



OFFICE OF THE SPECIAL INSPECTOR GENERAL
FOR THE TROUBLED ASSET RELIEF PROGRAM
1801 L STREET, NW, 4TH FLOOR
WASHINGTON, D.C. 20220

OCT 16 2015

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 – Review of State Housing Finance
Agency Use of TARP Funds for Pension Obligations

Treasury authorized \$7.6 billion in TARP funding through the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets (“Hardest Hit Fund” or “HHF”) to help families in states hit hard by the economic and housing market downturns. As part of our continuing oversight of the Troubled Asset Relief Program (“TARP”), the Office of the Special Inspector General for the Troubled Asset Relief Program (“SIGTARP”) is initiating an evaluation of the use of TARP funding by state housing finance agencies for pension obligations.

Our objective is to evaluate whether state housing finance agencies receiving TARP funds from the Hardest Hit Fund are utilizing those monies to fund pension obligations.

We plan to start work on this engagement immediately, under SIGTARP engagement code 008. We expect to perform work at the Department of the Treasury and selected state housing finance agencies that received funds from the HHF program. A member of my staff will contact your staff shortly to arrange an entrance conference to discuss our scope, methodology, and timeframes in more detail.

For additional information on this engagement, you may contact me or Mr. Bruce S. Gimbel, Deputy Special Inspector General for Audit and Evaluation (Bruce.Gimbel@treasury.gov / 202-927-8978), or Ms. Jenniffer F. Wilson, Assistant Deputy Special Inspector General for Audit and Evaluation (Jenniffer.Wilson@treasury.gov / 202-622-4633).