



SIGTARP

Office of the Special Inspector General
For The Troubled Asset Relief Program

MEMORANDUM FOR: The Honorable Steven Mnuchin – Secretary of the Treasury

FROM: The Honorable Christy Goldsmith Romero – Special Inspector General for the Troubled Asset Relief Program

SUBJECT: Engagement Memorandum – Audit of demolition costs for Blight Elimination Program in Flint, Michigan

SIGTARP's audit mission: SIGTARP audits TARP programs to prevent fraud, and identify cost savings, wasteful spending, abuse, inefficiency, and mismanagement. This includes conducting oversight over TARP's Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets ("Hardest Hit Fund"), and its subprogram the Blight Elimination Program.

Newly announced audit:

The Hardest Hit Fund has spent \$25.5 million in Flint, Michigan, for demolition and other related activities in the Blight Elimination Program. SIGTARP is initiating an audit to review the demolition costs and other related costs in Flint that have been reimbursed with TARP dollars.

A member of SIGTARP staff will contact Treasury staff to arrange an entrance conference to discuss our scope, methodology, and timeframe. Please contact me if you need any additional information about this audit.