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Office of Inspector General

Investigative Report

131212-02

November 20, 2015

Chris Hirst, Inspector General

Enhancing Public Trust in Florida's Affordable Housing

**Office of Inspector General
Investigative Report
Case Number 131212-02**

INTRODUCTION

On December 12, 2013, the Florida Housing Finance Corporation's (Florida Housing) Office of Inspector General (OIG) received an email from Hardest Hit Fund (HHF) program management requesting an OIG review of a questionable employment verification letter submitted by HHF applicant Lashon Gonzalez. The employment verification letter was originally requested by Ms. Gonzalez's HHF Advisor from MAG Defense Incorporated who had uploaded it into Counselor Direct. Amerinational Community Services Inc., is the HHF Underwriter assigned to review Ms. Gonzalez's application file. It was Amerinational staff who questioned the letter and sent it to HHF management to notify them of their concerns.

The OIG initiated an investigation based on the information provided.

ALLEGATIONS

It is alleged that Lashon Gonzalez committed fraud by providing a false document relating to her HHF application, which would have supported her claim of prior employment. The HHF Advisor manual, as of June 2012, requires applicants to have a qualifying hardship (unemployment/underemployment) that is no fault of their own. Applicants who are unemployed can certify a qualifying hardship by providing proof of unemployment, or in cases where unemployment was not received or applied for, by providing an employment verification letter from their prior employer.

If supported, the allegation would constitute a violation of federal and/or state laws, including:

- Title 18, United States Code, §1001, False Statements;
- Section 817.03, Florida Statutes (F.S.), Making false statements to obtain property or credit;
- Section 817.545, F.S., Mortgage Fraud; and/or
- Section 837.06, F.S., False Official Statements.

EXECUTIVE SUMMARY

The Office of Inspector General conducted interviews and reviewed significant documentation/records relating to the allegation. As a result of the investigation, the Office of Inspector General determined that the allegation of fraud by providing a false document against Ms. Gonzalez was **Supported**.

COMPLAINANT INTERVIEW

On October 13, 2014, the Office of Inspector General conducted a telephone interview with Meta Johnson, Underwriting Manager, Amerinational Corporation. The following represents actual and paraphrased statements made by Ms. Johnson:

Ms. Johnson stated that the letter was first questioned when it was reviewed by one of her staff as a part of the underwriting process for Ms. Gonzalez's HHF application file. The underwriter notified Ms. Johnson that the letter appeared questionable. Ms. Johnson reviewed the employment verification

letter and on December 11, 2013, emailed HHF program management to report her concerns with the letter. The noted concerns included an invalid letterhead, format, grammar, and placement of the signature as well as the job title of the signer.

DOCUMENTATION/RECORDS ANALYSIS

A review of the employment verification letter provided by Ms. Gonzalez to her HHF Advisor agency was conducted. (Exhibit 1). The letter in question, dated October 1, 2013, was reviewed and several issues were noted including that it may not have been on actual letterhead and that it contained grammatical and spelling errors. For example, the job title of the supervisor was misspelled "princpal". Carol City Elementary School Principal, Patricia Bloodworth-Johnson, allegedly signed the letter on October 1, 2013; however, as of May 2013, Ms. Bloodworth-Johnson was no longer the principal.

A review of Ms. Gonzalez's HHF application, dated December 2, 2013 was conducted (Exhibit 2). The application showed that Ms. Gonzalez had reported her prior employer as Miami Dade County – Public Schools, but does not specify Carol City Elementary School.

A review of Ms. Gonzales's letter of ineligibility was completed (Exhibit 3). The letter verifies that on March 24, 2014, Ms. Gonzalez was informed that she was ineligible for HHF program funds for providing false information.

WITNESS INTERVIEWS

On December 12, 2013, the Office of Inspector General conducted a telephone interview with Arronda Dunn, the Principal's Secretary/Treasurer for the Carol City Elementary School. The following represents actual and paraphrased statements made by Ms. Dunn:

Ms. Dunn stated that she had been working at Carol City Elementary for about 30 years. Additionally, Ms. Dunn stated that she has never heard of LaShon Gonzalez and does not remember her ever working at the elementary school. When asked about the individual who had allegedly signed the employment verification letter, Ms. Dunn indicated that Ms. Bloodworth-Johnson was no longer the Principal at Carol City Elementary and that she had transferred to a new school in May 2013. Ms. Dunn stated that Carol City Elementary School's current Principal was Mr. Watkins and that he has been there since July 2013.

On December 12, 2013, the Office of Inspector General conducted a telephone interview with Patricia Bloodworth-Johnson, Principal for Poinciana Park Elementary School in Dade County, Florida. The following represents actual and paraphrased statements made by Ms. Bloodworth-Johnson:

Ms. Bloodworth-Johnson stated that she had never heard of LaShon Gonzalez. Regarding the employment verification letter, she stated that she left Carol City Elementary School in May of 2013, and did not sign the letter, which was dated October 2013.

On October 20, 2014, the Office of Inspector General conducted a telephone interview with Tenise Love, HHF Advisor, MAG Defense Incorporated. The following represents actual and paraphrased statements made by Ms. Love:

Ms. Love indicated that she was the assigned advisor for Ms. Gonzalez. She stated that she had requested the employment verification letter to support Ms. Gonzalez's claim of prior employment. She explained that this is routinely done to document HHF eligibility requirements for the applicants. Ms. Love received the letter and scanned it into Counselor Direct and shredded the paper copy. Ms. Love did not discuss the employment letter with Ms. Gonzalez.

SUBJECT INTERVIEWS

The OIG was not able to reach Ms. Gonzalez to obtain her testimony. The OIG emailed Ms. Gonzalez on September 8, 2014 to schedule an interview. Additionally, the OIG attempted to contact Ms. Gonzalez via telephone on October 15, 2014 and October 20, 2014. Subsequently, to date there has been no response received from Ms. Gonzalez.

FINDINGS/CONCLUSIONS

It is alleged that Lashon Gonzalez committed fraud by providing a false document relating to her HHF application, which would have supported her claim of prior employment. The allegation was **Supported**.

Testimony supports that Ms. Gonzalez sent the employment verification letter to her HHF Advisor as proof of prior employment. Testimony also supports that the employment verification letter Ms. Gonzalez submitted contained several questionable items including, that it may not have been on actual letterhead; that it contained grammatical and spelling errors; and that the signer's title was misspelled "principal". Additionally, Carol City Elementary School Principal, Ms. Patricia Bloodworth-Johnson, allegedly signed the letter on October 1, 2013; however, as of May 2013, Ms. Bloodworth-Johnson was no longer the principal at that school. Additionally, testimony also supports that Ms. Gonzalez was not nor had ever been employed by Carol City Elementary School.

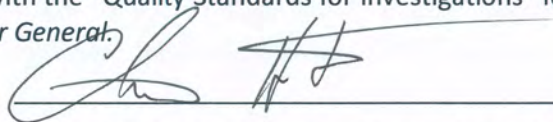
In accordance with §20.055(6)(c), F.S. on December 9, 2014, this investigation was coordinated with the Florida Department of Law Enforcement (FDLE) for a possible violations of Section 817.03, F.S. (Making false statement to obtain property or credit); Section 817.545, F.S. (Mortgage Fraud); and Section 837.06 F.S. (False Official Statements). On November 9, 2015, the OIG was advised by FDLE that on July 9, 2015, the State Attorney's Office had declined to file criminal charges since she did not receive any benefits (HHF funding). On July 22, 2015, FDLE turned the case over to the Miami Dade School Police for administrative actions against Gonzalez.

INSPECTOR GENERAL COMMENTS

The OIG determined that HHF Program management, the HHF Underwriter (Amerinational), and MAG Defense Advisor Agency took the appropriate actions to prevent the funding of Lashon Gonzalez's HHF application, since it contained potentially fraudulent or inaccurate information.

CERTIFICATIONS

This investigation was completed in compliance with the "Quality Standards for Investigations" found within the *Principles and Standards for the Office of Inspector General*.



Name, Title, Office of Inspector General

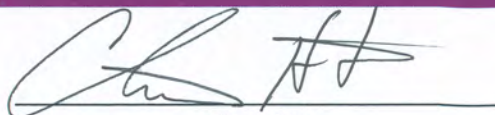
APPROVALS

Investigator Separated from Corporation

Name
Investigator

11-20-15

Date



Chris Hirst
Inspector General

11-20-15

Date