



FY 2010 Annual Work Plan

**Office of Investigation
Inspections and Evaluations Division**

Authorization

The U.S. Department of Housing and Urban Development (HUD) Inspector General is one of the original 12 Inspectors General authorized under the Inspector General Act of 1978. The Office of Inspector General (OIG) is committed to its statutory mission of detecting and preventing fraud, waste, and abuse and promoting the effectiveness and efficiency of government operations. While organizationally located within the Department, the OIG operates independently with separate budget authority. This independence allows for objective reporting to the Secretary and the Congress.

Mission

The HUD OIG:

- Promotes the integrity, efficiency and effectiveness of HUD programs and operations to assist the Department in meeting its mission.
- Detects and prevents waste, fraud, and abuse.
- Seeks administrative sanctions, civil recoveries and/or criminal prosecution of those responsible for waste, fraud, and abuse in HUD programs and operations.

We accomplish our mission by:

- Conducting independent and objective audits, investigations, inspections and evaluations, and other activities relevant to the HUD mission.
- Keeping the Secretary, Congress and the American public fully and currently informed.
- Working collaboratively with HUD staff and program participants to ensure success of HUD program goals.

Vision

We are a trusted and respected resource for HUD, Congress and the American public in ensuring the integrity, efficiency, and effectiveness of HUD programs and operations. We are committed to working jointly with HUD management to achieve their goal.

Overview

The Office of Investigation's 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 division 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 the Inspections and Evaluations Division

The Director of IED is responsible for conducting short-term management and program evaluations (inspections) that focus on issues of concern to the Department, the Inspector General, Congress, and the public.

The IED function primarily resides in Headquarters, Washington, DC, with staff in Regions II and III. The division is managed by a Director and a Deputy Director. Region II staff are supervised by a Supervisory Forensic Auditor.

IED activities are designed to promote: economy, efficiency and effectiveness in the administration of HUD's programs, detect and deter fraud and abuse in programs and operations, and ensure compliance with applicable laws and regulations.

Work Planning Process

In developing the annual work plan, we considered statutory requirements for OIG reviews, as set forth in the Inspector General Act of 1978, as amended, regulations, or other directives; Inspector General and senior management requests; Congressional and Departmental requests; management and performance challenges facing the Department; OIG strategic plan; and Office of Investigation priorities.

This annual work plan is prepared to provide a framework for the focus of inspection and evaluation resources for the fiscal year. The plan is designed to be flexible. It may be modified during the year to accommodate higher priority assignments or other services determined by the OIG or requested by the Department, or other OIG clients.

Carry Over Assignments from Fiscal Year 2009

- Louisiana Road Home Elevation Grants
- Lakeshore Village Apartments
- Recovery and Accountability Transparency Board Survey - Validation
- Collection Efforts of the Financial Operations Center (FOC)

Planned Assignments for Fiscal Year 2010

Program Areas/Objectives	Lead	Schedule Start	Final Report Target Issuance
FHA – Single Family			
Collection Efforts of the FOC, Albany, New York - To evaluate the efforts of the FOC in managing and collecting unpaid funds resulting from monetary actions imposed by the Mortgagee Review Board (MRB) and the Homeownership Centers (HOC).	New York	Carry over assignment FY 2009	2 nd Quarter FY 2010
ACORN Housing Corporation – To evaluate housing counseling services provided by ACORN Housing Corporation.	Washington, DC	New assignment 1 st Quarter FY 2010	3 rd Quarter FY 2010
Review of the Effectiveness of the FHA Credit Watch Program - To assess the program's vulnerability to manipulation of FHA loan status information by lenders.	New York	New assignment 1 st Quarter FY 2010	3 rd Quarter FY 2010
FHA - Implementation of OIG recommendations and proposed program/procedural changes - To identify and determine the outcome of OIG recommendations and proposed program/procedural changes to the Federal Housing Administration (FHA).	Washington, DC	New assignment 1 st Quarter FY 2010	3 rd Quarter FY 2010

HOC and MRB Indemnifications – To assess whether the debt owed by lenders for defaulted indemnified loans is considered when entering into subsequent indemnification agreements or for participation in FHA insurance programs.	New York	New assignment 2 nd Quarter FY 2010	4 th Quarter FY 2010
Evaluation of HOC Referrals – To evaluate the HOCs’ process for referrals and other administrative actions and sanctions.	To Be Determined (TBD)	New assignment 4th Quarter FY 2010	2nd Quarter FY 2011
Home Equity Conversion Mortgages (HECM) – To determine the number of HECM loans—annuities versus lump sum—and their affect on homeowners.	TBD	New assignment TBD	TBD
Single Family Data Warehouse - Data Elements - To identify data elements (i.e., fields that are not being used or data is available but not collected) that would help the Department in monitoring FHA insured lenders.	TBD	New assignment TBD	TBD
Community Planning and Development			
Louisiana Road Home Elevation Grants – To determine the number of applicants for the elevation grants, the number and total amount awarded, and whether the recipients used the funds to elevate their homes.	Washington, DC	Carry over assignment FY 2009	2nd Quarter FY 2010
Public and Indian Housing			
TBD – Plan to initiate an inspection or evaluation in the area of Public and Indian Housing			
FHA - Multifamily			
Lakeshore Village Apartments - To determine the validity of the complaint made by Office of Asset	New York	Carry over assignment FY 2009	November 2010

Management staff as to the handling of the assignment/assumption of Lakeshore Village Apartments.			
Other/Administrative			
Recovery and Accountability Transparency Board (RATB) Survey – Validation - To validate information provided by the Department as part of their response to the RATB survey on the number and qualifications of HUD grant support personnel and/or contractors assigned to the ARRA stimulus initiative.	Washington, DC	Carry over assignment FY 2009	2 nd Quarter FY 2010
Evaluation of Referrals to the Departmental Enforcement Center (DEC) – To evaluate the timeliness of processing and the appropriateness of referrals to the DEC.	TBD	New assignment 2nd Quarter FY 2010	4th Quarter FY 2010