



OFFICE of  
**INSPECTOR GENERAL**  
★ ★ ★ ★  
UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

# HUD Can Improve Its Loan Purchaser Qualification Vetting To Better Achieve Its Mission Objectives

**Audit Report Number: 2024-KC-0001**

**April 18, 2024**

To: Susan A. Betts  
Deputy Assistant Secretary for Finance and Budget, Office of Housing, HW

*//signed//*  
From: Kilah S. White  
Assistant Inspector General for Audit, GA

Subject: HUD Can Improve Its Loan Purchaser Qualification Vetting To Better Achieve Its Mission Objectives

Attached is the U. S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) final results of our audit of the controls specific to the HUD-Held Vacant Loan Sales program.

HUD Handbook 2000.06, REV-4, sets specific timeframes for management decisions on recommended corrective actions. For each recommendation without a management decision, please respond and provide status reports in accordance with the HUD Handbook. Please furnish us copies of any correspondence or directives issued because of the audit.

The Inspector General Act, as amended, requires that OIG post its reports on the OIG website. Accordingly, this report will be posted at <https://www.hudoig.gov>.

If you have any questions or comments about this report, please do not hesitate to call Patrick Anthony, Audit Director, at (716) 646-7056.

## Highlights

### HUD Can Improve Its Loan Purchaser Qualification Vetting To Better Achieve Its Mission Objectives | 2024-KC-0001

#### What We Audited and Why

We audited the Federal Housing Administration (FHA), Office of Asset Sales' U.S. Department of Housing and Urban Development (HUD)-Held Vacant Loan Sales (HVLS) program.<sup>1</sup> We initiated this audit based on the program's being relatively new and the significant volume of sales conducted annually. The audit objective was to assess the extent to which HUD achieved its mission objectives for a 2022 vacant loan sale to promote sales first to mission-driven nonprofit organizations and units of local government and to encourage mission outcomes, including increased affordable housing supply, expanded opportunities for home ownership, and revitalized communities. While performing the audit, we focused primarily on how the qualification process advanced the mission objectives.

#### What We Found

We noted deficiencies in 52 of 53 HUD-approved applications within the reviewed vacant loan sale.<sup>2</sup> These deficiencies occurred in transactions for all seven purchasers that purchased loans in the sales. They included potentially undisclosed principals and incomplete organizational charts within the purchasers' applications. The qualification documents and HUD's contract are critical because HUD uses them to make sure purchasers comply with program requirements. HUD risks not achieving its mission objectives to promote sales first to mission-driven entities or to encourage mission outcomes by allowing purchasers that submitted deficient applications to purchase distressed FHA loans.

#### What We Recommend

We recommend that HUD (1) require its transaction specialist contractor to change its application review process to prevent incomplete applications from being considered during vacant loan sales and that recommendations to approve an application are supported by written analysis, (2) implement improved verification checks to prevent participation of restricted entities, and (3) implement an improved process to review and update program controls before each sale to achieve its mission objectives.

---

<sup>1</sup> Single Family Mortgage Loan Sales is currently a demonstration and not a formalized program.

<sup>2</sup> Applications in this report refers to all documents that must be completed to participate in the sale, including but not limited to Qualifications Statement, Nonprofit Addendum, and the Conveyance, Assumption, and Assignment documentation.

# Table of Contents

<b>Background and Objective</b> .....	<b>1</b>
<b>Results of Audit</b> .....	<b>4</b>
HUD Can Improve Its Loan Purchaser Qualification Vetting To Better Achieve Its Mission Objectives ...	4
<b>Scope and Methodology</b> .....	<b>8</b>
<b>Appendix</b> .....	<b>9</b>
A – Auditee Comments and OIG’s Evaluation .....	9

## Background and Objective

FHA's Office of Asset Sales (OAS) coordinates the disposition of defaulted FHA-held single family, multifamily, and healthcare mortgage loans. Asset sales, commonly called note sales by the public, provide a disposition option for defaulted FHA loans that do not require FHA or its servicers to foreclose on the mortgage and sell the acquired property. HUD uses asset sales to reduce losses and improve recoveries for FHA's Mutual Mortgage Insurance Fund.

FHA has implemented various mortgage loan sale programs over the years. From 2002 to 2005, it implemented the Accelerated Claims Disposition program to provide borrowers with increased opportunities to remain in their homes. In 2010, it implemented the Single Family Loan Sales program in response to the large number of defaulted mortgage loans in its portfolio caused by the 2008 housing crisis. This program provided another means for HUD to dispose of defaulted mortgage loans that was cost effective while also facilitating sustainable home ownership. From 2012 to 2016, FHA implemented the Distressed Asset Stabilization program by auctioning two types of loan pools: large pools with no outcome requirements and smaller pools in which purchasers had to meet certain neighborhood-positive outcomes for at least 50 percent of the purchased mortgage loans.<sup>3</sup>

In 2016, OAS initiated the HUD-Held Vacant Loan Sale (HVLS) program. HVLS auctions are comprised of a portfolio of defaulted, formerly FHA-insured, single family reverse mortgage loans owned by HUD for which the last surviving borrower is deceased, no borrower is survived by a nonborrowing spouse, the property securing the mortgage loan is vacant, and the heirs of the estate have not paid off the debt. Mortgage loans are assigned to HUD from prior servicers when the loan balance reaches 98 percent of the maximum claim amount, which is equal to the lesser of the loan's appraised value or the maximum FHA lending limit at origination. Selling these defaulted mortgages through a competitive auction generates savings for FHA by avoiding holding, foreclosure, and sales expenses that would be incurred with a disposition through the real estate-owned conveyance program.

OAS structured the HVLS 2022-2, part 1, auction to (1) increase recoveries to FHA's insurance fund; (2) promote sales first to mission-driven nonprofit organizations and units of State or local government; and (3) encourage mission outcomes, including increased affordable housing supply, expanded opportunities for home ownership, and revitalized communities. According to the OAS Director, HUD must balance these goals in its administration of the program. As of September 2023, 10,280 loans with a combined updated loan balance of \$2.33 billion had been sold through various HVLS sales since 2016, as shown in figure 1 below.

---

<sup>3</sup> We performed the following audits of the Distressed Asset Stabilization program: (1) HUD Did Not Conduct Rulemaking or Develop Formal Procedures for Its Single-Family Note Sales Program (2017-KC-0006); (2) HUD Generally Ensured That Purchasers in Its Note Sales Program Followed the Requirements Outlined in the Conveyance, Assumption, and Assignment Contracts, but Improvements Are Needed (2017-KC-0010); and (3) HUD's DASP Note Sales Generally Resulted in Lower Loss Rates Than Those of Conveyance Claims (2018-KC-0003).

**Figure 1. HVLS sales from 2016 to 2023**

Sale name	Sale date	Settled loan count	Updated loan balance (in millions)
HVLS 2017-1	November 30, 2016	1,644	\$333.4
HVLS 2017-2	June 21, 2017	864	171.7
HVLS 2018-1	April 11, 2018	566	120.2
HVLS 2019-1	December 12, 2018	964	201.4
HVLS2019-2	July 24, 2019	1,473	329.5
HVLS 2020-1	June 24, 2020	638	146.6
HVLS 2022-1	December 1, 2021	1605	398.6
HVLS 2022-2, part 1	June 8, 2022	699	190.9
HVLS 2022-2, part 2	July 27, 2022	682	139.5
HVLS 2023-1	May 23, 2023	1,145	301.1
<b>HVLS total</b>		<b>10,280</b>	<b>2,332.9</b>

Source: HUD’s Report to the Commissioner on Post Sale Reporting, September 2023

The HVLS 2022-2, part 1, loan sale was the first sale in which OAS required all of the loans to be sold to mission-driven entities.<sup>4</sup> The Housing Supply Action Plan suggests that selling to nonprofits and other mission-driven entities helps HUD achieve its mission-focused outcomes and aligns with goals to increase affordable housing and help revitalize communities.<sup>5</sup> According to HUD, making sure qualified entities participate in the loan sales helps maintain the greatest likelihood that mission outcomes will be achieved.<sup>6</sup>


Mission-driven entities are provided benefits within the HVLS program. These benefits include significant loan discounts and access to loans that are not available for sale to institutional investors or the public. HUD provides these benefits to nonprofit organizations and governmental entities with the intention of increasing achievement of mission outcomes. For example, mission-driven entities with experience in affordable housing could renovate the properties and sell them to first-time home buyers or convert them into affordable rental units.

Upcoming loan sales are marketed by a Federal Register notice. The notice provides information on the mortgage loans to be presented at auction, the application and bidding process, and the after-purchase requirements regarding postsale reporting. HUD uses the Conveyance, Assumption, and Assignment

<sup>4</sup> Mission-driven entities means nonprofit organizations and units of State or local government or a joint venture in which the controlling partner is a nonprofit or unit of State or local government.

<sup>5</sup> [Biden-Harris Administration Announces Immediate Steps to Increase Affordable Housing Supply.](#)

<sup>6</sup> We did not audit whether mission-driven entities were more successful in achieving mission outcomes in comparison to non-mission-driven entities.



(CAA) documentation as the sales contract to facilitate the transfer of the HUD mortgage loans to the purchaser. The qualification documents and the CAA documentation provide HUD assurance that qualified and financially viable bidders are legally bound to the purchasers' responsibility to report on the disposition outcomes of the purchased mortgage loans.

OAS uses contracted service providers to assist in the administration of the HVLS program. A contracted transaction specialist receives and reviews purchasers' applications for compliance with program requirements. A different compliance contractor performs postsale reviews and makes recommendations for program changes to OAS. Finally, a program financial advisor assists OAS by providing quality control and consultation before the sale and reviews the assessment of sales after completion. The program financial advisor provides postsales reporting data collection and analysis functions to OAS.

The objective of our audit was to assess the extent to which HUD had achieved its mission objectives for a 2022 vacant loan sale. While performing the audit, we focused primarily on how the qualification process advanced the promotion of sales to mission-driven entities and encouraged mission outcomes.

## Results of Audit

### HUD Can Improve Its Loan Purchaser Qualification Vetting To Better Achieve Its Mission Objectives

The applications for all seven purchasers that participated in the HVLS 2022-2, part 1, loan sale contained deficiencies through potentially undisclosed principals and incomplete organizational charts. In addition, a HUD internal review found that 52 of 53 bidder packages submitted for the sale contained deficiencies yet were still HUD approved. This condition occurred because HUD's contractual requirements with its transaction specialist lacked detail, clarity, and sufficient verification requirements. HUD also lacked sufficient verification requirements and documentation sufficient to show a process to modify bidder approval program controls from one sale to the next. As a result, HUD could not provide assurance that only financially viable mission-driven entities participated in the loan sales, thereby jeopardizing its intention of increased affordable housing supply, expanded opportunities for home ownership, and revitalized communities.

#### HUD's Approved Bidder Applications Had Deficiencies

The approved applications for the seven purchasers from the loan sale had deficiencies, such as potentially undisclosed principals and incomplete organizational charts. This loan sale included 699 mortgage loans totaling \$190.9 million in a combined updated loan balance.

#### HUD Approved Applications Containing Potentially Undisclosed Principals

One loan purchaser application had potentially undisclosed principals. There were inconsistencies with the applicant's submitted organizational chart and its disclosures elsewhere in the application. HUD's qualification documents required applicants to disclose all key employees of the applying entity, including officers, directors, and key decision makers. However, one purchaser listed key employees on its organizational charts who were not listed in the bidder information section of the application. For the remaining six purchasers, we were unable to conclude whether there were potentially undisclosed principals due to a lack of detail in the applicants' organizational charts.

The bidder information section of the application established identification for the purchaser and provided HUD with the details needed to verify information regarding an entity and its principals. Without such identifying information, HUD could not verify the mission-driven status of the applicant. HUD uses the CAA documentation and the qualification documents to provide assurance that bidders are qualified and to establish purchasers' responsibilities. Therefore, HUD had a need to accurately identify all principals associated with the buying entity to meet postsale requirements.

#### HUD Approved Applications With Incomplete Organizational Charts

HUD's qualification documents required bidders to provide an organizational chart that graphically depicted the board of directors, key employees, and all entities and partners with their respective ownership percentages. However, six of seven mortgage loan purchasers' applications contained organizational charts that did not fully disclose all of the information required by HUD. Bidders did not fully provide ownership percentages of partners. Incomplete organizational charts prevented HUD from fully understanding the entity's structure and governance. They also reduced HUD's ability to verify information on the organizational charts with other information listed in the qualification documents.



## HUD’s Internal Review Also Found Deficiencies

HUD conducted a self-review following the loan sale, which included consideration of its contractor-provided examination of 53 potential bidder applications, including the 7 purchasers we examined in this sale. This review noted deficiencies in 52 of the 53 bidder packages submitted for the sale. Close to half of the applicants failed to disclose key employees, and nearly all failed to disclose relevant entities or ownership percentages in their applications, as described in figure 2 below.

**Figure 2. Identified application deficiencies.**

Deficiencies	Deficiencies in applicant packages
Bidders did not submit a complete qualification statement.	15
Bidders did not fully disclose key employees in their submitted organizational charts.	25
Bidders did not fully disclose the ownership percentages or identify all individuals and entities in their submitted organizational chart.	49

Source: Annual Bidder Qualifications Review, August 23, 2023

In addition, 15 of the 53 application packages that HUD received were missing a complete qualification statement, which included identifying information about the applying entity, its mission-driven status, and its key employees and owners. This information was required to confirm that the applicant met the minimum requirements for participation in the loan sale. The compliance contractor performing this internal review issued a report on August 23, 2023, recommending that HUD increase the internal controls for its qualification requirements.

These deficiencies were not identified when bidding applications were received and processed because the internal review occurred following the sale. HUD’s internal policies and its contractual requirements with its transaction specialist contractor lacked detail, clarity, and sufficiently listed verification requirements. While HUD conducted lessons learned meetings following sales, it lacked a formal process to consistently modify program controls related to bidder approval from one sale to the next.

### HUD’s Contractual Requirements With Its Transaction Specialist Lacked Detail and Clarity Regarding the Application Review Process

HUD contracted with a transaction specialist to review loan sales applications for completeness and eligibility to participate in the loan sale auctions. HUD’s contract with the transaction specialist stated that the specialist would “determine bidder eligibility for each loan sale,” but the contract did not

- Require the transaction specialist to take specific steps to identify or respond to the applicant’s failure to provide key employees in the application or the submitted organizational chart.
- Specify how the transaction specialist’s “two step verification process” would be conducted.
- Require the transaction specialist contractor to document support for its recommendations to HUD regarding its approval of bidding entities.

## HUD's Internal Program Policies Had Insufficient Verification Requirements

HUD's verification checks on its loan sale applicants contained gaps. HUD used the Active Partners Performance System to check applicants for red flags. However, that system focuses primarily on previous participation reviews of HUD multifamily and healthcare program participants and was not intended to perform comprehensive checks for all ineligible entity types restricted from program participation, such as

- entities or persons debarred or suspended from doing business with HUD or the Federal Government;
- entities or persons with a conflict of interest, such as HUD employees, related contractors, or extinguished mortgage-backed securities issuers; and
- controlling persons or entities with a bankruptcy within the last 10 years.

HUD's HVLS program pertains to single family mortgage loans. However, HUD's internal policy provided for the use of a multifamily information system to check applicant eligibility. This system covered a limited scope of entities that did not include all entities restricted from the program. In our review of the seven purchasers who purchased loans, we found no evidence that HUD conducted additional verification checks beyond the multifamily system. As a result, we were unable to conclude that the purchasers were eligible.

HUD's written internal policies also did not provide for the verification of the authenticity of the Internal Revenue Service (IRS) determination letters. While such letters can be verified using open-source searches, the quality control contractor did not provide evidence in the seven purchasers reviewed that additional verification checks on the IRS letters were conducted. We found that HUD took steps in later sales requiring additional IRS documentation to verify entity mission. However, those documented steps did not include a requirement to verify the authenticity of the documentation.

## HUD Lacked a Formal Process To Modify Program Controls From One Sale to the Next

Federal internal control standards state that agencies should establish practices for maintaining and assessing internal control effectiveness to reduce risk in pursuing program objectives.<sup>7</sup> Although HUD conducted presale planning activities, those activities did not consider the impacts of program changes on controls related to the application and vetting. For instance, HUD drafted an approval memorandum before the sale, identifying the loans to be sold, the planned date of the next sale, the target market, goals of the sale such as the percentage reserved for mission-driven entities, and other operational aspects of the sale. While the memorandum assessed risks related to the sale, it did not provide a consideration of their impact on related controls.

For the loan sale, the sale's approval memorandum stated that risks related to the sale were minimal. However, following the sale, HUD's internal review found that nearly all bidder applications contained deficiencies risking the bidders' ability to close the transaction. Further, the memorandum did not specify how HUD conducted its risk assessment or how those risks would be mitigated by associated controls.

---

<sup>7</sup> U.S. Government Accountability Office (GAO) report GAO-14-704G, Standards for Internal Control in the Federal Government

Following this sale, HUD took the following steps to improve controls in future loan sales:<sup>8</sup>

- Joint ventures: HUD began excluding for-profit entities from taking part in mission-driven joint ventures. HUD stated that this measure would address concerns about the nonprofits' partnering with for-profit entities when it is unclear whether the for-profit entity is exerting de facto control.
- Increased supporting documentation: HUD began requiring additional IRS documentation to better maintain alignment with housing mission goals.
- Violation language: HUD made its deterrent language in the contractual documentation more visible to applicants.

Achievement of mission outcomes can be impacted by weak program controls. HUD stated that it relied on the accuracy and completeness of bidders' applications to provide assurance that only genuine mission-driven entities were granted the opportunity to purchase HUD mortgage loans presented at auction. HUD's adjustments to the process were made following the examined sale and may not reflect all of the changes necessary to enforce compliance with the revised expectations of the next sale objectives.

According to HUD-provided data as of September 2023, only 4 mission outcomes were reported out of 699 loans. However, purchasers had not yet reported for the remaining 341 loans and have until October 2026 to do so. By maintaining stronger internal policies and clear contractual requirements for its transaction specialist, HUD can better achieve its mission-driven goals for vacant loan sales.

## Conclusion

HUD approved applications containing deficiencies in a 2022 loan sale. This condition occurred because HUD's internal policies and its contractual requirements with its transaction specialist contractor lacked detail, clarity, and sufficient verification requirements. HUD also lacked a process to modify program controls from one sale to the next. As a result, HUD risked allowing non-mission-driven entities to participate in the loan sales, thereby jeopardizing its intention of increased affordable housing supply, expanding opportunities for home ownership, and revitalizing communities.

## Recommendations

We recommend that the Director of the Office of Asset Sales

- 1A. Require the transaction specialist contractor to change its application review process to prevent incomplete applications from being considered during vacant loan sales and that recommendations to approve applications are supported by written analysis.
- 1B. Implement improved verification checks to prevent participation of restricted entities.
- 1C. Implement an improved process to review and update program controls before each sale to achieve its mission objectives.

---

<sup>8</sup> We did not perform detailed verification testing of the listed items.

## Scope and Methodology

We conducted our audit work from May 2023 through January 2024. We conducted onsite fieldwork for this assignment in Denver, CO, and Washington, DC. Our audit period covered November 2022 through January 2024.

To accomplish our objective, we

- Reviewed relevant laws, regulations, and HUD’s guidance.
- Reviewed OAS policies and procedures.
- Interviewed HUD’s staff and relevant contractors to gain an understanding of relevant loan sales requirements, results, and program controls to maintain compliance with HUD’s requirements.
- Reviewed records provided by OAS to determine program achievement.
- Reviewed bid winners’ program application packages to determine whether they were in alignment with HUD policies and best practices.
- Reviewed bid winners’ program applications and materials in conjunction with available databases to verify relevant self-certifications made by applicants.
- Reviewed postsale reports on reported mortgage loan outcomes.

We relied on application materials provided by OAS and postsales reporting data provided by HUD’s program financial advisor and transaction specialist. We did not perform detailed assessments of the reliability of the data; however, we interviewed the program financial advisor, the transaction specialist, and OAS to obtain an understanding of systems, processes, and associated controls and determined their data to be sufficient for our purposes.

HVLS 2022-2, part 1, included 1,406 loans representing \$336 million in unpaid principal balance. During this sale, 699 loans were awarded to qualified mission-driven entities, representing \$190.9 million in unpaid principal balance. The loan sale was chosen because it was the first sale open exclusively to mission-driven entities. There were 53 total applications that were approved to participate in the sale, and 7 of those approved purchasers purchased HUD loans during the sale. We reviewed the applications for all seven purchasers that purchased loans, but we did not review the applications of the other approved participants. We relied upon the findings of the internal HUD review, but we did not verify the results.

We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective(s). We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

# Appendix

## A – Auditee Comments and OIG’s Evaluation

### Ref to OIG Evaluation – Auditee Comments



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000

Office of Housing

March 25, 2024

MEMORANDUM FOR: Kilah S. White, Assistant Inspector General for Audit

FROM: **SUSAN BETTS** Digitally signed by SUSAN BETTS  
Date: 2024.03.25 16:06:45 -04'00'  
Susan Betts, Deputy Assistant Secretary for Finance and Budget,  
HW

SUBJECT: Response to Discussion Draft Report - HUD Can Improve Its Loan Buyer Application Vetting to Better Achieve Its Mission Objectives

Thank you for giving us the opportunity to respond to the Discussion Draft Report - HUD Can Improve Its Loan Buyer Application Vetting to Better Achieve Its Mission Objectives. The Office of Housing (Housing) has reviewed the subject draft report.

Housing appreciates the recommendations towards improving the bidder approval process and is pleased that the OIG recognized the enhancements that Housing has already made to the process. As noted in the OIG’s report, Housing, with the assistance of a compliance contractor, had already identified improvements to its bidder approval process. Housing has incorporated the additional controls in its bidder approval process to include:

- Updating the checklist for the transaction specialist to utilize to ensure qualification statements are complete.
- Adding additional reviews of the qualification documents have been incorporated.
- Increasing documentation and justification for missing documents, such as the IRS determination letter.

 **Comment 1 >**

For recommendation 1, OIG recommends that HUD require its transaction specialist contractor to change its application review process to prevent incomplete applications from being considered during vacant loan sales and that recommendations to approve an application are supported by written analysis. To address this recommendation, HUD has already enhanced its review process. HUD has improved a checklist for the transaction specialist to utilize to ensure applications are complete. HUD also requires written justification for any missing documents, such as the IRS determination letter.

 **Comment 2 >**

For recommendation 2, OIG recommends HUD implement enhanced verification checks to prevent participation of restricted entities. HUD has relied on a bidder certification on the qualification statement. HUD has enhanced its verification controls by providing increased supporting documentation, requiring additional IRS documentation to better demonstrate the bidder’s housing-related mission, Office of Asset Sales (OAS) reviewing and approving the Transaction Specialist

qualification review process, utilizing a checklist to ensure qualification statements are complete, the Program Financial Advisor (PFA) providing a quality control review to the bidder documentation prior to bidders gaining access to the due diligence site and utilizing a PFA quality control review of bidder documents as a check prior to bid day.

 **Comment 3 >**

For recommendation 3, OIG recommends HUD implement a process to continually review and update program controls before each sale to achieve its mission objectives. HUD will ensure bidder approval controls are reviewed, modified, if necessary, and the results of the review documented through the lessons learned process conducted after each sale.

HUD will continue to review our bidder approval process and to make additional improvements as necessary.

 **Comment 4 >**

Separately, we are providing technical comments for consideration. Should you have any questions or need additional information, please contact me at (202) 402-2785.

## OIG Evaluation of Auditee Comments

- Comment 1: We recognize HUD’s current and ongoing commitment to enhancing its Loan Sales demonstration through improvements of its application review process. We look forward to working with HUD through the audit resolution process.
- Comment 2 We recognize HUD’s current and ongoing commitment to enhancing its Loan Sales demonstration through enhanced verification checks, especially those before bid day. We look forward to working with HUD through the audit resolution process.
- Comment 3 We recognize HUD’s current and ongoing commitment to enhancing its Loan Sales demonstration through ongoing review and updates of its program controls. In addition to its documentation in the lessons learned document, we recommend that HUD should consider further formalizing updates to controls before each sale. We look forward to working with HUD through the audit resolution process.
- Comment 4 HUD has provided us with technical comments for our consideration. We have examined each technical comment and incorporated the feedback into the report as appropriate.