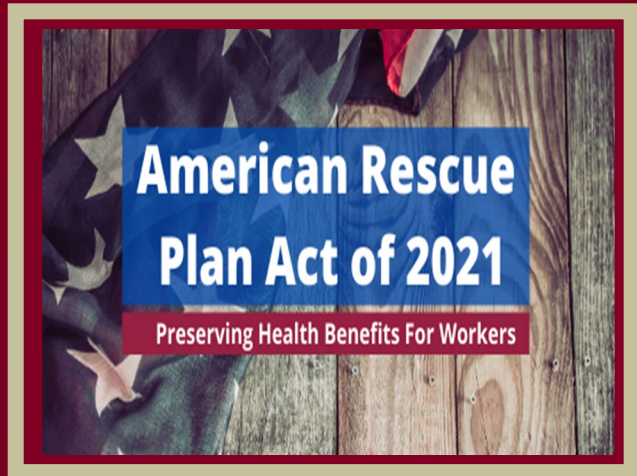
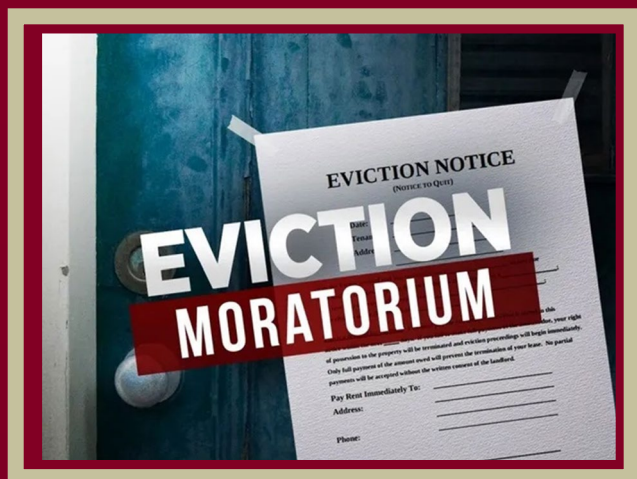




DIVISION OF INSPECTOR GENERAL
Ken Burke, CPA
Clerk of the Circuit Court and Comptroller
Pinellas County, Florida



AUDIT OF EMERGENCY RENTAL ASSISTANCE PROGRAM

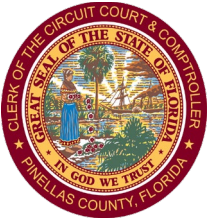


Melissa Dondero, CPA, CIA, CIG, CIGA, CIGI, CITP, CRMA, CFS, CECFE
Inspector General/Chief Audit Executive

Audit Team

Robert Poynter, CIGA, CIGI, CFS, CECFE, CISA, CCA - Assistant Inspector General
Jason Stanley, CIGA, CIGI, CFE, CECFE, CISA, - Assistant Inspector General
Norberto Rosa, CIGA, CIGI, CFS, CECFE, 3CI, 3CIA - Inspector General II

REPORT NO. 2023-17
JULY 31, 2023



Ken Burke, CPA

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
PINELLAS COUNTY, FLORIDA

Clerk of the County Court
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

Division of Inspector General

510 Bay Avenue
Clearwater, FL 33756
Telephone: (727) 464-8371
Fax: (727) 464-8386
Fraud Hotline: (727) 45FRAUD (453-7283)
Clerk's website: www.mypinellasclerk.gov

July 31, 2023

Carol Stricklin, Director, Housing and Community Development Department
Jeanette Phillips, Chief Deputy Director, Finance Division

We have conducted an audit of the Emergency Rental Assistance Program per management request.

A summary of our audit efforts regarding the Emergency Rental Assistance Program is presented in this report.

We appreciate the cooperation shown by the staff of the Housing and Community Development Department, Office of Management and Budget, and Finance Division during the course of this review.

Respectfully Submitted,

Melissa Dondero
Inspector General/Chief Audit Executive

cc: The Honorable Chairman and Members of the Board of County Commissioners
Ken Burke, CPA, Clerk of the Circuit Court and Comptroller
Barry Burton, County Administrator
Tom Almonte, Assistant County Administrator
Kevin Knutson, Assistant County Administrator
Chris Rose, Director, Office of Management and Budget



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INTRODUCTION

Abbreviations

Applicant	Tenant Applicant
ARPA	American Rescue Plan Act
BCC	Board of County Commissioners
CAA	Consolidated Appropriations Act
CDC	Centers for Disease Control and Prevention
City	City of St. Petersburg
Contractor	Tetra Tech
County	Pinellas County
COVID-19	Coronavirus Disease 2019
CRF	COVID Relief Funds
ERA	Emergency Rental Assistance
FBI	Federal Bureau of Investigation
Finance	Clerk of the Circuit Court and Comptroller, Finance Division
HCD	Housing and Community Development
IG	Division of Inspector General
Neighborly	Neighborly Software
OIG	Department of the Treasury's Office of the Inspector General
OMB	Office of Management and Budget
PCPAO	County Property Appraiser's Office
SSN	Social Security Number
TIN	Taxpayer Identification Number
Treasury	United States Department of the Treasury

Executive Summary

At the request of Clerk of the Circuit Court and Comptroller, Finance Division (Finance) Management, we conducted a parallel audit of the Emergency Rental Assistance (ERA) federal grant program in conjunction with the Office of Management and Budget (OMB), the Housing and Community Development Department (HCD), and Finance. The objectives of the audit were to:

1. Ensure Tetra Tech and Witt O'Brien had adequate controls to review and approve ERA program applications.
2. Ensure HCD and Finance had adequate controls to perform a final review of approved ERA program grant applications prior to funds disbursement.
3. Ensure ERA program grant Applicants met the eligibility requirements prior to funds disbursement.
4. Ensure ERA program grant Applicants did not attempt to obtain grant funds through fraudulent means.

Overall, the administration and management of the Pinellas County (County) ERA program were very effective. The County personnel and contractors that played key roles in the administration of the County ERA program were:

- HCD assumed the lead role as the ERA program Project Coordinator and Operational Manager. HCD provided overall program support, and coordination for compliance with ERA program policies and procedures, in addition to reporting the performance and results of the program to the United States Department of the Treasury.
- OMB coordinated budgetary and guidance in developing the County ERA Policies and Procedures Manual.
- Tetra Tech and Witt O'Brien were contracted as ERA program Project Managers who deployed overall direction and control to program subcontracted staff, composed of the ERA Call Center personnel and the reviewers of eligibility criteria and required documentation.
- Finance provided pre-audit review functions and managed the ERA program fund's disbursement process.



In addition, the web-based County ERA Program Portal hosted by Neighborly Software (Neighborly) was essential to achieving the ERA program goals. The user-friendly structure of the County ERA applications helped Applicants complete their applications without system failures or complications. The process of developing grant requirements and customizing the software was swift without compromising the integrity and notable success of the program.

The County contracted Tetra Tech and Witt O'Brien to manage and assist with the 18,836 applications received, reviewing and evaluating eligibility criteria and required documentation, in addition to assisting citizens through the Call Center. Despite having adequate design of controls to review and approve applications, it was noted Tetra Tech staff were inconsistent during their review process of eligibility requirements and support documentation, resulting in the return of hundreds of applications and delays in the disbursement of funds, increasing the risk of evictions. Tetra Tech stated that on most occasions, Applicants did not supply the required supporting documentation, necessitating additional communication efforts and review.

The HCD staff assigned to the project worked diligently to process thousands of applications. The final review process they performed was highly effective in identifying ineligible applications lacking supporting documentation and referring to us questionable applications for investigation. Subsequent to HCD application approval, Finance performed a pre-audit prior to disbursement processing, which was also effective in identifying additional documentation needs or concerns.

Using data analytics software, we executed a combination of data analytics routines to prevent approval of duplicate applications and detect fraudulent disbursements. Using built-in report builder functionality, Neighborly allowed us to extract the application data needed for our data analytics testing. We performed weekly analytical procedures on the cumulative population of the recommended applications for payment. This review resulted in the detection of duplicated and fraudulent applications, in addition to questionable applications, which contained information that didn't align with supporting documentation provided, requiring further investigation.



We also performed investigative procedures on questionable applications identified through data analytics routines and applications referred to us by HCD or Finance. We used various resources to perform an additional layer of validation for all application criteria with the goal of adding value to the process but avoiding the duplication of efforts.

Throughout our review process, we maintained frequent and efficient communication with HCD, OMB, Finance, Tetra Tech, and Witt O'Brien staff to discuss applications under investigation when necessary. This collaborative partnership resulted in

the prevention of \$3,070,611 in funds disbursements associated with 148 fraudulent applications. However, a total of \$238,140, or 0.58% of total ERA program funds were disbursed to 11 cases deemed fraudulent after payments had been processed. The Inspector General referred the fraudulent cases to federal and local law enforcement agencies for prosecution.

Background



Program Overview

The economic crisis resulting from the Coronavirus Disease 2019 (COVID-19) public health emergency had put state and local governments under unprecedented strain. The devastating impact of the pandemic affected millions of citizens, who faced deep rental debts, fear of eviction, and loss of basic housing stability and security. Evictions can have long-lasting consequences for families, potentially disrupting schools, worsening health, displacing neighborhood networks of support, and presenting a challenge to finding safe and affordable housing in the future.



The Centers for Disease Control and Prevention (CDC) took unprecedented action when they issued a national eviction moratorium from September 4, 2020, through October 3, 2021, to protect public health and prevent millions of evictions since the onset of the pandemic.

At the state and federal level, Congress passed and signed the Consolidated Appropriations Act (CAA), 2021, Pub. L. No. 116-260 (December 27, 2020) and the American Rescue Plan Act (ARPA), 2021, Pub. L. No. 117-2, (March 11, 2021). The Acts provided fast and direct economic assistance for American workers,

families, small businesses, and industries through a variety of programs and federal fund allocations to address the issues related to the onset of the COVID-19 pandemic.

In response to concerns about the economic effects of the COVID-19 pandemic on renters and their landlords, Congress created the Emergency Rental Assistance (ERA) program and designated the United States Department of the Treasury (Treasury) as the ERA Administrator. Treasury established the following two separate ERA programs:

- ERA1 was authorized by the CAA and provided \$25 billion to assist eligible tenants with financial assistance and housing stability services.
- ERA2 was authorized by the ARPA and provided \$22 billion to assist eligible tenants with financial assistance, housing stability services, and as applicable, cover the costs for other affordable rental housing and eviction prevention activities.

Program Funding

On January 26, 2021, the Pinellas County (County) Board of County Commissioners (BCC) voted unanimously to approve the acceptance of the Treasury Grantee Award Terms and Funding of \$21.4 million for the ERA1 program. Subsequently, on June 8, 2021, the BCC, through a unanimous vote, also approved and accepted the initial funding of \$24.3 million for the ERA2 program.

The County ERA program aided income-eligible Applicants located outside the City of St. Petersburg (City) but within the geographical boundaries of the County that were at risk of experiencing homelessness or housing instability due to the COVID-19 pandemic. As a separate Treasury Grantee, the City received an allocation of \$8 million and \$6 million through ERA1 and ERA2 programs, respectively. However, on March 8, 2022, the BCC expanded the ERA program boundaries to include eligible Applicants from the City in response to the expenditure of all City ERA funds.

The ERA program funds received by the County were used for the following allowed Applicant needs:

- Rental payments
- Rental arrears payments
- Utilities and home energy payments
- Utilities and home energy arrears payments
- Other expenses related to housing as relocation expenses (hotel and motel cost), security deposit, rental fees (application or screening fees), and accrued late fees



Also, the ERA program allocated a portion of the funds received to cover the administrative cost of the program as well as housing stability services, including case management or other services intended to keep tenants stably housed.

The following table summarizes the initial County ERA program funding and allowed use:

County ERA Funding Source	Applicant Assistance Allocation	Administrative Cost Allocation	Total Funding
ERA1	\$19,285,396	\$2,142,822	\$21,428,218
ERA2	\$21,486,460	\$2,909,375	\$24,395,835
Totals	\$40,771,856	\$5,052,197	\$45,824,053

ERA Eligibility Requirements

To be eligible to receive assistance from the ERA program, the Applicant needed to be in a household and obligated to pay rent on a residential dwelling, and the County determined that:

- One or more individuals within the household have qualified for unemployment benefits, experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or directly or indirectly due to the COVID-19 pandemic.
- One or more individuals within the household demonstrated a risk of experiencing homelessness or housing instability.
- The household had a household income at or below 80% of the area median income.

An eligible Applicant could receive up to 18 months of assistance, comprised of 15 months of past-due rent, plus an additional 3 months, if necessary, to ensure housing stability. The aggregate amount of financial assistance an eligible Applicant could receive when combined financial assistance under ERA1 and ERA2 must not have exceeded 18 months.



The ERA application submission and review process was performed electronically through the web-based County ERA Program Portal hosted by Neighborly Software (Neighborly).

The County accepted Tenants' and Landlords' applications from March 31, 2021, through May 25, 2022, and finalized its review of all applications, including those requiring additional information by September 23, 2022.

The ERA program relied on participation from the service provider (i.e., Landlord, the utility provider, and other service providers) and the Tenant. The process could be initiated by either the Landlord or Tenant, but both parties were required to provide proper supporting documentation.

Landlord Applicants were required to provide the following supporting documentation:

- W-9
- Tenants' monthly ledgers and/or other financial records
- Attestation that payments would satisfy the Tenant's rental obligation
- Signed County Acknowledgement Form

Tenant Applicants were required to provide eligibility documentation, digitally sign the application, and attest that all information submitted was truthful in Neighborly. The support documentation comprised the following:

- Proof the Applicant experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or directly or indirectly due to the COVID-19 pandemic.

- One or more individuals within the household needed to demonstrate the risk of experiencing homelessness or housing instability through documentation or self-certification.
- Self-report and/or attest to the household income and provide income documentation for all adult household members.
- Government-issued identification for the Applicant, Co-applicant (if applicable), and all adult household members 18 years old or older (i.e., Driver's License, Florida ID Card, Birth Certificate, Social Security Card, or Green Card).
- Applicable current rental agreement or agreements, signed by the Applicant and the Landlord or Sublessor, which identified the residential address, terms of the lease, rental payment amount, and any fees for which assistance was requested.
- Bill, invoice, or evidence of past due balance for each month of utility assistance requested.

ERA Applications Review Process

Tetra Tech and Witt O'Brien, Project Managers, managed the initial review of the Tenant's eligibility requirements and the evaluation of their application, including the supporting documentation and the Landlord application review. Once the application was properly reviewed and evaluated by their staff, it was recommended for disbursement and sent to the Program Coordinator at Housing and Community Development (HCD).

The HCD Program Coordinator distributed the applications to HCD compliance reviewers for final compliance review evaluation to ensure the submission of all required documentation and adherence to all eligibility requirements. After the compliance review, the HCD Operations Manager approved the applications recommended for disbursement and submitted them to the Clerk of the Circuit Court and Comptroller, Finance Division (Finance).

Finance then performed a pre-audit review of the applications recommended for disbursement. Once reviewed and approved, Finance mailed check payments directly to the respective service provider (i.e., Landlord, utility provider, or other service providers) on behalf of the Applicant.

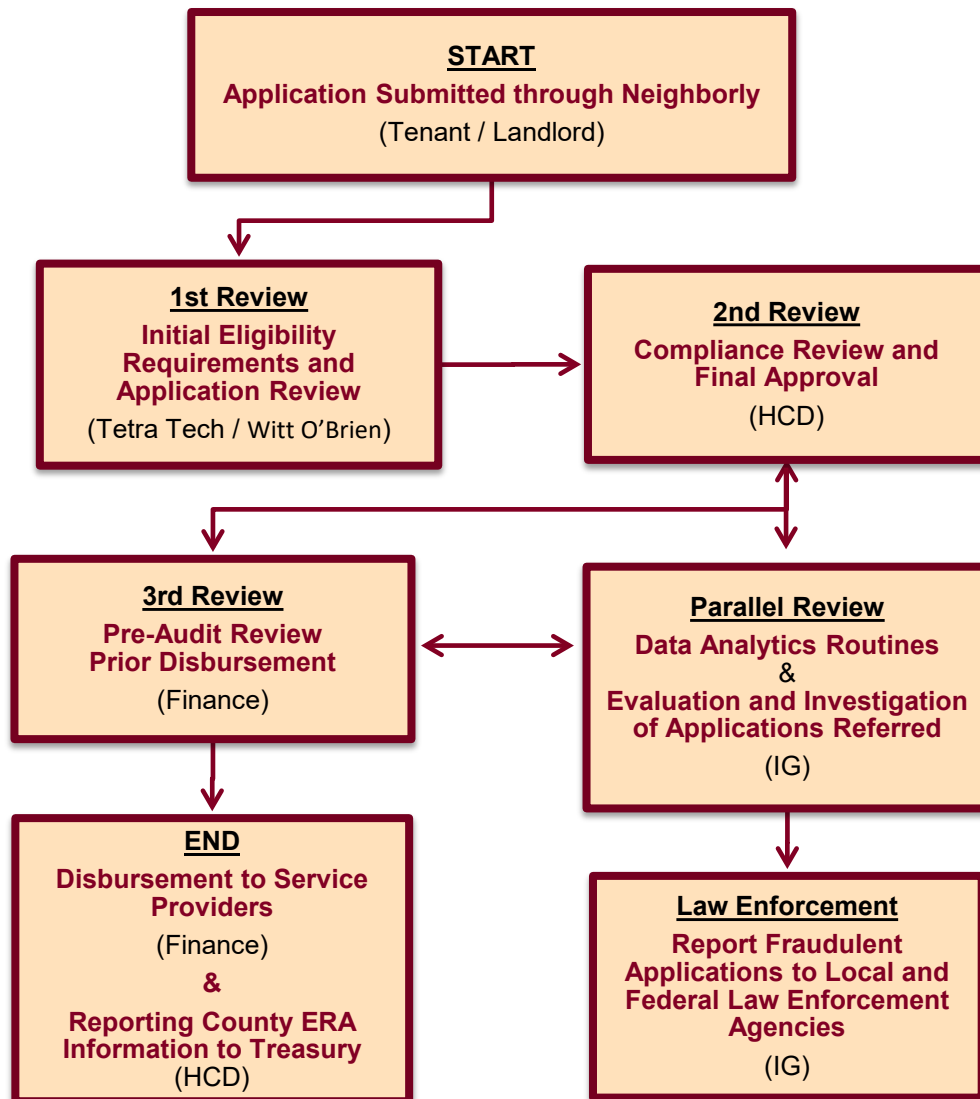
In the event of identifying a questionable application during the compliance review process or pre-audit review, the Operational Manager or Program Coordinator referred the questionable application to the Division of Inspector General (IG) for evaluation.

The IG also performed a parallel review through data analytic routines designed to prevent and detect fraud and ineligible Tenant and/or Landlord applications after HCD approved the applications recommended for disbursement. In addition, we performed investigative procedures while evaluating questionable applications identified through data analytic routines or referred to us by HCD or Finance.

Once the investigative procedures of questionable applications were completed, we reported to the Department of the Treasury's Office of the Inspector General (OIG), the Federal Bureau of Investigation (FBI), the United States Attorney's Office, and local law enforcement agencies all fraudulent applications paid for prosecution.

After disbursements of funds were completed, HCD reported to Treasury the required information of each application and disbursement performed per program policies.

The following diagram shows the IG's placement in the review process:



SCOPE AND METHODOLOGY

The audit scope included reviewing the controls in place at the Project Managers level, Tetra Tech and Witt O'Brien, as well as the controls in place at HCD and Finance. We performed specific procedures to detect ineligible applications prior to funds disbursement and report, as applicable, any instances of fraudulent activity in accordance with governing statutory provisions.

The IG performed the initial stages of this project during the COVID-19 pandemic period, in which strict social distancing guidelines were in effect. Consequently, in some instances, we were unable to access contacts for in-person meetings or interviews and adjusted our audit and investigative procedures accordingly. We conducted phone interviews or video conferences in lieu of in-person interviews or meetings, where practical. In addition, we adjusted audit or investigative procedures to minimize the personal contact required for observation or walk-through activities.

In cases where we communicated with auditees or interviewees via electronic means, it was not always possible to obtain signed and/or notarized documentation, as applicable, of the communication. However, in all cases, we relayed all required notifications verbally and documented all communication and work performed in the related record of the meeting or interview.

The audit period was from March 31, 2021, through December 31, 2022.

During the audit, we performed the following:

1. Analyzed Tetra Tech, Witt O'Brien, HCD, and Finance review processes to ensure controls were adequate to detect ineligible Applicants.
2. Used data analytics software to apply specific fraud detection processes to the cumulative daily population of applications recommended for disbursement by Tetra Tech or Witt O'Brien after a second-level review was performed by the HCD.
3. Performed a more detailed review of applications suspected of fraudulent activity.

OBJECTIVES AND OUTCOMES

The objectives of the audit were to:

1. Ensure Tetra Tech and Witt O'Brien had adequate controls to review and approve ERA program grant applications.
2. Ensure HCD and Finance had adequate controls to perform a final review of approved ERA program grant applications prior to funds disbursement.
3. Ensure ERA program grant Applicants met the eligibility requirements prior to funds disbursement.
4. Ensure ERA program grant Applicants did not attempt to obtain grant funds through fraudulent means.

As a result of the audit, we determined:

1. Tetra Tech did not consistently adhere to the controls in place during the review and approval of ERA program grant applications. Their poor performance delayed the disbursement process, increasing the risk of tenant evictions and non-compliance with Treasury requirements. In contrast, Witt O'Brien had adequate controls in place during the review and evaluation of eligibility requirements and supporting documentation of ERA program applications.
2. HCD and Finance had adequate controls in place that minimized the exposure of the County to non-compliance and the impact of errors in approved ERA program grant applications prior to funds disbursement.
3. There were adequate controls in place to ensure ERA program grant Applicants met the eligibility requirements prior to funds disbursement.
4. Despite thorough review by HCD and Finance, we determined \$238,140, or 0.58% of total ERA program funds were disbursed to 11 cases deemed fraudulent after payments had been processed.

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and the *Principles and Standards for Offices of Inspector General* and, accordingly, included such tests of records and other auditing procedures as we considered necessary in the circumstances.

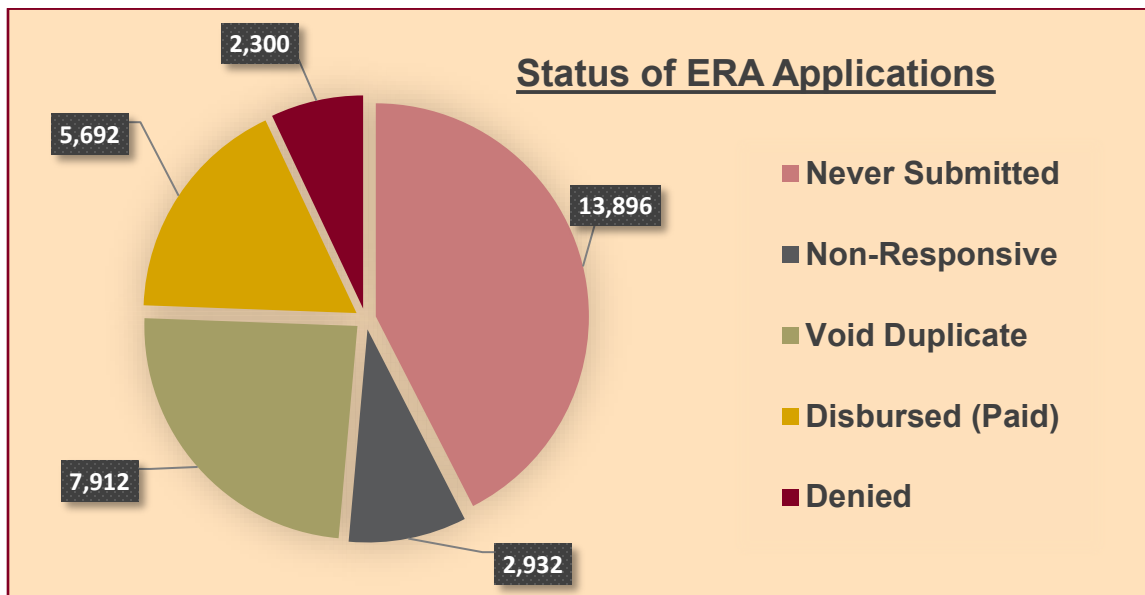
PROGRAM SUMMARY AND OBSERVATIONS

Since our audit was performed in parallel with the review at HCD and Finance, it was intended to be a real-time review of the applications submitted to the program and not a traditional audit of internal controls. Therefore, we did not identify any specific opportunities for improvement in the internal controls at the end of the program.

This portion of the report will be dedicated to summarizing the County ERA program statistics, the evaluation of the performance standards of Tetra Tech, our audit efforts, and observations made during the audit.

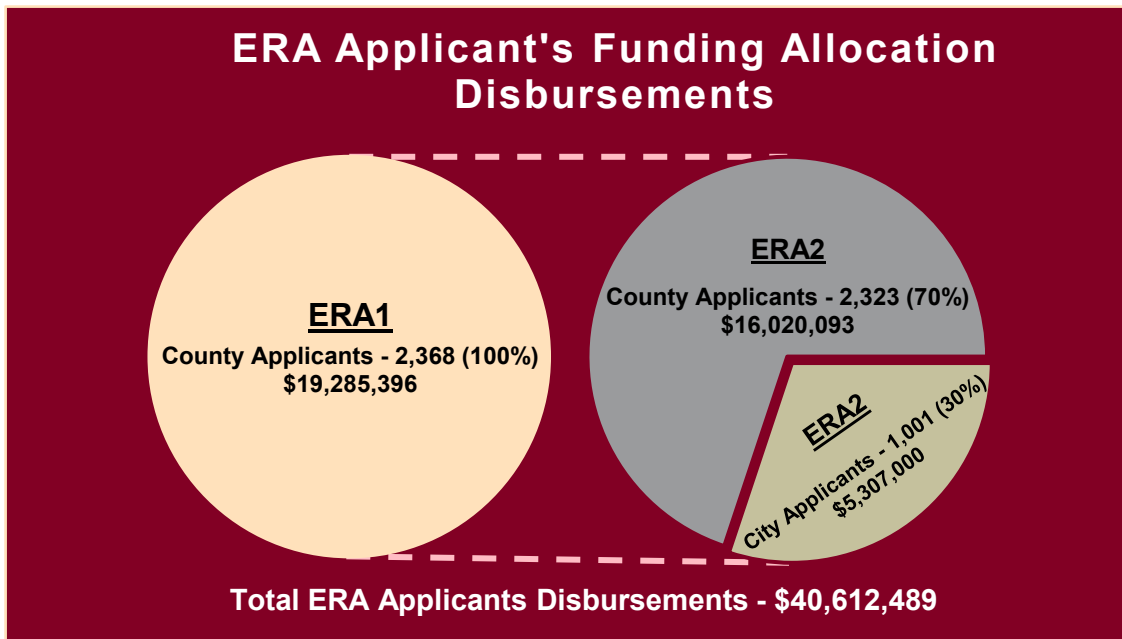
Program Statistics

A total of 32,732 applications were created through the ERA Program Portal hosted by Neighborly. The following graphic presents the status of all applications as of December 31, 2022:



Of the 7,992 applications completed and reviewed, the County ERA program approved 5,692 applications and disbursed a total of \$40.6M, in an effort to ensure housing stability for Pinellas County residents. The remaining 2,300 applications were denied by the County ERA program.

The following illustration summarizes the disbursements to participants for each ERA program:



The following table shows the disbursement breakdown of the \$40.6M for Applicant assistance:

Disbursement of ERA Funds per Allowed Uses		
Allowed Use Categories	Total Funding Disbursed	Percentage
Rental Assistance	\$20,744,045	51.08%
Rental Arrears	\$18,078,554	44.51%
Utility Assistance	\$96,878	0.24%
Utility Arrears	\$1,527,887	3.76%
Other Expenses	\$165,125	0.41%
Total ERA Disbursements	\$40,612,489	100.00%

Due to exhausting the initial funding, the County determined to close the ERA program to the public with the last date for submissions due May 25, 2022. Of the \$45.8M the County received through the ERA program, they allocated \$40.8M to direct assistance for Applicants and \$5.1M to administrative expenses. At program closure, 99.6% of the funds allocated to Applicants and 93.8% of administrative expenses were disbursed.

As of September 23, 2022, the HCD Reviewers completed the review and allocation of all remaining applications, resulting in a total of \$470,836 in remaining funds. The \$470,836 consisted of \$311,000 of administrative funds, leaving a balance of \$159,836, which was a result of denied applications that were budgeted after program closure and void payments not collected by vendors.

**Program Summary And Observations
Audit of Emergency Rental Assistance Program**

The following table represents a snapshot of each County ERA program as of December 31, 2022:

County ERA Programs (ERA1 & ERA2)	Amount	Total
Initial Funding allocated for Applicants	\$40,771,856	
Initial Funding allocated for Administrative Expenses	\$5,052,197	
<i>Total Initial Funding</i>		\$45,824,053
Less: Applicants Disbursements	\$(40,612,489)	
Less: Administrative Expense Disbursements	\$(4,740,728)	
<i>Total Disbursements</i>		\$(45,353,217)
Remaining Initial Funding Balance as of 12/31/2022		\$470,836

Subsequent to the closing of the ERA program, Treasury provided three additional funding allocations to the County totaling \$3,128,585. HCD performed a project analysis to determine the best uses for the remaining and additional program funds to maximize citizens' benefit. On May 9, 2023, HCD recommended to the BCC to use all remaining ERA2 funds, totaling \$3,599,421, for the Affordable Housing Program Project – Burlington Post 2 Project.

Based on requirements set forth by Treasury, the County is permitted to use ERA funds for other affordable rental housing and eviction prevention purposes. HCD, as the responsible agency to manage ERA2 funds, will continue with the due diligence process of the Burlington Post 2 Project to ensure compliance with ERA2 program requirements. As of the issuance date of this report, we were unable to determine or conclude if the previously mentioned project complies with Treasury eligibility requirements for the use of remaining ERA funds.

Evaluation of Performance Standards

On January 10, 2022, the IG and Finance management presented a general summary of the ERA program to the County Administrator, along with a concern regarding the performance of Tetra Tech, the ERA Project Manager.

The agreement between the County and Tetra Tech (Contractor) included the following Contractor Event of Default:

- Contractor fails to maintain the staffing necessary to perform the Services.
- Contractor breaches Section 9 (Confidential Information and Public Records).
- Contractor fails to gain acceptance of a deliverable per Section 15 - Acceptance of Service.
- Contractor fails to perform or observe any of the other material provisions of the Agreement.

Program Summary And Observations
Audit of Emergency Rental Assistance Program

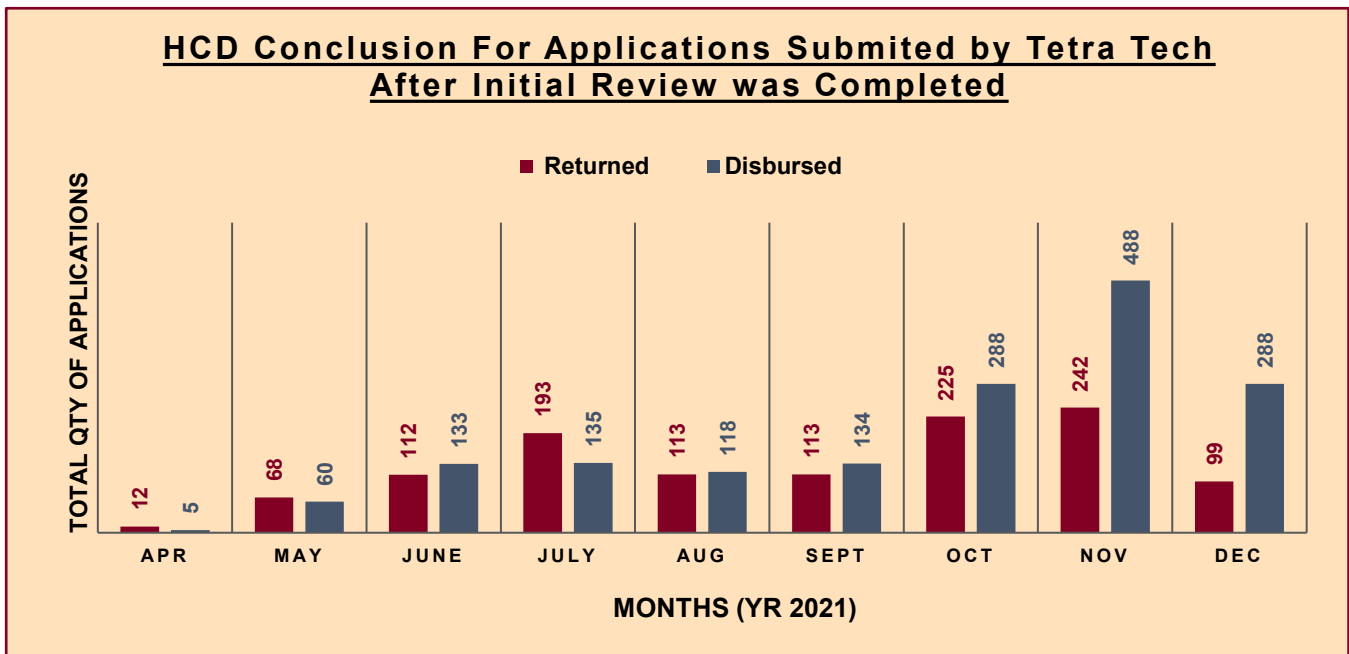
In addition, Exhibit C of the agreement included the following performance standards:

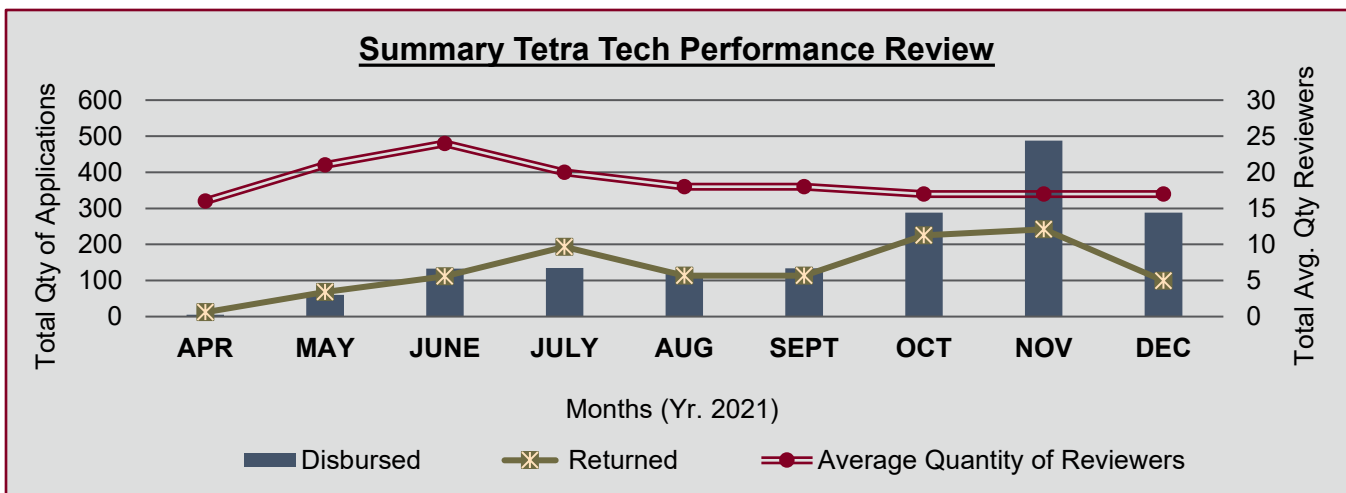
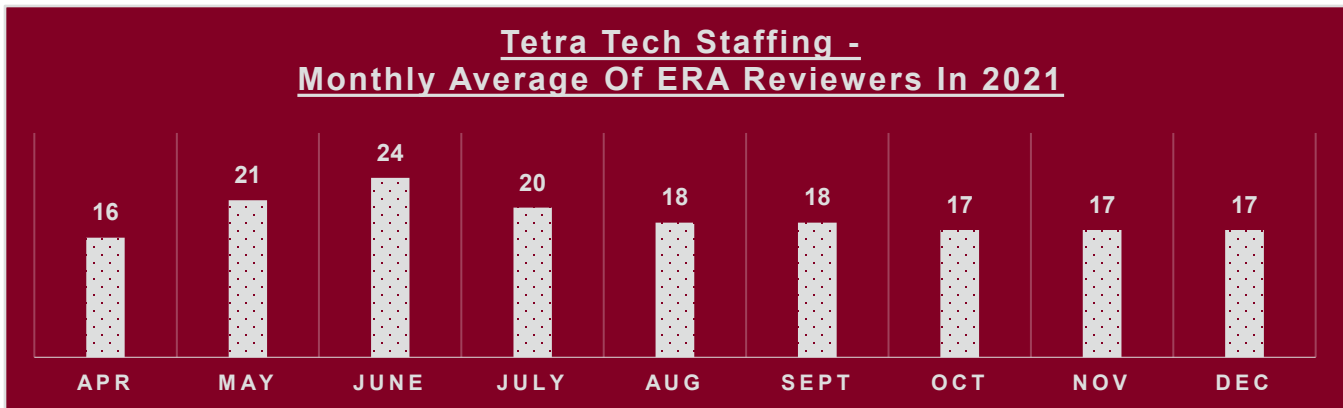
- Contractor will target 100% of completion of Tenant and Landlord application’s initial review within seven calendar days from the submission date and will not exceed a maximum of 14 calendar days from the submission date.
- Contractor will submit a minimum of 125 applications per week to the County while maintaining an error rate of 5% or less.
- Contractor will review and work files in pending Landlord information or pending Tenant information within five business days following the response to the request for information from the Applicant.

The interim evaluation of the Contractor’s standard performance as of December 31, 2021, revealed the following:

- Over 80 days on average to process applications and recommended them for disbursement.
- 1,177 of 1,649 applications paid, nearly 70%, were rejected and returned to Tetra Tech after HCD Compliance Reviewers evaluated the applications submitted and determined that they contained errors or missing supporting documentation.
- Insufficient staffing and high turnover requiring continuous training were identified as repetitive factors throughout 2021.

The following graphics summarize the interim standard performance evaluation mentioned above:





The inconsistent review process carried out by Tetra Tech staff during the initial review stage, which involved evaluating the eligibility requirements and supporting documentation, resulted in the following issues and potential risks:

Issues:

- Untimely review of applications and recommendations for disbursement.
- Return of hundreds of applications with errors requiring correction.
- Commencement of Applicant eviction proceedings while awaiting application processing.
- Insufficient or inaccurate service provider information.
- Inaccurate disbursement amounts.

Risks:

- Non-compliance with Treasury requirements.
- Eviction of tenants with pending applications.
- Delayed receipt of disbursement by service providers and landlords.
- Increased workload for HCD and Finance reviewers.
- Increased administrative expenses for the County associated with the program.
- Disbursement of funds to non-eligible Applicants or fraudulent applications.

As no improvements were noted on the errors and issues communicated by the HCD Program Coordinator and Operations Manager, the County determined to terminate the contract with Tetra Tech due to poor performance and non-compliance with the agreement section Contractor Event of Default at the end of February 2022.

On May 24, 2022, the BCC designated Witt O'Brien as the new Project Manager to review the Applicant's eligibility requirements and evaluate the supporting documentation from May 24, 2022, through the end of the program. Their adherence to controls when reviewing and assessing eligibility requirements and supporting documentation resulted in satisfactory performance, complying with County expectations.

Inspector General Efforts

The IG utilized data analytics designed to detect ineligible Tenant and/or Landlord applications as part of the ERA audit. The following tests were performed on the cumulative population of ERA applications with a status of Paid and Recommended for Disbursement:

Inspector General Analytical Review	
Analytical Test	Purpose
<i>Duplicates:</i>	
Tenant Social Security Number (SSN)	Identified Tenant different applications with the same SSN
Tenant property address	Identified Tenant different applications with the same property address
Tenant phone number	Identified Tenant different applications with the same phone number
Tenant email address	Identified Tenant different applications with the same email address
Landlord email address	Identified Landlord different applications with the same email address
Landlord SSN or Taxpayer Identification Number (TIN)	Identified Landlord different applications with the same SSN or TIN
<i>Matches:</i>	
Between Tenant's email address and Landlord's email address	Identified Tenant and Landlord applications with the same email address
Between Tenant SSN and Landlord SSN or TIN	Identified Tenant and Landlord applications with the same SSN or TIN

Additionally, the IG reviewed and investigated applications referred by HCD or Finance when inconsistent or questionable findings were identified in the supporting documentation during the County review process.

As part of the IG case evaluation process, we performed the following reviews:

1. Reviewed ERA Landlord Application:

- a. Identified all Tenant(s) associated with the Landlord in Neighborly and the corresponding address of each rental property.
- b. Reviewed Section B. Tenant(s) Information in the ERA Landlord Application to identify Tenants with the same rental property address or various rental units in the same rental property.
- c. Reviewed case documentation provided by the Landlord and compared it with the documentation provided by the Tenant(s) to identify any discrepancies.
- d. Verified the Landlord Application was complete, signed, and appropriate documentation was included.
- e. Using the County Property Appraiser's Office (PCPAO) online database, validated if the property owner's information agreed with the Landlord's information in the ERA Landlord Application.
- f. For various rental units/apartments on the same property address, reviewed the dimensions of the property in the PCPAO's online database and compared them with available satellite photos or rental website photos to determine reasonability.

2. Reviewed ERA Tenant Application:

- a. Reviewed case documentation provided by the Tenant and compared it against the information in the ERA Application.
- b. Reviewed the lease agreement to ascertain the Tenant's name, rental property address, Landlord name, Landlord's address, lease term, lease monthly amount, and confirmed the start/end date of the lease information agreed with the ERA Application.
- c. Validated the Tenant ID information against Public Records.
- d. Verified there was no duplication of benefits for rental assistance paid to the Tenant by other state or municipality programs (e.g., 211 Pinellas Cares, State COVID Relief Funds "CRF" Program – Pinellas County, Largo Rent Mortgage – Utility Assistance, City of Clearwater – State Housing Initiatives Partnership funds, and City of St. Petersburg Rental Assistance) for the same period or months claimed.

- e. Reviewed income documentation and the required supporting documentation to determine the Applicant's eligibility.
- f. Verified the Tenant's Application as completed, signed, and appropriate documentation was included.

3. Other Investigative Activities:

- a. Reviewed supporting documentation provided by the Tenant or Landlord for signs of manipulation, forgery, or questionable reliability.
- b. Reviewed social media and Public Records to determine if any relationship, not disclosed to the ERA, existed between the Tenant and the Landlord that could impair the integrity of the applications submitted to ERA.
- c. Used LexisNexis to perform a background check of the Tenant and Landlord to identify any inconsistent information, residential address history, relationships, etc.
- d. Performed unannounced on-site visits at the rental property locations to confirm if the Tenant(s) resided in the property indicated in the ERA Application.
- e. Interviewed the Tenant, Landlord, or any other individual associated with the ERA case to validate the applications.

Observations

Our review of referred applications supplemented the review performed by HCD and Finance and was designed to identify applications that were potentially ineligible based on the established application criteria or instances where the Applicant provided insufficient documentation to make this determination. We performed our review as efficiently as possible to ensure we did not delay the disbursement process for eligible Applicants.

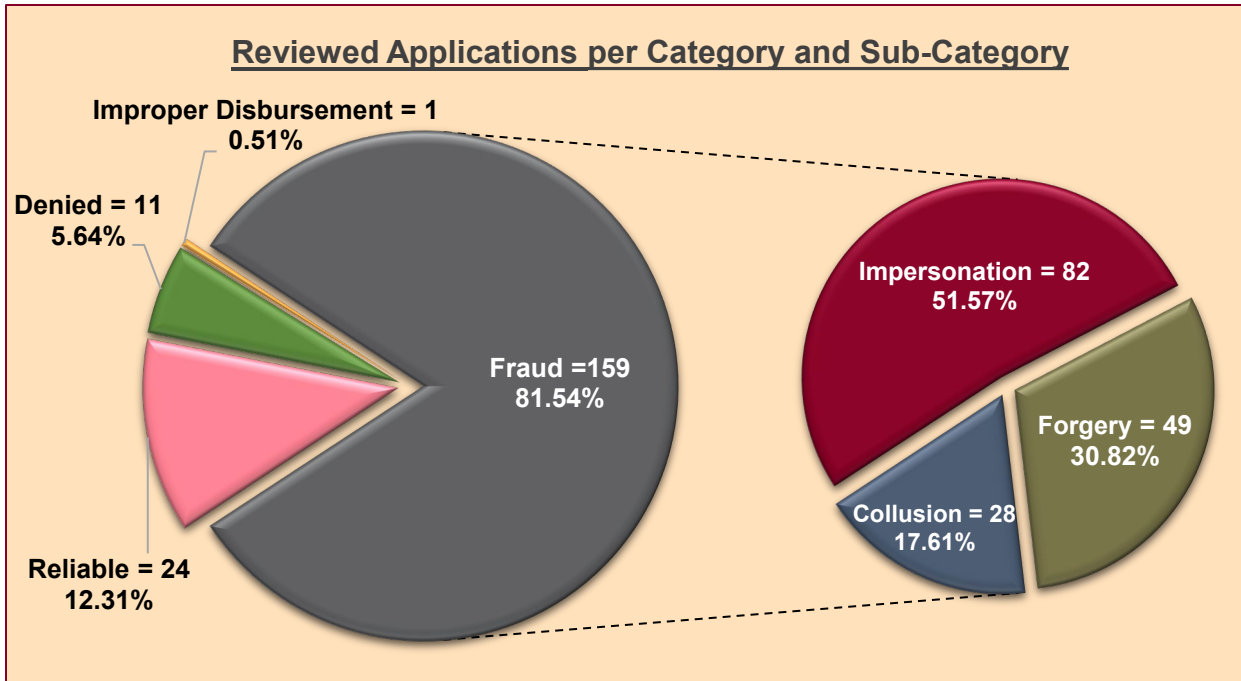
The following summarizes the results of the referred applications after the IG completed the investigative and review process:

1. We reviewed or investigated a total of 195 applications that requested a total of \$3,757,690 in rental assistance.
2. Of the 195 applications we reviewed, we determined 159, or 82% of them were fraudulent applications. The IG classified each of the referred applications into the following categories:

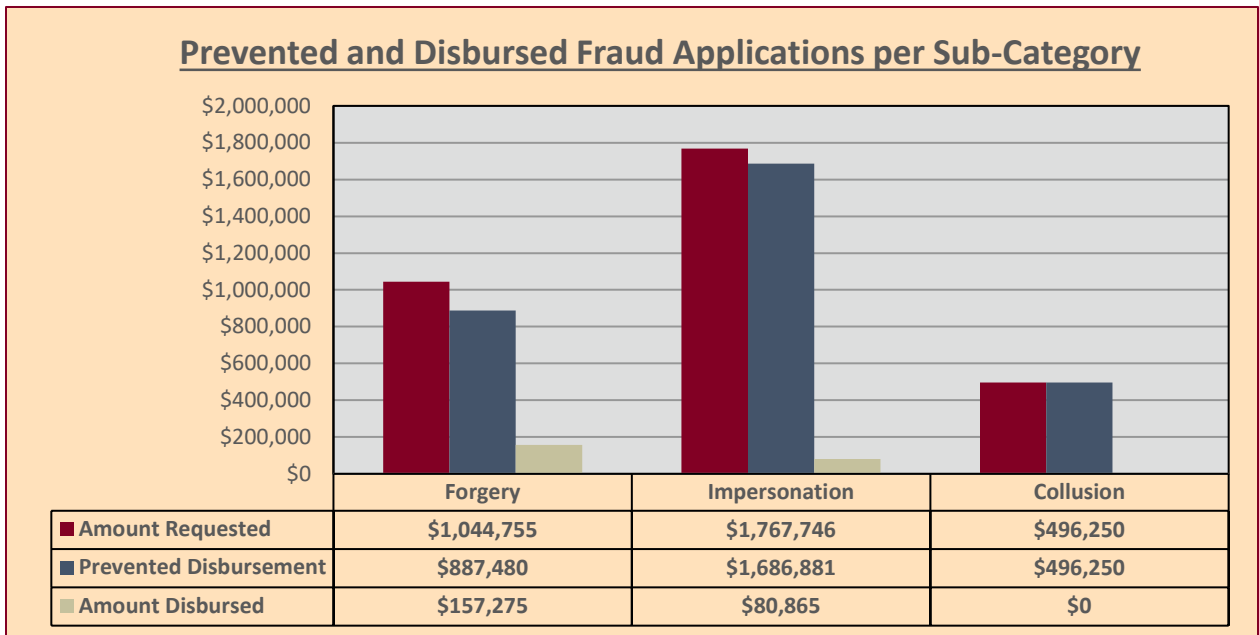
**Program Summary And Observations
Audit of Emergency Rental Assistance Program**

Category	Description	Total Referred Applications
Reliable	Applications validated through IG physical visits and interviews.	24
Denied	Applications denied after identifying one or a combination of the following facts: inconsistent supporting documentation, contradictions with government records, or duplicated case application.	11
Improper Disbursement	Applications disbursements made in the incorrect amount without the intent and knowledge of wrongdoing, such as disbursements to ineligible recipients, calculation errors, or duplicate disbursements.	1
Fraud:	The intentional, false representation or criminal deception intended to result in financial gain in situations where they would not be eligible. The fraud applications submitted to the ERA program were sub-classified into the following common fraud scenarios:	
a) Impersonation	The Landlord is not the legal recipient of rental payments or owner of the property, or the Applicant is not the resident of the dwelling unit.	82
b) Forgery	Falsely making, altering, or imitating (as a document, application, or signature) with intent to defraud and receive payments.	49
c) Collusion	Landlord and Tenants work together to receive payments for situations not eligible for rental assistance, such as: <ul style="list-style-type: none"> • Landlords and Tenants overstating amounts of assistance required or; • Tenant is a relative of the Landlord and not an actual rent-paying Tenant. 	28
Total Referred Applications		195

The following graphic presents the total number of applications and the corresponding percentage of each category and sub-category:



The graphic below presents, per each fraud sub-category, the referred applications concluded as fraud transactions:



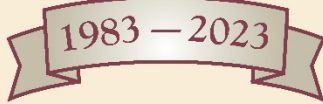
- Our reviews prevented disbursements totaling \$3,070,611 to 148 fraudulent applications.

4. Our reviews also identified 11 applications that were deemed fraudulent after funds were distributed. The total amount distributed to those Applicants totaled \$238,140 or 0.58% of the total County ERA program funds disbursements (\$40,612,489).
5. The identified fraudulent applications paid by the program included elaborate fraud schemes which involved impersonation of Landlords and forgery of supporting documentation. These cases were referred to OIG, the FBI, the United States Attorney's Office, and local law enforcement agencies for prosecution.

Overall, we found HCD and Finance to be diligent in their review efforts despite being limited in the number of staff assigned to the ERA program. The time it took to review applications increased due to Applicants not providing all required supporting documentation and Applicant contact attempts that often went unanswered.

Our communication with HCD and Finance was extremely effective and established a good partnership. Communication was prompt, courteous, and thorough while balancing the integrity of the review function and the necessity for eligible Applicants to receive their rental assistance payments as promptly as possible.

The IG treats all information received confidentially, to the extent allowed by law. Any employee, citizen, contractor, vendor, or other interested party who is aware of, or suspect, fraudulent Applicants or payments, should notify us immediately through our Fraud, Waste & Abuse Hotline program.



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Division of Inspector General
510 Bay Avenue
Clearwater, FL 33756