

**GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE INSPECTOR GENERAL**

**HOME PURCHASE ASSISTANCE PROGRAM**

**MANAGEMENT LETTER**

**SEPTEMBER 30, 2006**



**CHARLES J. WILLOUGHBY  
INSPECTOR GENERAL**

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of the Inspector General**

Inspector General



August 20, 2007

Jalal Greene  
Director  
Department of Housing and Community Development  
801 North Capitol Street, N.E., Suite 835  
Washington, D.C. 20002

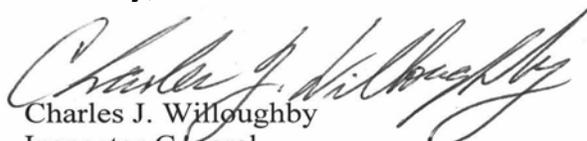
Dear Mr. Greene:

In conjunction with the financial statement audit of the Home Purchase Assistance Program (HPAP) for the fiscal year ended September 30, 2006, Thompson, Cobb, Bazilio & Associates, P.C. submitted the enclosed Management Letter, issued under OIG Report No. 07-1-29DB(b). The Management Letter provides information about the Department of Housing and Community Development's (DHCD's) compliance with laws and regulations and the adequacy of internal controls, and also contains a recommendation to improve DHCD operations.

DHCD responded favorably to the recommendation and has reported actions already underway to address the issue of charging and allocating administrative expenditures.

If you have questions or need additional information, please contact William J. DiVello, Assistant Inspector General for Audits, at (202) 727-2540.

Sincerely,

  
Charles J. Willoughby  
Inspector General

CJW/cf

Enclosure

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Mr. Jalal Greene  
Home Purchase Assistance Program  
Management Letter – FY 2006  
August 20, 2007  
Page 3 of 3

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**SEPTEMBER 30, 2006**

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**THOMPSON, COBB, BAZILIO & ASSOCIATES, P.C.**

*Certified Public Accountants and Management, Systems and Financial Consultants*

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PROJECT COST GROWTH							
Project Name	Original Estimate <sup>1</sup>	Date	Current Estimate <sup>2</sup>	Date	Cost Growth	Percent Cost Growth	
Chevy Chase	\$597,230	02-Jul-04	\$1,825,006	02-Jun-06	\$1,227,776	205%	
Turkey Thicket	\$6,872,675	10-Feb-04	\$9,904,548	24-Sep-05	\$3,031,873	44%	
Hearst Center	\$654,024	07-Feb-04	\$1,116,000	30-Apr-07	\$461,976	71%	
Takoma Aquatic	\$12,751,650	08-Oct-01	\$16,431,400	16-Sep-02	\$3,679,750	29%	
Rumsey Aquatic	\$2,642,689	25-Jul-01	\$4,119,737	28-Aug-03	\$1,477,048	56%	
Columbia Heights Rec.	\$5,270,718	May 2003	\$12,300,000	31-Apr-07	\$7,029,282	133%	
<b>Totals</b>	<b>\$28,788,986</b>		<b>\$45,696,691</b>		<b>\$16,907,705</b>	<b>59%</b>	

<sup>1</sup> Estimates for all centers EXCEPT Columbia Heights Rec. were obtained from the official OCP contract files. These original estimates were not updated or revised and have limited reliability because of the condition of the OCP contract files.

<sup>2</sup> Current estimates were obtained from the last purchase orders in OCP contract files.