



BIENNIAL PERFORMANCE AUDIT OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

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OUTLINE

1. Audit Objective, Scope, and Methodologies
2. Findings
3. Questions?

AUDIT OBJECTIVE, SCOPE, AND METHODOLOGY

- To assess controls and procedures of Homebuyer Incentive programs, including tracking what was awarded and payout; when is it forgiven; and recovery when applicable.
- Scope – Fiscal Years 2022 and 2021
- DHCD Homeownership Office and Loan Servicing Office



AUDIT METHODOLOGIES

- Interviewed key individuals from DHCD and conducted walkthroughs to obtain an understanding of: (i) the system used; (ii) loan application review and approval process; (iii) loan forgiveness process; and (iii) loan recovery processes;
- Identified the related risks and evaluated the design of certain internal controls, processes and procedures;
- Judgmentally selected samples to test the effectiveness of loan application review and approval process, loan forgiveness process, and loan recovery processes;
- Confirmed that duties are segregated; and
- Validated that: (i) only current and authorized personnel have access to the system; and (ii) those personnel have appropriate access to the system.

FINDINGS

- No report findings in the public report
- There is one confidential finding



Questions?