EXECUTIVE SUMMARY

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

We found adequate controls were in place at the New Jersey Housing and Mortgage Finance Agency (NJHMFA) to ensure the propriety of program costs for the Sandy Homebuyer Assistance Program (SHAP), the Sandy Special Needs Housing Fund, and the Fund for Restoration of Multifamily Housing. In addition, the general controls over the SHAP shared drive and the MITAS financial software system were adequate. In making these determinations, we observed issues relating to the administration of the SHAP meriting management’s attention.

AUDIT HIGHLIGHTS

- The NJHMFA administers the Sandy Homebuyer Assistance Program, which provides low and moderate income households the opportunity to purchase a home by offering financial incentives. The program provides a subsidy of up to $50,000 to assist homebuyers purchasing in one of the nine most Sandy-impacted counties and includes a payment forgiveness of 20 percent per year of occupancy. Although all program regulations were complied with, we noted several areas where future programs similar in nature could be improved. The NJHMFA should consider setting an application deadline for their programs and then prioritize applications by need and program objectives. They should also review their income criteria to determine if the procedures can be simplified to avoid calculation method selection errors. In addition, they should review their asset limitations to determine if the program is serving the neediest individuals.

AUDITEE RESPONSE

The agency acknowledged our report observation and will seriously consider our comments.

For the complete audit report, click here.