



INSPECTIONS AND EVALUATIONS  
FY09 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 Deputy Director 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. Planning also includes 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 Investigation.

On September 15, 2008 the OIG held a planning meeting attended by representatives from the Office of Investigation. These attendees were:

AIGI John McCarty  
DAIGI Ruth Ritzema  
DAIGI Lester Davis  
SAC Kenneth R. Taylor, Jr., IED  
Deputy Director John Struchen, IED

Updated: 01 26 2009

SFA Mark Klein, Region II  
SFA Muhammad Akhtar, Region V  
SFA Windell Durant, Gulf Coast Region  
SFA Anthony Putzulu, Region IX  
SFA Erica Bush, IED  
SFA James Ward, IED

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

The following inspections and evaluations were included in the FY 2008 Annual Plan and are continuing:

Disaster Relief Allocations and Recapturing Funds  
FECA – Workman’s Compensation

Based on the priorities and major management challenges, the following inspections and evaluations are scheduled for assignment in FY2009. The inspections and evaluations, identified on the matrix, are prioritized as follows:

**National Review – 1<sup>st</sup> Quarter**

Mortgagee Review Board Decisions  
Disaster Relief Allocations and Recapturing Funds  
Duplication of Rental Assistance Subsidies in CPD and Section 8  
FECA – Workman’s Compensation  
Louisiana Road Home – Elevation Grants

**National Review – Start Dates TBD**

Spin-off from Gulf Coast Hurricane Recovery Evaluation – Elderly/Assisted Living in the Gulf  
HUD Transit Subsidy  
Evaluation of IG Referrals to DEC and their timely disposition  
Administrative Fees Paid to PHAs/Other Entities to Operate HUD Funded Section 8 Programs  
OIG Purchase Card Transactions  
Landlord Fraud – Section 8 REAC Oversight  
HECM Counseling Effectiveness & Program Impact  
203(H) Disaster Related Mortgages

Program Areas/ Objectives	Lead	Start Date	Final Report Target Date
<b>Single Family Housing/FHA</b>			
<b>Mortgage Review Board Decisions</b>  To assess the impact of the Mortgage Review Board enforcement decisions in resolving cases of serious non-compliance with FHA regulations.	HQS IED  IED 09 003	12-08-08	06-08-09
<b>Community Development and Block Grants (CDBG)</b>			
<b>Disaster Relief Allocations and Recapturing Funds</b>  To evaluate pre-2005 disaster allocations nationally and whether funds were ever recaptured.	Region IX  IED 08 005	01-05-09	07-06-09
<b>Duplication Of Rental Assistance Subsidies in CPD and Section 8</b>  To determine if recipients of rental assistance through CPD homeless programs also receive Section 8 assistance through HUD's Section 8 PIH/MF programs.	Region II  IED 09 004	02- 04-09	07-06-09
<b>Public and Indian Housing (PIH)</b>			
<b>Administrative Fees Paid to PHAs/Other Entities to Operate HUD Funded Section 8 Programs</b>  To determine whether HUD has an adequate system to monitor the proper use of Section 8 administrative fees paid to PHAs and other entities that operate HUD funded Section 8 programs.			
<b>FHA/Multifamily</b>			
<b>Landlord Fraud – Section 8 REAC Oversight, FHA Multi-Family</b>  To determine if Landlords complied with REAC Inspection findings and corrected identified dwelling deficiencies.			
<b>OTHER</b>			

Program Areas/ Objectives	Lead	Start Date	Final Report Target Date
<p><b>HUD's Transit Subsidy Program</b></p> <p>To determine whether HUD employees are fully complying with transit subsidy rules.</p>			
<p><b>FECA – Worker's Compensation Program</b></p> <p>To review compliance with the program rules, assess data reliability of automated case file records, and to identify FECA claimants who may have indicators of potential program abuse.</p>	<p>Region V</p> <p>IED-08-004</p>	<p>12-01-2008</p>	<p>05-29-09</p>
<p><b>Travel/Purchase Cards</b></p> <p>To determine the level of program compliance and whether there are any instances of identity theft with the travel and purchase cards</p>			
<p><b>Evaluation of HUD Referrals to DEC and their timely disposition</b></p> <p>To evaluate the timeliness of processing and the appropriateness of disposition of HUD referrals</p>			
<b>Hotline Complaints</b>			
<p><b>To Be Determined</b></p>			
<b>Hurricane Katrina Recovery</b>			
<p><b>Spin-off from Gulf Coast Hurricane Recovery Evaluation – Elderly/Assisted Living in the Gulf.</b></p> <p>To determine the status of damaged HUD subsidized elderly/assisted living and its reconstruction.</p>			

Program Areas/ Objectives	Lead	Start Date	Final Report Target Date
<p><b>203(H) Disaster Related Mortgages</b></p> <p>To evaluate the effectiveness of the FHA SF 203(h) program in providing financing to disaster victims.</p>			
<p><b>Louisiana Road Home – Elevation Grants</b></p> <p>To determine if grant recipients used the funds to elevate their homes, as required</p>	<p>Region IX</p> <p>IED-09-002</p>	<p>01-05-09</p>	<p>07-06-09</p>