THE COVID AID WASTE COMPENDIUM

QUANTIFYING WASTE, FRAUD, AND MISALLOCATION OF TAXPAYER RESOURCES IN RESPONSE TO THE PANDEMIC

OPENTHEBOOKS OVERSIGHT REPORT

AS SEEN IN

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SINCLAIR BROADCAST GROUP
TED FORBES
NEW YORK POST
Newsweek
USA TODAY

OPENTHEBOOKS.COM | AMERICAN TRANSPARENCY
THE COVID AID WASTE COMpendium

QUANTIFYING WASTE, FRAUD, AND MISALLOCATION OF TAXPAYER RESOURCES IN RESPONSE TO THE PANDEMIC

Published: November, 2023

Dedicated to Dr. Tom Coburn
OpenTheBooks Honorary Chairman
Rest In Peace - March 28, 2020

By Adam Andrzejewski
Founder/CEO

Thomas W. Smith
Chairman

"OpenTheBooks is doing the work I envisioned when the Coburn-Obama bill became law. Their innovative app and other tools are putting sunlight through a magnifying glass."

U.S. Senator Tom Coburn, MD
Washington, D.C. | March 11, 2014

OUR REPORT MADE POSSIBLE BY:
The “Federal Funding Accountability and Transparency Act of 2006”

Sponsors:
Sen. Tom Coburn (R-OK) & Sen. Barack Obama (D-IL)
(Public Law 109-282, 109th Congress)

"I know that restoring transparency is not only the surest way to achieve results, but also to earn back the trust in government…”

U.S. Sen. Barack Obama

As the pandemic unfolded in real time, our auditors gave hard oversight to nearly every facet of congressional aid.

During the three years of pandemic spending, nearly every federal program was either legally or illegally looted.

The trillions of dollars spent on COVID-19 "bailouts" will be a subject of controversy for decades to come. The medical community will grapple with their efficacy and unintended consequences. Economists will debate the economic impacts.

One thing is for certain, though—as in any emergency, real or self-imposed, Congress threw heaps of money at the pandemic without much forethought. The result, as always, was overspending. And every dime was borrowed from our national debt.

What government program ran well? Did the Covid-aid follow those who had real needs or was the American taxpayer sold out by our elites?
"WE BELIEVE TRANSPARENCY CAN REVOLUTIONIZE HOW WE GOVERN OURSELVES."

Thomas W. Smith, Chairman Of The Board
Adam Andrzejewski, CEO/Founder
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TOP 10 TAKEAWAYS

1. PANDEMIC RESPONSE: Congress provided 44 federal agencies with total resources of $4.68 trillion – today, total outlays are $4.3 trillion. Every dime was borrowed against our national debt.

2. THE KICKOFF: The CARES Act increased federal deficits by $1.7 trillion including $988 billion in increased mandatory outlays, $408 billion decreased revenues, and $326 billion increased discretionary outlays.

3. LARGEST PUBLIC FRAUD IN HISTORY: An estimated $400 billion in fraud the Covid-aid programs due to a rushed rollout and lax oversight. (Math: $100 billion in Paycheck Protection Program waste; $200 billion in stolen unemployment aid; and $80 billion in economic disaster loans; plus billions in other frauds such as TANF and SNAP - now estimated at $1 billion per month).

4. THE PAYCHECK PROTECTION PROGRAM (PPP) doled out $787 billion to allow businesses and nonprofits to pay employees when they were forced to close. Nearly half of the largest 300 law firms and three quarters of the largest accounting firms were forgiven on their loans. Up to $200 billion was stolen from the programs for small businesses.

5. THE HIGHER EDUCATION EMERGENCY RELIEF FUND doled out $76 billion to colleges and universities. The top 25 universities with the largest endowments received $801.3 million in CARES Act subsidies alone, while those schools held a collective $350 billion in their endowments. From all three pandemic aid bills, the top 25 schools received $4.2 billion in Covid-aid despite having $482 billion in their collective endowments.
6. **UNEMPLOYMENT AID FROM PANDEMIC PROGRAMS** cost $888 billion through July 31, 2023. It’s estimated that $191 billion to $400 billion was stolen by criminals, con artists, and crime syndicates from around the world.

7. **NONPROFIT HOSPITALS RACKED UP BIG PROFITS:** Medical providers received $175 billion in aid. The top 20 largest nonprofit hospitals received $23 billion and their net assets increased by $124 billion during the pandemic years.

8. **THE AIRLINE INDUSTRY** was boosted with $54 billion allocated by Congress. Yet, Southwest ($7.2 billion subsidy) couldn’t keep a plane in the air and canceled Christmas for 2 million customers.

9. **DEAD PEOPLE PAID BILLIONS IN ‘STIMULUS’:** Direct payments to individuals in the form of economic stimulus checks totaled $271 billion including $3.6 billion paid to 2.2 million dead people. The IRS rushed the payments without checking Social Security’s ‘deceased persons’ list!

10. **BAILOUT FOR STATES RUNNING SURPLUSES:** California, with a $75 billion budget surplus, received $26 billion. Florida and Texas were running surpluses and received big billion-dollar bailouts.
KEY TAKEAWAYS

• $787 billion allocated by Congress.
• 95-percent of PPP “loans” were forgiven and never paid back.
• An estimated $136 billion (17-percent) was stolen by criminals, con artists and crime syndicates from around the world - from this program alone.
• Many entities who legally qualified for the program had no demonstrated financial need.
• $3.6 billion in PPP lending flowed to entities on the U.S. Treasury’s “Do Not Pay” list.
• Use our interactive map to review all forgiven PPP loans by ZIP Code across America.

BACKGROUND

When COVID-19 began to infect Americans in early 2020, Congress appropriated $787 billion under the Paycheck Protection Program (PPP) to allow businesses and nonprofits to pay employees when they were forced to close.

These payments were made in the form of low-interest loans that would be forgiven if the funds were spent on salaries, wages, and related expenses. PPP’s purpose was to maintain payrolls and incomes while the country fought through the early months of the virus.

Our study reported that more than 95% of these loans were forgiven, and many were sent out to wealthy organizations, including top law and accounting firms, country clubs, and even family offices that were facing little financial concern.
At the height of the pandemic, 57,000 entities listed on the Do Not Pay list were paid $3.6 billion in PPP program funds. How? The SBA, the Small Business Administration didn’t check the Treasury’s Do Not Pay list before cutting the check.

The Office of Inspector General of the U.S. Small Business Administration (OIG) reported that 17-percent of all PPP lending was flagged for fraudulent activity.

The OIG’s oversight and investigative work has resulted in 1,011 indictments, 803 arrests, and 529 convictions related to COVID-19 EIDL and PPP fraud as of May 2023. OIG collaboration with SBA, the U.S. Secret Service, other federal agencies, and financial institutions has resulted in nearly $30 billion being seized or returned. June 2023

**Waste of the Day: Gang Members Used PPP Relief Funds to Hire Hitmen**
Real Clear Wire by Adam Andrzejewski | November 10, 2023

**Over $600M in PPP Loans Given to 179 Ineligible Nonprofits**
The National Desk at Sinclair Broadcast Group | October 21, 2022

**CCP-Linked Firms May Have Received More Than $400 Million in Virus Relief Loans**
Epoch Times | May 3, 2021

**INTERACTIVE MAP: ALL FORGIVEN PPP LOANS $150,000+**
Our auditors at OpenTheBooks.com created an interactive map of all forgiven PPP loans at $150,000 or more. Just click a pin (ZIP Code) and scroll down to see the names of the companies in your neighborhood receiving forgiven PPP loans.
CASE STUDIES

BigLaw

We found 126 of the largest 300 law firms took $809 million in forgiven PPP loans. Overall, some 25,000 law and accounting firms received $13 billion in PPP loans. While those firms may have qualified for the payments, it is questionable whether they really needed them.

Boies Schiller Flexner (Boca Raton, FL) received a $10.14 million PPP loan in April 2020 that was forgiven in October 2021. During the period 2020 and 2021, firm’s equity partners earned $4.5 million each in profit compensation – receiving $2.219 million (2021) and $2.283 million (2020). The firm billed clients $480 million during this two-year period.

Kasowitz Benson Torres (New York, NY) successfully navigated the pandemic. Its revenues grew from $216.8 million (2019), to $219.4 million (2020) and then $238.4 million (2021). In April 2020, the firm received a $10.13 million PPP loan that was forgiven in July 2021 – while profit per equity partner averaged $2.418 million (2021).

Day Pitney LLP (Hartford, CT), ranked 165, received a $10.11 million loan with forgiveness in June 2021. The firm posted revenues of $184.3 million up 10.5% from $164.9 million in 2020.

Cole Scott & Kissane (Miami, FL) ranked 89, had $3.8 million in profits per equity partner in 2021. Their $10.11 million PPP loan was forgiven in August 2021 and $2.5 million in PPP funds wasn’t used for payroll, but utilities. The firm billed clients $171.2 million in 2021 up from $170.3 million in 2020.

10 LARGEST FORGIVEN PPP LOANS

<table>
<thead>
<tr>
<th>FIRM NAME</th>
<th>RANKED</th>
<th>2021 REVENUES</th>
<th>FORGIVEN PPP LOAN</th>
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<td>Boies Schiller Flexner LLP</td>
<td>245</td>
<td>$230 million</td>
<td>$10.14 million</td>
</tr>
<tr>
<td>Maynard Cooper &amp; Gale, PC</td>
<td>154</td>
<td>undisclosed</td>
<td>$10.13 million</td>
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<tr>
<td>Kasowitz Benson Torres LLP</td>
<td>184</td>
<td>$238.4 million</td>
<td>$10.13 million</td>
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<tr>
<td>Gray Robinson PA</td>
<td>171</td>
<td>$156.8 million</td>
<td>$10.12 million</td>
</tr>
<tr>
<td>Day Pitney LLP</td>
<td>165</td>
<td>$184.3 million</td>
<td>$10.11 million</td>
</tr>
<tr>
<td>Cole Scott &amp; Kissane PA</td>
<td>89</td>
<td>$171.2 million</td>
<td>$10.11 million</td>
</tr>
<tr>
<td>Kelley Drye &amp; Warren LLP</td>
<td>167</td>
<td>$233 million</td>
<td>$10.10 million</td>
</tr>
<tr>
<td>Goldstone, Smith, Henning &amp; Berman LLP</td>
<td>128</td>
<td>undisclosed</td>
<td>$10.08 million</td>
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<td>Williams, Mullen, Clark &amp; Dobbins PC</td>
<td>186</td>
<td>$162 million</td>
<td>$10.06 million</td>
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<tr>
<td>Benesch, Friedlander, Coplan &amp; Aronoff LLP</td>
<td>158</td>
<td>$212.1 million</td>
<td>$9.97 million</td>
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</tbody>
</table>

Sources:
2022 Am Law 200: By The Numbers (2021)
National Law Journal The NLJ 500, Small Business Administration, PPP Database (04/30/22)
BigAccounting
We found 236 of the largest 300 accounting firms took $635 million in forgiven PPP loans. The average firm received $2.6 million. Again, while those firms may have qualified for the payments, it’s questionable whether they had any demonstrated financial need.

The Guam office of Ernst & Young, a Big Three accounting firm with 365,000 employees, took a $750,000 forgiven loan. Our comment request for justification was ignored.

Prager Metis CPAs, ranked #45 among top law firms by Inside Public Accounting, had its $10.2 million loan forgiven in June 2022. The firm had $139 million in net revenue in 2021, up from $123.9 million in 2020. In 2019, the firm billed net revenue of $133.9 million.

Marcum LLP, ranked #16 among top firms, absorbed Friedman LLP in September 2022. Friedman LLP received a $9.4 million loan, which was forgiven in August 2021. Friedman’s revenue in the two years before selling to Marcum reflected increases during the pandemic $145 million in 2020 and $135 million in 2019. Marcum is an $800 million firm.

WithumSmith + Brown, P.C., ranked #22, received a $10 million loan, forgiven in June 2021, while the company saw consistent growth throughout the pandemic. Its 2021 net revenue was $425.3 million, way up from $257 million in 2020 and $223 million in 2019.

### 10 Largest Forgiven PPP Loans
#### Top 300 Accounting Firms

<table>
<thead>
<tr>
<th>Firm Name</th>
<th>Ranked</th>
<th>2021 Net Income</th>
<th>Forgiven PPP Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prager Metis CPAs, LLC</td>
<td>New York, NY</td>
<td>45</td>
<td>$139 Million</td>
</tr>
<tr>
<td>WithumSmith - Brown, P.C.</td>
<td>Princeton, NJ</td>
<td>22</td>
<td>$425.3 Million</td>
</tr>
<tr>
<td>Friedman LLP (Now Marcum LLP)</td>
<td>New York, NY</td>
<td>16</td>
<td>$145 Million</td>
</tr>
<tr>
<td>Schneider Downs &amp; Co. Inc.</td>
<td>Pittsburgh, PA</td>
<td>54</td>
<td>$103.4 Million</td>
</tr>
<tr>
<td>RKI LLP</td>
<td>Lancaster, PA</td>
<td>59</td>
<td>$95.7 Million</td>
</tr>
<tr>
<td>Aprio LLP</td>
<td>Atlanta, GA</td>
<td>35</td>
<td>$170.8 Million</td>
</tr>
<tr>
<td>Cohen &amp; Company, Ltd.</td>
<td>Cleveland, OH</td>
<td>51</td>
<td>$111.8 Million</td>
</tr>
<tr>
<td>Whitley Penn LLP</td>
<td>Fort Worth, TX</td>
<td>37</td>
<td>$165.6 Million</td>
</tr>
<tr>
<td>Berry Dunn McNeil &amp; Parker Inc.</td>
<td>Portland, ME</td>
<td>49</td>
<td>$118 Million</td>
</tr>
<tr>
<td>KSM Business Services, Inc.</td>
<td>Indianapolis, IN</td>
<td>58</td>
<td>$97.6 Million</td>
</tr>
</tbody>
</table>

Sources:
Inside Public Accounting: 2022 IPA Top 500 Firms, SBA PPP database downloaded (09/30/22)

### ADDITIONAL READING
- $1.4 Billion Forgiven PPP Loans Paid To Wealthiest Law And Accounting Firms
  OpenTheBooks.Substack by Adam Andrzejewski | December 2, 2022
- Waste and Abuse in the Paycheck Protection Program
  Newsweek by James Piereson and Adam Andrzejewski | December 14, 2022
- COVID-19 Pandemic EIDL and PPP Loan Fraud Landscape
  Office of Inspector General, U.S. Small Business Administration | June 2023
- Taxpayers on Hook for $1.3B in Forgiven Seattle Business PPP Loans
  ABC-Seattle Investigates | November 17, 2022
- Fact Check Team: PPP Funds Went to Wealthy Law, Accounting Firms
  The National Desk at Sinclair Broadcast | December 8, 2022
- Nonprofit CEO Indicted For Alleged PPP Fraud
  FOX45 Baltimore | August 11, 2023
Section 2:
UNEMPLOYMENT INSURANCE (UI)

KEY TAKEAWAYS
• $888 billion allocated by Congress.
• 23.1 million people lost their jobs at the peak of the pandemic and depended on the federal unemployment program.
• Benefits were so lucrative that people were paid more not to find employment.
• $191 billion as estimated by the Office of Inspector General at the Labor Department was stolen by criminals, con artists, and crime syndicated from around the world.
• Federal agencies took years to quantify the fraud and their estimates vary wildly.

BACKGROUND
Congress allocated and the states issued $888 billion in combined state and federal unemployment benefits from March 2020 through July 2021.

That sum is far higher than during any other period in history.

Beginning with The CARES Act and overseen by the Labor Department, unemployment benefits increased by $600 per week, eligibility for benefits was expanded, and the duration of benefits expanded by thirteen weeks, among other changes.

The new benefits created a pervasive incentive for many low wage workers not to work:

“Roughly half of all U.S. workers stand to earn more in unemployment benefits than they did at their jobs before the coronavirus pandemic shut down swaths of the U.S. economy, a result of government relief that employers say is complicating plans to reopen businesses.”

Coronavirus Relief Often Pays Workers More Than Work
The Wall Street Journal, April 28, 2020
Unemployment Spike
The unemployment rate peaked at 14.7% in April 2020 with 23.1 million Americans out of a job, but recovered quickly. The rate dropped to 6.1% by April 2021. For comparison, the unemployment rate peaked at 25.6% during the Great Depression and unemployment hit 10-percent during the Great Recession.

Massive Fraud
The U.S. law enforcement complex was overwhelmed by the shear scale of fraudulent activity. Here is a timeline of discovery and admission where the estimates vary widely:

June 2021: $16 billion estimated by the OIG-DL.
May 2022: $163 billion estimated by the OIG-DL.
September 2022: $45.6 billion in found fraud by the OIG-DL.
January 2023: $60 billion estimated by the GAO.
September 2023: $135 billion estimated by the Government Accountability Office (GAO) stolen by criminals, con artists, and crime syndicated from around the world.
HOW SCAMMERS DID IT
The criminals compiled a list of real people, went to the dark web and purchased lists of hacked information that charge $2 in crypto currency to link names to dates of birth and Social Security numbers. In most states, that information was all it took to file for unemployment. Step-by-step playbooks were shared on Telegram, an app that provides cloud-based anonymous messaging and acts as an internet bulletin board of tips and questions.

How Scammers Siphoned Billions in Fraudulent Unemployment Payments From Us
USA Today | December 30, 2020

CASE STUDIES

Maryland
The largest public fraud in the history of Maryland. The state department of labor verified 1.62 million claims as fraud out of 3.4 million claims during the pandemic, Maryland is a microcosm example of the whole country. Maryland processed 136,000 benefits claims in fiscal year 2019. As businesses shed workers in response to declining economic activity, the number jumped to 1.5 million in FY 2021 and 1.9 million in FY 2022.

Texas
The Texas Workforce Commission (TWC), in April 2021, estimated $700 million in fraud and by November 2021 estimated $2.4 billion. Today, TWC has flagged 776,000 of the 5 million in unemployment insurance (UI) payments as potential fraud (15-percent) which means an upper-bound $9 billion in potential fraud ($60 billion in total payouts).

California
$177 million in unemployment benefits were paid out and the state claims only $20 billion was stolen. Private sector estimates of the fraud by Lexis-Nexis Risk put the figure at $32.6 billion. $1 billion in aid was paid to inmates on 35,000 transactions including $420 million to prisoners on death row!

Illinois
In Fall 2023, an Illinois Auditor General report found $2 billion out of the $3.6 billion in benefits the state distributed was fraudulent, with 212,000 false claims. In July 2023, the Auditor General reported a total of $5 billion stolen or overpaid.

ADDITIONAL READING

The Greatest Theft of American Tax Dollars: Unchecked Unemployment Fraud
Testimony To Congress by Office of Inspector General at Department of Labor | February 8, 2023

Trillions in Pandemic Aid Misused, with Fraud Reaching Up to $200 Billion
The National Desk by Sinclair Broadcast Group | September 15, 2023

Improper Payments - OpenTheBooks Oversight Report
OpenTheBooks.com | June 12, 2023

Brooklyn Gang Members Stole $4.3 Million in Unemployment Funds to buy Vacations & Luxury Cars
Real Clear Policy by Adam Andrzejewski | March 29, 2022
Section 3: UNIVERSITY BAILOUTS

KEY FINDINGS

- $69 billion allocated by Congress to nearly 5,000 higher education institutions.  
- 17 universities with the largest endowments – all above $7 billion – collectively took $3.8 billion in congressional bailout money.  
- The Department of Education will not respond to a request for comment, “What happened to the aid that colleges rejected?”  
- College graduates have also been the beneficiaries of Covid-era aid, with student loan repayments in forbearance since the beginning of the pandemic.

BACKGROUND

When Covid-19 shutdowns turned college campuses into ghost towns in 2020, university leaders feared the worst for their institutions. Enrollment had begun to drop even before the pandemic, and during the pandemic years, the trend continued downward.

To help higher education institutions with the financial setbacks of the pandemic, the government awarded direct financial aid in 2020 and 2021.

Three rounds of aid from the Higher Education Emergency Relief Fund totaled $69 billion.

- The Coronavirus Aid, Relief, and Economic Security Act, or CARES Act, (HEERF I) - $12.5 billion, an average of $2.4 million per university  
- Coronavirus Response and Relief Supplemental Appropriations Act, or CRRSAA, (HEERF II) - $20.5 billion, an average of $5.9 million per university  
- American Rescue Plan, or ARP (HEERF III) - $36 billion, an average of $10.3 million per university

But some of the universities that qualified for federal aid didn’t need the money.
CASE STUDIES

The top 25 richest universities started the pandemic with $350 billion in their collective endowments and finished 2022 with $480 billion. However, 17 of those schools took $3.8 billion in congressional Covid-aid, while just eight schools rejected the assistance.


- Harvard University, with the largest endowment in the country - $50.9 billion qualified for almost $48 million.
- Yale University, with a $40.7 billion endowment, qualified for almost $34 million.
- Stanford University, with a $36.5 billion endowment, qualified for $38 million.

Five others with large endowments ranging from $12.3 billion to $36 billion — Princeton University, Massachusetts Institute of Technology, University of Notre Dame, Northwestern University and Washington University in St. Louis – also opted not to the collect the funds.

Five wealthy Ivy League colleges took $220.6 million in Covid-aid bailouts through the Higher Education Emergency Relief Fund according to the records provided by the U.S. Department of Education.

These universities were UPenn ($50.2 million | $21 billion endowment); Columbia University ($64.2 million | $13.3 billion endowment); Cornell University ($64.6 million | $9.8 billion endowment); Dartmouth College ($17.2 million | $8.1 billion endowment); and Brown University ($24.4 million | $6.5 billion endowment).

Other colleges took the Covid-aid:

- The University of Texas System, with the second largest endowment at $43 billion, took $1 billion.
- Other wealthy institutions taking the money included (see chart next page).

ADDITIONAL READING

America’s Colleges & Universities Awarded $12.5 Billion In CARES Act Bailout - Who Can Get It And How Much?
Forbes by Adam Andrzejewski | May 5, 2020

Why Are Colleges Still Remote After $70 Billion In Congressional Covid-Aid Bailouts?
Sinclair Broadcast News on 190 CBS, NBC, ABC, and Fox affiliates across America January 27, 2022

Elite American Universities Receiving Billions in Federal Funds See Rise in Antisemitism:
‘Gamed The Tax Code | FOX News Channel | November 3, 2023

‘Exclusion U’ Documentary Exposes Ivy League Elitism | Best Colleges | June 2023

Wealthiest Colleges Received Nearly $4 Billion In Covid-Aid | CBS-Austin | October 6, 2023
# 25 Largest College Endowments

$482B in Endowment Funds, $3.8B in Covid Aid Received

<table>
<thead>
<tr>
<th>UNIVERSITY NAME</th>
<th>ENDOWMENT</th>
<th>COVID FUNDING</th>
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<tr>
<td>HARVARD UNIVERSITY*</td>
<td>$53.2 BILLION</td>
<td>$47,909,392</td>
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<tr>
<td>UNIVERSITY OF TEXAS SYSTEM</td>
<td>$43.0 BILLION</td>
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<tr>
<td>YALE UNIVERSITY*</td>
<td>$42.3 BILLION</td>
<td>$33,641,707</td>
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<td>STANFORD UNIVERSITY*</td>
<td>$37.8 BILLION</td>
<td>$37,977,794</td>
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<td>PRINCETON UNIVERSITY*</td>
<td>$37.0 BILLION</td>
<td>$21,432,709</td>
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<tr>
<td>MASSACHUSETTS INSTITUTE OF TECHNOLOGY*</td>
<td>$27.4 BILLION</td>
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<td>UNIVERSITY OF PENNSYLVANIA</td>
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<td>TEXAS A&amp;M UNIVERSITY SYSTEM</td>
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<td>WASHINGTON UNIVERSITY IN ST. LOUIS*</td>
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</tbody>
</table>

*Declined federal aid | Source: U.S. Dept of Education's [Higher Education Emergency Relief Fund](https://www2.ed.gov/about/offices/list/ope/funding/hecfr/)

Learn more at openthebooks.com
KEY FINDINGS
• $175 billion allocated by Congress to healthcare providers.
• $23.6 billion in Covid-aid “bailout” for the 20 largest non-profit hospitals.
• $124 billion – Net assets spiked to $324.3 billion in 2021, up 62-percent from $200.6 billion in 2018, in those 20 largest non-profit hospitals.
• $22 million – three year pay for the CEO at non-profit Ascension Healthcare during pandemic years.
• 75-percent of hospitals weren’t complying with federal healthcare price transparency rules and 100 million Americans faced medical debt.
• U.S. life expectancy dropped versus peer countries.

BACKGROUND
Congress allocated more than $175 billion in aid to healthcare providers, including hospitals, doctors, dentists, clinics, nursing homes and other facilities, The Wall Street Journal reported.

However, the top 20 hospitals pocketed $23 billion in Covid-aid from taxpayers. They profited from the pandemic while ignoring price transparency rules. Patient costs soared while life expectancy plummeted.

During the pandemic, the top 20 largest non-profit hospitals continued making big profits, with their net assets soaring from $200.6 billion in 2018 to $324.3 billion in 2021, the latest year available.

Some of the biggest names in non-profit U.S. healthcare racked up big profits:
• Mayo Clinic in Rochester, Minnesota, ended 2021 with $17.7 billion in net assets - up sharply from $9.2 billion in 2018.
• Cleveland Clinic Health System in Cleveland, Ohio saw net assets jump from $9.8 billion (2018) to $15.6 billion (2021).
• Intermountain Healthcare based in Salt Lake City, Utah with a big footprint in Colorado previously came under fire from Gov. Jared Polis for non-profit profiteering. But the company had a net asset jump of 65 percent from $7.1 billion (2018) to $11.6 billion (2021).
• Northwestern Medicine in Chicago, Illinois had a net asset increase from $8.3 billion (2018) to $11.9 billion (2021).
• Indiana University Health System based in Indianapolis, Indiana ended 2021 with $10.3 billion in net assets up from $7 billion in 2018.
Healthcare Costs
Yet, the cost of healthcare continued to rise forcing 100 million Americans struggle with medical debt, according to an investigation by Keiser Health News and NPR. The average family paid $22,463 in health insurance premiums in 2022, The Kaiser Family Foundation reported. That doesn’t include out-of-pocket costs like co-pays and deductibles, which can be thousands more.

Life Expectancy
Furthermore, American life expectancy during this period sharply declined by a staggering 2.5 years from 2019 through 2022. While “comparable country averages” rebounded from a Covid-related drop in 2021, the U.S. continued declining in life expectancy.

Executive Pay
While the cost of medical care is sky high, so is the compensation for many hospital executives, including those who work for so-called “nonprofits.” Executives racked up compensation packages frequently exceeding $10 million per year. In the top 20 largest non-profits executive pay ranged from $2.8 million to $17.4 million per year

### 20 Largest U.S. Non-profit Hospitals

<table>
<thead>
<tr>
<th>Hospital System Name</th>
<th>Headquarters</th>
<th>COVID Aid</th>
<th>Top Exec. Salary</th>
<th>Salary Year</th>
<th>Net Assets</th>
<th>Year Ending</th>
<th>Net Assets As Of 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kaiser Permanente</td>
<td>Oakland, CA</td>
<td>$500 Million*</td>
<td>$6.2 Million</td>
<td>2019</td>
<td>$22.2 Billion</td>
<td>2018</td>
<td>$52.9 Billion</td>
</tr>
<tr>
<td>Ascension Healthcare</td>
<td>St. Louis, MO</td>
<td>$2.7 Billion</td>
<td>$13 Million</td>
<td>2021</td>
<td>$23.5 Billion</td>
<td>2019</td>
<td>$29.3 Billion</td>
</tr>
<tr>
<td>CommonSpirit Health</td>
<td>San Francisco, CA</td>
<td>$3.0 Billion</td>
<td>$17.4 Million</td>
<td>2020</td>
<td>$8.4 Billion</td>
<td>2018</td>
<td>$21.9 Billion</td>
</tr>
<tr>
<td>Trinity Health</td>
<td>Livonia, MI</td>
<td>$2.3 Billion</td>
<td>$11.4 Million</td>
<td>2019</td>
<td>$14.4 Billion</td>
<td>2018</td>
<td>$17.6 Billion</td>
</tr>
<tr>
<td>Providence St. Joseph Health</td>
<td>Renton, WA</td>
<td>$5 Billion</td>
<td>$10.6 Million</td>
<td>2019</td>
<td>$14.4 Billion</td>
<td>2018</td>
<td>$17.6 Billion</td>
</tr>
<tr>
<td>Mayo Clinic Health System</td>
<td>Rochester, MN</td>
<td>$250,000*</td>
<td>$2.8 Million</td>
<td>2019</td>
<td>$9.2 Billion</td>
<td>2018</td>
<td>$17.7 Billion</td>
</tr>
<tr>
<td>Mass General Brigham</td>
<td>Somerville, MA</td>
<td>$1.7 Billion</td>
<td>$4.1 Million</td>
<td>2020</td>
<td>$9.7 Billion</td>
<td>2019</td>
<td>$16.2 Billion</td>
</tr>
<tr>
<td>Cleveland Clinic Health System</td>
<td>Independence, OH</td>
<td>$110 Million</td>
<td>$3.3 Million</td>
<td>2019</td>
<td>$8.8 Billion</td>
<td>2018</td>
<td>$15.7 Billion</td>
</tr>
<tr>
<td>Advocate Health</td>
<td>Milwaukee, WI</td>
<td>$462 Million</td>
<td>$13.4 Million</td>
<td>2019</td>
<td>$11.7 Billion</td>
<td>2019</td>
<td>$14.3 Billion</td>
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<tr>
<td>Advent Health</td>
<td>Altamonte Springs, FL</td>
<td>$747 Million</td>
<td>$4.7 Million</td>
<td>2019</td>
<td>$14.1 Billion</td>
<td>2018</td>
<td>$14.3 Billion</td>
</tr>
<tr>
<td>Northwestern Medicine</td>
<td>Chicago, IL</td>
<td>$419 Million</td>
<td>$7.3 Million</td>
<td>2020</td>
<td>$8.3 Billion</td>
<td>2019</td>
<td>$11.9 Billion</td>
</tr>
<tr>
<td>Intermountain Healthcare</td>
<td>Salt Lake City, UT</td>
<td>$510 Million</td>
<td>$4.9 Million</td>
<td>2019</td>
<td>$7.1 Billion</td>
<td>2018</td>
<td>$11.7 Billion</td>
</tr>
<tr>
<td>Sutter Health</td>
<td>Sacramento, CA</td>
<td>$1.8 Billion</td>
<td>$5.5 Million</td>
<td>2019</td>
<td>$9.1 Billion</td>
<td>2018</td>
<td>$11.4 Billion</td>
</tr>
<tr>
<td>UPMC - University of Pittsburgh Medical Center Group</td>
<td>Pittsburgh, PA</td>
<td>$1.4 Billion</td>
<td>$9.5 Million</td>
<td>2020</td>
<td>$5.7 Billion</td>
<td>2018</td>
<td>$11.3 Billion</td>
</tr>
<tr>
<td>Indiana University Health System</td>
<td>Indianapolis, IN</td>
<td>$726 Million</td>
<td>$3.7 Million</td>
<td>2020</td>
<td>$7 Billion</td>
<td>2018</td>
<td>$10.3 Billion</td>
</tr>
<tr>
<td>Houston Methodist</td>
<td>Houston, TX</td>
<td>$580 Million</td>
<td>$3.6 Million</td>
<td>2019</td>
<td>$5 Billion</td>
<td>2018</td>
<td>$10.2 Billion</td>
</tr>
<tr>
<td>Bon Secours Mercy Health</td>
<td>Cincinnati, OH</td>
<td>$1.1 Billion</td>
<td>$15.8 Million</td>
<td>2019</td>
<td>$1.8 Billion</td>
<td>2018</td>
<td>$9.9 Billion</td>
</tr>
<tr>
<td>Texas Health Resources</td>
<td>Arlington, TX</td>
<td>$263 Million</td>
<td>$2 Million</td>
<td>2019</td>
<td>$6 Billion</td>
<td>2018</td>
<td>$9.5 Billion</td>
</tr>
<tr>
<td>Baylor Scott &amp; White Health</td>
<td>Dallas, TX</td>
<td>$1 Billion</td>
<td>$4.5 Million</td>
<td>2019</td>
<td>$6 Billion</td>
<td>2018</td>
<td>$8.6 Billion</td>
</tr>
</tbody>
</table>

**TOTALS**: $3.6 Billion | $148.8 Million | $200.6 Billion | $284.3 Billion

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Note: Net assets taken from the organization’s audited financial statements, salary data taken from most recent reported IRS tax filings, 2019-20. Covid aid amounts from covidaidwatch.org | Hospital systems returned some of the Covid aid.

Learn More at OPENTHEBOOKS.com
Price Transparency
By 2020, the Trump administration had issued – and the Biden administration finalized in January 2021 – a healthcare transparency rule to inform patients and spur market competition. However, two years after the rule took effect, an independent audit from Patient Rights Advocate found that nearly three-quarters of hospitals in the country were not complying – flouting the mandate that prices be posted clearly and comprehensively. PRA found that under 25% of hospitals were in complete compliance with the rule.

“This blatant obfuscation of prices and flouting of the rule demonstrates that implementation and enforcement efforts must be rigorously examined and markedly strengthened to improve compliance, enable technology innovators to parse the pricing data, and empower American consumers with upfront prices,” Patient Rights Advocate, in its February 2023 report.

<table>
<thead>
<tr>
<th>HOSPITAL SYSTEM NAME</th>
<th>COMPLIANT HOSPITALS</th>
<th>NON-COMPLIANT HOSPITALS</th>
<th>HOSPITALS REVIEWED</th>
<th>TOTAL HOSPITALS</th>
<th>PERCENT COMPLIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>KAISER PERMANENTE</td>
<td>3</td>
<td>40</td>
<td>43</td>
<td>43</td>
<td>7%</td>
</tr>
<tr>
<td>ASCENSION HEALTHCARE</td>
<td>4</td>
<td>101</td>
<td>105</td>
<td>139</td>
<td>4%</td>
</tr>
<tr>
<td>ADVOCATE HEALTH (Advocate Aurora Health/Atrium Health)</td>
<td>32</td>
<td>6</td>
<td>38</td>
<td>67</td>
<td>84%</td>
</tr>
<tr>
<td>CLEVELAND CLINIC HEALTH SYSTEM</td>
<td>10</td>
<td>7</td>
<td>17</td>
<td>22</td>
<td>59%</td>
</tr>
<tr>
<td>MASS GENERAL BRIGHAM</td>
<td>3</td>
<td>0</td>
<td>3</td>
<td>12</td>
<td>100%</td>
</tr>
<tr>
<td>MAYO CLINIC HEALTH SYSTEM</td>
<td>7</td>
<td>6</td>
<td>13</td>
<td>16</td>
<td>54%</td>
</tr>
<tr>
<td>SUTTER HEALTH</td>
<td>11</td>
<td>1</td>
<td>12</td>
<td>24</td>
<td>92%</td>
</tr>
<tr>
<td>COMMONSPIRIT HEALTH (Formerly Dignity Health)</td>
<td>78</td>
<td>54</td>
<td>132</td>
<td>140</td>
<td>59%</td>
</tr>
<tr>
<td>NEW YORK-PRESBYTERIAN HEALTHCARE SYSTEM</td>
<td>0</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>0%</td>
</tr>
<tr>
<td>NORTHWESTERN MEDICINE (Formerly Northwestern Memorial Healthcare)</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>10</td>
<td>75%</td>
</tr>
<tr>
<td>INTERMOUNTAIN HEALTHCARE (HRC HEALTH SERVICES)</td>
<td>5</td>
<td>5</td>
<td>10</td>
<td>33</td>
<td>50%</td>
</tr>
<tr>
<td>INDIANA UNIVERSITY HEALTH (IU HEALTH)</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>16</td>
<td>67%</td>
</tr>
<tr>
<td>TEXAS HEALTH RESOURCES</td>
<td>0</td>
<td>9</td>
<td>9</td>
<td>27</td>
<td>0%</td>
</tr>
<tr>
<td>UPMC - UNIVERSITY OF PITTSBURGH</td>
<td>0</td>
<td>33</td>
<td>33</td>
<td>40</td>
<td>0%</td>
</tr>
<tr>
<td>MEDICAL CENTER GROUP</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>8</td>
<td>0%</td>
</tr>
<tr>
<td>HOUSTON METHODIST</td>
<td>0</td>
<td>3</td>
<td>3</td>
<td>8</td>
<td>0%</td>
</tr>
<tr>
<td>ADVENT HEALTH (Formerly Adventist Health System)</td>
<td>28</td>
<td>14</td>
<td>42</td>
<td>50</td>
<td>67%</td>
</tr>
<tr>
<td>PROVIDENCE ST. JOSEPH HEALTH</td>
<td>0</td>
<td>52</td>
<td>52</td>
<td>52</td>
<td>0%</td>
</tr>
<tr>
<td>TRINITY HEALTH</td>
<td>2</td>
<td>59</td>
<td>61</td>
<td>88</td>
<td>3%</td>
</tr>
<tr>
<td>BAYLOR SCOTT &amp; WHITE HEALTH</td>
<td>9</td>
<td>32</td>
<td>41</td>
<td>51</td>
<td>22%</td>
</tr>
<tr>
<td>BON SECOURS MERCY HEALTH</td>
<td>0</td>
<td>39</td>
<td>39</td>
<td>48</td>
<td>0%</td>
</tr>
</tbody>
</table>

Source: Patient Rights Advocate February 2023 report and supplemental data from PRA.
CASE STUDIES

Ascension Health is the largest nonprofit and Catholic health systems in the U.S., with 142 hospitals and 40 senior living facilities. The company had $15.5 billion in cash (FY2021) and operated a venture capital fund and an investment advisory firm that helps other companies manage their money.

Ascension’s net assets grew during the pandemic, up from $23.5 billion in 2019, to $27.1 billion in 2022, while President and CEO Joseph R. Impicciche made $13 million in 2021.

Its EVP/Chief Human Resources Officer made $7.6 million, its EVP/CFO made $3.2 million, and its EVP/general counsel made almost $3 million.

Ascension’s facilities received more than $2 billion in federal Covid aid, according to the Covid Stimulus Watch project.

Ascension spokesperson Nick Ragone responded to our comment request:

“Ascension’s total rewards packages, including pay and benefits, are designed to compensate all associates fairly and in alignment with the market… The Ascension Board of Directors, an independent body, working with a nationally recognized and leading independent compensation consultant, as well as a separate executive compensation committee of the Ascension Board, establishes the organization’s goals and executive compensation to ensure socially responsible and equitable compensation that is competitive and consistent within the healthcare industry as well as among others in our unique space.”

HOUSTON METHODIST
• 2021 Net assets: $10.1 billion
• 2018 Net assets: $5 billion
• Top Paid Exec Salary: $3.5 million Covid-19 Aid Received: $580 million (source)
• Hospitals in compliance: None of the three reviewed. Houston Methodist has eight hospitals.
• Percent compliance: 0%

A spokesperson linked to their standard charge file, and said, “CMS and the state of Texas consider us compliant under federal law.”

KAISER PERMANENTE
• 2021 Net assets: $52.8 billion
• 2018 Net assets: $32.2 billion
• Top Paid Exec Salary: $6.2 million
• Covid-19 Aid Received: $500 million (source)
• Kaiser Permanente returned its Covid-aid, except Kaiser Foundation’s subsidiary, Maui Health System, which kept $11.8 million in aid.
• Hospitals in compliance: Three out of Kaiser Permanente’s 39 reviewed hospitals.
• Percent compliance: 7.7%

A hospital spokesperson did not return a request for comment by our deadline.

NEW YORK-PRESBYTERIAN HEALTHCARE SYSTEM
• 2021 Net assets: $11 billion
• 2018 Net assets: $8.3 billion
• Top Paid Exec Salary: $12.4 million
• Covid-19 Aid Received: $124 million (Source 1, Source 2)
• Hospitals in compliance: None of the 10 reviewed. New York-Presbyterian has 10 hospitals.
• Percent compliance: 0%

A hospital spokesperson did not return a request for comment by our deadline.
UPMC (UNIVERSITY OF PITTSBURGH MEDICAL CENTER GROUP)
- 2021 Net assets: $11.3 billion
- 2018 Net assets: $5.7 billion
- Top Paid Exec Salary: $9.5 million
- Covid-19 Aid Received: $1.4 billion
- Hospitals in compliance: None of the 33 UPMC hospitals reviewed of its 40 total.
- Percent compliance: 0%

A hospital spokesperson did not return a request for comment by our deadline.

ADDITIONAL READING
- Top U.S. “Non-Profit” Hospitals & CEOs Racked Up Huge Pandemic Profits
  OpenTheBooks.Substack by Adam Andrzejewski | May 10, 2023
- Top U.S. Non-Profit Hospitals & CEOs Are Racking Up Huge Profits
  Forbes | By Adam Andrzejewski | June 26, 2019
- Rich Hospitals, Poor Safety Plan Leading Up To Coronavirus. Should Rules Change For Them Now?
  USA Today | By Jayne O’Donnell | May 11, 2020
- Top 82 U.S. Non-Profit Hospitals: Quantifying Government Payments And Financial Assets
  OpenTheBooks Oversight Report | June 2019
Section 5: FEDERAL RESERVE

KEY FINDINGS

- $7.15 trillion: total funds available to the Federal Reserve to use in its toolbox of programs.
- $4.7 trillion: committed or dispersed by the Fed during the pandemic.
- $4.06 trillion: cost of quantitative easing/increasing liquidity—the vast majority of Fed actions.
- $18 billion is still owed to the Fed from its pandemic lending programs.
- $6.6 billion: A “Muni Window” was opened for the first time in history

BACKGROUND

Congress authorized emergency Federal Reserve lending backstopped by $454 billion in Treasury funds through the CARES Act. With this extra funding, the Fed could provide $4.5 trillion of credit to state and local governments and private institutions.

The Response & Relief Act later returned $429 billion of unused funds to the Treasury in November 2020. The remaining $25 billion the Fed was ultimately responsible for was used to support the previously listed lending facilities.

The Federal Reserve committed or disbursed $4.7 trillion in funds related to COVID-19 out of $7.15 trillion the agency had made available to spend. Many programs the Fed created were never used.

Quantitative Easing

Most Fed actions resulted in quantitative easing (QE) with $4.06 trillion committed/disbursed. From March 15, 2020 the Fed started to buy assets like U.S. Treasuries and mortgage-backed securities to increase the supply of money. This ended in March 2022 due to inflation concerns.

- $2.70 trillion in long-term treasury securities
- $1.36 trillion in mortgage-backed securities

Similarly, the Fed reduced the federal interest rate and eliminated bank reserve requirements to near zero by mid-March 2020 to increase lending and stimulate the economy.
Lending Programs
While much of the money loaned by the Fed has been recouped, billions are still outstanding, about $18 billion.

Paycheck Protection Program Liquidity Facility: $100 billion

Ran from April 9, 2020-July 30, 2021. A joint program of the Federal Reserve, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency. The program was intended to help facilitate the Paycheck Protection Program by loaning money to commercial lenders, which then loaned money to small businesses. The program loaned $100 billion. As of August 2023, the total outstanding amount of all advances under the PPPLF was $5,678,565,191.

Lending Facilities: $88 billion

The Fed created multiple Special Purpose Vehicles to facilitate lending programs, including:

- Primary Dealer Credit Facility: Ran from March 17, 2020-March 2021. Provided short-term loans to “primary dealer institutions,” which are banks that can trade securities with the government, in order to assure primary dealers have sufficient liquidity. The Fed loaned $33.4 billion through this program and received it all back as of April 2021.
- Main Street Lending Program: Started on March 23, 2020 and running until January 8, 2021. Original allowance was $600 billion. $16.5 billion to over 2,400 borrowers and co-borrowers. The program was intended for businesses with fewer than 15,000 employees or less than $5 billion in annual revenues. As of August 2023 the total amount of outstanding loans is about $9 billion.
- Corporate Credit Facilities: From March 23-December 31, 2020, the Federal Reserve operated the Primary Market Corporate Credit Facility (PMCCF) and the Secondary Market Corporate Credit Facility (SMCCF), to buy corporate bonds and bond exchange-traded funds on primary and secondary markets.
  - PMCCF didn’t make any transactions.
  - All SMCCF’s holdings of bonds and ETFs, worth $14.3 billion, have matured or have been sold as of September 2021.
- Commercial Paper Funding Facility: Ran from March 17, 2020-March 31, 2021. The program provided “commercial paper” or short-term, unsecured loans, to businesses for everyday expenses. The Fed made $12.8 billion in these loans and has been repaid in full as of April 2021.
- Term Asset-Backed Securities Loan Facility: Ran from March 23-December 2020. The program used “asset-backed securities,” which are illiquid assets like business loans, as collateral for banks to increase liquidity to issue more credit to businesses and consumers. $4.45 billion was loaned through this program, out of an allowable $100 billion. Loans are to have matured in three years. As of August 2023 there are $394,096,300 worth of loans outstanding in this program.

Muni Window
The Fed opened up a "municipal window" for the first time in history and two takers were the State of Illinois and the New York Transit System. No one else took advantage of this program.

- New York MTA: $3.36 billion
  - New York MTA has not made any payments on this loan
- Illinois: $3.2 billion
  - Illinois paid back the loan in full last year

Primary source: https://www.covidmoneytracker.org

ADDITIONAL READING
Covid Money Tracker
U.S. Covid-19 Stimulus and Relief
Section 6:
AIRLINE SUBSIDIES

KEY FINDINGS
- $54 billion allocated by Congress to bailout the airline industry, with only a small amount paid back by airlines
- Additionally, the government extended $29 billion in low-cost loans
- Airlines accepting government assistance were prohibited from furloughs or firing workers, faced limits on executive compensation, and bans on stock buybacks and dividends.
- Southwest Airlines received $7.2 billion in congressional bailout
- During the Christmas holiday, Southwest systems melted down and two million were stranded for the Christmas holiday

BACKGROUND
"It's not an exaggeration to say the program saved the airline industry," American CEO Doug Parker testified to Congress in December 2021.

The U.S. Treasury awarded over $37 billion of the first $54 billion in payroll support to the top ten airlines alone.

The congressional Covid-aid kept airline workers employed when passengers stopped flying during the pandemic. In fact, airline travel plummeted by 90-percent.

However, airlines took further action by incentivizing employees with early retirement, unpaid leave and buyouts.

So, in the end, airline payrolls shrunk despite the billions in bailout. According to the Bureau of Labor Statistics, there were more than 512,000 airline workers in December of 2019. In December 2020, that number shrunk to just above 398,000.

This led to fewer resources when travel picked up which caused a headache for customers.
CASE STUDIES

Southwest Airlines received $7.2 billion in federal Covid-subsidies for payroll and operations. However, the airline stranded tens of thousands of passengers around the country on the Christmas holiday when it canceled 5,400 flights in less than 48 hours.

Our auditors at OpenTheBooks.com verified the federal aid using government disclosures.

Southwest blamed the failure on a crash of its internal systems that schedule flight crews and pilots. A union for Southwest Airlines flight attendants attributed the meltdown to outdated scheduling systems that should have been upgraded years ago.

The U.S. Department of Transportation announced that it opened a federal investigation into the airline. The USDOT cited concern about an “unacceptable rate of cancellations and delays and reports of lack of prompt customer service.”

It was absolute chaos for thousands and a logistical nightmare for the airline.

Where could Southwest have found the money to upgrade their systems?

In September 2020, as part of massive COVID relief packages, Southwest received $3.3 billion from the federal government. The government received stock agreements as a mechanism to partially recoup taxpayer money, however, those warrants are worth only a small fraction of the overall subsidy payments.

In April 2021, as a part of the American Rescue Plan Act and other subsidies, Southwest received another $3.8 billion, according to data on the federal transparency website and disclosed company 10-K reports to Wall Street.
In total, federal subsidies to the entire airline industry were meant to backstop the entire airline industry which had been decimated.

Aid was conditional on employee retainment, restrictions of executive compensation, and pausing stock dividends and buybacks. While some of the aid was technically a loan, for example, Southwest only has to pay back 30% of the first $3.3 billion ($976 million) at a low interest rate over a ten year period.

Southwest received so much federal aid, they turned a net income profit of $116 million by Q1 2021. They were the first airline to return to profitability after the pandemic.

"While the pandemic is not over, we believe the worst is behind us, in terms of the severity of the negative impact on travel demand," Chairman and CEO Gary Kelly said in a statement (April 2021).

### Disclosure: Southwest 10-K reporting of federal subsidies.

<table>
<thead>
<tr>
<th>(In millions except shares in thousands)</th>
<th>Grant</th>
<th>Promissory Note</th>
<th>Warrants</th>
<th>Proceeds</th>
<th>Warrants (shares)</th>
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</thead>
<tbody>
<tr>
<td><strong>PSF1 Payroll Support Program</strong></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>April 21, 2020</td>
<td>$1,352 $459 $18 $1,800 $1,259</td>
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<tr>
<td>May 28, 2020</td>
<td>448</td>
<td>196</td>
<td>8</td>
<td>652</td>
<td>536</td>
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<tr>
<td>June 30, 2020</td>
<td>448</td>
<td>196</td>
<td>9</td>
<td>652</td>
<td>536</td>
</tr>
<tr>
<td>July 30, 2020</td>
<td>223</td>
<td>97</td>
<td>3</td>
<td>326</td>
<td>203</td>
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<tr>
<td>September 30, 2020</td>
<td>64</td>
<td>28</td>
<td>2</td>
<td>94</td>
<td>75</td>
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<td><strong>Total</strong></td>
<td>$2,857</td>
<td>$976</td>
<td>40</td>
<td>3,254</td>
<td>2,674</td>
</tr>
</tbody>
</table>

| **PSF2 Payroll Support Program**       |       |                 |          |          |                   |
| January 15, 2021                       | $625  | 229             | 9        | 164      | 491               |
| March 3, 2021                          | 591   | 259             | 14       | 164      | 560               |
| April 29, 2021                         | 177   | 78              | 4        | 259      | 168               |
| **Total**                              | $1,393 | $566           | 17       | 1,087    | 1,223             |

| **PSF3 Payroll Support Program**       |       |                 |          |          |                   |
| April 29, 2021                         | $670  | 248             | 9        | 926      | 424               |
| June 3, 2021                           | 640   | 278             | 9        | 926      | 475               |
| **Total**                              | $1,310 | $526           | 18       | 1,852    | 899               |

**ADDITIONAL READING**

$7.2 Billion In U.S. Subsidies Can't Keep Southwest In The Air For Christmas, Southwest Stole Christmas For Tens Of Thousands Of Its Passengers
OpenTheBooks.Substack | December 27, 2022

Taxpayers Spent Billions Bailing Out Airlines. Did The Industry Hold Up Its End Of The Deal?
Washington Post | December 14, 2021

Reuters | December 15, 2021

Southwest Airlines Post $116 Million Profit, Thanks In Part To Covid-19 Bailout. ‘We Believe The Worst Is Behind Us.’
Chicago Tribune | April 22, 2021
Section 7:
STATE & LOCAL GOVERNMENT BAILOUTS

KEY FINDINGS
• $350 billion allocated by Congress to bailout state and local governments in the American Rescue Plan Act of 2021
• No Republicans voted for the 591-page, $1.9 trillion legislation
• 50 states; 30,000 cities and counties; tribal governments, U.S. territories, and 50 states were recipients of the money
• Allocation formula was changed by House Speaker Nancy Pelosi from population to unemployment rate - therefore, benefiting Covid-lockdown states
• Tribal governments received $20 billion - outpacing 47 state governments
• 50 richest cities in America received $100 million in ‘bailouts’

BACKGROUND
"Congress passed, along party lines, the $1.9 trillion American Rescue Plan Act of 2021. Buried within the 591-page bill is a $350 billion bailout for 50 states, tribal governments, U.S. territories, and more than 30,000 cities and counties.

Our auditors at OpenTheBooks.com finally located the $350 billion allocation, line-by-line, in a supplemental database hidden on the back end of the House Oversight Committee’s website. We mapped the data to each of the 50 states. Click here to see how much taxpayer money Congress earmarked your hometown.

Congress tried to hide these line-by-line appropriations, but thanks to technology and the internet, you can search it for yourself.
States
Speaker Nancy Pelosi’s House Democrats changed the allocation formula from being based on population to the unemployment rate. This change caused 23 states to gain $31.9 billion and 27 states to lose that funding. The four biggest winners were Democratic strongholds:

California—which reaped an extra $6.7 billion; New York—which added another $6 billion; Illinois – increased by $2.1 billion; and New Jersey – a $2 billion increase.

Overall, California was allocated the most money ($42.3 billion), followed by Texas ($27.3 billion), New York ($23.5 billion), and tribal governments ($20 billion). They’re followed by states like Florida ($17.3 billion), Illinois ($13.5 billion), Pennsylvania ($13.5 billion), Ohio ($11 billion), Michigan ($10.1 billion), and New Jersey ($10 billion).

The biggest losers were:

**FLORIDA (-$2.3 BILLION) · VERMONT (-$2.1 BILLION) · WYOMING (-$2 BILLION)**

The funding change rewarded Gov. Andrew Cuomo (D) in New York ($23.5 billion) over Gov. Ron DeSantis (R) in Florida ($17.3 billion), even though Florida has a larger population and a lower COVID-19 death rate.

Furthermore, we found that Puerto Rico received more funding at $4 billion than 22 states. Including an extra “plus up” from the previous CARES Act Covid aid bill, the District of Columbia received more funding at $2.3 billion than 13 states.

### Top 10 Governments Receiving Aid in the American Rescue Plan Act of 2021

<table>
<thead>
<tr>
<th>State</th>
<th>State Governments</th>
<th>Metropolitan</th>
<th>Other Municipalities</th>
<th>Counties</th>
<th>Total</th>
</tr>
</thead>
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<tr>
<td>California</td>
<td>26.264</td>
<td>7.046</td>
<td>1.310</td>
<td>7.663</td>
<td>42.283</td>
</tr>
<tr>
<td>Texas</td>
<td>16.824</td>
<td>3.372</td>
<td>1.399</td>
<td>5.668</td>
<td>27.263</td>
</tr>
<tr>
<td>New York</td>
<td>12.665</td>
<td>6.141</td>
<td>0.825</td>
<td>3.907</td>
<td>23.538</td>
</tr>
<tr>
<td>Tribal Governments</td>
<td>20.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>20.000</td>
</tr>
<tr>
<td>Florida</td>
<td>10.310</td>
<td>1.465</td>
<td>1.397</td>
<td>4.165</td>
<td>17.337</td>
</tr>
<tr>
<td>Illinois</td>
<td>7.549</td>
<td>2.683</td>
<td>0.738</td>
<td>2.539</td>
<td>13.508</td>
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<tr>
<td>Pennsylvania</td>
<td>7.349</td>
<td>2.371</td>
<td>0.936</td>
<td>2.843</td>
<td>13.498</td>
</tr>
<tr>
<td>Ohio</td>
<td>5.681</td>
<td>2.243</td>
<td>0.815</td>
<td>2.267</td>
<td>11.006</td>
</tr>
<tr>
<td>Michigan</td>
<td>5.698</td>
<td>1.782</td>
<td>0.686</td>
<td>1.937</td>
<td>10.103</td>
</tr>
<tr>
<td>New Jersey</td>
<td>6.483</td>
<td>1.168</td>
<td>0.573</td>
<td>1.823</td>
<td>10.046</td>
</tr>
</tbody>
</table>


Learn more at OpenTheBooks.com
Large, populous states received COVID bailouts despite being on strong fiscal footing. California was sitting on a massive $75.7 billion budget surplus at the time President Joe Biden signed the American Rescue Plan Act, a trillion-plus-dollar law that many critics say has contributed to the rapid inflation now upending household budgets. Despite Governor Gavin Newsom publicly bragging about the surplus, the California state government reaped another $26 billion in federal tax dollars under the “rescue” plan.

This problem was bipartisan. Texas had a $1 billion surplus in 2021 and received $17 billion under the American Rescue Plan.

Speaker of the House Nancy Pelosi (D-Calif.) had complained that congressional Republicans would vote "no" and then "take the dough." She wasn’t wrong, as lawmakers of both parties saw their state-level counterparts mop up the money.

In other words, the American Rescue Plan made no distinction between states that managed their finances well and those that didn’t; between states that had extensive shutdowns and those that didn’t; or between states whose tourism industries bounced back and those that stayed inert for a longer period.

**Cites and Localities – $65 billion**

The largest cities received huge allocations of aid:

- New York City received $4.3 billion, which is more money than 25 state governments.
- Chicago, with their bonds at junk status, was allocated $1.98 billion, an amount more than 12 state governments.

Big bailouts even “bailed out” prosperous towns:

- Beverly Hills, CA, received $6.3 million while the Hamptons, NY, got $8.6 million. They’re followed by Key West, FL ($10.1 million); Greenwich, CT ($21 million); Oyster Bay, NY ($32.7 million); and Cambridge, MA ($65 million).

In fact, the 50 richest places (ranked by Bloomberg) received $100 million in COVID-19 bailout funds.

- Atherton, CA, the wealthiest city in America with an average household income of $525,000, received $1.3 million from the legislation.
- Hillsborough, CA, reaps $2.1 million from the bill even though it boasts a median home price of $5.8 million. Scarsdale, NY—the richest place on the East Coast—would get $2 million in “relief.”
- $2 million for the richest town in Texas, Highland Park. The median home price is $1.5 million and notable residents include the owner of the Dallas Cowboys, Jerry Jones, and the Bush family.

California’s sunny playgrounds received big bailouts:

- Manhattan Beach ($6.6 million); Newport Beach ($9 million); Palm Springs ($11 million); Palo Alto ($12 million); Brentwood ($12.1 million); Napa ($15 million); San Jose ($22 million); Santa Barbara ($22 million); Santa Monica ($29 million); Huntington Beach ($31 million); and even Berkeley ($68 million).

Other high-end vacation destinations like Palm Beach, FL ($3.7 million); Nantucket, MA ($1.1 million) and Martha’s Vineyard at Edgartown, MA ($428,000) received funding from the bill. Search your hometown on our interactive map at OpenTheBooks.com.
### Counties & U.S. Territories - $65 billion

Congress earmarked $1 billion for the top ten richest counties across the U.S. Four of the richest top six counties are in the Washington, D.C. beltway:

- Loudon County, VA ($80.2 million); Howard County, MD ($63.2 million); Arlington County, VA ($45 million); and Fairfax County, VA ($4.5 million). With a median income of $136,000, Loudoun County has the highest income of any U.S. county with more than 65,000 residents.

The wealthy county of Santa Clara, CA, is set to receive a whopping $385 million from the legislation. Located in the heart of Silicon Valley, the county has the highest median income of any county in California. The county seat is the city of San Jose, where the average home price tops $1 million.

Top five counties receiving the most money in COVID “relief”:

- Los Angeles County, CA ($2 billion); Cook County, IL ($1 billion); Harris County, TX ($914.1 million); Maricopa County, AZ ($870 million); and San Diego County, CA ($647.5 million).

Los Angeles County received so much federal aid; they paid their lifeguards up to $510,283 per year. Our auditors at OpenTheBooks.com found 98 LA lifeguards earned at least $200,000 including benefits last year, and 20 made between $300,000 and $510,283. Thirty-seven lifeguards made between $50,000 and $247,000 in overtime alone.

And it’s not only about the cash compensation. After 30 years of service, LA lifeguards can retire as young as 55 on 79-percent of their pay.

### ADDITIONAL READING

- **Beverly Hills, Palm Beach, Key West– How Congress’ $350 Billion Covid “Bailout” To States And Cities Gets Spread Around**
  Forbes by Adam Andrzejewski | March 3, 2021

- **Why Did Congress ‘Bailout’ Utah For $1.5 Billion - When Utah Has A $1.5 Billion Budget Surplus?**
  Forbes by Adam Andrzejewski | April 26, 2021

- **Adam Andrzejewski On Wasteful Government Spending**
  CSPAN’s Washington Journal | July 19, 2022

- **Top-Paid La Lifeguards Earned Up To $510,283 In 2021 - Baywatch Needs To Go On Pay Watch!**
  OpenTheBooks.Substack | May 31, 2022

- **COVID-19 'Bailouts' Offered New Examples of Government Waste**
  Newsweek by Adam Andrzejewski | June 28, 2022
Section 8: FEDERAL OFFICE FURNITURE & REMOTE WORK

KEY FINDINGS
- $3.3 billion spent by federal agencies on office furniture during pandemic years
- $1 billion per year while office space was shuttered and employees were paid to work from home
- Use It Or Lose It budgeting - spending during the pandemic on furniture is a prime example

BACKGROUND
Despite federal employees working from home, the agencies continued to splurge on furniture purchases.

There was no material difference in the amount federal agencies collectively spent on office furniture between the years 2018 and 2022.

FEDERAL AGENCY FURNITURE EXPENSES BY YEAR

GRAND TOTAL: $5,371,811,288

Source: Public Law 109-282, 109th Congress
**Waste Examples**

The Centers for Disease Control and Prevention spent $237,960 on solar powered picnic tables.

The State Department dialed up nearly $120,000 brand-new Ethan Allen leather recliners for its embassy in Islamabad.

The feds spent $26 million on furniture for their conference rooms, while their meetings were held on ZOOM. Spending included $700,000 by the Securities and Exchange Commission for their New York regional office conference room.

The Defense Advanced Research Projects Agency (DARPA) spent nearly $250,000 on a conference room “refresh” with expensive, high-end Herman Miller furniture.

The Federal Emergency Management Agency (FEMA) purchased $284,000 in Herman Miller furniture for their headquarters conference center.

The Pension Benefit Guaranty Corporation spent $14.4 million on new furniture for its 1,000 employees - that’s $14,400 per employee.

Environmental Protection Agency downsized its 300,000 square foot office space in Philadelphia – but upsized the furniture. It used relocation as a license to redecorate $6.5 million on high end furniture when moving into smaller space at Four Penn Central.

**Office Space Utilization**

In July, a Government Accountability Office (GAO) report showed building utilization rates in federal agency headquarters were between nine and 35-percent.

Here is how individual agencies break out:

- Transportation used just 9% of its office space - but spent $55 million on furniture.
- Agriculture used just 9% of its office space, as well. It spent $57 million on furniture.
- General Services Administration also hit 9% usage. And it found... $308 million for furniture.
- Veterans Affairs used just 16% of its office space but spent $428 million on furniture.
- Defense used 23% of its space and spent **$1.2 billion on furniture**.
  - Had it occupied 100%, would it have spent $4.8 billion?
- Justice used 35% of its offices yet spent $408 million on furniture.
Low utilization rates were attributable to the following factors: increased number of staff working remotely, outdated building configurations, historic utilization problems, and a reluctance for agency leaders to share space with other agencies.

Most of the major federal agency headquarters are one quarter full or less, and none are at 50 percent capacity or more, according to the report.

Remote work has surged at federal agencies since the pandemic began. A Federal News Network survey conducted in November 2022 found 60 percent of federal employee respondents were working completely remotely, 33 percent had a hybrid situation, and the rest worked in office.

The Biden administration has urged agencies to reduce telework ‘aggressively’ in a recent email from White House chief of staff Jeff Zients to Cabinet officials.

Congressional Republicans have renewed requests for information from agency officials about telework policies.

In May 2022, House Republicans introduced the Stopping Home Office Work’s Unproductive Problems (SHOW UP) Act, which would have required agencies to return to pre-pandemic telework levels.
ADDITIONAL READING
Feds Spent $3.3 Billion On Furniture During Pandemic Years
OpenTheBooks.Substack | October 3, 2023

Feds Had $3.3B Furniture Splurge During Covid, Bought Solar-Powered Picnic Tables, Leather Recliners
New York Post | October 4, 2023

Hey, Congress: End Outrages Like $3.3 Billion for Furniture Instead of Indulging in Palace Intrigue
New York Post Board Editorial | October 4, 2023

Federal Officials Blasted for Spending $3.3B on Office Furniture While Employees Worked from HOME
Daily Mail | October 4, 2023

Federal Furniture Splurge
The National Desk at Sinclair Broadcast | October 6, 2023

Where’s Waldo At Club Fed? | Newsweek by U.S. Senator Joni Ernst and Adam Andrzejewski
March 30, 2023

Senate Amendment Puts Telework And Locality Pay Under Spotlight
PSHRA | November 17, 2023

Time’s Up For Biden’s Bureaucrats
U.S. Senator Joni Ernst Press Release – Passage of Senate Amendment | October 31, 2023
Section 9: INTERNET FOR ALL

KEY FINDINGS

- $90 billion allocated by Congress for President Biden’s “Internet For All” plan
- 11 programs in four agencies execute this plan including the ‘rural broadband’ initiative through the Agriculture Department
- $3 billion spent in four years under the rural broadband initiative during the Biden administration and the average cost per household is $18,000!
- We found four projects where the cost per household connected to the internet exceeded $1 million.
- Alaska was the biggest beneficiary of the rural broadband program when Sen. Lisa Murkowski pushed the federal grants from farmers to a population metric.

BACKGROUND

The Biden administration launched an "Internet for All" initiative with $65 billion dollars from the Bipartisan Infrastructure Law passed in 2021, along with $25 billion from Biden’s American Rescue Plan, the plan spans across 11 programs in four different federal agencies. President Trump also made broadband expansion a key part of his administration’s focus, but Biden supercharged these plans with more funding to more areas than ever before.

One of the eleven programs we examined is called the ReConnect program, which provides grants directly to projects from US Department of Agriculture. The program was launched in 2019, and since then, about $4.6 billion was doled out in grants or low-interest loans.

Most interestingly, we’ve found overall spending and the cost-per-household served has escalated dramatically since 2019: going from $4,700 per household in 2019 to over $18,000 in 2023.

When the program was started in 2019, eligibility for funding focused on farms—which makes sense, as farmers can enhance the productivity of their land through new advances in digital technologies.

But in 2021 the program changed, removing the farm criteria and focusing on how "socially vulnerable" the community in question was.

Another criteria was added favoring communities further than 100 miles away from a town of 50,000 people.

The state with the most amount of land that fits that criteria—by far—is Alaska. Since that change Alaska has received over $200 million each year in 2022 and 2023, making it the recipient of the most ReConnect funds.

Unsurprisingly, U.S. Senator Lisa Murkowski was one of the lead architects of the Bipartisan Infrastructure Law and brags about this new funding flowing into her state.

Households served per year decreased by nearly half since the program started as costs more than doubled.
Criteria changes especially favored the state of Alaska, which has huge swaths of land qualifying for top rurality points compared to the lower 48:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>AMOUNT</th>
<th>HOUSEHOLDS</th>
</tr>
</thead>
<tbody>
<tr>
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<td>$656,052,264</td>
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<tr>
<td>2020</td>
<td>$842,617,339</td>
<td>137,875</td>
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<td>2022</td>
<td>$1,674,900,757</td>
<td>97,636</td>
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<tr>
<td>2023</td>
<td>$1,473,790,158</td>
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<tr>
<td>GRAND TOTAL</td>
<td>$4,647,360,518</td>
<td>478,090.30</td>
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</tbody>
</table>

Areas not covered with pink are over 100 miles away from a city or town with a population of over 50,000. From the [USDA Reconnect Program Service Area Map](#).

Data shows that Alaska is by far the biggest recipient of funding through the reconnect program, receiving the highest amount of funds, nearly $450 million, since the criteria was changed for 2022.
<table>
<thead>
<tr>
<th>STATE</th>
<th>AMOUNT</th>
<th>HOUSEHOLDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALASKA</td>
<td>$540,014,301</td>
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<td>MISSOURI</td>
<td>$364,558,757</td>
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<td>OKLAHOMA</td>
<td>$338,111,734</td>
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<td>NEW MEXICO</td>
<td>$260,380,503</td>
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<td>ALABAMA</td>
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<td>OREGON</td>
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<td>MICHIGAN</td>
<td>$149,046,004</td>
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</tr>
<tr>
<td>CALIFORNIA</td>
<td>$148,645,533</td>
<td>5,735</td>
</tr>
</tbody>
</table>

**ALASKA**
2019: $18,888,668 · 270 households
2020: $74,788,964 · 2,960 households
2022: $210,985,584 · 2,084 households
2023: $235,351,085 · 1,472 households

*Top 10 ReConnect recipients, and Alaska’s year-over-year gains in ReConnect funding.* ReConnect is one of the broadband programs funded through the Infrastructure Investment and Jobs Act, which gave $65 billion to broadband infrastructure.

One of the lead architects of the Infrastructure Investment and Jobs Act was Alaskan Senator Lisa Murkowski, who has touted the ReConnect funding funneling to Alaskan projects in numerous press releases.

**FLASHBACK:** The Biden broadband initiative never received enough oversight.

For example, the administration billed broadband as a very high priority. We found the second highest paid employee in the first year of the Biden White House was Elizabeth Hone ($183,164), Senior Policy Advisor For Broadband. The administration proposed $100 billion in government ownership of broadband.
CASE STUDIES

Thirty-one projects, worth $281 million, served fewer than 100 households, four were reported spending over $1 million per household.

One grant for $8.1 million connected just one household in Puerto Rico (along with seven public schools), another in Palau for $35 million, connecting six households and three educational facilities. (Palau is a sovereign island nation in the Pacific Ocean, but the U.S. has committed to provide the country with financial assistance until 2024.)

Another project in Utah for $2.3 million connected two households.

Yet another in Alaska for $35 million connected 32 households, at about $1.1 million per household.

Alaska ReConnect Projects

Alaska’s short construction season, hostile terrain, and ReConnect’s favorable funding criteria have helped the state dominate the list of priciest projects. Of the 15 projects receiving $30 million or more in 100% grant funding, ten were in Alaska.

Three of these projects, worth about $100 million combined, served fewer than 100 households.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>AMOUNT</th>
<th>HOUSEHOLDS</th>
<th>RATIO</th>
<th>SQMI</th>
<th>LOCATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$35,000,000</td>
<td>32</td>
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<td>2022</td>
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<td>$5,831,890</td>
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<td>2023</td>
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<tr>
<td>2023</td>
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<tr>
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<td>2022</td>
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<td>Michigan</td>
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<td>2022</td>
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<td>2022</td>
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<td>$261,407.13</td>
<td>7.30</td>
<td>Alaska</td>
</tr>
<tr>
<td>2023</td>
<td>$30,195,500</td>
<td>574</td>
<td>$52,605.40</td>
<td>301.70</td>
<td>Washington</td>
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</tbody>
</table>
In total, 31 programs, worth $281 million, served fewer than 100 households. Twenty of these projects were awarded their 100% grant funding since 2022.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>AMOUNT</th>
<th>HOUSEHOLDS</th>
<th>RATIO</th>
<th>SQMI</th>
<th>LOCATION</th>
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</thead>
<tbody>
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<td>2022</td>
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<td>1</td>
<td>$8,783,620.00</td>
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<tr>
<td>2020</td>
<td>$2,379,000</td>
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<td>96</td>
<td>$363,593.75</td>
<td>0.10</td>
<td>Alaska</td>
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Notable examples:

**Cost per household: $8.7 million.**
- Award Amount: $8,783,620; Households: 1; VPNET Inc; Puerto Rico; 2022
- Deploy a fiber-to-the-premises network to connect seven public schools and a person to high-speed internet in Patillas and Arroyo municipios in Puerto Rico.

**Cost per household: $5.8 million**
- Award Amount: $34,991,340; Households: 6; Palau National Communications Corporation; Palau; 2022
- Deploy a fiber-to-the-premises network to connect six people and three educational facilities to high-speed internet in Angaur, Babeldao, Kayangel, Koro, Meyuns and Peleliu in Palau.

**Cost per household: $1.1 million**
- Award Amount: $2,379,000; Households: 2; Applicant: Beehive Telephone Company, Inc.; Utah, 2020
- Deploy fiber-to-the-premises broadband service in rural Utah. The funded service area includes two households spread over 19.27 square miles.

**Cost per household: $1.1 million**
- Award Amount: $35,000,000; Households: 32; Applicant: Dena' Nena' Henash; Alaska; 2023

**ADDITIONAL READING**

* Biden's 'Internet for All' Plan is 'Not a Good Return For Taxpayers*
  The National Desk at Sinclair Broadcast Group | October 27, 2023

* Biden's Bloated White House Payroll Is Most Expensive In American History*
  OpenTheBooks.Substack | July 1, 2021
Section 10:  
AMTRAK SUBSIDIES

KEY FINDINGS
• $16 billion in congressional bailout monies since 2020.
• Ten top executives make between $504,000 and $780,000 per year - yet, the taxpayer-funded entity won’t disclose any of the other salaries for 19,000 employees.
• Lost money every year since chartered by Congress in 1971.
• Only one of 26 passenger rail lines was profitable last year.

BACKGROUND
Amtrak is a federally chartered corporation, with the federal government as majority stockholder. Its board of directors is appointed by the President of the United States and confirmed by the U.S. Senate. But it’s operated as a for-profit company, rather than a public authority.

What Amtrak did provide is the compensation of its C-suite – its chief executive officer, president and eight EVPs.

CEO Stephen Gardener made $780,000 last year, general counsel Eleanor Acheson made $738,000, and CFO Tracie Winbigler made almost $700,000. The other seven top paid executives made between $504,000 and $640,000.

What its 19,000 employees make is anyone’s guess.

OpenTheBooks.com filed a Freedom of Information request for the payroll of the National Railroad Passenger Corporation, or Amtrak, and were denied oversight.

The corporation cited FOIA Exemption 6, which permits the government to withhold all information about individuals in “personnel and medical files and similar files” when the disclosure of such information “would constitute a clearly unwarranted invasion of personal privacy.”

Amtrak got $1 billion from the CARES Act in 2020 when its ridership was down 90%, and $1.7 billion from the American Rescue Plan Act of 2021. Last fiscal year, the Federal Railroad Administration gave Amtrak $6.6 billion, and $6.8 billion this fiscal year, according to federal spending records.
That’s $16 billion in just two years while the corporation continues to have low performance.

Yet, the company can’t profitably get a train across the country. The Chicago to Los Angeles line lost $565 per passenger last year. Every line AMTRAK ran in 2022 lost money except for one. Even the normally profitable Northeast line, Acela, lost $2 for every train mile!

In a June hearing before the U.S. House Committee on Transportation and Infrastructure, Railroads, Pipelines, and Hazardous Materials Subcommittee Chairman Troy Nehls (R-TX) noted that since its 1971 creation, Amtrak has never made a profit.

Despite the funding in The Infrastructure Investment and Jobs Act, which gave historic funding to railroads, with a large portion of that money going to Amtrak, “Amtrak predicts it will lose roughly $1 billion per year, with those losses largely covered by the taxpayers,” Nehls said.

That continual loss of money is shown in the corporation’s inability to effectively run its business.

From signal problems in Chicago and nationwide server issues, to wire issues in New Jersey, slowing and stopping trains, and expected service disruptions in the Adirondack line that runs between New York City and Hudson Valley into Montreal, the trains are often delayed.

Disruptions have increased across the northeast, and aren’t expected to improve anytime soon, The Washington Post reported.

If Amtrak were a typical business, it would’ve failed years ago but a continuous cash flow from taxpayers keeps it on life support, while paying its executives inflated salaries.
Section 11: NATIONAL DEBT EXPLOSION

KEY FINDINGS

• $33.7 trillion national debt as of 11/01/2023
• Nearly $8 trillion in national debt was racked up under President Donald Trump in four years
• Interest payments on the national debt are crowding out core services
• Nearly every federal program was legally or illegally looted during the pandemic years.
• Every dime of the Covid-19 national response to the pandemic was borrowed

BACKGROUND

"Our national debt is our biggest national security threat." Admiral Michael Mullen, Chairman of the Joint Chiefs of Staff, "Tribute to the Troops" breakfast in June 2010.

"Democracy never lasts long. It soon wastes, exhausts, and murders itself. There was never a democracy yet that did not commit suicide.” - John Adams

"In a nation whose debt has outgrown the size of its entire economy, the greatest threat comes not from any foreign force but from Washington politicians who refuse to relinquish the intoxicating power to borrow and spend.” U.S. Senator Dr. Tom Coburn, The Debt Bomb, 2012

Graph: Since 1980, the U.S. national debt increased from less than $1 trillion to $34 trillion today (2023).
In August 2023, U.S. debt was downgraded to AA+ from AAA by Fitch Ratings. It shook Wall Street with an intermediate market sell off. In Fitch’s view, “there has been a steady deterioration in the standards of governance over the last 20 years, including on fiscal and debt matters…”

In 1980, the U.S. national debt was less than $1 trillion and today the national debt is rapidly closing in on $34 trillion. This out-of-control, bipartisan spending now threatens the long-term foundational underpinnings of the country.

Our national debt has exploded under each president since 1980. From Ronald Reagan, George Bush, Bill Clinton, George W. Bush, Barack Obama, Donald Trump, and Joe Biden, our national debt is larger as our economic output (GDP).

- In 1980, the national debt was $908 billion and $2.6 trillion when Reagan left office in 1988.
- Under four years of Bush, the debt rose to $4 trillion and then $5.7 trillion under the eight years of Clinton.
- With W. Bush, over two terms the debt rose to $10 trillion and then $19.6 trillion after eight years under Obama.
- When Trump left office after one term the debt was $27.8 trillion.
- Today, after two years under Biden, our national debt pushed $33.7 trillion.

In 2022, the federal government paid $476 billion just in interest on our national debt with the projection by the Congressional Budget Office to $640 billion this year. Net outlays for interest nearly double over the period in CBO’s projections, rising from $739 billion in 2024 to $1.4 trillion in 2033.

Here’s how that compares to the budgets of defense, social security and education.

In FY2023, the Department of Defense spent $773 billion. Social Security had outlays of $1.3 trillion. Education spending at the local, state, and federal levels amounted to $837 billion as of FY2021.

When the federal government adds to the national debt by spending more money than it takes in, it devalues the dollars. For example, today’s dollar would be worth 14 cents in 1972. Because of inflation, you need over $7 today for the equivalent spending power of $1 in 1972.

Unfortunately, our federal government’s spending is not slowing down. Our national debt will exceed 225% of GDP by 2050, according to the Penn Wharton budget model.

CASE STUDIES – WASTE & FRAUD

Dead People Paid
The feds sent economic stimulus payments to 2.2 million dead people amounting to $3.6 billion in losses - according to The San Francisco Chronicle. In a rush to send checks, the U.S. Treasury didn’t check with Social Security’s “Dead Persons List” before cutting the checks.

The feds asked for the money back, but dead people are notoriously bad about paying up. The federal government is equally bad about clawing it back.
**Economic Injury Disaster Loan (EIDL) Program**
Created by the CARES Act and administered by the Small Business Administration (SBA) has high rates of fraud and abuse.

Its goal was to help small businesses quickly get loans to weather economic lockdowns. Later expansions of the program in subsequent legislation would push the total size of this program to over $390 billion.

However, the SBA, it did not consult the Treasury Do Not Pay list, which lists entities the U.S. Treasury bars from receiving federal funds. The SBA Inspector General found that this led to $3.1 billion in EIDL Loans and $550 million in EIDL Grants paid out to potentially ineligible recipients.

Now, there are allegations that the SBA is not pursuing the repayment of some $72 billion in loans. The Inspector General has opened an investigation and Sen. Joni Ernst (R-IA) has sent a letter to the SBA expressing her concern and demanding answers.

**Paid to Stay Home – Federal Employees:**
The American Rescue Plan Act of 2021 paid $570 million to federal employees with kids out of school – up to $21,000 per employee.

The $1.9 trillion emergency aid package to help America recover from the coronavirus pandemic contained an extra perk for federal workers: Enhanced paid time off if your child is enrolled in a school that isn't back to full-time, in-classroom instruction.

Critics call it a personal bailout for bureaucrats. The new Fund allowed a federal employee “caring for a son or daughter” to qualify for the paid leave, specifically:

“if the school or place of care of the son or daughter has been closed, if the school of such son or daughter requires or makes optional a virtual learning instruction model or requires or makes optional a hybrid of in-person and virtual learning instruction models, or the child care provider of such son or daughter is unavailable, due to Covid-19 precautions;”

Full-time federal employees can take up to 600 hours in paid leave until September 30, up to $35 an hour and $1,400 a week. That’s 15 weeks for a 40-hour employee. Part-time and “seasonal” employees are eligible, too, with equivalent hours established by their agency.

Federal employees already have up to 12 weeks of unpaid leave under the Family and Medical Leave Act. (A law passed in 2019, allows most federal employees – what the sponsors report is 2.1 million federal workers - up to 12 weeks of paid leave for the birth, foster placement or adoption of a new child.)

**SNAP Fraud & Waste**
The Supplemental Nutrition Assistance Program (SNAP) for hungry families doles out billions of dollars in bogus benefits resulting from bureaucractic bungling.

While tens of thousands of families are waiting to be approved for SNAP, nearly $1 billion of ineligible benefits are doled out every month, and seven states intentionally manipulated the amount of erroneous SNAP payments they were making to obtain $60 million.

Most SNAP payment errors are made in the form of “overpayments,” or benefits paid to recipients who are not eligible or those that receive benefits they’re not eligible for. In 2022, there were approximately $11.2 billion in overpayments. However, the true cost is unknown, because errors totaling $54 or less are excluded.

This is the definition of a dinner-table issue. SNAP abuse is part of an enormous $3 trillion worth of improper payments the government admits have been made since 2004.
Micro-Waste Examples in the $2 Trillion, 883 Page CARES Act - Coronavirus Aid, Relief, and Economic Security Act (H.R.748)

While half the nation was “sheltered in place,” here’s what lawmakers – in both parties – considered “essential spending” for coronavirus recovery:

- $25 million in the Senate bill went to the John F. Kennedy Center for the Performing Arts in Washington, D.C. During the past ten years, the center received $68.3 million in federal grants (2010-2019). The Kennedy Center has total assets of $557 million.
- $75 million in the Senate bill funded the Corporation For Public Broadcasting. Why do National Public Radio and Big Bird get a coronavirus subsidy?
- $1.2 billion in the Pelosi bill to require airlines to purchase expensive “renewable” jet fuel. It was $200 million per year in grants (2021-2026) to “develop, transport, and store sustainable aviation fuels that would reduce U.S. greenhouse gas emissions.” Thankfully, final drafts eliminated this provision.
- What was the public purpose for the Smithsonian Institution receiving an additional $7.5 million in this time of crisis?

People of goodwill can debate each of these goals, but was it truly emergency spending?

ADDITIONAL READING

- Our National Debt Is Our Biggest National Security Threat
  OpenTheBooks.Substack | August 23, 2023

- Concerns Regarding Economic Injury Disaster Loans
  Oversight Letter To SBA by U.S. Senator Joni Ernst, Ranking Member, Committee On Small Business & Entrepreneurship | March 2023

- Paid To Stay Home – Coronavirus Aid Bill Pays Federal Employees With Kids Out Of School Up To $21K
  Forbes by Adam Andrzejewski | February 23, 2021

- Is There Wasteful Spending In The Coronavirus Stimulus Bill (CARES Act)
  Forbes by Adam Andrzejewski | March 26, 2020

- Food Stamps: Joni Ernst Announces Bill Regarding Nearly $1 Billion In 'Ineligible' Snap Payments
  | Washington Examiner | September 26, 2023

- Ernst Snaps Back at Bureaucrats Stealing $1 Billion A Month In Lunch Money from Hungry Families
  | U.S. Senator Ernst press release | September 26, 2023
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U.S. ENVIRONMENTAL PROTECTION AGENCY

EARMARKS
Return Of The Swamp Creatures

IMPROPER PAYMENTS

EXPORT-IMPORT BANK 2007-2021

CONGRESSIONAL THIRD PARTY PAID TRAVEL

WHITE HOUSE PAYROLL
We are the world’s largest private database of public-sector expenditures. We captured all disclosed federal spending since 2001; 50 of 50 state checkbooks; and 25 million public employee salary and pension records from 50,000 public bodies across America.

OpenTheBooks will close 2023 with the largest audience we’ve ever seen, the most investigations we’ve ever published, and more media interviews than ever before.

**IN 2021-2022...**
Identified Dr. Anthony Fauci as the top paid federal employee, quantified the staggering cost of U.S. military gear left behind in Afghanistan, cracked open California’s state checkbook and Big Pharma’s $1.4 billion in third-party paid royalties – leading to four televised congressional hearings in 2022.

**IN 2020...**
The President’s Budget To Congress FY2021 included a first-ever chapter, “Stopping Wasteful and Unnecessary Spending,” which was inspired by our oversight report, Where’s The Pork? A Study of $600 Billion In Federal Grants. Included in the President’s Budget was our report, Use-It-Or-Lose-It - How The Federal Government Spent $97 Billion In September 2018.

**IN 2019...**
Our Top 82 U.S. Non-Profit Hospitals: Quantifying Government Payments & Financial Assets report launched on FOX News’ Tucker Carlson Tonight and USA TODAY. This report backstopped President Trump’s two executive orders on healthcare price transparency by showing that wealthy charitable non-profit healthcare providers and their CEO’s were making big profits. Colorado Governor Jared Polis (D) also cited this data in his state of the state address while arguing for price reforms.

**IN 2018...**
Open The Books’ Mapping The Swamp, A Study Of The Administrative State Media report launched on FOX News’ The Ingraham Angle and directly led to Representative Judy Hice’s (R-GA) legislation on pension and bonus transparency (H.R. 2612). Furthermore, we briefed the Executive Office of the President, Office of Management & Budget regarding our policy ideas to drain the swamp.

**IN 2017...**

**IN 2016...**
We exposed the $20 million luxury-art procurement program at the Department of Veterans Affairs, which forced a public apology from the V.A. Secretary and the adoption of new rules to stop the abuse. Coverage included Good Morning America and ABC World News Tonight.

**IN RECOGNITION OF OUR TEAM**

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Chief Executive Officer & Founder

Craig Mijares  
Chief Operating Officer

Courtenay Lyons  
Development Director

Christopher Neefus  
Communications Director

Sejzelle Erastus-Obilo,  
Creative Services Director, designed this report.

Tamara Colbert  
Public Relations Specialist

Rachel O’Brien  
Deputy Public Policy Editor

Amber Todoroff  
Deputy Public Policy Editor

Milan Erastus-Obilo  
Video Editor