



INSPECTIONS AND EVALUATIONS
FY07 ANNUAL PLAN
OFFICE OF INSPECTOR GENERAL
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HUD OIG Plan of Action

Overview

The Inspections and Evaluations Division (IED) provides the Inspector General (IG) with an alternative means to quickly analyze and evaluate the efficiency or vulnerability of the Department's programs and operations. The office conducts inspections and evaluations using various study methods and evaluative techniques in order to provide timely information to improve policies, programs and procedures.

Role of Office of Inspections and Evaluations

The Special Agent in Charge, IED, is responsible for conducting short-term management and program evaluations (inspections) that focus on issues of concern to the Department, Congress, and the public.

The Office of Investigation's IED function primarily resides in Headquarters, Washington, DC. The IED is managed by a Special Agent in Charge (SAC) and has two forensic auditors assigned as staff. IED also draws from the forensic auditors in Regions II, III, V, and IX.

The HUD OIG Office of Investigation's Inspections and Evaluations activities are designed to: promote economy, efficiency and effectiveness in the administration of HUD's programs, detect and deter fraud and abuse in HUD programs and operations, and ensure compliance with applicable laws and regulations.

The Planning Process

Planning is a continuing process that focuses our resources on areas of HUD's "Major Management Challenges as defined both by Congress and the President's Management Agenda in the FHA Single Family Mortgage Insurance Programs; the Section 8 rental Assistance Programs and Fiscal Responsibilities and HUD OIG's oversight initiatives in the administration and management of Troubled Public Housing Authorities and Multifamily projects; administration of State/Local CPD Programs; and the administration of Hurricane Relief funds. Formal updates to the Plan are decided during periodic planning meetings with OIG Offices of Audit and Investigations.

On September 26, the OIG held a joint planning meeting attended by representatives from the Offices of Audit, Investigations, and Inspections and Evaluations. These attendees were:

AIGI R. Joseph Haban
DAIGI John McCarty
SAC Michael Groszkiewicz, IED

Updated 02 25 08

SFA Mark Klein, Region II
SFA James Ward, Region III
SFA Muhammad Akhtar, Region V
SFA Windell Durant, Hurricane Katrina TF
SFA Anthony Putzulu, Region IX
FA Erica Bush, IED
Brenda Patterson, Director, TOP
Christine Begola, Asst Director, TOP
Frank Rokosz, Asst Director, TOP

OIG representatives will continue this planning process and update the plan as needed.

The initiatives, identified on the matrix, are prioritized as follows:

National Review – 1st Quarter

Fair Housing and Equal Opportunity
Entitlement States vs. Small Cities

National Review – 2nd Quarter

Multifamily Recertification (Gulf Coast)
HOPE VI

National Review – 3rd Quarter

Appraiser Performance

National review – 4th Quarter

PHA Fungibility – Louisiana and Mississippi

Initiatives as Funding and Timing Allow:

National:

Federal Employees Workman's Compensation Program
Section 8 SSN Verification

Regional:

Pre-Foreclosure Sales
Administrative vs. Program Delivery Costs
Equity Skimming/Identity of Interest Companies
Non-Profit Companies
Term Limits for Section 8 Recipients
Travel Cards

Currently on-going initiatives:

Single Family SSN Verification
FTS 2001 Sprint VPN FONCARD

Ongoing and Planned Initiatives:

Program Areas/ Objectives	Lead	Start Date	Final Report Target Date
Single Family Housing/FHA			
<p>Single Family SSN Verification</p> <p>To determine whether the lenders are using the SSN validation procedures, if the procedures are working and how the lenders resolve the problem if it is determined the SSN is invalid or false.</p>	Region V	Ongoing	IED 06 0011 Issued 6/5/07
<p>Appraiser Performance</p> <p>To monitor the performance of appraisers FMV at appraisal vs. FMV at foreclosure</p>	IED National	FY 09	
<p>Pre-Foreclosure Sales</p> <p>To detect fraud, waste or abuse in the program</p>	Region III	5/2/07	IED 07 007 Issued 12/07
Community Development and Block Grants (CDBG)			
<p>Entitlement States vs. Small Cities</p> <p>Research CPD policy with regards to both similarities and differences between funding for states vs. small cities. Monitor the process. Region II to write model for review.</p>	Region II National	10/19/06	IED 07 002 Issued 12/07
<p>Administrative Costs vs. Program Deliver Costs</p> <p>Research both similarities and differences between administrative and program delivery costs. Determine if costs are classified correctly.</p>	IED Region II	TBD	Cancelled
<p>Non-Profit Companies</p> <p>Down payment assistance programs. Might be moot if FHA goes with a no-down payment program.</p>	Regional	TBD	Cancelled
Public and Indian Housing (PIH)			

Program Areas/ Objectives	Lead	Start Date	Final Report Target Date
<p>PHA Fungibility (Based on identified uses of the funds)</p> <p>To inspect and review procedures under which eligible PHAs in MS and LA combined public housing Capital Funds (including Replacement Housing Factor (RHF) grants), Operating Funds, and Housing Choice Vouchers (HCV) received during calendar year 2005 and eligible prior years' funds which were not yet obligated or expended in the program for which they were intended.</p>			
<p>--MS Housing Authorities</p>	<p>I & E National</p>	<p>4th Qtr</p>	<p>Redefined as IED 08 001</p>
<p>--LA Housing Authorities</p>	<p>I & E National</p>	<p>4th Qtr</p>	<p>Redefined as IED 08 001</p>
<p>HOPE VI</p> <p>To inspect and review the funds spent on demolition and rehabilitation within the HOPE VI program and detect fraud, waste and abuse.</p>	<p>Region IX National IED 07 006</p>	<p>5/01/07</p>	<p>Cancelled</p>
<p>Multifamily</p>			
<p>Multifamily Recertification (Gulf Coast)</p> <p>To inspect, evaluate and report on recertification and HAP procedures for selected MF properties located in the Gulf Coast States.</p>	<p>Region II IED 07 003</p>	<p>10/27/07</p>	<p>TBD</p>

Program Areas/ Objectives	Lead	Start Date	Final Report Target Date
Section 8 Rental Assistance			
Term Limits To determine if term limits should be implemented for Section 8 assistance recipients participating in the welfare to work and moving to work programs (may be a legislative issue)	Regional	FY 09	TBD
Section 8 SSN Verification Consideration of a joint venture with SSA OIG and DHS OIG (ICE) concerning use of fraudulent, stolen, or deceased SSNs for subsidies and benefits by recipients.	IED	TBD	Cancelled
Fair Housing and Equal Opportunity (FHEO)			
FHEO Review HUD's oversight and management of the enforcement process and that the intake and investigation processes are consistently thorough.	IED National IED 07 001	10/10/07	TBD
Fiscal Responsibilities			
Travel/Purchase Cards To determine whether there are any instances of identity theft with the travel and purchase cards	Regional	FY 08	TBD
FTS 2001 Sprint VPN FONCARD To determine whether HUD employees are misusing the calling card; which HUD entity/entities pay for the use of the card; which HUD entity/entities review card use; and how misuse or abuse is dealt with.	IED	Ongoing	IED 06 0012 Issued 6/05/07
Equity Skimming/Identity of Interest Companies Small to mid-size management agents.	Regional	TBD	Cancelled

Program Areas/ Objectives	Lead	Start Date	Final Report Target Date
Other			
FECA – Workers Compensation To review compliance with the program and determine whether HUD is effectively managing the Workers Compensation program to prevent fraud, waste and abuse.	Region V IED 08 004	FY 08	TBD