



August 10, 2023

The Honorable Sylvia Garcia
U.S. House of Representatives
2419 Rayburn HOB
Washington, DC 20515

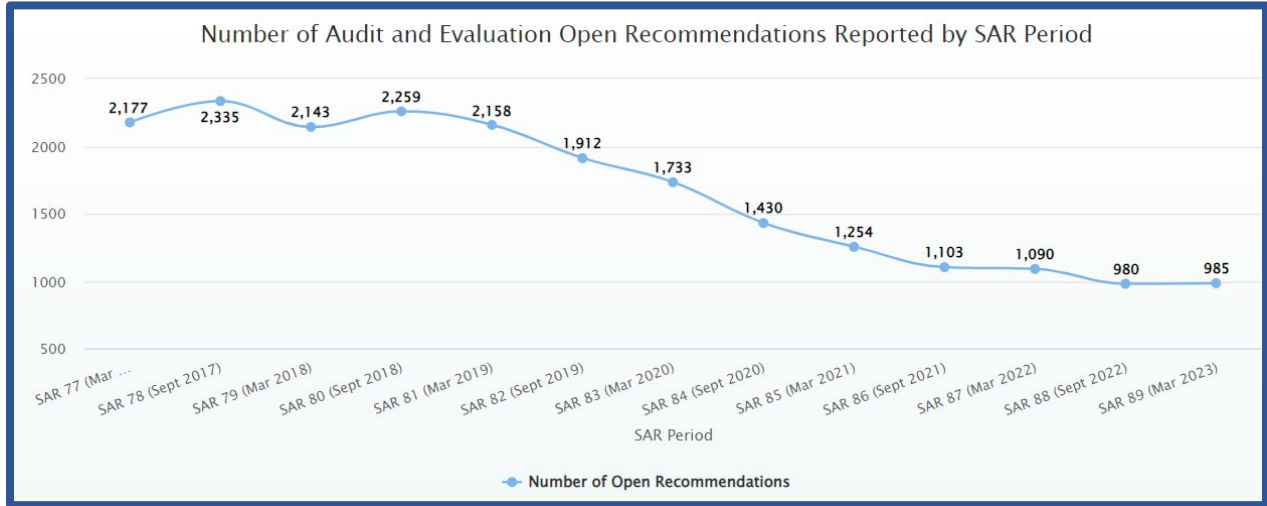
Dear Representative Garcia,

I am writing in follow-up to my June 21, 2023, testimony before the House Financial Services Housing and Insurance subcommittee to provide information about the considerable progress that the U.S. Department of Housing and Urban Development (HUD) and Office of Inspector General (OIG) have made in resolving HUD OIG recommendations. Since I became the Inspector General in 2019, one of my top priorities has been to collaborate with the Department to resolve findings from our prior audits and evaluations and take needed corrective action to close outstanding recommendations. This collaboration has resulted in the resolution of numerous, older recommendations, while simultaneously focusing the attention of HUD management on resolving and closing Priority Open Recommendations.¹

When I began serving as Inspector General, HUD had more than 2,100 open OIG recommendations. During my tenure, we have issued more than 1,000 additional recommendations. I am proud to say that through continued collaboration with HUD, we have reduced the total count of open recommendations to 991 as of May 31, 2023.

The following graph demonstrates the progress that HUD and HUD OIG have made in reducing open recommendations, beginning with the Semiannual Report to Congress for the period ended March 31, 2017. The number of open recommendations began to trend downward upon my becoming the Inspector General and has consistently trended downward throughout my tenure. This is a testament to the consistent, collaborative efforts of HUD and HUD OIG career staff and leadership.

¹ Priority Open Recommendations are recommendations that, if HUD took corrective action, would have the greatest positive effect on HUD programs or the communities and individuals HUD serves. The Priority Open Recommendations, recommendation statuses, and underlying HUD OIG reports can be found at: <https://www.hudoig.gov/open-recommendation/search?f%5B0%5D=priority%3A1>.



As demonstrated by the chart below, of the 991 HUD OIG recommendations that were open as of May 31, 2023, half were issued in 2017 and prior. My office continues to diligently work with HUD to resolve and close older as well as more current recommendations.

Open Recommendations as of May 31, 2023								
Year Issued	2017 and prior	2018	2019	2020	2021	2022	2023	Total
Number Open	496	92	61	50	51	142	99	991

We attribute the progress of resolving and closing recommendations, in part, to a collaborative, sustained effort between HUD and my staff, as well as the sustained efforts of successive administrations to close HUD OIG recommendations. For example, we established a joint Tiger Team with HUD’s Office of the Chief Financial Officer in August 2020 to regularly conducts rapid resolution activities on aged open recommendations.²

My office also enhanced its internal processes to better support recommendation closures. For example, we established an automated monthly reporting process as well as developed a dashboard that assists my office to identify and target open recommendations that can be resolved. Similarly, HUD has also taken additional steps to close recommendations such updating policy initiatives to support the reduction and management of open recommendations.

As mentioned during my testimony, my office also recently began issuing Priority Open Recommendation resources, including a standalone report and interactive dashboard. These highlight the recommendations that we believe will result in significant, positive impact on HUD

² Open recommendations older than 5 years



and its beneficiaries and should be prioritized. HUD has resolved and closed several priority recommendations since the report was issued.

I appreciate the opportunity to share our progress on recommendation resolution. My team and I are always available to discuss our oversight work or provide additional information. If you or your staff have additional questions about this matter, please do not hesitate to contact Chris Fontanesi, Senior Counsel to the Inspector General, at cfontanesi@hudoig.gov.

Sincerely,

Rae Oliver Davis
Inspector General