

Housing Authority - County of Los Angeles

May 1, 2008

To: Each Supervisor

From: Carlos Jackson, Executive Director



SUBJECT: HUD'S OIG JOINT AUDIT

I have previously advised in numerous memoranda to you that HUD's Office of Inspector General (OIG) initiated a joint audit (attached letter dated November 2, 2007) of the City and County Housing Authority to determine if there was a conflict of interest involving employees of both agencies.

I am pleased to report that we received the attached official notification from HUD that as a result of their preliminary survey of our information, it is not necessary to pursue this matter further. The initial investigation has been closed. Please let me know if you require additional information.

CJ:sm

Attachments

c: William T Fujioka, Chief Executive Officer
Lari Sheehan, Deputy Chief Executive Officer
Raymond G. Fortner, Jr., County Counsel
Each Deputy



U.S. Department of Housing and Urban Development
Office of Inspector General

Region IX
611 West Sixth Street, Suite 1160
Los Angeles, California 90017-3101
(213) 894-8016
Fax (213) 894-8115

November 2, 2007

Mr. Carlos Jackson
Executive Director
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755



Dear Mr. Jackson,

This is to notify you that HUD's Office of Inspector General is planning to perform a joint audit of the Housing Authority of the City of Los Angeles and the Housing Authority of the County of Los Angeles' Section 8 Programs. The objective of our review will be to determine whether Section 8 properties owned by authority employees are managed in accordance with HUD rules and regulations.

Ms. Pamela Martin of my staff will contact you within the next two weeks to arrange an entrance conference date and to begin the audit work. To assist us in initiating this effort, we request that you make the following available at the entrance conference:

- Current organizational chart,
- Employee listing,
- List of individuals within your organization who you know own or have interest in Section 8 properties, and
- Electronic copy of the HAP register.

Should you have any questions, please contact Vincent Mussetter, Assistant Regional Inspector General for Audit, or Pamela Martin, at (213) 894-8016. Thank you for your cooperation in this matter.

Sincerely,


Joan Hobbs
Regional Inspector General for Audit

cc: Rudolf Montiel, Executive Director, HACLA
K. J. Brockington, Director, Office of Public and Indian Housing, 9DPH



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April 29, 2008

Mr. Carlos Jackson
Executive Director
Housing Authority of the County of Los Angeles
2 Coral Circle
Monterey Park, CA 91755

Dear Mr. Jackson,

We completed our joint review of alleged conflicts of interest in Section 8 programs for the Housing Authority of the City of Los Angeles (HACLA) and the Housing Authority of the County of Los Angeles (HACoLA). Our objective was to determine whether HACLA and HACoLA managed the Section 8 properties owned or resided in by authority employees or their relatives in accordance with HUD conflict of interest and Housing Choice Voucher Program rules and regulations.

We found no indications that rent reasonableness, tenant eligibility or inspection processes were altered or manipulated to ensure favorable treatment for any of the units reviewed and overall found no reportable deficiencies with respect to compliance with HUD requirements. Therefore, we are terminating our review at the survey stage and will not perform any further audit work. We will issue a close-out memorandum to HUD and consider our inquiry into the above matter to be closed.

We would like to thank you and your staff for your cooperation. If you have any questions, please contact myself or Vincent Mussetter, Assistant Regional Inspector General for Audit, at (213) 534-2280.

Sincerely,

Joan S. Hobbs
Regional Inspector General for Audit

cc: K. J. Brockington, Director, Office of Public and Indian Housing, 9DPH