

OIG Recovery Act Plan Overview

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| OIG Name: | HUD-OIG |
| OIG Broad Recovery Act Goals: | HUD-OIG will focus on key financial decisions and processes used by HUD to disperse and control Recovery Act funding. This includes conducting audits involving fund allocations and grantee capacity; evaluating front end risk assessments on both HUD and funding recipients, and performing audits of HUD systems controls and effectiveness. We will also liaise with federal and state prosecutors, as well as law enforcement counterparts enlisting them to participate in joint efforts to combat fraud in HUD programs. |
| OIG Broad Training and Outreach Recovery Act Goals: | Our outreach efforts will include technical advice to grantees, sub-grantees, industry groups, building inspectors, state/local governments, not-for-profit leaders, state and local Inspectors General, auditors, and Attorneys General. We will conduct training with HUD staff and contractors stressing fraud prevention, fraud awareness and fraud indicators. |
| OIG Recovery Act Risk Assessment Process: | We will continue to confer with HUD program staff on evaluation of front end risk assessments. OIG will audit HUD's risk assessments for compliance with OMB guidelines. Based on prior audit work, we will conduct risk assessments at the local level to identify grantees for more in-depth capacity reviews. Risk assessment and capacity reviews will be analyzed with Federal/state/local prosecutors for investigative/prosecutable strategies. |
| OIG Staff Dedicated to Recovery Act Oversight: | N/A |
| OIG Recovery Act Funds: | \$15,000,000 |
| Expiration Date of OIG Recovery Act Funds: | FY2013 |
| OIG Recovery Act Funds Allocated to Contracts: | No |
| Purpose of Recovery Act Contracts: | N/A |
| Types of Recovery Act Contracts Awarded to Date: | N/A |
| Link to OIG Recovery Act Work Plan: | To be posted |

OIG FY 2010 Recovery Act Work Plan

| Agency | Program Area | Recovery Act Funds Associated w/Program Area | Type of Review | Entity Performing Review | Project Title | Background | Objective | Review Included on Prior Recovery Act Plan (Y/N) | Expected Quarter Work Begins | Expected Quarter Final Report Issued | Expected Number of Reports |
|--------|---|--|------------------------------|--------------------------|---|--|---|--|------------------------------|--------------------------------------|----------------------------|
| HUD | All | All | Administrative/ Financial | OIG Audit Staff | ARRA Act Monitoring | HUD must meet OMB reporting requirements. | Determine whether HUD implements the Recovery Act as OMB directed; to ensure that Recovery Act Funds are obligated according to Act Requirements, and to ensure that HUD provides full financial disclosure of Act funds in the FY 2009 financial statements. | Yes | Q4 FY09 | Q1 FY10 | 1 |
| | | | | OIG Investigations Staff | Survey of Grant and Procurement Training Procedures | Review of HUD contracts supporting ARRA | Validate survey information. | No | Q1 FY10 | Q4 FY10 | 1 |
| HUD | Public and Indian Housing (Housing Capital Fund) | \$4,000,000,000 | Administrative/ Financial | OIG Audit Staff | Capacity Audits | Recipients of ARRA funds should have appropriate management and fiscal capacity. | Determine if recipients have management and fiscal capacity to meet ARRA goals and expend funds | Yes | Q4 FY09 | Q2 FY10 | 10 |
| | | | Performance | | Performance Audits | Recipients must transparently use funds for authorized purposes and avoid unnecessary delays and cost overruns. Recipients must also meet program goals. | Determine whether grantees are using American Recovery Act funds in accordance with OMB and HUD guidance. | No | Q1 FY10 | Q3 FY10 | 4 |
| | | | Performance | | Monitoring Reviews | HUD field offices must implement oversight and monitoring plans set forth in the front end risk assessment. | Determine whether HUD effectively implements the oversight and monitoring plans. | No | Q3 FY 10 | Q4 FY10 | 2 |
| HUD | Public and Indian Housing (Native American Block Housing Grant) | \$510,000,000 | Administrative/ Financial | OIG Audit Staff | Review of Front End Risk Assessment | ARRA Requires Department Front End Risk Assessment | Determine if Front End Risk Assessments met OMB and Department Guidelines. | Yes | Q3 FY09 | Q1 FY10 | 1 |
| | | | | | Capacity Audits | Recipients of ARRA funds should have appropriate management and fiscal capacity. | Determine if recipient have management and fiscal capacity to meet ARRA goals and expend funds effectively. | Yes | Q4 FY09 | Q2 FY10 | 3 |
| HUD | Community Planning and Development (Community Development Block Grants) | \$1,000,000,000 | Administrative/ Financial | OIG Audit Staff | Capacity Audits | Recipients of ARRA funds should have appropriate management and fiscal capacity. | Determine if recipients have management and fiscal capacity to meet ARRA goals and expend funds effectively. | Yes | Q4 FY09 | Q2 FY10 | 6 |
| | | | Performance | | Performance Audits | Recipients must transparently use funds for authorized purposes and avoid unnecessary delays and cost overruns. Recipients must also meet program goals. | Determine whether grantees are using American Recovery Act funds in accordance with OMB and HUD guidance. | No | Q1 FY10 | Q3 FY10 | 4 |

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| HUD | Community Planning and Development (Neighborhood Stabilization Plan) | \$ 2,000,000,000 | Administrative/Financial | OIG Audit Staff | Capacity Audits | Recipients of ARRA funds should have appropriate management and fiscal capacity. | Determine if recipient have management and fiscal capacity to meet ARRA goals and expend | No | Q3 FY09 | Q2 FY10 | 10 |
| | | | Performance | | Performance Audits | Recipients must transparently use funds for authorized purposes and avoid unnecessary delays and cost overruns. Recipients must also meet program goals. | Determine whether grantees are using American Recovery Act funds in accordance with OMB and HUD guidance: | No | Q1 FY10 | Q3 FY10 | 4 |
| | | | Performance | | Monitoring Reviews | HUD field offices must implement oversight and monitoring plans set forth in the front end risk assessment. | Determine whether HUD effectively implements the oversight and monitoring plans. | No | Q3 FY 10 | Q4 FY10 | 2 |
| | | | Administrative/Financial | OIG Investigations Staff | Outreach to Law Enforcement Counterparts and State Grantees | | Conduct liaison activity with federal/state prosecutors, law enforcement and outreach to state grantees. | | Q1 FY10 | Q4 FY10 | |
| HUD | Community Planning and Development (HOME Investment Partnership-Tax Credits) | \$1,500,000,000 | Performance | OIG Audit Staff | Performance Audits | Recipients must transparently use funds for authorized purposes and avoid unnecessary delays and cost overruns. Recipients must meet program goals. | Determine whether grantees are using American Recovery Act funds in accordance with OMB and HUD guidance. | No | Q3 FY10 | Q4 FY10 | 2 |
| | | | | | Monitoring Reviews | HUD field offices must implement oversight and monitoring plans set forth in the front end risk assessment. | Determine whether HUD effectively implements the oversight and monitoring plans. | No | Q3 FY 10 | Q4 FY10 | 2 |
| | | | | OIG Investigations Staff | Outreach to Law Enforcement Counterparts and Grantees | ARRA Requires Department Front End Risk Assessment | Educate law enforcement on complexity of program and help grantees identify fraud indicators. | | Q1 FY10 | Q4 FY10 | |
| HUD | Community Planning and Development (Homeless Prevention Fund) | \$2,250,000,000 | Performance | OIG Audit Staff | Performance Audits | Recipients must transparently use funds for authorized purposes and avoid unnecessary delays and cost overruns. Recipients must also meet program goals. | Determine whether grantees are using American Recovery Act funds in accordance with OMB and HUD guidance. | No | Q3 FY10 | Q4 FY10 | 2 |
| | | | | OIG Investigations Staff | Outreach to Law Enforcement Counterparts and Grantees | | Educate law enforcement on complexity of program and help grantees identify fraud indicators. | | Q1 FY10 | Q4 FY10 | |

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| HUD | Multifamily Housing (Assisted Housing Stability - Project Based Rental Assistance) | \$2,000,000,000 | Administrative/ Financial | OIG Audit Staff | Financial Statement Audit | This program is unlike other ARRA programs in that it is not a increase in program activity, but a change in the manner in which projects are funded. We will review this funding as part of the 2009 financial statement audit. | Determine appropriateness of funding allocation | Yes | Q3 FY09 | Q1 FY10 | 1 |
| | | | | OIG Investigations Staff | Liaison with State Housing Credit Agencies | This program is unlike other ARRA programs in that it is not a increase in program activity, but a change in the manner in which projects are funded. | Identify fraud opportunities in the manner of new program delivery. | | Q1 FY10 | Q4 FY10 | |
| HUD | Multifamily Housing (Green Retrofit Investments- Assisted Housing Energy Refits) | \$250,000,000 | Performance | OIG Audit Staff | Performance Audits | Recipients must transparently use funds for authorized purposes and avoid unnecessary delays and cost overruns. Recipients must also meet program goals. | Determine whether grantees are using American Recovery Act funds in accordance with OMB and HUD guidance. | No | Q3 FY10 | Q4 FY10 | 1 |
| | | | | OIG Investigations Staff | Review of grantees abilities to manage funds | Grantees are susceptible to contract fraud schemes | Conduct outreach to grantees, sub-grantees, and industry groups addressing fraud prevention. | | Q1 FY10 | Q4 FY10 | |
| HUD | Office of Healthy Homes and Lead Hazard | \$100,000,000 | Administrative/ Financial | OIG Audit Staff | Capacity Audit | Recipients of ARRA funds should have appropriate management and fiscal capacity. | Determine if recipient have management and fiscal capacity to meet ARRA goals and expend funds effectively. | Yes | Q4 FY09 | Q3 FY10 | 1 |
| | | | Performance | | Performance Audits | ARRA proscribed funding | Determine if HUD followed fund distribution procedures set forth in the ACT. | Yes | Q4 FY09 | Q2 FY10 | 1 |