

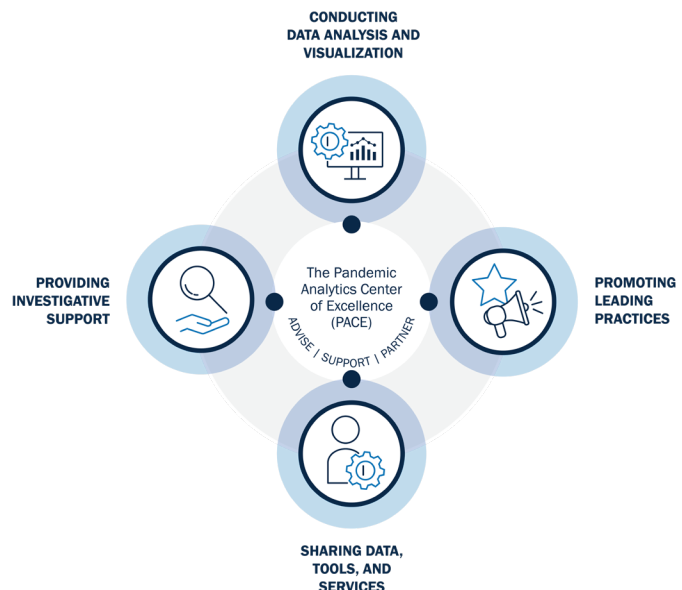
FACT SHEET – Pandemic Analytics Center of Excellence (PACE) Drives Analysis of Pandemic Response Funds to Identify Risks and Fight Fraud, Waste, and Abuse

To support its mission and that of its Office of Inspectors General (OIG) members, the Pandemic Response Accountability Committee (PRAC) has established the Pandemic Analytics Center of Excellence (PACE) to provide a leading-edge analytic platform with the capacity and scale to help oversee more than \$5 trillion in pandemic-related emergency spending. The PACE delivers analytic, audit, and investigation support to the oversight community as they root out historic levels of fraud, waste, and abuse in pandemic relief programs to ensure funds are used for their intended purpose.

With \$5 trillion in funding to oversee and widespread fraud reported across multiple relief programs, the PACE was built to help agencies find the highest risk areas to investigate. We combine oversight data in one place with a suite of enhanced analytic tools – so it can be shared and used to find fraud. One of the PACE’s strategic priorities is to provide risk models to both assist oversight professionals with prioritizing program recipients for audit and investigation, including triaging fraud complaints received from the public.

The PACE applies the best practices from the former Recovery Accountability and Transparency Board’s Recovery Operations Center (ROC), which supported OIGs in oversight of the American Recovery and Reinvestment Act of 2009. With the ROC, we learned that OIGs could better identify fraud and improper payments by combining data sets and using tools such as link analysis, text mining, and anomaly detection. The DATA Act of 2014 authorized the U.S. Department of the Treasury to transfer the ROC’s assets to Treasury when the organization sunset, but Treasury elected not to do so and the ROC was dissolved in September 2015.

Since 2015, data access and analytical capabilities have increased in the oversight community. Congress provided OIGs an exemption from the Computer Matching Act which enables greater data sharing, and many OIGs have created their own data analytics units. Rather than recreating a larger, single system, the PACE has adopted a Center of Excellence operating model to fight fraud, share the excellence in analytics occurring among OIGs, and act as an accelerator for OIGs regardless of their size or current



analytic capability. Our four pillars are: sharing data, tools, and services; promoting leading practices; conducting data analysis and visualization; and providing investigative support.

In developing the PACE, the PRAC's goal was to build an affordable, flexible, and scalable analytics platform that can support OIGs during their pandemic-related work and beyond the organization's sunset date in 2025.

The PACE is led by the PRAC's Chief Data Officer, who in coordination with the Chief Information Officer, is responsible for the coordination of technology, data, and business priorities.

Sharing Data, Tools, and Services: To date, the PRAC has acquired dozens of public and non-public federal spending data sets and has shared this data with 28 OIGs to help investigators better identify fraud that crosses agency boundaries.

In addition, the PACE promotes best practices; provides services to OIGs who lack data analytics capabilities; provides leading edge tools and training to OIG professionals; and promotes overall data literacy throughout the oversight community. The PACE established a Data Science Fellows program and to date has placed 12 Fellows with member OIGs. Fellows utilize sophisticated analytics tools to identify trends, patterns and anomalies to detect and prevent suspected fraud, waste, abuse and mismanagement of covered funds. This program provides public service opportunities to current data science students and recent graduates and a pipeline of technical talent to the oversight community.

Today, the PACE announced a multiple award Blanket Purchase Agreement (BPA) acquisition to strengthen the PRAC with IT & data management, analytics & visualization, and investigative support services. The acquisition was set aside for small businesses in recognition of the innovation and creativity that small businesses provide in developing analytics with a focus on fraud and abuse. Seven companies— A Square Group LLC, ASR Analytics, Elder Research, eSimplicity, i3 LLC, Praescent Analytics, and Total Systems Technologies Corporation (TSTC)— were awarded the BPA to support the PACE and partner OIGs over the next four years. The first task order was simultaneously awarded to i3 LLC to strengthen the PACE's underlying technology infrastructure and data environment, select and deploy analytic tools, develop analytic rules and models, and provide investigative support. This BPA will support PACE's future needs and was designed to be available for use by OIGs as a shared service in support of their unique pandemic oversight efforts.

Promoting Leading Practices: In September 2020, the PRAC created a data sharing working group that meets regularly and identifies data projects that cross agency and program boundaries. The PACE works in close collaboration with the working group which is leading a project on recipient multi-dipping and Paycheck Protection Program fraud. The PACE hosted a Data & Analytics Expo for the CIGIE community in June 2021 to highlight

current OIG analytic tools, standards, and practices. Additionally, the PRAC held an International Data Forum with counterparts from the United Kingdom and Australia in early July 2021 that featured discussion of pandemic relief programs in each country, the challenges faced in overseeing those relief programs, and how innovative approaches to data sharing and analytics allowed officials to address those challenges. The PACE is also working in close collaboration with the PRAC's Identity Fraud & Redress Working Group which is examining fraud associated with pandemic relief and will issue findings to improve the effectiveness of identity verification for beneficiaries.

Conducting Data Analysis and Visualization: Our analytic support tools include data matching, anomaly detection, risk modeling, social network analysis, robotic process automation, geospatial analysis, link analysis, business intelligence, and open-source intelligence. Currently, the PACE is supporting the OIG community to use robotic process automation to automate tasks associated with monitoring pandemic spending – an activity that currently requires manual review. This project will save critical time for both the OIG and the recipients that report spending information. In addition, we are assisting OIGs with development of risk models to help identify high-risk recipients of pandemic funds for additional audit or investigative oversight. We developed reusable computer code that we shared with OIGs which can be used to find every instance of a person or company across various data sources regardless of differences in the data (such as different spellings and alternative addresses).

Providing Investigative Support: The PACE supports OIG investigations and the PRAC Fraud Task Force through both ad hoc and proactive projects. Our data analytics effort is harvesting and mining data for the Task Force to investigate leads and prosecute fraud. Our social network analysis supports investigative work by uncovering insights on networks of individuals who may have defrauded pandemic relief programs.

Fulfilling the PRAC's mission of rooting out waste, fraud, and abuse in pandemic COVID response spending requires better technological tools, including the use of advanced data analytics to reveal ever-evolving fraud schemes and enable government agencies to take a proactive stance in preventing fraudulent payments; strengthen compliance and audit efforts; and recover ill-gotten gains. The PACE is providing the oversight community with the tools, expertise, and enhanced capacity needed to ensure that pandemic response funds are used for their intended purpose, and not wasted or misused.

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