



ARRA REPORT BY THE
INSPECTOR GENERAL AND STATE BOARD OF ACCOUNTS

2009-11-0235

November 10, 2009

ARRA REVIEW OF IHCDA CSBG

Indiana Inspector General Staff Attorney Todd Shumaker and State Examiner Bruce A. Hartman of the Indiana State Board of Accounts report as follows:

This report addresses an evaluation of the Community Services Block Grant (CSBG)¹ funds of the Indiana Housing and Community Development Authority (IHCDA)².

The CSBG was authorized by the Omnibus Reconciliation Act of 1981 (and amended in 1998 by the Coates Human Services Reauthorization Act of 1998) with the purpose of alleviating the causes and conditions of poverty in communities and is made available to States, Community Action Agencies and other organizations designated by the States.

On February 17, 2009, the United States Government enacted the ARRA.³

¹ IC 5-20-1-4 *et seq* establishes the authority of the Indiana Housing and Community Development Authority to oversee residential housing for persons and families of low and moderate income. These responsibilities include administering any program or money available from the federal government to achieve these ends in the State of Indiana.

² The Indiana Housing and Community Development Authority is established in IC 5-20-1-3.

³ 40 USC 1606.

The ARRA intends to provide a stimulus to the United States economy by providing \$787 billion in program funding and tax credits.⁴

The purpose of this report is to document a preliminary ARRA compliance review of the IHCDA CSBG by the State Board of Accounts (SBOA) and the Office of the Inspector General (OIG).

I

To date, IHCDA has been awarded \$14,558,833 in ARRA CSBG funds to help reduce poverty through promoting employment, creating jobs and self-sufficiency. The funds must be obligated by September 30, 2010, and liquidated by December 1, 2010.

II

The OIG's enabling statute provides that the OIG "is responsible for addressing fraud, waste, abuse and wrongdoing in agencies." IC 4-2-7-2(b).

The SBOA has similar duties, including the authority to develop and publish "accounting and uniform compliance guidelines manuals" (Manuals) to provide guidance to public entities, IC 5-11-1-24(a), to perform audits, IC 5-11-1-9, and to make written findings regarding violations of its Manuals or "any law." IC 5-11-5-1(a).

Within these authorities, a preliminary review of this program was made. This review included, but was not limited to, reviewing the program objectives,

⁴ See: <http://www.recovery.gov>.

meeting with the program staff, reviewing agency-completed spending plans, reviewing monthly update reports submitted to the Indiana Office of Management and Budget (OMB) and assessing the program's risks.

From this preliminary review, we make the following findings and recommendations.

III

A

Findings

The program controls outlined in the spending plan approved by the OMB or other related documentation are adequate to meet the respective federal ARRA and State OMB guidelines and requirements. At a later date, additional procedures may be performed as deemed necessary to verify compliance with these requirements.

B

Recommendation

Accordingly, we offer no recommendations at this time, but advise IHCDA employees to continue to apprise themselves of ARRA requirements and developments.

Dated this 10th day of November, 2009.



David O. Thomas, Inspector General