

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF RHODE ISLAND**

STATE OF NEW YORK et al.,

Plaintiffs,

v.

DONALD TRUMP, IN HIS OFFICIAL  
CAPACITY AS PRESIDENT OF THE  
UNITED STATES et al.,

Defendants.

Civil Action No. 1:25-00039

**DECLARATION OF MELISSA BRUCE**

I, Melissa Bruce, declare as follows pursuant to 28 U.S.C. § 1746:

1. I am the Deputy Assistant Secretary for Administration and Director of the Program Support Center (PSC). I am also serving as the Acting Director of the Financial Management Portfolio which encompasses accounting services, internal controls, financial reporting, cost allocation services, and payment management services. The Payment Management System (PMS) team falls within the Payment Management Services Division under my purview. I make this declaration based on personal knowledge and information provided to me by my staff in the course of my official duties.

2. The PMS is operated by the Department of Health and Human Services (HHS), but it serves as the funding disbursement platform for numerous agencies' grants.

3. The way PMS currently operates, a grantee can log into the system and request a withdrawal on the awarded grant. Under the current PMS system, grantees can obtain those withdrawals without submitting invoices, details on the expenses being reimbursed, or other

documentation to support the payment. It is not the role or responsibility of the PMS team to govern grantees. That is done by the awarding agencies and/or the Office of Inspector General.

4. For decades, the PMS team has had a process in place pursuant to which the PMS “flags” unusual payment requests for further review. A payment request may be flagged because, for example, the amount of the request is unusually large, because the grant pursuant to which the payment is requested has expired, or because the grantee has not submitted required financial reporting. When a payment is flagged, the payment is sent to the awarding agency for review and either approval or rejection. A payment may be rejected by the awarding agency because, for example, the awarding agency has confirmed that the grant has expired or that the grantee has not complied with the grant’s reporting requirements.

5. Under normal circumstances, there are approximately 400 payments flagged for further review at any given time. Payments that are not moved to the manual review queue by the system are automatically paid without intervention from the PMS team.

6. After the challenged OMB Memorandum was issued on January 27, 2025, a large number of entities attempted to draw down funds in PMS, with many grant recipients requesting unusually large amounts, sometimes up to their full grant balances. As of January 31, 2025, over 7,000 payment requests were flagged for further review, pursuant to the PMS team’s longstanding process described above.

7. Following its process for reviewing flagged payments, the PMS team has been coordinating with the awarding agencies for review and approval of these flagged payment requests. The PMS team has successfully reduced the number of flagged payment requests to its usual levels. Specifically, as of today, there were fewer than 300 requests flagged and sitting in the queue for manual review pursuant to the team’s longstanding process.

8. The total amount of funds currently in queue for review exceeds \$300,000,000. If the PMS team is not permitted to continue its process of reviewing these flagged payments as a result of this Court's order of February 10, 2025, and is instead required to immediately release payment pursuant to every payment request, some of this \$300,000,000 could be paid out on grants that have expired, could be paid out in amounts that exceed permissible grant payment amounts, or could be paid out despite the grantee's non-compliance with reporting obligations.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed on February 11, 2025

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Melissa Bruce  
Deputy Assistant Secretary for Administration  
Director, Program Support Center  
U.S. Department of Health and Human Services