

DOUGLAS R. HOFFER
STATE AUDITOR



STATE OF VERMONT
OFFICE OF THE STATE AUDITOR

To: Representative Kitty Toll, Chair, House Appropriations
Senator Jane Kitchel, Chair, Senate Appropriations

Date: 12 June 2020

Re: COVID-19 Audit provisions

Cc: Mitzi Johnson, Speaker of the House
Tim Ashe, President Pro Tem of the Senate

Good afternoon,

My office previously communicated that quick disbursement of federal COVID-19 funding while avoiding fraud, waste, abuse, and mismanagement is a critical but challenging task. Hasty distribution of federal funds, without stipulations for accountability, increases the risk of misuse. I understand the desire to get aid to Vermonters, but I'm concerned that the Legislature's COVID-19 spending proposals lack sufficient accountability provisions.

My office plans scrutiny of the State's distribution and spending of the COVID-19 federal funding which will aid in ensuring accountability and compliance. However, it is important that we be assured of unrestricted access to grant recipients' records for audit purposes. At times, state agencies and their private partners have limited my office's access to records and it's critical that this does not occur with respect to the use of the COVID-19 funds.

Administrative bulletins 3.5 and 5.0 include language regarding audit provisions.¹ It is essential that state agencies and sub-recipients authorized to disburse COVID-19 funds be required to include standard audit provisions in all contracts, loans and grants.

Therefore, I request that you add such an explicit requirement in all future bills authorizing the expenditure of COVID-19 funds. The State Auditor's Office must have access to records that relate to eligibility for and use of economic recovery grant funds.

Respectfully,

A handwritten signature in black ink that reads "DOUG HOFFER".

Doug Hoffer

¹ For example, see Bulletin 3.5 [Attachment C #13](#).