



OFFICE *of*  
**INSPECTOR GENERAL**  
UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT



OFFICE OF INSPECTOR GENERAL

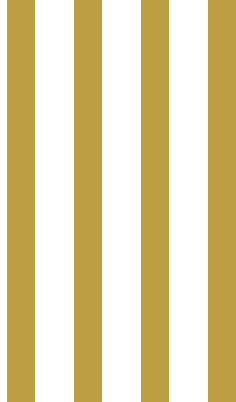
U.S. Department of Housing and Urban Development

# SEMIANNUAL REPORT TO CONGRESS

For the period April 1, 2022, to September 30, 2022



# TABLE *of* CONTENTS



# HIGHLIGHTS

FOR THE PERIOD APRIL 1, 2022, TO SEPTEMBER 30, 2022



**\$5,544,208**  
QUESTIONED COSTS



**45**  
INDICTMENTS -  
INFORMATIONS



**\$7,578,993**  
TOTAL RECOVERIES-  
RECEIVABLES TO  
HUD PROGRAMS



**27**  
ARRESTS



**\$131,396,220**  
RECOMMENDED  
FUNDS PUT TO  
BETTER USE



**47**  
CONVICTIONS-  
PLEAS-PRETRIAL  
DIVERSIONS



**\$11,295,572**  
COLLECTIONS  
FROM AUDITS



**310**  
SUBPOENAS



**10**  
AUDIT AND EVALUATION  
REPORTS PUBLISHED





Inspector General  
**Rae Oliver Davis**

# A MESSAGE FROM THE INSPECTOR GENERAL

CONTINUE





Inspector General  
**Rae Oliver Davis**

# A MESSAGE FROM THE INSPECTOR GENERAL

CONTINUE



# SNAPSHOT

## Spotlight

In accordance with our 2022-2026 Strategic Plan, OIG seeks to influence positive outcomes for HUD programs and operations through timely and relevant oversight, and optimize HUD's program success by combating fraud, waste, abuse, and mismanagement. During this semiannual reporting period we conducted oversight work intended to protect HUD's most vulnerable beneficiaries from lead hazards, such as Risk Indicators of Lead-Based Paint Hazards in Public Housing Agencies, and protect HUD's emergency funding from fraud, such as Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds. Further, to assist HUD with addressing its FY 2022 Top Management Challenges, during this semiannual reporting period, OIG issued a Priority Open Recommendations Report highlighting the most significant open recommendations, which, if implemented, will have the greatest impact on helping HUD achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

*Click the arrow to learn more.*

VIEW  
SPOTLIGHT



# SNAPSHOT

## Spotlight

In accordance with our 2022-2026 Strategic Plan, OIG seeks to influence positive outcomes for HUD programs and operations through timely and relevant oversight, and optimize HUD's program success by combating fraud, waste, abuse, and mismanagement. During this semiannual reporting period we conducted oversight work intended to protect HUD's most vulnerable beneficiaries from lead hazards, such as Risk Indicators of Lead-Based Paint Hazards in Public Housing Agencies, and protect HUD's emergency funding from fraud, such as Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds. Further, to assist HUD with addressing its FY 2022 Top Management Challenges, during this semiannual reporting period, OIG issued a Priority Open Recommendations Report highlighting the most significant open recommendations, which, if implemented, will have the greatest impact on helping HUD achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

*Click the arrow to learn more.*

VIEW  
SPOTLIGHT



# SNAPSHOT

## Spotlight

In accordance with our 2022-2026 Strategic Plan, OIG seeks to influence positive outcomes for HUD programs and operations through timely and relevant oversight, and optimize HUD's program success by combating fraud, waste, abuse, and mismanagement. During this semiannual reporting period we conducted oversight work intended to protect HUD's most vulnerable beneficiaries from lead hazards, such as Risk Indicators of Lead-Based Paint Hazards in Public Housing Agencies, and protect HUD's emergency funding from fraud, such as Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds. Further, to assist HUD with addressing its FY 2022 Top Management Challenges, during this semiannual reporting period, OIG issued a Priority Open Recommendations Report highlighting the most significant open recommendations, which, if implemented, will have the greatest impact on helping HUD achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

*Click the arrow to learn more.*

VIEW  
SPOTLIGHT



# SNAPSHOT

## Spotlight

In accordance with our 2022-2026 Strategic Plan, OIG seeks to influence positive outcomes for HUD programs and operations through timely and relevant oversight, and optimize HUD's program success by combating fraud, waste, abuse, and mismanagement. During this semiannual reporting period we conducted oversight work intended to protect HUD's most vulnerable beneficiaries from lead hazards, such as Risk Indicators of Lead-Based Paint Hazards in Public Housing Agencies, and protect HUD's emergency funding from fraud, such as Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds. Further, to assist HUD with addressing its FY 2022 Top Management Challenges, during this semiannual reporting period, OIG issued a Priority Open Recommendations Report highlighting the most significant open recommendations, which, if implemented, will have the greatest impact on helping HUD achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

*Click the arrow to learn more.*

VIEW  
SPOTLIGHT



# SNAPSHOT

## Spotlight

In accordance with our 2022-2026 Strategic Plan, OIG seeks to influence positive outcomes for HUD programs and operations through timely and relevant oversight, and optimize HUD's program success by combating fraud, waste, abuse, and mismanagement. During this semiannual reporting period we conducted oversight work intended to protect HUD's most vulnerable beneficiaries from lead hazards, such as Risk Indicators of Lead-Based Paint Hazards in Public Housing Agencies, and protect HUD's emergency funding from fraud, such as Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds. Further, to assist HUD with addressing its FY 2022 Top Management Challenges, during this semiannual reporting period, OIG issued a Priority Open Recommendations Report highlighting the most significant open recommendations, which, if implemented, will have the greatest impact on helping HUD achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

*Click the arrow to learn more.*

VIEW  
SPOTLIGHT



# SNAPSHOT

## Spotlight

In accordance with our 2022-2026 Strategic Plan, OIG seeks to influence positive outcomes for HUD programs and operations through timely and relevant oversight, and optimize HUD's program success by combating fraud, waste, abuse, and mismanagement. During this semiannual reporting period we conducted oversight work intended to protect HUD's most vulnerable beneficiaries from lead hazards, such as Risk Indicators of Lead-Based Paint Hazards in Public Housing Agencies, and protect HUD's emergency funding from fraud, such as Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds. Further, to assist HUD with addressing its FY 2022 Top Management Challenges, during this semiannual reporting period, OIG issued a Priority Open Recommendations Report highlighting the most significant open recommendations, which, if implemented, will have the greatest impact on helping HUD achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

*Click the arrow to learn more.*

VIEW  
SPOTLIGHT



# SNAPSHOT

## Spotlight

In accordance with our 2022-2026 Strategic Plan, OIG seeks to influence positive outcomes for HUD programs and operations through timely and relevant oversight, and optimize HUD's program success by combating fraud, waste, abuse, and mismanagement. During this semiannual reporting period we conducted oversight work intended to protect HUD's most vulnerable beneficiaries from lead hazards, such as Risk Indicators of Lead-Based Paint Hazards in Public Housing Agencies, and protect HUD's emergency funding from fraud, such as Fraud Risk Inventory for the Tenant- and Project-Based Rental Assistance, HOME, and Operating Fund Programs' CARES and ARP Act Funds. Further, to assist HUD with addressing its FY 2022 Top Management Challenges, during this semiannual reporting period, OIG issued a Priority Open Recommendations Report highlighting the most significant open recommendations, which, if implemented, will have the greatest impact on helping HUD achieve its mission to create strong, sustainable, inclusive communities and quality affordable homes for all.

*Click the arrow to learn more.*

VIEW  
SPOTLIGHT





# SNAPSHOT



## Making an Impact

HUD OIG oversight work results in recommendations to encourage improvements in the conduct of Government programs and operations. This section highlights the connections between OIG’s work and its positive impact on HUD’s programs, operations, mission, and beneficiaries. While there are many factors that may cause programmatic change, OIG’s reviews and other work often play a role. This section draws attention to recommendations closed during this semiannual reporting period that have made a positive impact on HUD’s mission and operations.

*Click the arrow to learn more.*

VIEW  
MAKING AN IMPACT



# SNAPSHOT



## Making an Impact

HUD OIG oversight work results in recommendations to encourage improvements in the conduct of Government programs and operations. This section highlights the connections between OIG’s work and its positive impact on HUD’s programs, operations, mission, and beneficiaries. While there are many factors that may cause programmatic change, OIG’s reviews and other work often play a role. This section draws attention to recommendations closed during this semiannual reporting period that have made a positive impact on HUD’s mission and operations.

*Click the arrow to learn more.*

VIEW  
MAKING AN IMPACT





# SNAPSHOT



## Making an Impact

HUD OIG oversight work results in recommendations to encourage improvements in the conduct of Government programs and operations. This section highlights the connections between OIG’s work and its positive impact on HUD’s programs, operations, mission, and beneficiaries. While there are many factors that may cause programmatic change, OIG’s reviews and other work often play a role. This section draws attention to recommendations closed during this semiannual reporting period that have made a positive impact on HUD’s mission and operations.

*Click the arrow to learn more.*

VIEW  
MAKING AN IMPACT



# SNAPSHOT



## Making an Impact

HUD OIG oversight work results in recommendations to encourage improvements in the conduct of Government programs and operations. This section highlights the connections between OIG’s work and its positive impact on HUD’s programs, operations, mission, and beneficiaries. While there are many factors that may cause programmatic change, OIG’s reviews and other work often play a role. This section draws attention to recommendations closed during this semiannual reporting period that have made a positive impact on HUD’s mission and operations.

*Click the arrow to learn more.*

VIEW  
MAKING AN IMPACT



# SNAPSHOT



## Making an Impact

HUD OIG oversight work results in recommendations to encourage improvements in the conduct of Government programs and operations. This section highlights the connections between OIG’s work and its positive impact on HUD’s programs, operations, mission, and beneficiaries. While there are many factors that may cause programmatic change, OIG’s reviews and other work often play a role. This section draws attention to recommendations closed during this semiannual reporting period that have made a positive impact on HUD’s mission and operations.

*Click the arrow to learn more.*

VIEW  
MAKING AN IMPACT



# SNAPSHOT



## Making an Impact

HUD OIG oversight work results in recommendations to encourage improvements in the conduct of Government programs and operations. This section highlights the connections between OIG’s work and its positive impact on HUD’s programs, operations, mission, and beneficiaries. While there are many factors that may cause programmatic change, OIG’s reviews and other work often play a role. This section draws attention to recommendations closed during this semiannual reporting period that have made a positive impact on HUD’s mission and operations.

*Click the arrow to learn more.*

VIEW  
MAKING AN IMPACT



# SNAPSHOT



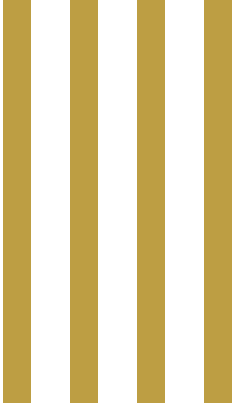
## Making an Impact

HUD OIG oversight work results in recommendations to encourage improvements in the conduct of Government programs and operations. This section highlights the connections between OIG’s work and its positive impact on HUD’s programs, operations, mission, and beneficiaries. While there are many factors that may cause programmatic change, OIG’s reviews and other work often play a role. This section draws attention to recommendations closed during this semiannual reporting period that have made a positive impact on HUD’s mission and operations.

*Click the arrow to learn more.*

VIEW  
MAKING AN IMPACT





# HOUSING

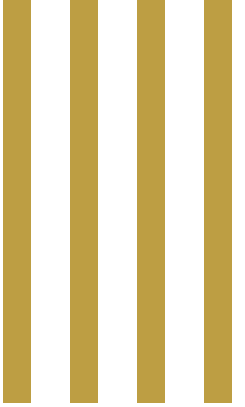
The Office of Housing plays a vital role for the Nation’s home buyers, homeowners, renters, and communities through its nationally administered programs. It includes the Offices of Single Family Housing and Multifamily Housing Programs and the Federal Housing Administration (FHA), the largest mortgage insurer in the world. FHA single-family programs provide mortgage insurance to mortgage lenders that, in turn, provide financing that enables individuals and families to purchase, rehabilitate, or construct homes. The Office of Multifamily Housing Programs’ mortgage insurance programs facilitate the construction, substantial rehabilitation, purchase, and refinancing of multifamily properties. The office also administers subsidized housing programs that provide rental assistance to low-income families, the elderly, and those with disabilities, as well as the preservation of assisted affordable housing.





# HOUSING

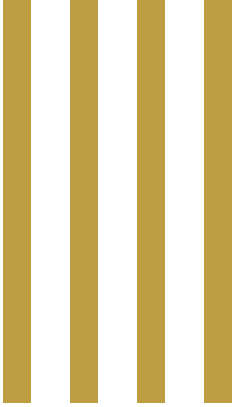
## Office of Investigation





# HOUSING

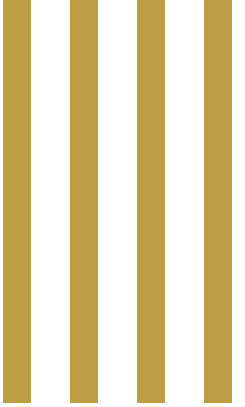
## Office of Investigation





# HOUSING

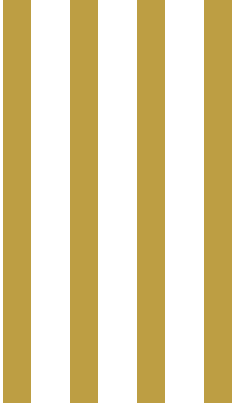
## Office of Investigation



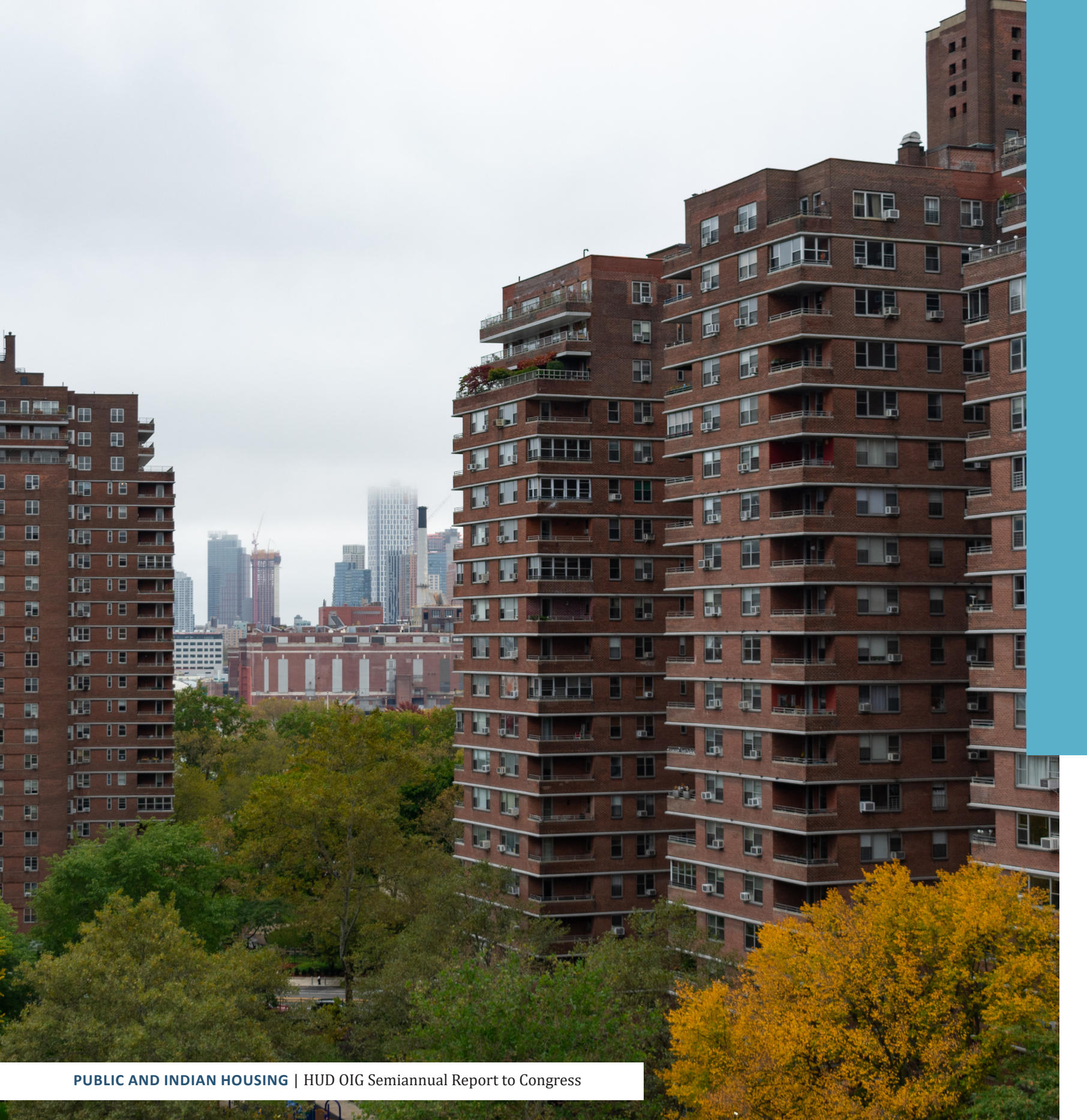


# HOUSING

## Office of Investigation







# PUBLIC AND INDIAN HOUSING

The U.S. Department of Housing and Urban Development (HUD) provides grants and subsidies to more than 3,100 public housing agencies (PHA) nationwide. Many PHAs administer both public housing and Section 8 programs. HUD also provides direct assistance to PHAs' resident organizations to encourage increased resident management entities and resident skills programs. Programs administered by PHAs are designed to enable low-income families, the elderly, and persons with disabilities to obtain and reside in housing that is safe, decent, sanitary, and in good repair. Some of the highlights from this semiannual period are noted in this chapter.





# PUBLIC AND INDIAN HOUSING

## Office of Audit

### Long Branch Housing Authority, Long Branch, NJ, Did Not Properly Handle Income and Expenses Related to Agreements With Other Housing Agencies

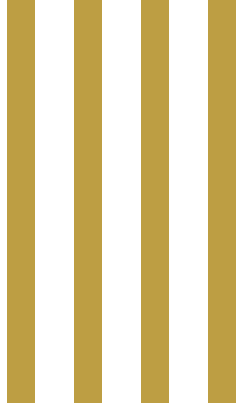
The Office of Inspector General (OIG) audited the Long Branch Housing Authority to determine whether Long Branch properly handled income and expenses associated with its agreements with the Asbury Park and Red Bank Housing Authorities in accordance with requirements. Long Branch did not properly handle income and expenses related to services provided under agreements with two other PHAs. Additionally, it did not properly allocate and support base payroll expenses and maintain adequate documentation to substantiate incentive payments. As a result, HUD did not have assurance that \$1.5 million in incentives paid from agreement income was eligible and reasonable, and nearly \$700,000 in unspent agreement income that had not been used continued to improperly reside in a Long Branch account. OIG recommended that HUD require Long Branch to (1) provide support to show the reasonableness and eligibility of the \$1.5 million in employee incentives paid from agreement income or reimburse its program for any amount it cannot support, (2) provide support for a reasonable estimate of employee time used to perform services for the two agencies and reimburse its program for any program funds improperly used for those expenses, and (3) implement adequate controls to ensure that it properly classifies income received under any future agreements or activities and to ensure future compliance with applicable cost principle requirements. Additionally, OIG recommended that HUD make a determination regarding nearly \$700,000 in outstanding agreement income, including whether those unspent funds should be returned to the PHAs.

**(Long Branch, NJ, Audit Report: 2022-NY-1003)**





# PUBLIC AND INDIAN HOUSING

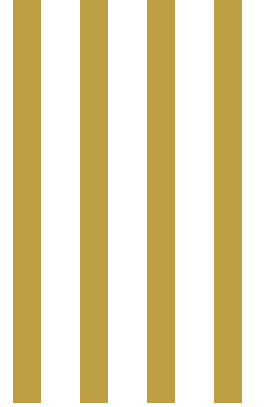


Office of Investigation

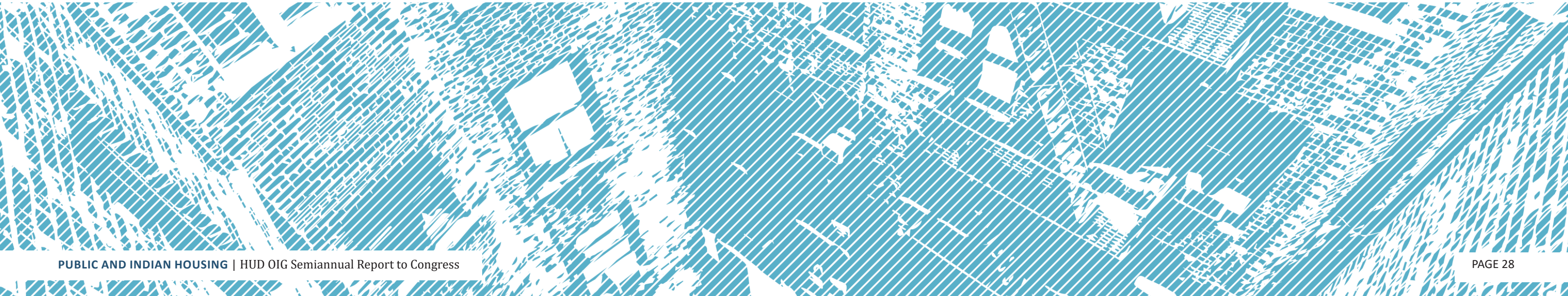




# PUBLIC AND INDIAN HOUSING



Office of Investigation







# COMMUNITY PLANNING AND DEVELOPMENT

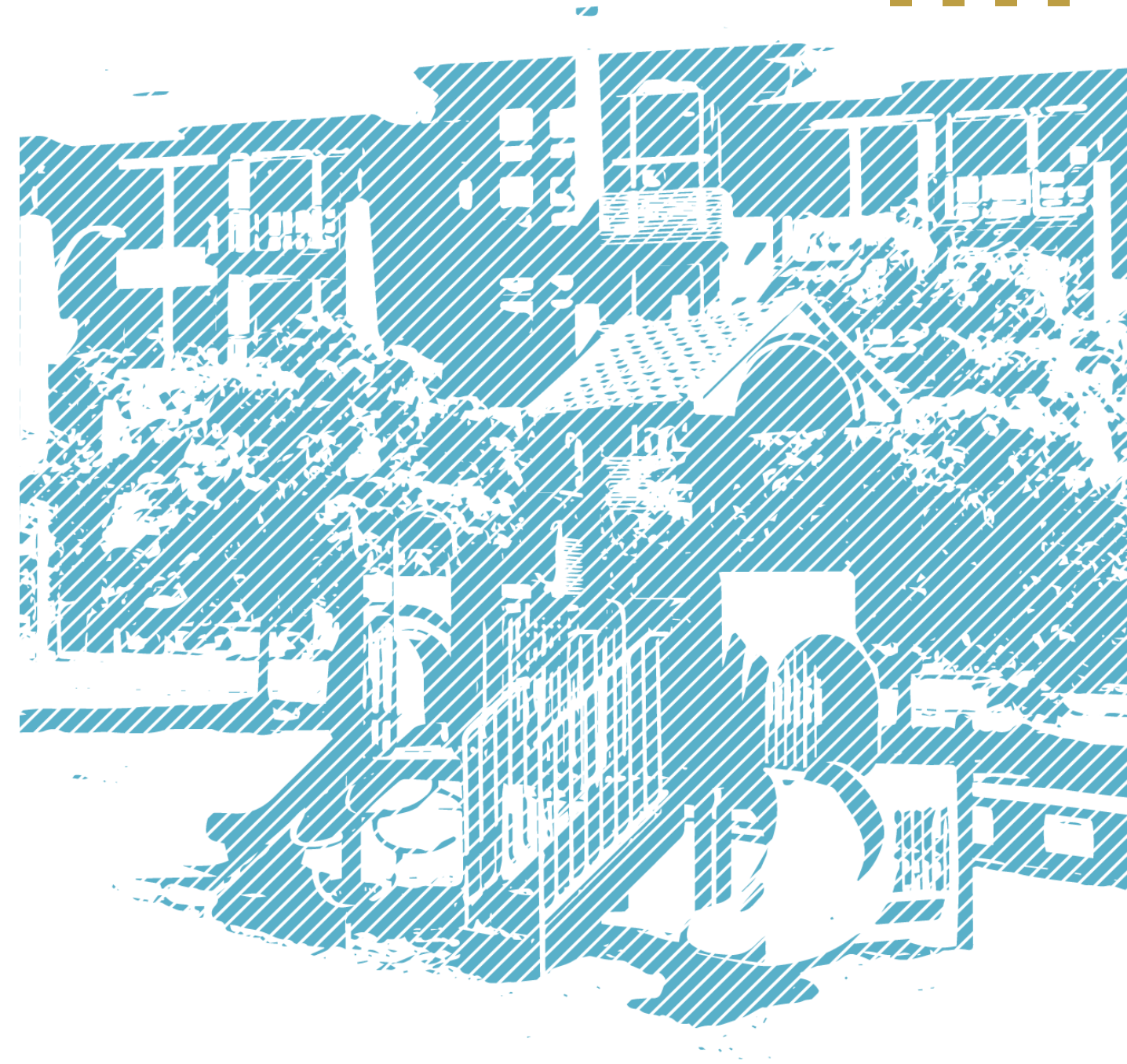
The Office of Community Planning and Development (CPD) works in conjunction with all levels of government and the private sector to develop viable communities by promoting integrated approaches that provide decent housing, suitable living environments, and expanded economic opportunities for low- and moderate-income persons. Some of the highlights from this semiannual period are outlined in this chapter. Additionally, in response to disasters, Congress may appropriate additional funding to Community Development Block Grant Disaster Recovery (CDBG-DR) grants to rebuild the affected areas and provide crucial seed money to start the recovery process. Since fiscal year 2001, the U.S. Department of Housing and Urban Development (HUD) has allocated \$94.8 billion in CDBG-DR and CDBG Mitigation grants to help cities, counties, and States recover from presidentially declared disasters. Of the \$94.8 billion in disaster allocations nationwide, nearly \$87.4 billion has been obligated, and more than \$50.09 billion had been disbursed as of the end of the period.<sup>1</sup>

<sup>1</sup> In prior SARs the allocated amount of funds was presented as \$95.5 billion however, HUD's Disaster Recovery and Special Issues Division recently underwent financial updates in the Disaster Recovery Grant Reporting system, during which HUD discovered approximately \$730 million in 2020 disaster numbers were overstated between January and April 2022. The current balance of \$94.8 billion reflects the reconciliation.



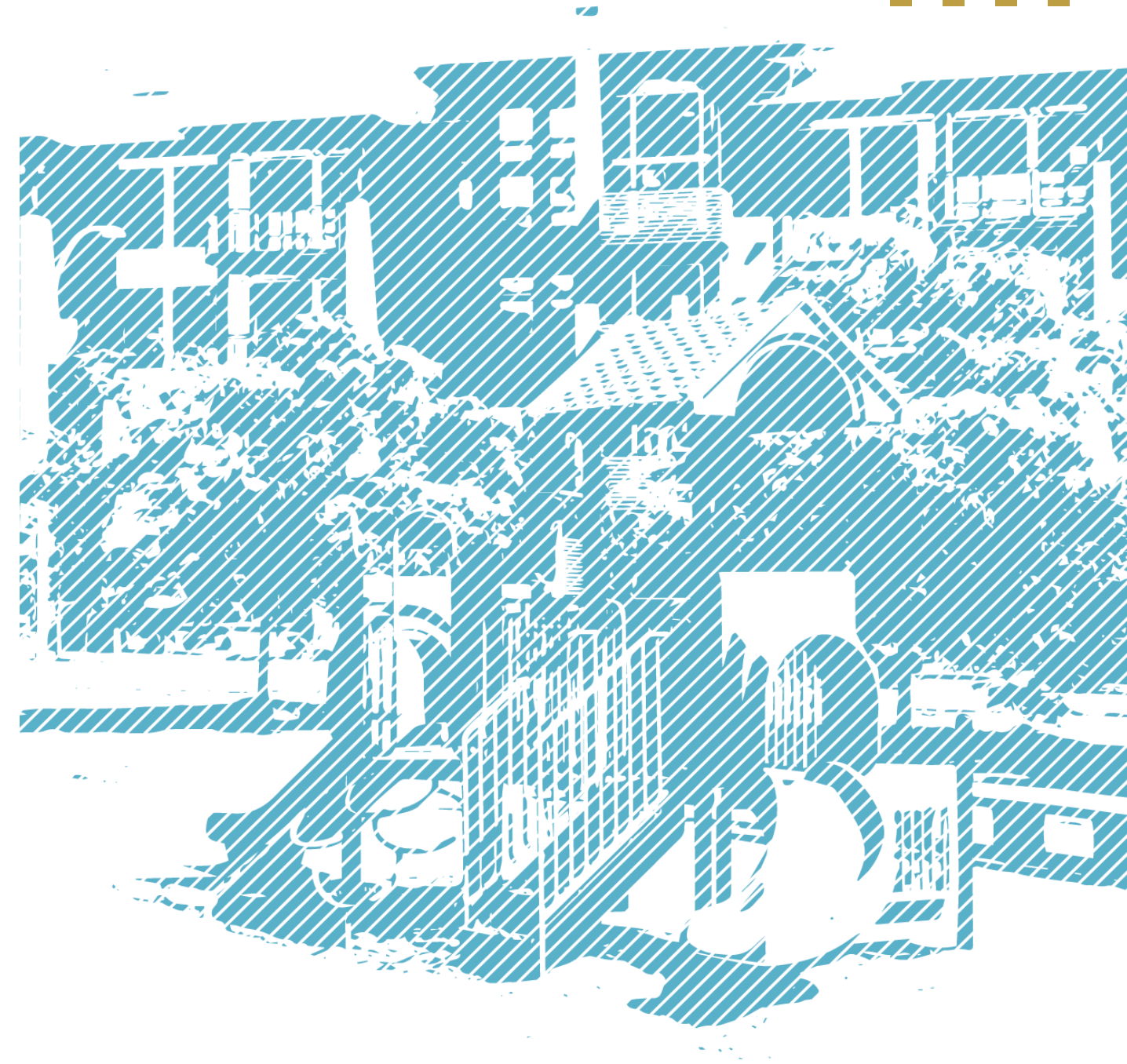
# COMMUNITY PLANNING AND DEVELOPMENT

Office of Audit



# COMMUNITY PLANNING AND DEVELOPMENT

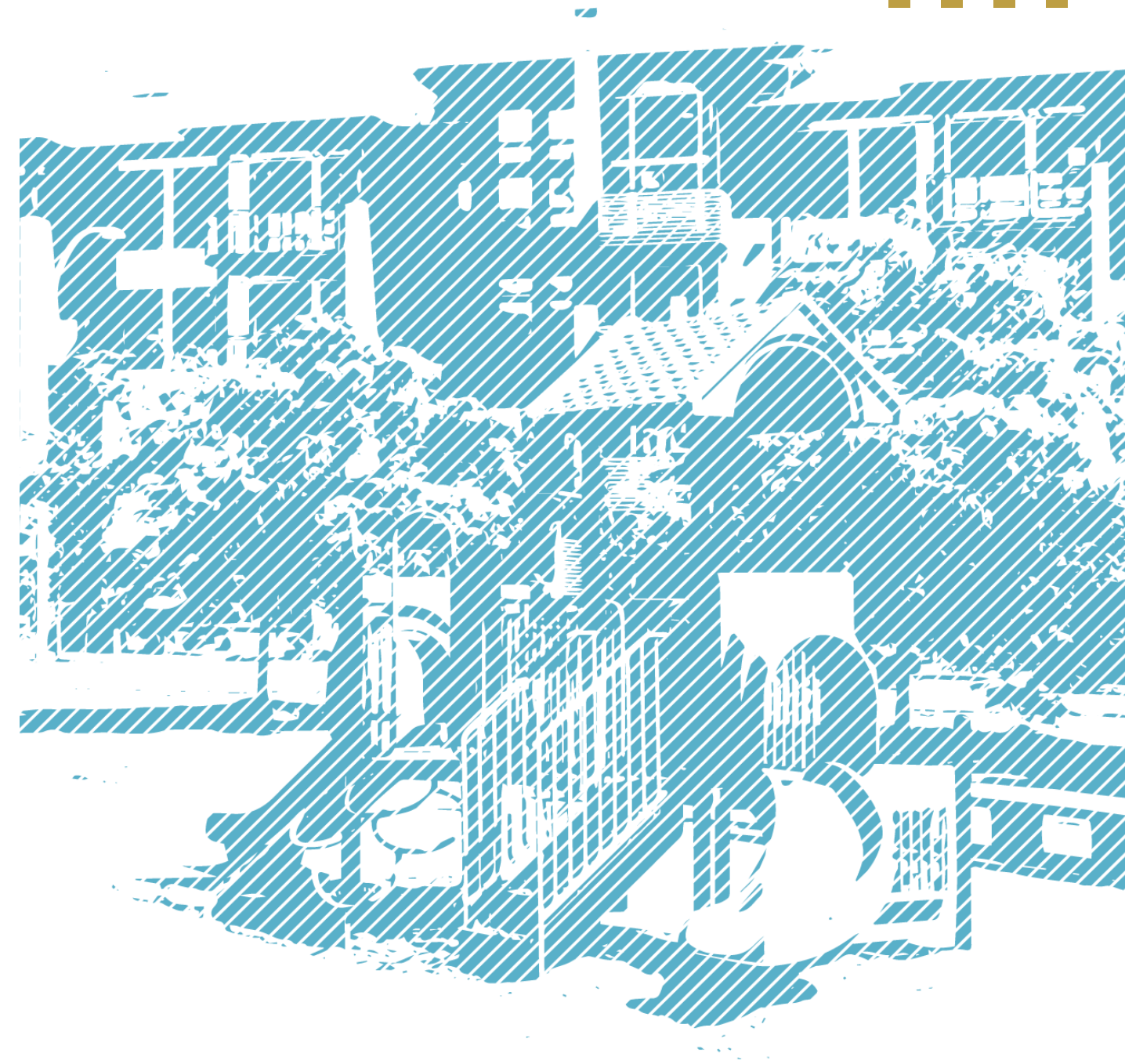
Office of Audit





# COMMUNITY PLANNING AND DEVELOPMENT

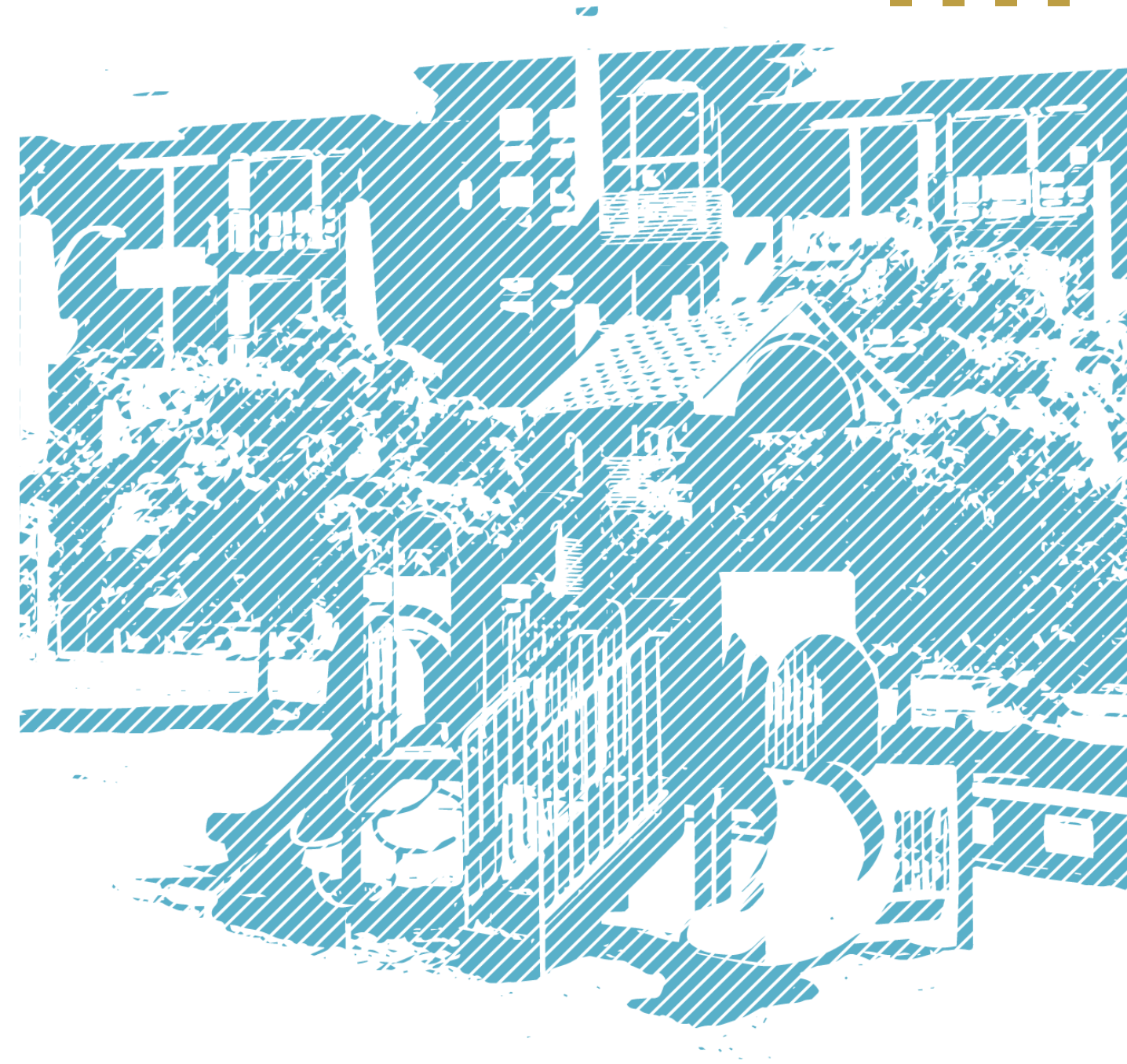
Office of Audit





# COMMUNITY PLANNING AND DEVELOPMENT

Office of Audit



# COMMUNITY PLANNING AND DEVELOPMENT

## Office of Investigation

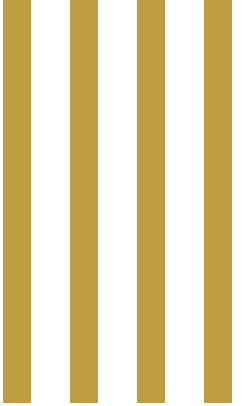
# COMMUNITY PLANNING AND DEVELOPMENT

## Office of Investigation



# ADDITIONAL REPORTS

The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) additional significant reports are highlighted in this chapter.



## Office of Audit

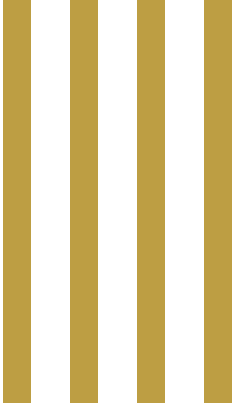






# ADDITIONAL REPORTS

The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) additional significant reports are highlighted in this chapter.



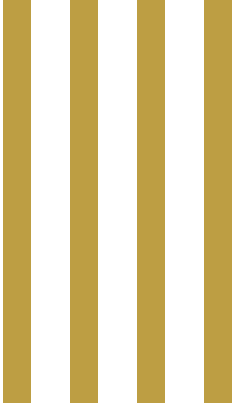
## Office of Audit





# ADDITIONAL REPORTS

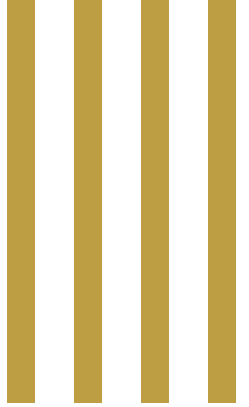
The U.S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) additional significant reports are highlighted in this chapter.



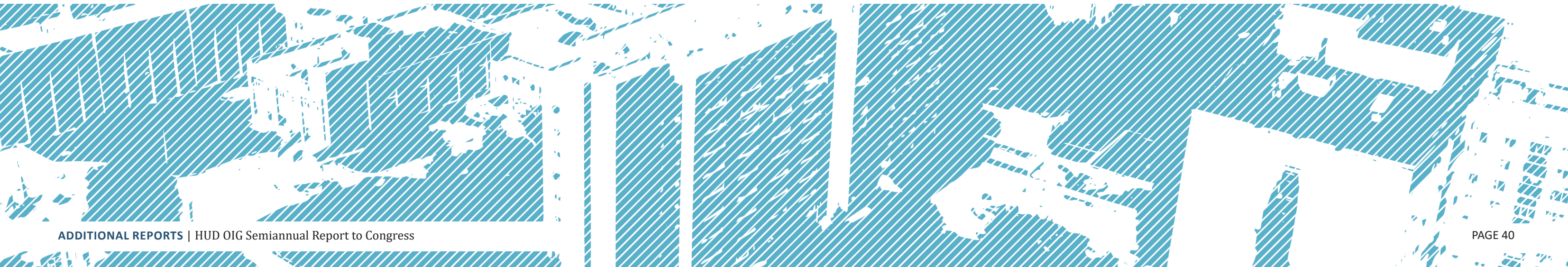
## Office of Audit



# ADDITIONAL REPORTS



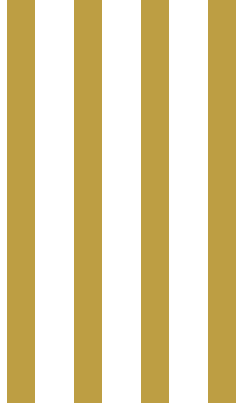
## Office of Evaluation



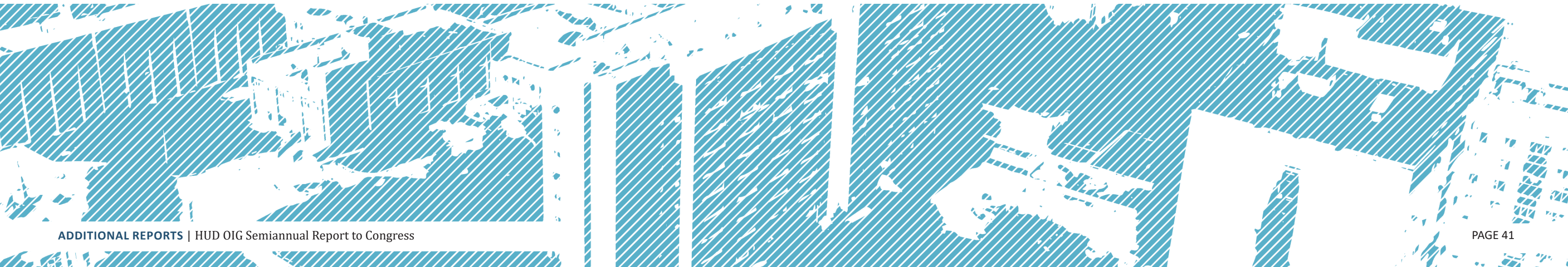




# ADDITIONAL REPORTS



## Office of Evaluation





Report fraud, waste, and mismanagement  
in HUD programs and operations by

**Calling the HUD OIG Hotline:**  
1-800-347-3735

**Visiting online at**  
<https://www.hudoig.gov/hotline>

Scan to report fraud

View the full report at:  
**WWW.HUDOIG.GOV**