




OFFICE OF THE SPECIAL INSPECTOR GENERAL
FOR THE TROUBLED ASSET RELIEF PROGRAM
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WASHINGTON, D.C. 20220

OCT 3 2016

MEMORANDUM FOR: The Honorable Jacob J. Lew – Secretary of the Treasury
FROM:  The Honorable Christy Goldsmith Romero – Special Inspector General for the Troubled Asset Relief Program
SUBJECT: Engagement Memorandum – Audit of Administrative Expenses, Operating Expenses or Other Spending of TARP funds in the Hardest-Hit Fund Program

Based on concerns raised, and an audit request by, Chairman Charles Grassley, SIGTARP is initiating an audit of spending of Federal TARP funds in the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets (“Hardest-Hit Fund”). Our objective is to review the use of TARP funds for administrative expenses, operating expenses or other spending by the state housing finance agencies (and/or their contractors or partners) who receive Hardest Hit Fund dollars.

We plan to start work on this engagement immediately, under SIGTARP engagement code 035. We expect to perform work at the U.S. Department of Treasury, and at state housing finance agencies and their contractors or partners receiving Hardest Hit Fund dollars. A member of SIGTARP staff will contact Treasury staff shortly to arrange an entrance conference to discuss our scope and methodology in more detail.

For additional information on this engagement, you may contact me or Jenniffer F. Wilson, Deputy Special Inspector General for Audit and Evaluation (202-622-4633/ Jenniffer.Wilson@treasury.gov), or Chris Bosland, Assistant Deputy Special Inspector General for Audit and Evaluation (202-927-9321 / Christopher.Bosland@treasury.gov).