



OFFICE OF INSPECTOR GENERAL

OFFICE OF EVALUATION



U. S. Department of
Housing and Urban
Development

Evaluation Plan May 1, 2016

HUD's Mission

The U.S. Department of Housing and Urban Development's (HUD) primary mission is to create strong, sustainable, inclusive communities and quality, affordable homes for all. HUD seeks to accomplish this mission through a wide variety of housing and community development grant, subsidy, and loan programs. Additionally, HUD assists families in obtaining housing by providing Federal Housing Administration (FHA) mortgage insurance for single-family and multifamily properties. HUD relies upon many partners for the performance and integrity of a large number of diverse programs. Among these partners are cities that manage HUD's Community Development Block Grant (CDBG) funds, public housing agencies that manage assisted housing funds, HUD-approved lenders that originate and service FHA-insured loans, Government National Mortgage Association mortgage-backed security issuers that provide mortgage capital, and other Federal agencies with which HUD coordinates to accomplish its goals. HUD also has a substantial responsibility for administering disaster assistance programs and is administering new mortgage assistance and grant programs in response to the Nation's financial crisis.

Office of Evaluation's Role

Program evaluation affords the Office of Inspector General (OIG) a flexible and effective mechanism for oversight and review of HUD programs by using a multidisciplinary, collaborative approach and multiple methods for gathering and analyzing data. The program evaluation team performs information technology (IT) and program evaluations, provides data analytics services to OIG components, and performs management assistance reviews to ensure that OIG operates in accordance with its policy. In addition, it provides a wide range of statistical and analytical support to OIG headquarters and field components.

Evaluations are studies tailored to answer specific questions about how well (or whether) a program is working. They provide an analytical examination of the overall relevance, efficiency, effectiveness, and impact of a policy, program, function, operation, activity, or practice of a given entity. From time to time, an evaluation may be an assessment of the cumulative impact upon one or more entities of multiple policies, programs, or operations with similar or overlapping objectives and purposes or the effectiveness of efforts to coordinate such activities. The primary purpose of an evaluation is to provide timely, credible, and useful information to agency managers, policy makers, and others. The Office of Evaluation (OE) performs its work in accordance with procedures set forth in the Council of Inspectors General for Integrity and Efficiency (CIGIE) Quality Standards for Inspection and Evaluation, January 2012.

OE is a relatively new component within OIG, having been created in 2014. OE is composed of three divisions, the Information Technology Evaluation Division (ITED) with 2 staff members,

the Program Evaluation Division (PED) with 10 staff members, the Integrated Data Analytics Division (iDAD) with 9 staff members, and a management assistance review coordinator.

Evaluation Planning

Evaluation planning is a dynamic and flexible process that anticipates changes in response to congressional and management requests and other high-priority needs. OE publishes its plan semiannually. Adjustments are made throughout the year to meet priorities and respond to emerging issues with the available resources. The planning process begins with HUD’s strategic plan and annual performance plan and moves horizontally to further identify the related strategic objectives (tier 1). OE assesses relative risks in the programs for which it has oversight responsibilities to prioritize its work based on relative ranking determinations. OE’s work is also planned in accordance with the HUD OIG strategic plan.

Strategic Goals

HUD’s strategic plan for fiscal years (FY) 2014-2018 consists of four overarching strategic goals and 12 strategic objectives, which help frame HUD’s discussion of its performance targets and associated priorities.

HUD’S FY 2014-2018 STRATEGIC FRAMEWORK			
Mission: Create strong, sustainable, inclusive communities and quality, affordable homes for all.			
Strategic Goal 1	Strategic Goal 2	Strategic Goal 3	Strategic Goal 4
Strengthen the nation’s housing market to bolster the economy and protect consumers	Meet the need for quality, affordable rental homes	Use housing as a platform to improve quality of life	Build strong, resilient, and inclusive communities

HUD OIG’s strategic plan for FY 2013-2018 consists of five goals and serves as the foundation when planning OE projects.

HUD OIG STRATEGIC GOALS FY 2013-2018				
Goal 1 Effectiveness	Goal 1 Timeliness	Goal 3 Quality	Goal 4 Impact	Goal 5 Innovation
Help the Department address its “major challenges” by being a relevant and problem-solving advisor to HUD, stakeholders, and Congress.	Deliver relevant products that allow the Department to act on time-sensitive issues.	Provide services and products that can be relied upon to address vulnerabilities, provide opportunities for improvements, and recognize positive outcomes.	Deliver services and products that can be used by recipients to make informed decisions, take appropriate actions, and improve programs.	Develop new and better ways of conducting business to enhance our organizational performance and to support a diverse and skilled workforce.

April – September 2016 Projects

Many of the projects included in this plan are mandated by legislation or were requested by HUD managers. PED and iTED devote significant resources to these important projects.

In response to congressional interest in HUD’s response to Hurricane Sandy, PED plans to devote substantial effort to disaster-related work. PED evaluations will complement work performed by the Office of Audit, focusing on HUD’s internal operations, to assist HUD in improving program accomplishments.

In addition to self-generated projects, iTED will perform two evaluations mandated by Congress. As required by the Federal Information Security Modernization Act of 2002, iTED will evaluate the effectiveness of agency information security policies, procedures and practices, including the testing of a representative subset of agency information systems. As required by the Cyber Security Act of 2015, Title IV, iTED will assess and report on security controls the agency has in place for information systems that provide access to personally identifiable information. Also, iTED is leading a CIGIE Web application security project.

iDAD supports HUD OIG programs by leveraging a data-driven environment, which encompasses the collection and management of internal and external datasets to facilitate ongoing data analysis. iDAD facilitates analysis of current and historical HUD program data, completes complex analytical projects, and presents an overview of HUD programs to provide insights and enhance OIG’s strategic planning.

The management assistance review coordinator conducts internal projects in accordance with CIGIE's Quality Standards for Federal Offices of Inspector General requirement that each OIG set up and maintain a quality assurance program. HUD OIG's quality assurance program includes reviews of regional audit and investigative offices' adherence to established OIG policies, procedures, and standards of performance.

Program Evaluations Division Projects

Description

PED gives the Inspector General a flexible approach for conducting independent and credible reviews of HUD's programs and operations to help HUD better achieve its mission. Using multidisciplinary teams and a variety of evaluation methods and techniques, PED is capable of quickly analyzing an issue that needs immediate attention or performing a more in-depth assessment of HUD operations, programs, or policies. In either situation, the aim of PED's evaluation work is to deliver timely, credible, and practical information and recommendations to HUD management to assist it in improving the efficiency and effectiveness of HUD's many important programs.

Point of Contact

Lisa Rodely, Director, lrodely@hudoig.gov

Title	Primary objectives	Start date	Projected completion date
Ongoing			
Application Process for the Hospital Mortgage Insurance Program (2016-OE-0001)	Determine (1) the appropriate process for underwriting hospital mortgage insurance under relevant laws, regulations, and policies and (2) whether the Office of Healthcare Facilities issued commitments for mortgage insurance in accordance with the appropriate process.	October 29, 2015	April 30, 2016
Records Retention Policies and Practices at the Office of Hospital Facilities (2016-OE-0001)	Determine whether (1) the Office of Hospital Facilities maintains a records retention system that complies with applicable policies and (2) its staff received required records training.	April 14, 2016	May 31, 2016
Risk Management Planning for Hurricane Sandy Grants	Determine (1) how HUD's risk assessment process determines which Hurricane Sandy grantees are high risk, (2) whether HUD's disaster grant risk assessment training is	January 21, 2016	June 15, 2016

Title	Primary objectives	Start date	Projected completion date
(2016-OE-0004S)	efficient and effective, and (3) whether HUD uses the risk assessments effectively to determine risk levels.		
Planned			
HUD's Transition From Formula to Competition Models for Distributing Public Law 113-2 Disaster Recovery Funding	Determine whether HUD's transition from the CDBG formula model to a competition model (specifically, Rebuild by Design and National Disaster Resilience Competition) to distribute disaster recovery funding improved the effectiveness of its disaster grant allocation process.	May 1, 2016	September 30, 2016
Effectiveness of HUD's Approach for Managing and Distributing Disaster Recovery Funding	Determine (1) the impact of having a somewhat temporary office within HUD's Office of Community Planning and Development responsible for managing and distributing \$13+ billion in disaster response and recovery funding and (2) whether there are best practices from other agencies that could be adopted to ensure that HUD is better prepared to support recovery efforts after any future disasters.	June 1, 2016	October 31, 2016
Compliance With Federal Transparency Reporting Requirements for Expenditures of Disaster Assistance and Recovery Funds	Determine whether (1) HUD's disaster reporting complies with the Federal Funding Accountability and Transparency Act of 2006 as amended and (2) HUD is adequately preparing for the new transparency and reporting requirements imposed by the Digital Accountability and Transparency Act of 2013.	September 1, 2016	February 15, 2017

Information Technology Evaluation Division Projects

Description

iTED reviews the economy, efficiency, and effectiveness of the agency's investments in systems for achieving goals and ensuring the confidentiality, integrity, and availability of data used for decision making. It conducts assessments of agency IT and cyber security operations,

programs, and policies to provide timely evaluation results to the agency and fulfill all Federal reporting requirements for OIG.

Points of Contact

John Garceau, jgarceau@hudoig.gov

Craig Wood, cwood@hudoig.gov

Title	Primary objectives	Start date	Projected completion date
Ongoing-mandated			
FISMA FY 2016 Evaluation (2016-OE-0006)	Perform the annual independent evaluation of HUD information security programs and practices in accordance with the Federal Information Security Modernization Act of 2014 (FISMA).	March 14, 2016	November 18, 2016
Cybersecurity Act of 2015 Assessment and Report (2016-OE-0008)	Assess and report on agency policies and practices relating to specific security controls for access to and monitoring of information systems containing personally identifiable information.	March 15, 2016	August 12, 2016
Ongoing-discretionary			
CIGIE Web Application Security Cross-Cutting Project (2016-OE-0002)	<p>HUD OIG (iTED-Information Systems Audit Division (ISAD)) is leading a CIGIE cross-cutting project with the following objectives:</p> <ol style="list-style-type: none"> 1. Develop a standard methodology to effectively assess agency Web application security programs; 2. Determine the extent and efficiency of agency efforts to identify and assess vulnerabilities on publicly accessible Web applications and mitigate the most severe vulnerabilities; and 3. When appropriate, assess efforts to control or reduce the number of publicly accessible Web applications. <p>In addition to the overall CIGIE project objectives and development of a report, iTED-ISAD will assess HUD Web application security programs, practices, and vulnerabilities while producing a HUD-specific report.</p>	November 3, 2015	September 1, 2016

Integrated Data Analytics Division Projects

Description

iDAD’s project-based focus is centered on obtaining and analyzing HUD internal and housing-related external data sources to support and sustain audit, investigative, and evaluation operations and identify program mismanagement patterns, internal control weaknesses, and potential fraud. In concert with iDAD’s data analysis and support mission, project intelligence will be used to develop risk assessment and targeting systems and advanced predictive models designed to improve long-term OIG workload planning and strategic decision making and assist HUD in managing its programs and most significant challenges.

Point of Contact

Cliff Cole, Director, ccole@hudoig.gov

Title	Primary objectives	Start date	Projected completion date
Ongoing			
Data and Analysis Support for Headquarters and Field Operations	Continue to enhance OIG’s effectiveness in carrying out its mission by providing timely and efficient responses to regional, headquarters, and outside agency requests for data (retrieval, conversion, analysis), statistical (sampling, modeling, trending), and other (systems access, training, hard-software evaluation) services.	October 1, 2015	Ongoing through September 30, 2016
FHA Mutual Mortgage Insurance Fund Predictive Model – Phase I – Modeling and Predicting Insurance Claims	Develop, test, prototype, and publish a comprehensive FHA mortgage claims predictive model, which represents the most significant financial drain on the Mutual Mortgage Insurance Fund.	October 1, 2015	June 30, 2016
Multifamily Risk Assessment System, Non-Health-Care-Related Projects	Obtain, convert, and analyze multifamily data sources relating to program risks (financial, physical, performance) and develop an OIG risk assessment and targeting system to rank potential audit, investigative, and evaluation workload and strategic planning.	October 1, 2015	April 15, 2016

Title	Primary objectives	Start date	Projected completion date
Single-Family Servicing Lender (Loss Mitigation) Risk Assessment System	Obtain, convert, and analyze HUD single-family data sources related to FHA loan servicing, mortgage delinquency reporting processes, and the use of HUD's loss mitigation programs and develop a risk assessment and loan servicer targeting system.	October 1, 2015	February 5, 2016 (Actual)
Multifamily Risk Assessment System, Nursing Home Projects	Obtain, convert, and analyze HUD multifamily and U.S. Department of Health and Human Services Centers for Medicare & Medicaid Services data sources relating to program risks (financial, physical, performance) and update the iDAD risk assessment and targeting system to rank potential audit, investigative, and evaluation workload and for strategic planning.	December 1, 2015	April 15, 2016
Contract Data Analysis Support	Identify a highly targeted data analysis project; develop a focused performance work statement; estimate, justify, and obtain the required budget authority; and award a contract to obtain data analysis support and provide industry-accepted best practices in data analysis project and workload development.	February 8, 2016	June 1, 2016
CPD Formula Grantee Risk Assessment System	Obtain, convert, and analyze multifamily data sources relating to program risks (financial, physical, performance) and develop an OIG risk assessment and targeting system to rank potential audit, investigative, and evaluation workload and for strategic planning purposes.	March 28, 2016	September 30, 2016
iDAD Marketing and Communication Program	Foster and maintain partnerships with HUD OIG offices, HUD program office staff, CIGIE, other Federal agencies, and private-sector companies.	March 1, 2016	September 30, 2016
Predictive Model Development	Target research and development efforts on HUD program data ingestion and business	March 1, 2016	September 30, 2016

Title	Primary objectives	Start date	Projected completion date
	process understanding and develop, implement, and prototype a new predictive model.		
Data Analysis and Loan Targeting Support for the National Joint Task Force FHA Loan Delayed Conveyance Effort	Assist the Offices of Audit, Investigation, Evaluation, and Civil Fraud in developing an FHA loan delayed conveyance risk assessment system and designing statistical sampling plans to assess the national impact of potentially billions of dollars in ineligible claim payments.	March 1, 2016	September 30, 2016
Annual Computer-Assisted Audit Techniques Representative Conference	Plan and implement the annual OIG Computer-Assisted Audit Techniques (CAATs) conference designed to promote timely subject matter, data analytic successes, and unprecedented networking opportunities among the regional CAATs representatives and other power user data wranglers in the Offices of Audit, Investigation, and Evaluation and headquarters branches.	March 7, 2016	August 30, 2016

Management Assistance Reviews

Description

OIG management assistance reviews provide the quality assurance mechanism, which ensures that OIG's audit, investigative, and administrative operations follow established standards, policies, and procedures. Management assistance review reports are issued to top OIG management to recommend improvements in management and operations.

Point of Contact

Holly Swoboda, hswoboda@hudoig.gov

Title	Primary objectives	Start date	Projected completion date
Ongoing			
Management Assistance Review Region 1 (Boston) (2015-OE-MAR4)	To assess Region 1's Office of Audit's compliance with Federal and HUD OIG requirements.	11/2015	4/2016

Title	Primary objectives	Start date	Projected completion date
Management Assistance Review Region 1-2 (Boston-New York) (2016-OE-MAR4)	To assess Region 2's Office of Audit's and Region 1-2's Office of Investigation's compliance with Federal and HUD OIG requirements.	4/2016	6/2016
Management Assistance Review Information Systems Audit Division (Washington) (2016-OE-MAR6)	To assess the Office of Audit's Information Systems Audit Division's compliance with Federal and HUD OIG requirements.	4/2016	7/2016
Planned			
Management Assistance Review Region 9 (Los Angeles) (2016-OE-MAR7)	To assess Region 6's Office of Audit's and Office of Investigation's compliance with Federal and HUD OIG requirements.	6/2016	9/2016