

Office of Inspector General
U.S. Department of Housing and Urban Development

Office of Audit and Evaluation
Annual Work Plan for FY 2026

OCTOBER 1, 2025 – SEPTEMBER 30, 2026



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

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Message from the Assistant Inspector General for Auditing

The following is the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) Annual Work Plan (AWP) for Fiscal Year (FY) 2026. The OIG conducts audits and evaluations to prevent and detect fraud and abuse and promote the economy, efficiency, and effectiveness of HUD's programs and operations.

The AWP highlights audits and evaluations the OIG will initiate in FY 2026, as well as ongoing projects that continue from prior years. All of the projects span HUD programs and operations and take into account HUD's Top Management and Performance

Challenges we identified through our past oversight work, HUD's priorities as described in its Annual Performance Plan for FY 2026, and recommendations for action we issued to HUD that remain open. The projects also encompass mandatory audits and evaluations required by laws or regulations.

We organized the AWP by focus areas that correspond to the challenges described in our Top Management and Performance Challenges Report. These focus areas are:

- Improving Business Operations: Modernizing IT Systems and Streamlining Procurement
- Protecting Taxpayer Funds from Fraud, Waste, and Abuse
- Modernizing the Management of Grant Funds
- Ensuring the Availability of and Access to Affordable and Quality Housing

We are committed to providing objective oversight to protect taxpayer funds from fraud and waste and to improve the efficiency and effectiveness of HUD's programs and operations. As with any plan, the AWP is subject to periodic review and revision to address emerging programmatic issues, priorities, and resource changes and to respond to HUD requests or legislative mandates. One area of developing oversight is the OIG's work in support of safer homes and communities as mandated by the President's Executive Orders and Presidential Memoranda.

A handwritten signature in black ink, appearing to read 'Kilah White', enclosed within a thin black rectangular border.

Kilah White
Assistant Inspector General for Auditing

5 PLANNED PROJECTS

4 ONGOING PROJECTS

Improving Business Operations: Modernizing IT Systems and Streamlining Procurement



Planned Projects

FY 2026 Federal Information Security Modernization Act of 2014

Annual mandatory evaluation of HUD’s information security program and practices.

IT Security Controls

Evaluation to assess the operational effectiveness of security controls for selected HUD IT systems or functions and HUD’s processes for detecting and preventing unauthorized devices from connecting to HUD’s network and accessing HUD data.

HUD’s Security Assessment and Authorization Process

Evaluation of HUD’s authorization to operate process for its systems to ensure all security controls are implemented before going into production.

Geospatial Data Act of 2018

Mandatory audit of HUD’s efforts to meet requirements for the collection, production, acquisition, maintenance, distribution, use, and preservation of geospatial data.

National Drug Control Policy Authentication of Accounting

Mandatory attestation review of HUD’s accounting of all funds spent for the National Drug Control Program activities for the previous fiscal year.

Ongoing Projects

HUD IT Access Controls

Review of HUD’s IT access control policies and procedures to determine whether access to selected systems is properly authorized, maintained, and terminated in accordance with HUD policies, federal guidelines, and least privilege principles.

Operational Effectiveness of IT Security Controls

Evaluation of the operational effectiveness of security controls for selected HUD IT systems or functions.

Public and Indian Housing Information Technology Modernization Resourcing Evaluation

Evaluation of Public and Indian Housing’s (PIH) IT modernization process for the Enterprise Voucher Management System and Housing Information Portal System that support key PIH programs.

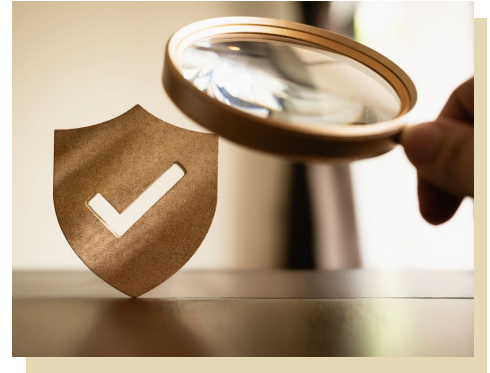
Fiscal Year 2025 Federal Information Security Modernization Act of 2014 Evaluation

Mandatory annual evaluation of HUD's information security program and practices.

14 PLANNED PROJECTS

20 ONGOING PROJECTS

Protecting Taxpayer Funds from Fraud, Waste, and Abuse



Planned Projects

HUD Program Offices' and HUD Participants' Fraud Risk Management Practices

Individual audits of HUD program offices' and HUD participants', including grantees, lenders, and Public Housing Agencies (PHA), fraud risk management practices such as control activities to prevent, detect, and respond to fraud while administering HUD program funds.

Community Planning and Development Expenditure Reviews

Reviews of grantees' program expenditures to ensure compliance with Community Planning and Development's (CPD) grant awards and federal rules, and to identify potential fraud or improper payment.

PHAs' Use of Public Housing Program Funds

Individual audits of PHAs' compliance with requirements related to the use of public housing program funds, including operating subsidies, capital funds, and housing choice voucher program funding, among others.

Spending of Community Development Block Grant Program Income Funds

Audit of Community Development Block Grant (CDBG) program income management, tracking, and spending to assess compliance with program rules, including income being used for eligible activities.

PBRA Payments to FHA-Insured Borrowers

Audit to determine whether individuals improperly received Project-Based Rental Assistance (PBRA) payments while holding a mortgage insured by the Federal Housing Administration (FHA).

FHA Single Family Claims on Indemnified Loans

Audit to determine whether servicers may be filing claims on indemnified loans without repaying HUD.

Delayed Dispositions on HUD Real Estate Owned and Claims Without Conveyance of Title

Audit to assess lenders' timeliness in executing foreclosure requirements and costs to HUD, if any, associated with the delays.

Equity Skimming

Individual audits of HUD program participants' oversight of and controls directed at detecting and preventing equity skimming.

Ghost Tenants

Individual audits of HUD program participants' oversight of and controls directed at detecting and preventing ghost tenants.

FY 2026 Payment Integrity Information Act of 2019

Mandatory annual audit of HUD’s compliance with the Payment Integrity Information Act of 2019 (PIIA) for FY 2026 to assess whether HUD has met all requirements of PIIA and its efforts to prevent and reduce improper payments.

FY 2026 Consolidated HUD Financial Statement Audit

Mandatory annual audit of HUD’s consolidated financial statements. The OIG has contracted with an Independent Public Accounting (IPA) firm to conduct this audit.

FY 2026 FHA Financial Statement Audit

Mandatory annual audit of FHA’s financial statements. The OIG has contracted with an IPA firm to conduct this audit.

FY 2026 Ginnie Mae Financial Statement Audit

Mandatory annual audit of Ginnie Mae’s financial statements. The OIG has contracted with an IPA firm to conduct this audit.

Single Audit Act Reviews

Individual reviews to determine whether independent auditors are effectively planning, performing, and reporting Single Audits of grantees to ensure proper stewardship of taxpayer funds and protect against fraud, waste, and abuse within HUD programs.

Ongoing Projects

FHA-Insured Single-Family Loans Issued to Deceased and Incarcerated Individuals

Evaluation to determine whether the approval process for FHA-insured single-family loans resulted in loans to deceased or incarcerated borrowers.

Assessing the Overlap of Housing Choice Voucher Payments and FHA-Insured Mortgages

Audit to determine whether individuals improperly received Housing Choice Voucher (HCV) program rental assistance payments while holding an FHA-insured mortgage.

Improper Payment Estimate for HUD's Multifamily Project Based Rental Assistance Program

Audit to estimate improper payments in HUD’s Office of Multifamily Housing PBRA program.

HUD, Ginnie Mae, and FHA Inactive Obligations

Audit of HUD’s, Ginnie Mae’s, and FHA’s inactive obligations to determine if the obligations are still needed for the purposes intended and, if not, assess gaps in controls that prevented earlier deobligation.

Assessment of the U.S. Virgin Islands Fraud Risk Management and Potential Improper Payments

Audit of the U.S. Virgin Islands to assess its fraud risk management practices including control activities to prevent, detect, and respond to fraud while administering HUD program funds and determine if there were any improper payments related to its disaster recovery and mitigation program funds.

Fraud Risk Inventories for the Capital Fund, Disaster Recovery, and Single-Family Housing Programs

Audit of HUD programs to identify and develop inventories of fraud risks related to funds that HUD received for its Capital Fund, Disaster Recovery, and Single-Family Housing programs.

Improper Payment Estimate for HUD's Public and Indian Housing Tenant-Based Rental Assistance Program

Audit to estimate improper payments in HUD PIH's Tenant-Based Rental Assistance (TBRA) program.

6 PLANNED PROJECTS

4 ONGOING PROJECTS

Modernizing the Management of Grant Funds

Planned Projects

Home Repair, Reconstruction, or Relocation Program

Audit of the Home Repair, Reconstruction, or Relocation program to assess overall progress and outcomes across grantees related to single-family homes damaged by hurricanes Irma and/or Maria.

Spending by Subrecipients of the Texas General Land Office

Audit to assess whether subrecipients who received Texas Land Office disaster funds met applicable requirements and achieved desired results.

Puerto Rico Small Business Financing Program

Audit of the Puerto Rico Small Business Financing program to assess progress and outcomes, including whether the funding was awarded to ineligible recipients.

Emergency Housing Voucher Program Funding

Individual audits of PHAs' transition plans to prevent the recurrence of homelessness for individuals who had been housed with depleted Emergency Housing Voucher (EHV) funds.

Effect of the Housing Trust Fund on Affordability

Audit of HUD's monitoring of the Housing Trust Fund (HTF) recipients and their compliance with program requirements to spend HTF funds on affordable housing activities with a primary focus on the production, preservation, and rehabilitation of rental housing for extremely low-income households

Build America, Buy America

Evaluation of the Build America, Buy America program to assess how HUD is implementing its requirements and monitoring grantees' compliance with those requirements.



Ongoing Projects

Audit of HOME and HOME ARP Grantee Draws Near Pause in Federal Funding

Audit of the HOME Investments Partnerships and HOME American Rescue Plan (ARP) programs to identify if HOME and HOME ARP draws made by grantees near the time of a hold in federal funding were in accordance with program requirements.

Florida Home Rehabilitation & Reconstruction Program

Audit of the State of Florida’s home rehabilitation and reconstruction program to assess (1) the State’s overall program progress and outcomes including the status of the funding, the number of homes assisted, and the cost of assistance, and (2) the workmanship quality of a sample of completed homes.

Puerto Rico Community Energy and Water Resilience Installations Program

Audit of Puerto Rico’s Community Energy and Water Resilience Installations program to determine the extent to which it has addressed the energy and water system vulnerabilities of its low- and-moderate-income participants.

HUD Oversight of Lead Grants

Audit of HUD’s oversight of Lead-Based Paint Hazard Control (LBPHC) and Lead Hazard Reduction Demonstration (LHRD) grant programs to assess (1) HUD’s evaluation of grantees’ capacity to manage grant funds, and (2) HUD’s tracking and monitoring of grants performance goals for the LBPHC and LHRD grants.

13 PLANNED PROJECTS

10 ONGOING PROJECTS

Ensuring the Availability of and Access to Affordable and Quality Housing

Planned Projects

PHAs' Financial Management Practices

Individual audits of PHAs' financial management practices and oversight of financial conditions.

Unit Conditions Corrections Survey

Audit of HUD's appropriate and timely utilization of the Unit Conditions Corrections Survey, a comprehensive inspection protocol designed to ensure that the physical conditions of HUD-assisted housing meet the necessary standards for health, safety, and quality of life for residents.

Troubled PHAs

Individual audits of troubled PHAs that are contract administrators for rental assistance demonstration project-based voucher projects.

Shortfall Funding Program

Individual audits of PHAs that received HCV shortfall funding to assess their management and use of program funding.

Lender Origination Practices

Individual audits of lenders' origination practices to assess whether they followed FHA rules and regulations for assets, income, liabilities, and credit when originating and underwriting single-family FHA loans.

FHA Single-Family Early Payment Default Origination Monitoring

Audit of lenders' origination practices to assess their quality controls and the controls' impact on early payment defaults.

Lender Servicing

Audit of lenders' servicing practices to assess whether they are using all available tools to assist borrowers with loss mitigation.

Assessment of Opportunities to Streamline FHA Processes

Audit of FHA processes and requirements to assess whether opportunities exist to reduce or eliminate burdensome or unnecessary barriers.

Nursing Homes Asset Sales Program

Audit of HUD's Nursing Homes Asset Sales program to assess the extent to which it maximizes recoveries from the sales.



Cash-Out Refinances

Audit to assess whether properties experience negative impacts after borrowers participate in cash-out refinance transactions.

Duplicate Property Inspections

Evaluation to assess the extent to which HUD monitors, detects, and takes steps to prevent duplicate inspections of properties that are also inspected by the U.S. Department of Agriculture and the U.S. Department of Veterans Affairs.

Physical Inspections of Units

Individual evaluations and audits of units to assess compliance with HUD's quality standards for housing.

Integrity of REAC Inspections

Audit of completed Real Estate Assessment Center (REAC) inspections to identify potential fraudulent activity or other issues that impact the quality of HUD assisted housing.

Ongoing Projects

A California Public Housing Agency's Crime Prevention and Tenant Eligibility Determination

Audit of a California PHA to (1) determine whether the Authority complied with HUD's and its own requirements for verifying individuals' eligibility for HUD-assisted housing based on criminal activity, citizenship, and immigration status; and (2) assess the Authority's practices for preventing and addressing criminal activity.

A District of Columbia Public Housing Authority's Crime Prevention and Tenant Eligibility Determination

Audit of a DC PHA to (1) determine whether the Authority complied with HUD's and its own requirements for verifying individuals' eligibility for HUD-assisted housing based on criminal activity, citizenship, and immigration status; and (2) assess the Authority's practices for preventing and addressing criminal activity.

An Illinois Public Housing Agency's Crime Prevention and Tenant Eligibility Determination

Audit of an Illinois PHA to (1) determine whether the Authority complied with HUD's and its own requirements for verifying individuals' eligibility for HUD-assisted housing based on criminal activity, citizenship, and immigration status; and (2) assess the PHA's practices for preventing and addressing criminal activity.

Monitoring of EBLLs by Property Owners in HUD-Assisted MF Properties Receiving Section 8 PBRA

Evaluation of the monitoring of elevated blood lead levels (EBLL) by property owners in MF properties receiving Section 8 PBRA fundings.

HUD's Inventory Management System/PIH Information Center Fatal Errors - HCV Program

Audit to determine the extent and impact of the fatal errors in HUD's Inventory Management System/PIH Information Center (IMS/PIC) on PHAs HCV programs.

Physical Condition of HCV Units at a Public Housing Agency in Louisiana

Audit to determine whether the physical conditions of a PHA's HCV program units comply with HUD's and the PHA's requirements.

Audit of NSC Partial Claims Tracking and Collection

Audit of the National Servicing Center's (NSC) partial claims tracking and collection to determine whether the NSC serviced all due and payable partial claims in accordance with HUD rules and regulations.

HUD's Implementation of the Timing of Inspections Under NSPIRE

Audit to determine whether HUD has effectively implemented the requirements for the timing of property inspections under the National Standards for the Physical Inspection of Real Estate (NSPIRE).

Management of Lead-Based Paint in a New York Public Housing Agency

Review of a New York PHA to determine whether the PHA adequately managed lead-based paint and lead-based paint hazards in its public housing.

Assessment of PHAs' Compliance with MTW Statutory Requirements

Audit of PHAs' compliance with HUD's Moving to Work (MTW) Demonstration program statutory requirements.