UAC and Migrant Crisis:

Strengthening Grant Integrity through State Oversight of Office of Refugee Resettlement Programs

**Guardrails 360™ + Meaningful Monitoring® + Agent Tipster™
The Essential Toolkit for Managing Your Mega Grants**

The process of managing the care of thousands of unaccompanied children and refugees is a vital and sensitive endeavor. As recent scandals demonstrate, the risks are real and the stakes are high. When oversight is inadequate, children are neglected and abused while funds intended for their care are stolen.

Now that the federal government is transferring refugee funds and responsibilities to the states, your state's mandate for oversight has become exponentially more complex. Managing programs of this scale requires meticulous planning and oversight. With lives at stake, the pressure can be immense.

Building the right program infrastructure is critical to mission success. Research* shows that among the most widespread causes of program deficiencies are:

- **Lack of Documented Procedures** results in major audit findings, which can lead to penalties and revocation of funds.

- **High Staff Turnover and Shortages** results in a critical loss of institutional knowledge.

- **Inadequate Training and Experience** on compliance requirements and fraud controls results in program losses.

Strategy and Vision

These high-stakes grants present a high risk of fraud and child abuse. Protecting vulnerable children by guarding against unvetted predatory individuals and malicious actors seeking to exploit inadequate controls is imperative.

* Source: An Analysis of Findings from State Single Audits in 2023-24

CASE STUDY:
The Cost of Oversight Failure
(Southwest Key Programs, Inc.)

Organization Profile: Southwest Key Programs, Inc. (SWK) was historically the largest single provider of shelter services for UAC under contract with the U.S. Department of Health and Human Services (HHS) Office of Refugee Resettlement (ORR). Between 2015 and 2023, SWK received over **$3 billion** in federal funding.

The Failure Points (2019–2024):

- **Systemic Abuse Allegations:** Allegations included more than 100 reports of sexual abuse of children, including rape, solicitation of sex acts, and nude images. The DOJ filed a civil lawsuit in July 2024, alleging a pattern of severe and pervasive abuse dating back to at least 2015. HHS announced in March, 2025 that it would no longer place children in the care of SWK facilities.

- **Repeated OIG Findings:** The HHS Office of Inspector General (OIG) published multiple reports highlighting systemic problems that persisted while funding continued. These included findings on:

  - **Safety and Compliance Deficiencies (2019):** SWK failed to consistently meet or document essential health and safety requirements, including proper documentation of sponsor background checks, timely medical exams, and maintaining adequate facility safety standards.

  - **Financial Mismanagement (2020):** SWK claimed millions of dollars in unallowable costs related to executive compensation and property leases paid for with federal funds.

Key Takeaway for Grants Oversight: While necessary, grants monitoring and basic audits are insufficient on their own. To protect vulnerable populations and prevent financial misconduct from escalating into systemic crises, state programs require comprehensive, end-to-end oversight solutions. This mandatory framework must incorporate real-time safety oversight coupled with swift contractual accountability across the entire grant lifecycle.

A Silent Killer of Program Integrity: Lack of Operational Guardrails

A review of Single Audit reports uncovered numerous issues relating to migrants, refugees, and unaccompanied children, primarily concerning eligibility controls, financial monitoring, and adherence to federal reporting requirements for federal programs dedicated to these vulnerable populations.

Critical Refugee and Entrant Assistance Program Deficiencies Exposed

- One state permitted group care facility employees and adults living with prospective caregivers to have unsupervised access to children without first passing mandated background checks.

- Another state faced significant audit findings—including $1.6 million in questioned costs—because staff failed to provide documentation proving services were actually delivered. Crucially, they also failed to monitor the organizations they funded.

- Systemic issues in the management of these programs have been identified by auditors nationwide, revealing significant operational and financial control breakdowns.

Protecting Lives and Safeguarding Funds

Proven Strategies to Mitigate Risk and Prevent Misuse of Funds in Your Refugee Programs

As an impact-driven grants oversight firm, the Vander Weele Group partners with states managing mega-grant programs to mitigate risk and build a culture of compliance and accountability. Our risk-driven solutions cover the entire grant life cycle:

Guardrails 360 establishes front-end compliance checkpoints at every stage of the grants management cycle. We build compliant grant program infrastructure such as policies, procedures, customized tools, and work flows.

Meaningful Monitoring provides real-time, turn-key grants monitoring programs to track non-compliance, identify misuse of funds, and achieve program integrity.

As an **Independent Grants Monitor** we proactively assess compliance with laws and regulations, identify risks, and recommend corrective actions before issues escalate into legal or financial liabilities.

Independent Grants Monitoring

Key Functions

- **Risk Assessment:** Through our AI-augmented risk assessment process called Agent Tipster, we identify vulnerabilities and high-risk activities associated with your grant program.

- **Proactive Oversight:** Our monitors work alongside project teams to quickly address issues as they arise, rather than waiting for problems to be discovered after the fact.

- **Compliance Enforcement:** We verify adherence to laws, regulations, and contractual obligations.

- **Preventing Fraud and Abuse:** By tracking and reviewing expenditures, and identifying suspicious activity, we work to prevent fraud, waste, abuse and misuse of funds in real-time.

- **Corrective Action:** We recommend and help implement corrective actions and can assist with internal reforms to strengthen your compliance culture.
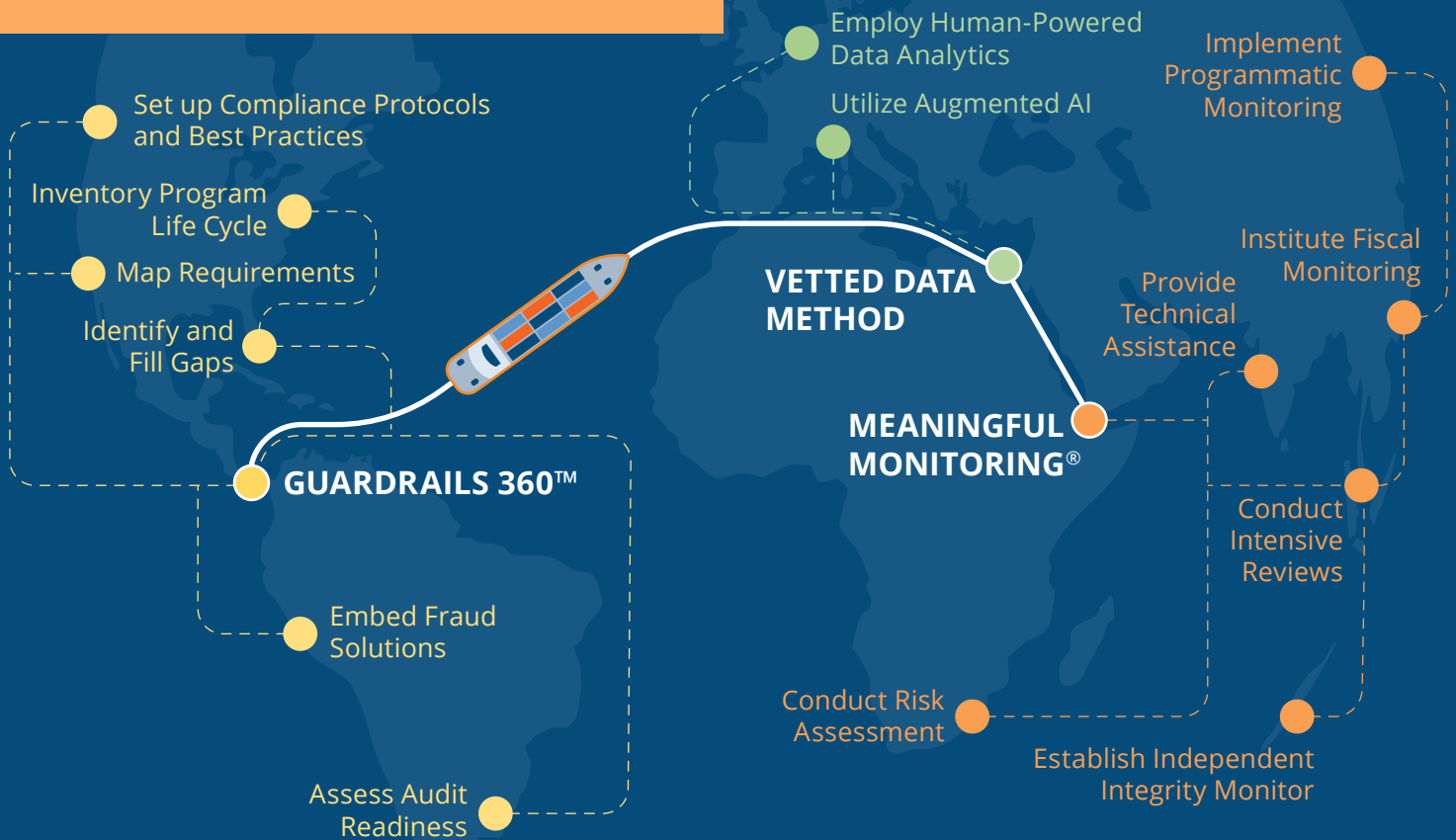
PREVENT FRAUD, WASTE AND ABUSE

ALIGN SPENDING TO PROGRAM GOALS

ENSURE PROGRAM EFFECTIVENESS

Our Role as Your Guardrails

The Vander Weele Group serves as your quality control partner, helping you navigate the seas of mega-grants. We specialize in full-lifecycle grants oversight—from the moment you set sail to the final port of call. Facing limited internal capacity, many states wisely outsource this critical function to our independent and experienced team.

Our comprehensive **Guardrails 360** platform is specifically designed to maximize your resources. It helps you set up critical safety checkpoints that incorporate robust fraud prevention measures and makes certain that spending aligns with program goals, preventing compliance and operational issues before they ever arise.

The Grants Oversight Journey

Set up Compliance Protocols and Best Practices

Inventory Program Life Cycle

Map Requirements

Identify and Fill Gaps

Employ Human-Powered Data Analytics

Utilize Augmented AI

Implement Programmatic Monitoring

VETTED DATA METHOD

Institute Fiscal Monitoring

Provide Technical Assistance

GUARDRAILS 360™

MEANINGFUL MONITORING®

Embed Fraud Solutions

Conduct Intensive Reviews

Conduct Risk Assessment

Establish Independent Integrity Monitor

Assess Audit Readiness

Making Monitoring Meaningful

Meaningful Monitoring is our comprehensive approach to grants oversight, designed to satisfy the rigorous requirements of Single Audits and provide risk-driven accountability for subrecipients. Our turn-key monitoring programs supply all necessary components, including monitoring plans, compliance matrices, anti-fraud tools, and technical assistance.

Having mapped and identified legal requirements for more than 700 activities across the entire grants lifecycle, our process begins with deep, comparative and single-entity risk assessments—augmented by AI-driven analysis—to prioritize oversight. We conduct desk and onsite reviews, providing the sampling, data analytics, and documentation needed to track outcomes, report non-compliance, and deliver program integrity across financial, operational, and performance objectives.

Proactive, AI-Driven Risk Assessment

Agent Tipster™ supercharges your risk-identification process. Leveraging vast troves of publicly available and other government data, this cutting-edge tool employs secure AI and machine learning models to pinpoint the most significant risks jeopardizing your grant programs. Our three-step data methodology includes:
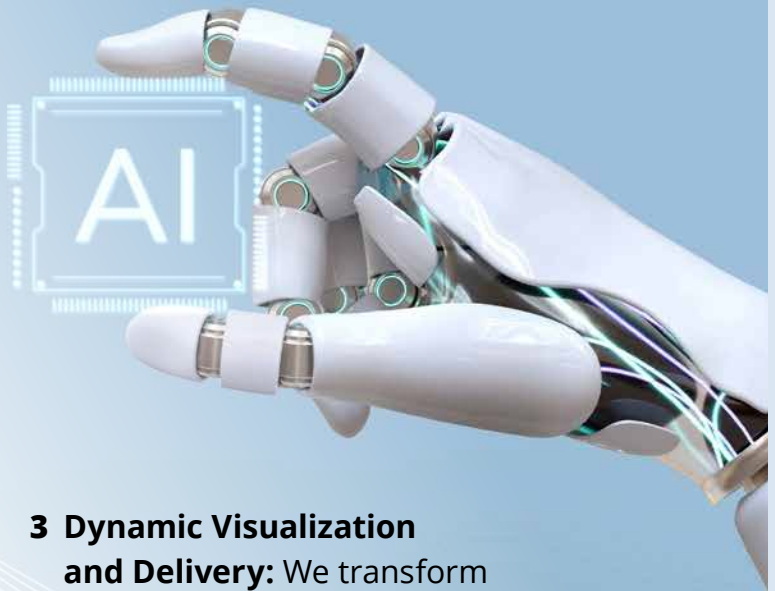
1 Data Ingestion and Curation: We identify, securely source, and rapidly ingest the most relevant, high-fidelity data streams.

2 Intelligent Processing and Validation: We meticulously curate, merge, and clean data through automated pipelines. Data science experts, fiscal monitors and program-specific subject matter experts rigorously vet and validate our proprietary AI conclusions, resulting in actionable accuracy.

3 Dynamic Visualization and Delivery: We transform insights into consumable, easily actionable formats (interactive dashboards, APIs, visualizations, tabular reports) that drive immediate action.