs its oversight activities and gains additional data-driven insight; and
- Reporting work completed within the strategic framework on the [OIG website](#) and in the relevant Semiannual Reports to Congress, as appropriate.

3. Coordination Activities:

As we conduct our work, we will coordinate with our partners. Examples of this collaboration include but are not limited to:

- Coordinating with other Federal OIGs, State and local auditors, and GAO overseeing similar disaster relief activities to share data, knowledge, and lessons learned;
- Conducting cross-cutting oversight initiatives with other Federal OIGs, State and local auditors, and GAO, as appropriate;
- Continuing active participation on various task forces at the national and regional levels to identify potential fraud schemes and working collaboratively with other Federal and State investigators and prosecutors;

- Liaising with USDA agencies to identify potentially fraudulent activities and coordinating with USDA agencies' compliance and investigations units to identify and jointly investigate violations, as appropriate;
- Coordinating with the U.S. Department of Justice, U.S. Attorneys, and State Attorney General Offices to pursue prosecution of violators, and seek civil remedies and/or asset forfeiture, when warranted; and
- Coordinating with key law enforcement partnerships within State, local, and Federal organizations; State or local prosecutors; the National Center for Disaster Fraud; and other work groups within the OIG and wider law enforcement communities.

Approved

Janet Sorensen
Acting Inspector General

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