



we make housing affordable

Office of Inspector General

Investigative Report

141010-01

March 24, 2015

Chris Hirst, Inspector General

Enhancing Public Trust in Florida's Affordable Housing

**Office of Inspector General
Investigative Report
Case Number 141010-01**

INTRODUCTION

On October 10, 2014, the Florida Housing Finance Corporation (Florida Housing) Office of Inspector General (OIG) received an email via the Hardest Hit Fund (HHF) Report Fraud, Waste, and Abuse Website from Mr. Gary Smith alleging application fraud on the part of Ms. Vernia Dantzler, a HHF Unemployment Mortgage Assistance Program/ Mortgage Loan Reinstatement Program (HHF UMAP/MLRP) recipient.

Ms. Dantzler applied for HHF UMAP/MLRP funds on September 11, 2013 and reported being unemployed through no fault of her own. On her application, she reported her unemployment and disability income and no reportable assets. Ms. Dantzler reported no dependents and indicated her marital status was separated. Ms. Dantzler was approved for HHF funding on October 31, 2013, and received a total of \$41,307.97 in HHF funding.

The OIG initiated an investigation based on the allegation provided.

ALLEGATIONS

It is alleged that Ms. Dantzler falsified her HHF UMAP/MLRP application by failing to report assets on her application. The HHF Advisor Manual, as of April 2012, requires applicants to report assets of the borrower and coborrower. Assets required to be reported include, but are not limited to, all savings, checking, money market accounts, certificates of deposits, taxable investment accounts, savings bonds, and cash. These accounts must be in the name of the borrower or co-borrower. 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 statement to obtain property or credit;
- Section 817.545, F.S., Mortgage Fraud; and/or
- Section 837.06, F.S., False Official Statements.

EXECUTIVE SUMMARY

From March 20, 2014, to August 18, 2014, Office of Inspector General staff conducted interviews and reviewed significant documentation/records as it relates to the allegation. As a result of the investigation, Office of Inspector General staff determined that the allegation of application fraud/false statements against Ms. Dantzler, was not supported.

COMPLAINANT INTERVIEW

During the course of the investigation, the Office of Inspector General, attempted to contact the complainant, Mr. Gary Smith multiple times. On November 4, 2014, Mr. Smith emailed the OIG and stated that he wanted to rescind his complaint against Ms. Dantzler. Mr. Smith's email indicated that he had made a mistake and that no misfiling had occurred.

DOCUMENTATION/RECORDS ANALYSIS

A review of Ms. Dantzler's HHF application (Exhibit 1) dated September 11, 2013. The application was signed by Ms. Dantzler and indicates that she had been laid off in March 12, 2013. On her application, she reported unemployment and disability income and no assets.

A review of Ms. Dantzler's 2013 Federal Income Taxes. (Exhibit 2) supports Ms. Dantzler's reported income claim. Ms. Dantzler reported only income from unemployment and disability and was consistent with other information she provided to her advisor agency.

WITNESS INTERVIEWS

On November 5, 2014, a telephone interview was conducted with Ms. Lisa Vanderlaan, Vice President, Crisis Housing Solutions, Incorporated by the Office of Inspector General. Her agency was the advisor agency for Ms. Dantzler. The following represents Ms. Vanderlaan's statement in substance:

Ms. Vanderlaan stated that she is the HHF Administrator for Crisis Housing Solutions, Inc., and that she oversees the eligibility determination for the HHF applicants assigned to Crisis Housing. She explained that she had discussed the file with the advisor who reviewed Ms. Dantzler's application, and that there were no issues that came up during the application process. She did comment on the fact that Ms. Dantzler received some unemployment from "D.C." but that this can occur if a person works temporarily or with seasonal employment. When asked about the possibility that she may be living out of state, she noted that her advisor was able to verify that Ms. Dantzler had proper homestead exemption to support the Florida address that was on her HHF application.

On November 20, 2014, a telephone interview was conducted with Ms. Kimberly Scafarro, Office Administrator, Hire Council, Inc. by the Office of Inspector General. The following represents Ms. Scafarro's statement in substance:

Ms. Scafarro indicated that she could verify position title and provide hire and termination dates over the phone for prior employees. She indicated that her records showed that Ms. Dantzler worked three employment periods for Hire Council, October 24, 2012 until December 27, 2012; April 22, 2013 until February 6, 2013; and February 26, 2013 until March 14, 2013.

SUBJECT INTERVIEWS

On November 13, 2014, a telephone interview was conducted with Ms. Vernia Dantzler, HHF UMAP/MLRP recipient by the Office of Inspector General. The following represents Ms. Dantzler's statement in substance:

Ms. Dantzler stated that she received little income in 2013, and that she had lived in her home for twenty years. Ms. Dantzler stated that she had lost her job in 2013, and her only sources of income were her unemployment and disability incomes. The OIG inquired about her involvement in a nonprofit organization, Financial Literacy Organization for Women and Girls (FLOW). Records obtained from the internet showed that Ms. Dantzler was the Executive Director of FLOW as well. Additionally, the OIG inquired about the income that she may have received from a book she had written, "Sitting Pretty or Sitting Duck? Financial Self-Defense for Women".

Ms. Dantzler indicated that she does not receive a salary or receive speaking fees related to her role with FLOW. She stated that she created the nonprofit after her book was completed. The purpose of the book and the creation of the nonprofit were to help women in difficult financial/relationship issues.

Ms. Dantzler stated that she made three books sales in 2013. She indicated Flow receives funds from donations that go directly to the program areas. The organization does not receive grants or any other forms of assistance.

After reviewing the bank statement that she provided to her advisor in June of 2014, OIG staff noted several transactions during September and October of 2013 and April of 2014 that were out of state. Ms. Dantzler explained that she did some legal review work for the firm, Hire Council, in the District of Columbia in 2013 and at times stayed with a friend or at a hotel.

At this time she is not employed and she indicated that she is providing care for her mother.

FINDINGS/CONCLUSIONS

The allegation that Ms. Dantzler falsified her HHF UMAP/MLRP application by failing to report assets on her application was Not Supported.

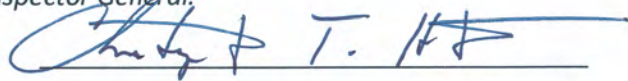
The OIG found that the information that Ms. Dantzler provided on her application was accurate and complete. The OIG was able to verify her prior employment and income. Furthermore, the OIG's background check and public records search did not reveal any non-reporting of assets or properties.

INSPECTOR GENERAL COMMENTS

The OIG recommends that this investigation be closed.

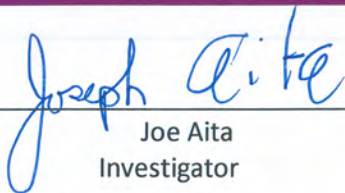
CERTIFICATIONS

This investigation has been conducted in compliance with the "Quality Standards for Investigations" found within the *Principles and Standards for the Offices of Inspector General*.



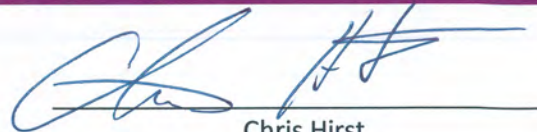
Name, Title, Office of Inspector General

APPROVALS


Joe Aita
Investigator

3/24/15

Date



Chris Hirst
Inspector General

3-24-15

Date