

Office of Audit and Compliance

# INVESTIGATIONS

Policy & Procedure



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If you have information of possible wrongdoing, call, write, or visit:

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**Philadelphia Housing Authority**  
**12 S. 23rd Street, Philadelphia, PA 19103**  
**Fraud Hotline (215) 684-8300, [oac@pha.phila.gov](mailto:oac@pha.phila.gov)**  
**[www.pha.phila.gov](http://www.pha.phila.gov)**

# INTRODUCTION

The Philadelphia Housing Authority's ("PHA") Office of Audit and Compliance ("OAC") is responsible for investigating PHA-related fraud, criminal activity, corruption, conflicts of interest, unethical conduct, waste, mismanagement and misconduct committed by PHA's employees, residents, and contractors/vendors doing business with PHA.

Resolutions approved by PHA's Board of Commissioners, require that the OAC be notified of all complaints received involving alleged corrupt or other criminal activity, conflicts of interest, unethical conduct, misconduct, waste and mismanagement (i) by PHA, (ii) by officers and employees of PHA, or (iii) by persons or entities doing business with PHA, including recipients of public housing subsidies. The OAC has jurisdiction to investigate any such complaint.

There are many ways and sources through which the OAC may become aware of potential areas appropriate for investigation. Information may come to the OAC's attention from the public, through the media, through informants, by way of a report filed by an employee, or through a person or company doing business with PHA. Regardless of the source of the information, it is critical for the OAC's mission that receipt of all intakes, the manner in which complaints are handled and their ultimate disposition be recorded and reported in a consistent manner.

This manual sets forth the policies and procedures (along with sample documents to be utilized) to be followed by all members of the OAC tasked with the intake and investigations of complaints.

# 1.0 INTAKE

## 1.1 DEFINITION

An intake is any information received by OAC in any form regardless of its validity in reference to fraud, waste, abuse, or employee misconduct, regardless of whether or not OAC retains jurisdiction. The Investigations Department is responsible for capturing all intake information and entering it into the Case Management System ("CMS").

## 1.2 POLICY

All intakes must be entered into CMS as one of the following type:

- Self-Initiated Intake
- Regular Intakes (Not Self-Initiated)

All self-initiated intakes must be approved by the Executive Vice President ("EVP") of the OAC or the Chief of Investigations prior to being entered into CMS.

*Note: All intakes received must receive action (see section 1.4) within five (5) business days from the date of receipt.*

## 1.3 PROCEDURE

### A. Receipt of Intake

1. The Intake Specialist has an option to capture the intake information by either completing the Complaint Intake Form (see Section 11.2 of the Appendix) or by directly entering the information into the electronic form.

*Note: Any handwritten notes taken during the intake of a complaint MUST be attached to the Complaint Intake Form.*

### B. Opening a Record

1. A new intake must be created in CMS every time a complainant contacts OAC in reference to a complaint regarding fraud, waste, abuse, or employee misconduct.
2. CMS will automatically assign an OAC number to the intake at the completion of entry. The OAC number will be used throughout the lifecycle of the record. The OAC number will consist of OAC-yy-##### (the "yy" represents the year and the five digits represent the unique number of the record).

## 1.4 ACTIONS ON AN INTAKE

The following actions may be taken on an intake by the Complaint Intake Unit, the Chief of Investigations or designee(s) of the Chief of Investigations:

- A. Internal Referral: An intake may be internally referred to the appropriate internal department.
- B. External Referral: An intake may be externally referred to another appropriate external agency. External Referrals may include, but are not limited to: referrals to other law enforcement agencies for investigation (for allegations that do not fall within OAC's jurisdiction); federal, state and local Inspectors General; and other federal, state or local agencies.
- C. File for Intelligence: If it is determined that the intake is not appropriate for referral and is not sufficient to warrant a preliminary investigation or investigation, then the intake may be filed for intelligence and be closed.
- D. Merge: Merge a record with an existing record.
- E. Split: Split a record into two distinct records.
- F. Open Complaint: If it is determined that the intake is in the form of an allegation, which concerns an individual or entity that falls within the jurisdiction of the OAC, the intake is opened as a complaint (see section 2.0: Complaint).

*Note: An acknowledgement letter must be sent to the complainant (provided that the complainant is not anonymous and provides a valid mailing address) advising him/her of the action taken on the intake and contain the appropriate contact information for a follow-up (see Section 11.3 of the Appendix for sample letter).*

## 2.0 COMPLAINT

### 2.1 DEFINITION

A complaint is information, usually in the form of an allegation, which concerns an individual or entity that falls within the jurisdiction of the OAC.

### 2.2 POLICY

Once a complaint is opened by the OAC's Intake Unit, it is assigned to the appropriate Special Investigator within five (5) business days. An action must be taken by the appropriate Special Investigator within five (5) business days of the receipt of the complaint (see section 11.1: Intake Process Timeline).

### 2.3 PROCEDURE

Once an intake is converted into a complaint it is assigned to a Special Investigator by the Intake Unit. This assignment is performed based on the subject matter of the complaint and the volume of pending cases per Special Investigator. Once received, the following actions must be taken by the Special Investigator within five (5) business days:

- A. Recommend the complaint to the Chief of Investigations for a preliminary investigation or investigation;
- B. Transfer the complaint to another department;
- C. Externally refer the complaint to another appropriate agency; or
- D. No action on complaint - file for intelligence purposes.

Once the appropriate Special Investigator has made their initial assessment and recommended a preliminary investigation or an investigation, the following actions must be taken by the Chief of Investigations within five (5) business days of the receipt of the recommendation:

- A. Initiate a preliminary investigation (see section 2.0) or investigation (see section 3.0);
- B. Transfer the complaint to another department;
- C. Externally refer the complaint to another appropriate agency;
- D. No action on intake/file for intelligence purposes; or
- E. Merge record with existing record.
- F. Split

## 3.0 PRELIMINARY INVESTIGATION

### 3.1 DEFINITION

A Preliminary Investigation ("PI") is an optional phase in the investigative process involving no more than a few basic investigative steps in an effort to develop further information about details provided in a complaint. A PI is generally used to assist the Investigations Department in determining if a full investigation of a complaint is warranted; it is typically required when the allegation appears to fall within the jurisdiction of the OAC, however there is insufficient information provided in the complaint to make a final determination whether the issue merits a full investigation. The possible dispositions on a PI are:

- Internal Referral
- Open Investigation
- Close PI
- Close with External Referral
- Merge

### 3.2 POLICY

The Chief of Investigations may make the decision to open a PI if he/she believes it is necessary to gather additional information to help decide whether an investigation is warranted. A PI must be completed within 30 business days. If further information is needed, a decision can be made by the Chief of Investigations to extend the life of a PI for an additional 30 business days – the rationale for granting the one (1) time extension must be documented in CMS. Under no circumstances can a PI take longer than a total of 60 business days to complete. If additional time is required, an investigation must be opened.

### 3.3 PROCEDURE

1. Once it has been determined by the Chief of Investigations that a preliminary investigation should be opened, the appropriate Special Investigator will assign the PI to a Confidential Investigator or Intake Specialist ("the assigned"), depending on the nature of the PI. A meeting should be held between the Special Investigator and the assigned to discuss the investigatory steps to be taken to commence the PI.
2. Once a PI has commenced, all investigative activity must be recorded in CMS.
  - a. When a complaint has been received in the form of a letter or from a source other than the assigned, the assigned may contact the complainant, when applicable.

### 3.4 ACTIONS ON A PRELIMINARY INVESTIGATION

Only a few basic investigative steps should be necessary to determine whether the complaint should be opened for investigation (i.e., interviews, phone calls, DMV check, simple surveillance of a site, etc.).

1. At the conclusion of a PI, the assigned can make one of the following recommendations to the appropriate Special Investigator:
  - a. Recommend the complaint for investigation;
  - b. Recommend to refer findings to the appropriate internal/external authority (i.e., PHA Administration and HR Department, or other law enforcement agency); or
  - c. Recommend to file the PI for intelligence for future reference due to insufficient evidence to proceed further.
2. If in agreement with the assigned, the Special Investigator makes the recommendation to the Chief of Investigation for final disposition.
3. All documentation accumulated during the course of a PI must be uploaded into CMS by the assigned.
4. There must be sufficient documentation of decisions and actions for each PI that is closed without any action being taken by OAC. CMS must be updated to reflect the final status of the PI.

## 4.0 INVESTIGATION

### 4.1 DEFINITION

An investigation is a systematic and thorough attempt to learn the facts about any matter within the jurisdiction of the OAC. If appropriate, all investigative resources of the OAC may be used for the purpose of gathering the necessary information and evidence to either substantiate the complaint allegation or to reach a determination that the complaint allegation is unsubstantiated, or for other reasons the allegation cannot be substantiated.

### 4.2 POLICY

1. The EVP of the OAC, the Chief of Investigations or his/her designee(s) determines when a complaint or PI should be converted into an investigation.
2. All investigations must be assigned a name once converted from a complaint or a PI into an investigation, e.g. last name.
3. All investigations must be classified as one of the following:

- Routine
- Significant
- Major

*Please refer to section 10.0: Glossary for the definition of each classification*

4. Classification of an investigation may occur at any stage of the investigation. The classification can be changed based on the investigative findings. A justification for changing the classification is required to be documented in order to update an existing classification.
5. For any investigation that is classified as “Significant” or “Major,” a monthly summary must be prepared and submitted to the EVP of OAC by the Chief of Investigations or his/her designee. The summary should include what action was taken during the previous month and what action is planned for the coming month.

### 4.3 OPENING AN INVESTIGATION

1. Once it has been determined that an investigation should be opened, the appropriate Special Investigator will assign a Confidential Investigator to further investigate the complaint. A meeting must be held to discuss the investigatory approach prior to commencing the investigation. The Investigation Planning and Activity Sheet (Investigation Plan) must be used to document the planning and progress of the investigation. All information generated must be captured within CMS by the assigned investigator.
  - a. All complaints or PIs converted to an investigation must be given a name. When selecting a name for an investigation, the name should be descriptive and inoffensive. The name of the investigation should be easily disclosed, when appropriate, to the public or to a judge and jury.
  - b. Classification of a case must be entered into the CMS system as per the policy above.
  - c. Name checks and criminal checks must be completed for all subject/entities being investigated.
  - d. An Investigative Plan must be generated for each investigation (see section 4.4: Investigative Plan).

### 4.4 INVESTIGATIVE PLAN

1. Once a determination has been made to open an investigation, it is crucial that a written investigative plan be developed at the outset by the assigned investigator and supervisor. The purpose of the plan is to provide the team with a “blueprint” that clearly defines the scope and goals of the investigation and outlines the actions to be taken. As the investigation proceeds, it is anticipated and expected that the investigative plan will require modification and amendment. Modified plans should be developed and written in a timely fashion. Please refer to Section 11.5 of the Appendix for a sample Investigative Plan template.

### 4.5 NARRATIVE INVESTIGATIVE PLAN

1. A narrative investigative plan must be prepared for all investigations that will require long-term undercover and/or significant budget appropriations.
  - a. The narrative plan should include the origin and background of the investigation, justification for the plan, the objectives, the operational plan for the investigation; the resources needed and the anticipated duration.
  - b. The narrative investigative plan should include a proposed budget plan in the event that it will be necessary to expend PHA funds during the investigation. Budget items that should be cited include, but are not limited to: safe house rental expenses, undercover expenses, amounts of U.S. currency expected to be utilized, etc. Staff salaries and equipment already in OAC’s possession need not be factored into the budget plan.

### 4.6 INVESTIGATIVE ACTIVITY

1. All investigative activity must be recorded in the “Investigative Check List” within the case file (see Section 11.4 of the Appendix for sample Investigative Check List).
  - a. Investigative Activity: Each planned investigative step (e.g., criminal check, DMV check, interviews, subpoenas served) and each action taken should be noted on the sheet must be captured under the Investigative Details section within the record in CMS. It should be kept up-to-date at all times to allow supervisors to track how an investigation is progressing.
2. Documents accumulated during the course of an investigation must be uploaded in the CMS and maintained in the master case file.

*Note: As a general rule, all investigative activities should take no longer than 180 business days.*

## 5.0 INVESTIGATION COMPLETION AND CLOSING

An investigation is considered complete when it is determined that the allegation(s) on the subject(s) involved is substantiated or unsubstantiated. An investigation can only be closed after an investigation on all subject(s) involved is complete and there is a disposition for each allegation within the case.

During an investigation, if at any time the allegation(s) against a subject is found unsubstantiated, then the investigation on that particular subject is complete and may cease, however, the investigation on the other subject(s) may continue. Ceasing an investigation on a subject can occur at any time during the investigative process and an appropriate referral may be made regarding that specific allegation.

An investigation on a subject may only be closed after all allegation(s) are either substantiated or unsubstantiated. The following dispositions may occur anytime during an investigation on an allegation that has been substantiated:

- Arrest
- Civil Referral
- Disciplinary Referral
- Administrative Referral
- Criminal Referral
- Conflict of Interest Referral
- Policy & Procedural Recommendation (PPR)

The following dispositions may occur anytime during an investigation, whether substantiated or unsubstantiated:

- Administrative Referral
- Policy & Procedural Recommendation

During the lifespan of an investigation, there may be multiple closings to reflect the status of the case. CMS provides the ability to close an investigation based on the findings of the investigative process and proceed further with its disposition. Once an investigation is complete and if the allegations on the subject are substantiated, then the post investigative actions may be taken to decide upon the disposition of the investigation.

### 5.1 INVESTIGATION CLOSINGS

All investigations must be closed with a Closing Memorandum.

1. At the conclusion of each investigation, a closing memorandum must be prepared; using the Closing Memorandum format (see Section 11.7 of the Appendix). The EVP of the OAC or his/her designee must provide the final authorization and signature to close an investigation.
2. A closing memorandum need not necessarily describe all investigative steps taken and all information learned during the course of the investigation; only information pertinent to resolving the allegations need be described. The closing memorandum should describe all adverse information developed concerning the subject of an investigation.
3. In rare cases, it may not be possible to explain the disposition of an investigation without detailed references to confidential information.
  - a. Confidential information includes the identity of a witness promised confidentiality or an informant participating in an ongoing undercover operation; information obtained in the course of a grand jury investigation; or other information that may not be disclosed as a matter of law or which, if disclosed, would impede ongoing or future criminal investigations. When a decision to close a case cannot be explained without detailed references to confidential information, that information should be set forth in a memorandum captioned "recommendation to close." A separate closing memorandum that does not contain the confidential information should then be prepared.

4. Closing memoranda are generally not exempt from freedom of information disclosure. Even though closing memoranda are redacted prior to disclosure, it is a better practice, for example, to use numbers rather than names to refer to confidential informants (i.e. CI#1, CI#2, etc.)
5. For those investigations that are worked jointly with another law enforcement agency, only one closing memorandum should be prepared and filed with the investigation file.
6. The closing memorandum is prepared by the Confidential Investigator assigned to the case and must be reviewed for legal sufficiency by an Investigative Legal Analyst then approval by a Special Investigator and the Chief of investigations before being forwarded to the EVP of the OAC for final approval. The approval is contingent upon the Special Investigator and the Chief of Investigations ensuring that all required investigatory steps have been completed, the disposition for each subject is factually supported, and the closing memorandum accurately documents the details of the case.
7. When applicable, investigations may be closed upon the issuance of a referral letter to a prosecutor's office.
8. All fully executed closing memoranda, the final executed referral memoranda and correspondences to the complainant(s) must be filed and uploaded into CMS, and the file must be returned to Intake for cataloging and storage in the OAC file room.

*Note: For EEO and Internal Affairs investigations an acknowledgement letter must be sent to the complainant (provided that the complainant is not anonymous and provides a valid mailing address) advising him/her of that the investigation is complete (see Section 11.9 of the Appendix for sample letter).*

### 5.2 POST CLOSING ACTIVITY

The Investigations Department (specifically, the appropriate Confidential Investigator/Investigative Legal Analyst) is responsible for monitoring the post-closing activity on an investigation. Post-closing activity includes but is not limited to:

- Arrest
- Indictment
- Initiation of civil or disciplinary action
- Completion of civil or disciplinary proceedings

1. As pertinent follow-up information is received for each case it should be documented, added to the file via memorandum and entered into CMS under the case record.
2. The Chief of Investigations should be notified of post-closing activity for each case.



## 6.0 POST INVESTIGATIVE ACTIONS FOR SUBSTANTIATED CASES (REFERRALS)

### 6.1 POLICY

Once the allegation(s) is substantiated the following dispositions may occur with the expressed approval of the EVP of the OAC:

- Criminal Referral
- Civil Referral
- Disciplinary Referral
- Policy and Procedural Recommendation
- Conflict of Interest Referral
- Administrative Referral

### 6.2 PROCEDURE

The Investigations Department is responsible for monitoring the post-investigative actions for substantiated cases. For all referrals made during and after the investigation, the following must be captured:

- Date the referral was made
- To whom it was referred to (agency name and/or name of a person/entity)
- Reason for referral (description)
- Charges and/or penal codes (criminal referrals only)

All referrals must have one of the following statuses at all time:

- Pending: the prosecuting agency and/or concerned entity has yet to accept or reject the event and/or recommendation(s);
- Accepted: the prosecuting agency and/or concerned entity has agreed to take action on the event and/or recommendation(s);
- Rejected: the prosecuting agency and/or concerned entity has declined to take action on the event and/or recommendation(s);  
or
- Completed: the prosecuting agency and/or concerned entity has completed the judicial process and/or recommendation(s) in the referral.

1. As pertinent follow-up information is received for each case it should be documented added to the file via memorandum and entered into CMS under the case record.
2. The Chief of Investigations should be notified of post-investigation activity for each case.
3. Often, an investigation that has been closed with a referral to a prosecutorial agency may also be simultaneously referred internally for disciplinary action. In those situations, it is important to notify the internal department responsible for disciplining a subject that a pending prosecution has concluded, or that a prosecutorial agency has declined a case.
  - a. These notifications should be made in writing via memorandum and within five (5) business days of the action. Similarly, where civil damages will be sought against a subject, the Office of General Counsel should be apprised of developments in the prosecution of the case.

*Note: For a Criminal Referral, all initial and final charges must be captured in the case file and in CMS. Additionally, for all completed referrals, all related penalties must be captured in the case file and in CMS.*

## 7.0 FINANCIAL RECOVERY

Financial Recovery may be ordered as a result of a referral. All financial recovery information must be tracked and/or updated even after the case has been closed.

The following types of financial recovery may be ordered as a result of a referral:

1. **Fines:** is the imposition of a monetary penalty levied by a court, administrative tribunal or an agency disciplinary office upon an individual or company convicted of either a criminal or civil offense. The types of fines imposed as a result of OAC's investigations may include: court fines, PA State Ethics Commission fines, PHA's administrative or disciplinary fines.
2. **Forfeiture:** is the seizure of assets that represent the proceeds of, or were used to facilitate the crimes.
3. **Recoupment:** is the recovery and satisfaction of debt owed to the PHA, and others, including reinstatement of fines; summonses paid; taxes imposed or paid; contract overpayments/adjustments/credits; PHA property or equipment recovered; consumer recompense; and bribe monies vouchered.
4. **Restitution:** is the money ordered by the court or pursuant to voluntary agreements to the PHA, and others, to compensate for monetary losses due to misconduct or fraud.
5. **Cost Avoidance:** Action taken to reduce future costs for the PHA. Cost avoidance may incur higher (or additional) costs in the short-run but the final or life cycle cost would be lower.
6. **Loss Prevention:** is the instance where the PHA has not paid out an improper or inflated amount, i.e., investigations of tort fraud, double-billing, unauthorized or fraudulent grants or program benefits, etc., or where the PHA has incurred a specific revenue loss because of schemes involving theft, fraudulent dismissal of summonses, bribery, counterfeit checks, etc.
7. **Revenue Enhancement:** is the charge against a citizen's person, property or activity for the support of PHA.

The Investigations Department must track, by recovery type, all financial recoveries on a monthly basis. Financial recoveries must be tallied and reported in the OAC's annual report.

## 8.0 CLOSING A CASE

A case may be closed after one of the following scenarios:

- A. Closing actions on an intake or complaint
- B. Closing a Preliminary Investigation
- C. Closing an Investigation
- D. All referrals are either rejected or completed.

Once a case is closed, the case file and/or paperwork should be finalized and transferred to the file room within 5 business days.

## 9.0 CASE RE-OPEN

Only the OAC EVP or his/her designee is authorized to re-open a closed case. A justification for this action must be documented in the file and in the notes section of CMS.

The CMS system allows the OAC EVP or his/her designee to re-open a case previously closed in any step of the process, except the Intake phase

- If a case is previously closed as a complaint and reopened, it is automatically reopened as a complaint.
- If a case is previously closed as PI and reopened, it is automatically reopened as a PI.
- If a case is previously closed as an investigation and reopened, it is automatically reopened as an investigation.
- If a record is previously closed as post investigation and reopened, it may be reopened as either an investigation or post investigation.

## 10.0 GLOSSARY

1. **Age of Pending:** is the number of business days from referral to accepted/rejected.
2. **Age of Investigation:** is the total number of business days an investigation is open.
3. **Allegation:** is an accusation that may be brought upon an individual or an entity.
4. **Charges:** are levied by the prosecuting authority on substantiated allegations or incriminating facts or evidence uncovered on the subject being investigated.
5. **Closed Investigation:** An investigation is considered closed when all necessary investigative steps are complete.
6. **Conflict of Interest Investigations:** are investigations that involve accusations of conflict of interest violations.
7. **Whistleblower Investigations:** Investigations involving allegations of retaliation relating to complaints filed with the OAC.
8. **Complaint:** is an intake that may warrant further investigation.
9. **Confidential (Sensitivity of a Case):** If a record is marked confidential, it is accessible only to individuals assigned to the "Executive" security group and those assigned to the record.
10. **Conviction:** is the finding of guilt/liability in a criminal, civil, disciplinary, or administrative proceeding.
11. **City Agencies:** City agency refers to all City of Philadelphia agencies.
12. **External Referral:** is a referral of an intake/complaint/record made to an external agency. External Referrals may be made at any point in the investigative process, as the OAC EVP or Chief of Investigations deems necessary.
13. **Federal Agency:** is any agency under the jurisdiction of the Federal government.
14. **OAC EVP Designee:** is the individual that the OAC EVP designates to share responsibilities in his/her presence or absence.
15. **Intake:** is any information that comes into OAC in any form regardless of its validity.
16. **Investigation:** is the process that starts once an inquiry is opened on a subject or entity and ends only when all allegations on subjects are either substantiated or unsubstantiated. It is a systematic and thorough attempt to gather facts on any allegation within the jurisdiction of OAC.
17. **Involved Agency/Department:** is an agency or department that is being investigated.
18. **Investigative Plan:** is a detailed plan drafted by the assigned Investigator and reviewed and approved by the Supervisor.
19. **Jurisdiction Involved:** is the territory over which the prosecuting agency has authority.
20. **Major Investigation:** is one wherein the subject(s) of the investigation is either:
  - An elected official
  - High-ranking government official (an Assistant Commissioner or higher) in a State or City agency
  - PHA cabinet member, including members of the Board of Commissioners
  - Funds involved exceed \$500,000
21. **Open Case:** is the term used to describe the intake from the point it is received at OAC until it is disposed by either filing for intelligence, closing without finding substantiated allegations, or completion of the investigative process.
22. **Penal Law Codes:** are State or Federal criminal codes.
23. **Penalty:** is the outcome of a conviction.
24. **Phase:** is the name of the cycle or step during the life of a Case. The phases of a Case are:
  - Intake
  - Complaint
  - Preliminary Investigation
  - Investigation
  - Post-Investigation
25. **Plea Bargain:** is an agreement in a criminal proceeding whereby the prosecutor offers a defendant the opportunity to enter a plea, usually to a lesser charge or to the original criminal charge with the recommendation of a lighter than maximum sentence.
26. **Policy and Procedure Recommendation (PPR):** is when an OAC investigation results in a formal written recommendation for changes in PHA's policies or procedures.
27. **Post-Investigative Actions:** are dispositions taken on an investigation after the investigation is completed.



## 10.0 GLOSSARY (continued)

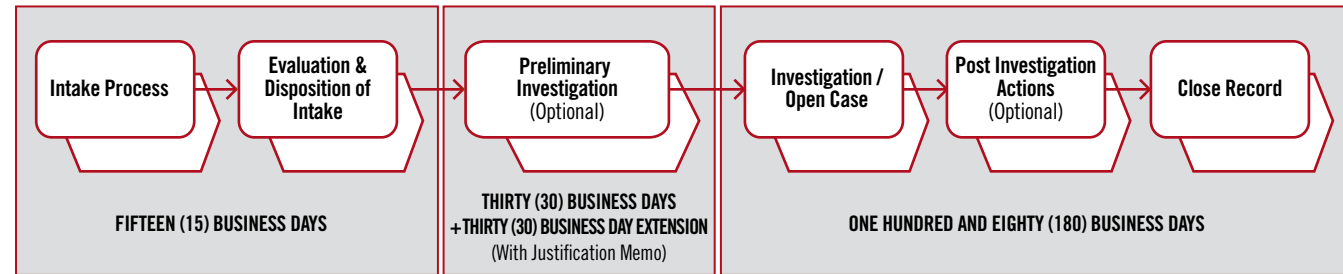
28. **Preliminary Investigation (PI):** is an optional phase in the investigative process involving no more than a few basic investigative steps in an effort to develop further information about or confirm details provided in a complaint. The five dispositions on a PI are:
  - Transfer
  - Open Investigation
  - Close PI
  - Close with Referral
  - Merge
29. **Prosecuting Authority:** is the authority in charge of prosecuting the criminal or civil investigations.
30. **Referrals:** are taken on substantiated and/or unsubstantiated allegations and must be taken in order to complete the investigative process on the subject or entity. The five types of referrals are:
  - **Administrative Referral:** is when a matter is referred to an Agency with a recommendation to take an administrative action on a subject through the law department, contracting officer, or general counsel's office.
  - **Civil Referral:** is when a matter is referred to an Agency with a recommendation to take civil action.
  - **COI Referral:** is when an investigation has established evidence of violation of the PA State Ethics Act and/ or PHA's Standards of Ethical Conduct.
  - **Criminal Referral:** is when a matter is referred to a prosecuting agency with a recommendation to take criminal action.
  - **Disciplinary Referral:** is when a matter is referred to a department within PHA or to an outside agency with a recommendation to take disciplinary action against a government employee.
31. **Policy and Procedure Recommendation (PPR):** is when an OAC investigation results in a formal written recommendation and/or verbal recommendation for changes in PHA's policies or procedures.
32. **Referral:** is the process by which the results of the investigative findings are forwarded to the responsible internal department or external agency for consideration and , where appropriate, corrective action.
33. **Referral Statuses:** are statuses that track cases referred for with external law enforcement entities for criminal prosecution:
  - **Pending:** is the status of a referral on which the prosecuting agency is yet to accept or reject the event.
  - **Accepted:** is the status of a referral on which the prosecuting agency has agreed to take action.
  - **Rejected:** is the status of a referral on which action has been declined.
  - **Completed:** is the status of a referral on which the prosecuting agency has completed the adjudication process.
34. **Routine Investigation:** is a regular investigation that is not significant or major.
35. **Self-Initiate:** is an investigation initiated at the direction of the OAC EVP or Chief of Investigations. The investigation does not require a complaint from an outside source.
36. **Significant Investigation:** is one wherein the subject(s) of the investigation is either:
  - Mid-level manager in a government agency
  - Conflict of interest including certain familial relationship investigations
  - All whistleblower investigations stemming from OAC investigations
  - Funds involved exceed \$100,000 and is less than \$ 500,000

## 10.0 GLOSSARY (continued)

### Financial Process Terminology

1. **Amount Recovered:** is the amount of funds recovered from the subject or entity, based on the said court-ordered amount during the specified time period.
2. **Cost Avoidance:** is the action taken to reduce future costs for the City. Cost avoidance may incur higher (or additional) costs in the short-run but the final or life cycle cost would be lower.
3. **Cost of Investigation:** is the estimated cost to conduct an investigation.
4. **Fine:** is the imposition of a monetary penalty levied by a court, administrative tribunal, or an agency disciplinary office upon an individual or company convicted of either a criminal or civil offense. The types of fines OAC will capture include: court fines, fines imposed by the PA State Ethics Commission, PHA administrative or disciplinary fines.
5. **Forfeiture:** is the seizure of assets that represent the proceeds of, or were used to facilitate federal or state crimes.
6. **Loss Prevention:** is where the results of the investigation have prevented financial losses to PHA.
7. **Restitution Outstanding:** is the amount outstanding from the owed court-ordered amount as of the end of the specified time period.
8. **Recoupment:** is the recovery and satisfaction of debt owed to PHA, and others, including reinstatement of fines; summonses paid; taxes imposed or paid; contract overpayments/adjustments/credits; PHA property or equipment recovered; consumer recompense; and bribe monies vouchered.
9. **Restitution:** is the money ordered by the court or pursuant to voluntary agreements to the PHA, and others, to compensate for monetary losses due to misconduct.
10. **Restitution Collected:** is the dollar value of money paid to PHA to compensate for monetary losses.

## 11.1 APPENDIX



## 11.2 COMPLAINT INTAKE FORM

### COMPLAINT INTAKE WORKSHEET

Date: \_\_\_\_\_ 201\_

#### COMPLAINT INFORMATION

CONFIDENTIAL CONSIDERATION       ANONYMOUS

PHONE       WALK-IN       E-MAIL       MAIL

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Development: \_\_\_\_\_ Title: \_\_\_\_\_

Phone Number: (\_\_\_\_) \_\_\_\_\_ Phone Number (\_\_\_\_) \_\_\_\_\_

RETURNED CALL: Date: \_\_\_\_\_ Title: \_\_\_\_\_

Left Message

#### SUBJECT INFORMATION:

Conventional     Section 8     Employee     Contractor     SS Landlord     Inspector

Name: \_\_\_\_\_ Address: \_\_\_\_\_

Development: \_\_\_\_\_ Title: \_\_\_\_\_

Phone Number: (\_\_\_\_) \_\_\_\_\_ Phone Number (\_\_\_\_) \_\_\_\_\_

#### Complaint Information

COMPLAINT TO BE DRAFTED:    YES    NO    Investigator: \_\_\_\_\_

If No, Referred to: \_\_\_\_\_

IF PA CHILD ABUSE AND MALTREATMENT HOTLINE WAS NOTIFIED, PROVIDE DETAILS

# 1 1.3 COMPLAINT ACKNOWLEDGEMENT LETTER TEMPLATES

## NOTICE TO COMPLAINANT – NON-EEO/INTERNAL AFFAIRS



12 SOUTH 23<sup>RD</sup> STREET  
PHILADELPHIA, PA 19103  
PHA.PHILA.GOV

OFFICE OF AUDIT AND COMPLIANCE

(Date)

(Address)

RE:

Dear (Complainant Name):

Kindly allow this letter to serve as acknowledgment of the recent complaint that you filed with the Office of Audit and Compliance.

After careful review of your allegation(s), this office will make a determination of whether to launch an investigation. If it is determined that the allegation(s) does not warrant an investigation at this time, the information you have provided will still be retained for possible future action. If an investigation is deemed necessary, please rest assured that this office will thoroughly investigate your claim, and strive to do so within 180 days. Based on the findings of the investigation, a referral(s) will be forwarded to the appropriate internal department or external agency to prompt corrective action as necessary.

Due to the confidential nature of these investigations, please be advised that the Office of Audit and Compliance will not be able to divulge any details on the progress or results of investigating your complaint.

Thank you for your kind attention in the matter and for bringing these allegations to light.

Best regards,

Janea Jordon, Executive Vice President

*Notice to Complainant – EEO/Internal Affairs*



12 SOUTH 23<sup>RD</sup> STREET  
PHILADELPHIA, PA 19103  
PHA.PHILA.GOV

OFFICE OF AUDIT AND COMPLIANCE

(Date)

(Address)

RE:

Dear (Complainant Name):

Kindly allow this letter to serve as acknowledgment of the recent complaint that you filed with the Office of Audit and Compliance.

After careful review of your allegation(s), this office has made the determination to launch an investigation. Please rest assured that this office will thoroughly investigate your claim without bias or outside influence.

Due to the confidential nature of these investigations, please be advised that the Office of Audit and Compliance will not be able to divulge any details on the progress of your complaint. You will be informed when the investigation is complete.

Thank you for your kind attention in the matter and for bringing these allegations to light.

Best regards,

Janea Jordon, Executive Vice President

*Notice to Complainant – No Investigation – Referral Made*

## 11.4 INVESTIGATIVE STEPS CHECKLIST

### OFFICE OF AUDIT AND COMPLIANCE

Investigations Division  
Investigative Check List

(Date)

(Address)

RE:

Dear (Name)

Kindly allow this letter to serve as acknowledgment of the recent complaint that you filed with the Office of Audit and Compliance.

After a careful review of your allegation(s), this office has determined that this issue must reviewed by the Human Resources Department. A referral has already been made to the Human Resources Department to take appropriate action and you should be contacted in the near future. Please refer all future inquiries regarding this matter directly to the Human Resources Department. For your convenience, please reference this complaint using HAR 13-0209.

Thank you for your kind attention in the matter and for bringing these allegations to light.

Best regards,

Janea Jordon, Executive Vice President

Investigative Steps	Date Completed	Comments
<b>STAGE I (10-20 BUSINESS DAYS)</b>		
COMPLAINT REVIEW		
DEVELOP CASE PLAN		
CMS COMPLAINT HISTORY REVIEW		
PHA TENANT DATABASE CHECKS (PeopleSoft, Elite, Wintegrate) If address(es) obtained during the course of investigation is a PHA address, obtain all pertinent information and tenant folder as necessary.		
COMPLAINANT INTERVIEW, If appropriate		
PHA VENDOR DATABASE (PeopleSoft)		
CRIMINAL HISTORY INQUIRY		
LEXIS NEXIS / ACCURINT DATABASE SEARCH		
HUD EIV DATABASE SEARCH		
ADDRESS/TELEPHONE CHECK		
INTERNET/GOOGLE SEARCH		
PA BMV RECORDS CHECK, If necessary		
POSTAL ADDRESS INQUIRY		
PUBLIC ASSISTANCE FILE REQUEST		
REQUEST SUBPOENA (OAC LEGAL) FOR BANK RECORDS, If appropriate		
REQUEST COPIES OF CHECKS FROM PHA'S FINANCE DEPARTMENT, If necessary		
PA DEPARTMENT OF STATE CORPORATIONS SEARCH		
SURVEY LOCATION, surveillance if necessary		
TENANT FOLDER AND/OR PERSONNEL FOLDER REQUEST and copy all relevant information that relates to the allegation(s)		
THE WORK NUMBER for tenant of record (s) and unauthorized tenant(s)		

## 11.4 INVESTIGATIVE STEPS CHECKLIST (continued)

OFFICE OF AUDIT AND COMPLIANCE  
Investigations Division  
Investigative Check List

Investigative Steps	Date Completed	Comments
<b>STAGE 11 (20-50 BUSINESS DAYS)</b>		
ADDITIONAL LEXIS NEXIS/ACCURINT SEARCH, if necessary for updated information		
CONTACT CITY IG'S OFFICE FOR CASES INVOLVING CITY EMPLOYEES & OBTAIN PERSONNEL FILE		
REQUEST CONTRACT FILE, If applicable		
REVIEW CONTRACT		
EMPLOYMENT INFORMATION REQUEST (Tenant Fraud - Send with TOR's Release Authorization Form that is attached to the annual recertification)		
CRIMINAL BACKGROUND INFORMATION		
FISA VENDOR SUMMARY		
INTERVIEW PROGRAM DIRECTOR/VENDOR/SUPERVISOR		
VENDOR PAYMENT HISTORY REQUEST		
OTHER EMPLOYMENT INFORMATION REQUEST		
REQUEST CERTIFIED PAYROLL REPORTS (Prevailing Wages)		
OBTAIN REQUISITIONS FOR PAYMENTS & RECEIPTS		
REVIEW GRANT AND TRACK VENDOR INFORMATION		
SUSPICIOUS ACTIVITY REPORT		
SOCIAL SECURITY INFORMATION REQUEST		
SUBPOENA OF EMPLOYMENT RECORDS as early as is possible for TOR if necessary and unauthorized tenant(s)		
SUBPOENA FINANCIAL BUSINESS RECORDS, Where applicable		
WRITTEN SUMMARY OF PEOPLESOFT RECORDS (Memo to File)		
WRITTEN SUMMARY OF OTHER EMPLOYMENT		
WRITTEN SUMMARY OF PERSONNEL FILE		
WRITTEN SUMMARY OF PUBLIC ASSISTANCE FILE		
WRITTEN SUMMARY OF TENANT FOLDER		
INTERVIEW WITNESSES AND PREPARE INTERVIEW MEMOS		

## 11.4 INVESTIGATIVE STEPS CHECKLIST (continued)

OFFICE OF AUDIT AND COMPLIANCE  
Investigations Division  
Investigative Check List

Investigative Steps	Date Completed	Comments
<b>STAGE 111 (25-60 BUSINESS DAYS)</b>		
BUSINESS RECORD REVIEW		
CERTIFIED PAYROLL REVIEW & ANALYSIS		
DEATH RECORDS, When appropriate		
MARRIAGE RECORDS , When appropriate		
PROPERTY RECORDS (If crucial to case, obtain certified copy from County Clerk's Office)		
SUBPOENA BANKING RECORDS OF PAYEE, GRANTS, ETC.		
SUBPOENA MORTGAGE DOCUMENTS as soon as is possible if necessary to the case		
VOTER REGISTRATION RECORDS		
SURVEILLANCE, Depending on nature of allegation and if feasible		
<b>STAGE IV (60-120 BUSINESS DAYS)</b>		
ADDITIONAL NEIGHBOR CANVASS, if necessary based on new information or if insufficient information is obtained during initial visit.		
ADDITIONAL WITNESS INTERVIEWS, based upon new information that may arise		
QUANTIFY FINANCIAL FRAUD AMOUNT		
REQUEST RENT RECALCULATION		
SUBJECT INTERVIEWS		
ADDITIONAL WITNESS INTERVIEWS		
PREPARE INTERVIEW MEMOS FOR ADDITIONAL INTERVIEWS		
WRITTEN SUMMARY OF CONTRACT/DOCUMENT ANALYSIS		
<b>STAGE V (120-180 BUSINESS DAYS)</b>		
DRAFT AND FINALIZE CLOSING MEMORANDUM		
DRAFT FINALIZE REFERALLS		
ORGANIZE INVESTIGATIVE FILE, i.e. updating case plan and index		
<i>NOTE: The investigative checklist should serve as a guide for all investigations. The duration of each investigation may vary depending on the information obtained during the investigation.</i>		

Investigator  
Signature \_\_\_\_\_

Supervisor  
Signature \_\_\_\_\_



## 11.5 SAMPLE INVESTIGATIVE CASE PLAN

The initial steps that an investigator takes when a case is first opened are critical to the success of that investigation. Reaching out to the right witnesses, gathering the important documents — just having a sense of what to look for and what to ask often makes or breaks a case. The first step in every investigation should be to stop and THINK about the allegation and how best to get answers to the issues it raises. This exercise of thinking and analyzing what we know and where we need to go to get answers should precede any actions taken. Too often that doesn't happen. Too often opportunities get lost with the passage of time — witnesses disappear, subjects retain attorneys, documents or other physical evidence gets destroyed. Too often an investigator follows a direction that isn't fruitful and wastes valuable time when a well thought out plan from the start would have focused the steps taken and produced a better result.

### Thinking and writing it out as a first step is the key!

Once the decision has been made to open a case, an investigative file should be created to track the activities within the investigation. It is critical that a written investigative plan be developed by the assigned investigator with oversight from a supervisor. This case plan should provide a “blueprint” that clearly defines the scope, direction and goals of the investigation and outlines the actions to be taken. It is equally important to add to or even change the focus of an investigation as it progresses, as additional facts are discovered and new issues arise. Timely modifications and amendments to the plan should occur depending on these new dynamics. It's critical that the investigation team remain flexible enough so that as the evidence develops and changes, the focus and goals of the investigation take into account these new developments. The investigative plan should be fluid and not ‘nail our feet to the floor’ in terms of our investigative strategy—it is meant to be a vehicle for thinking and documenting case objectives as well as developments. The drafting of an investigative plan is a requirement for all cases opened at OAC and must be updated with regularity. Besides being a requirement at OAC, there is no better time spent than thinking and writing out the key aspects of a case and the actions to be taken, all done with the aid of a supervisor, as a first step.

### Investigative Case Plan Form:

Attached is a model investigative plan form that every investigator and supervisor should use with every case opened. This form should be kept electronically, so that as the investigation develops and changes, additions can be made to accommodate and reflect these changes. New subjects may surface and/or the commission of additional crimes may become evident. As new issues arise, the case plan should grow and develop to mirror what is happening with the investigation itself. Prior entries on the case plan form should never be deleted, even if the case takes on a whole new direction as time goes on. The plan should only be added to. When additions are made to the plan they should be followed with the date they were added placed in parenthesis. For example, if a new issue is added to the plan on January 21, 2015, the sentence stating the new issue should conclude with “(1/21/15).” It should be assumed that one day all or part of this written plan will become discoverable in a criminal or civil proceeding, and therefore all entries should be accurate and be well written. Below is a discussion of each of the sections on the form:

**I. “Allegation”** – The allegation should be documented exactly as we received it. The source of the allegation should also be recorded in this section. If the source is named or wishes to remain anonymous, that should be noted here as well.

**II. “Potential Subject(s)”** – This section is fairly self-explanatory. Entities, if pertinent, as well as named individuals should be included. For example, if we are conducting an investigation involving criminal activity occurring at a Not-for-profit organization, and the organization itself may be charged in an indictment, we should list the organization as a potential subject. Pedigree information for each subject should be included here, (Phone number, address, etc.)

**III. “Possible Criminal Violations”** – Not only should each possible state and federal criminal violation be listed, but the elements for each violation cited should be listed. The elements for each offense are determined by a careful reading of the statute. Every criminal statute includes criminal actions by the subject, as well as a required mental state of the subject — most of the statutes applicable to our cases require that the subject intentionally committed the criminal actions. Never hesitate to discuss the elements (or any aspect of the investigation) with any of your supervisors or the executives at OAC. If, for example, the complaint we receive alleges bribery and corrupt influence, we should not only list Chapter 47 § 4701 (Bribery in Office and Political Matter), but also list all the elements of this offense. In order to make our case, we will have to present evidence to a prosecutor that proves each of these elements beyond a reasonable doubt. The elements for the potential crime(s) become the blueprint for our case plan and set the direction of the investigation because it is the check list of what we need to prove.

**IV. “Possible Administrative Violations”** – If the investigation involves a City or PHA employee as a subject, we should know his/her agency's code of conduct and any particular sections that may have been violated based on the allegation or later

evidence developed; this would also include any relevant sections of the PHA Employee Handbook in force at the time the alleged incidents occurred, and the appropriate PHA Desk Manual that was in effect at said time. Disciplinary actions can often be a tremendous tool and offer effective leverage in making a criminal case where a City/PHA employee is involved. Sometimes we get a complaint which alleges facts that at most will indicate disciplinary violations. In a large investigation with potential multiple criminal violations, making a disciplinary case can also be critical, even if only as backup for the criminal case. Violations as cited in the agency's code of conduct will have elements to be proven, just as with the Crimes Code of PA and U.S. Code for criminal violations. Each element for administrative violations should be listed in this section.

**V. “Possible Violations of PA State Ethics Act”** – Each potential section of the PA State Ethics Act should be listed along with the elements for each section. Don't hesitate to consult with PHA's Ethics Officer or the Chief of Investigations, should you have any questions.

**VI. “Objectives/Elements of Potential Violations to be Proven”** – This section draws from the three prior sections in which the prospective violations and their elements are stated. We need to be able to prove each element of an offense or violation in order to make our case. The broader objectives of the investigation should also be listed. For example, a possible objective for the case may be to “flip” a potential subject and gain his/her cooperation. The strategy on how we plan to do that should be written out in the case plan. A goal might be how to gain possession of certain documents we believe exist that are critical to the investigation. It is particularly important to update this section on a timely basis as the investigation progresses.

**VII. “Potential Restitution/Forfeiture/Civil Recovery for PHA”** – Most of our investigations involve potential financial loss to PHA. It's important to keep this in mind at the start of our investigations because often there are various time constraints in applying for restitution and forfeiture. There can also be statute of limitation issues. Whenever an investigator opens a case where PHA has suffered some sort of monetary loss, the investigator and supervisor should speak with OAC's Investigative Legal Analysts about laying the appropriate groundwork for possible financial recovery.

**VIII. “Potential Witnesses”** – Most of the evidence in any case is developed through meaningful witness interviews. It is critical to have a complete list of people we want to speak with, and a list that is kept up to date as the investigation grows. Additionally, thought should go into how witness interviews are planned. In what order should witnesses be interviewed? What location? Who should conduct the interview? Is this witness likely to change their testimony later on — if so, what should we do about that now? As with everything else in conducting an investigation, the idea is to think and have a plan.

**IX. “Potential Documents to Obtain”** – Documents are critical to any investigation. They can often ‘freeze’ thoughts and actions in time and memorialize and preserve them. They can establish pivotal corroboration for witness testimony. The importance of documents to an investigation can't be overstated. The first step with regard to gathering documents is to know what exists. Depending on the nature of the case, it is important to find someone who can tell us what the complete universe of documents is in the area we are investigating. Then we can figure out how to get them. Do we need a search warrant/subpoena? Are these documents available to the public? Can we have another witness obtain them for us — what are the legal issues? We also may need someone to explain what a particular document is and what its significance might be. We should think about what ‘experts’ we need to decipher the documents we have or seek to obtain. Often we deal with financial records in our cases — do we need the assistance of one of our forensic auditors? The emails of a subject or witness can be particularly valuable to us — how do we get them?

**X. “Required Resources”** – Are we going to need to conduct some sort of undercover operation, if so, what will we need to do it? Would conducting some form of surveillance be useful? Do we need recording equipment? Do we need the assistance of some experts, such as computer forensic people? Will we need ‘buy money’, or money for some other purpose? The idea is to think out these needs well ahead of time so that when things are needed they are available.

**XI. “Actions to be Taken”** – After thinking through what we need to prove and how we are going to do it, the key steps should be written out in our plan. In many ways this section includes what we've already written in other sections of the plan, such as deciding in what order to interview witnesses. This section is the “to do list” for the overall investigative plan. The list should include who on the investigative team will do the action and by when it will be accomplished.

**XII. “Important Developments”** – Many of our cases involve long, convoluted fact patterns. Having at your fingertips what and when important events took place, and in what order in relation to other events that occurred can be essential — especially in conducting interviews. The time line should not only include “historical” events that occurred before we opened our investigation but also include important developments that have happened since the investigation began. The date for each event is critical.





## Office of Audit and Compliance

Investigations Unit  
Case Investigative Plan

Date:

Case Name:

Date Case Opened:

Date Received:

OAC Number: OAC-14-00

Assigned Investigator(s):

Supervisor:

*It should be noted that this document is meant to be the work product of the assigned investigator and does not purport to contain all the facts of the case.*

- I. ALLEGATION:
- II. POTENTIAL SUBJECT(S):
  - a.
  - b.
- III. POSSIBLE CRIMINAL VIOLATIONS:
- IV. POSSIBLE ADMINISTRATIVE VIOLATIONS:
- V. POSSIBLE PA STATE ETHICS ACT VIOLATIONS:
- VI. POTENTIAL FORFEITURE/RESTITUTION/CIVIL RECOVERY TO PHA:
- VII. OBJECTIVES/ELEMENTS OF POTENTIAL VIOLATIONS TO BE PROVEN:
- VIII. POTENTIAL WITNESSES:
- IX. POTENTIAL DOCUMENTS TO BE OBTAINED:
- X. RESOURCES REQUIRED (Investigators, Auditors, Technical Equipment):
- XI. ACTIONS TO BE TAKEN:
- XII. IMPORTANT DEVELOPMENTS:

## 11.6 INTERVIEW MEMO – TEMPLATE

PHILADELPHIA HOUSING AUTHORITY  
OFFICE OF AUDIT AND COMPLIANCE  
INVESTIGATIONS DIVISION

TO: FILE

DATE:

FROM: SAMPLE JOHNS  
CONFIDENTIAL INVESTIGATOR

CASE #: 15-####  
CASE NAME:

---

### MEMORANDUM OF INTERVIEW

---

Date of interview:

Time began:

Time Ended:

Location:

Names and titles of persons present:

Name of interviewee:

Address of interviewee:

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### MEMORANDUM OF INTERVIEW

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On the above noted date, Confidential Investigator (NAME) and the assigned, collectively the OAC, interviewed Philadelphia Housing Authority ("PHA") tenant, Natalie Dyan ("Dyan"), regarding her tenancy.

The following is a summary of statements made by Dyan in response to questions posed by the OAC; it is not intended to represent everything said during the interview. Dyan was advised of the voluntary nature of the interview and placed under oath. The interview was tape recorded.

*Pertinent statements, impressions, etc, should follow...*

## 11.7 CLOSING MEMORANDUM – TEMPLATE

PHILADELPHIA HOUSING AUTHORITY  
OFFICE OF AUDIT AND COMPLIANCE  
INVESTIGATIONS DIVISION

TO: FILE

DATE: MAY 30, 2015

FROM: SHERLOCK HOLMES  
CONFIDENTIAL INVESTIGATOR

RE: CASE#: OAC-15-00124  
CASE NAME: DOE

### CLOSING MEMORANDUM

#### ORIGIN OF CASE:

On April 16, 2015, the Philadelphia Housing Authority's ("PHA") Office of Audit and Compliance ("OAC") received a complaint referral from the Housing Choice Voucher ("HCV") Department.

#### NATURE OF ALLEGATION:

The complaint alleged that HCV tenant Jane Doe ("Doe"), a resident of 564 McKean Street, Philadelphia, PA 19148 ("the HCV Unit"), has failed to report her household income to PHA.

#### RESULTS OF THE INVESTIGATION:

*The following is a summary only of information pertaining to this investigation and may not contain each and every fact learned during the course of this investigation.*

A review of PHA's Elite database revealed that Doe, client number123456, has been the head of household for the HCV Unit since December 15, 2008. Doe's family composition includes her daughter, Bambi Doe ("Bambi"), age twenty one (21). According to Elite, Doe's annual household income is \$0.00, and her contract rent is \$800.00, of which the tenant share is \$0.00.

A review of the PHA PeopleSoft database for Human Resources revealed that Bambi has been employed with PHA since July 19, 2013. Bambi has been employed as a Painter with PHA since December 6, 2013, and her work location is listed as Specialty Crew. Additionally, PeopleSoft listed Bambi's current address as the HCV Unit and revealed that Bambi is currently making \$12.50 an hour, working forty hours a week.

A review of Doe's tenant folder revealed that Doe and her daughter Bambi signed zero income paperwork on June 7, 2012. A further review of Doe's tenant folder confirmed the information found in Elite.

A search with the Enterprise Income Verification ("EIV") system revealed that Bambi was employed with City Youth on July 1, 2013, but earned zero income. EIV produced negative results for Doe.

A Department of Labor inquiry revealed that Bambi is employed with PHA, and that Bambi earned \$6,190.00 from January to March of 2014. Also, the Department of Labor inquiry yielded negative results for Doe.

A search with the Work Number produced negative results for Doe and Bambi.

On May 22, 2014, OAC Investigators conducted a formal interview with Doe. Doe stated that she currently resides in her three bedroom unit with her daughter, Bambi. OAC Investigators asked Doe how much she currently pays in rent. Doe stated that she does not pay rent because she is a zero income tenant. When asked if she is currently employed, Doe responded that she started working in April of 2014 at Good Food Group as a full time cook making \$11.75 an hour. Doe added that she did not yet report this income to her management. OAC Investigators informed Doe that she must report any changes of income to PHA within thirty (30) calendar days, and Doe stated that she will immediately inform her management of her income.

Regarding Bambi, Doe acknowledged that Bambi currently works for PHA as a Painter. OAC Investigators asked Doe if Bambi is still currently a full time student. Doe stated that Bambi is not a full time student but that Bambi does work full time. Doe added that she told her daughter she needed to report her income, but that Bambi never went. Doe stated she does not know why Bambi did not report her employment to management.

On May 27, 2014, OAC Investigators conducted a formal interview with Bambi. Bambi stated that she currently works for PHA as a Painter. Bambi added that she works forty hours weekly and earns \$12.50 hourly. According to Bambi, prior to working for PHA, she was enrolled in PHA's Pre-Apprenticeship program for three months. OAC Investigators asked Bambi why she never reported her employment, and she responded that she thought that, since she is an employee for PHA, that her management had notice of her income information. When asked how many times she has signed re-certification forms, Bambi stated that she was not sure. OAC Investigators showed Bambi the paperwork that she signed stating that she was zero income and requiring her to report any changes of income to PHA within thirty (30) calendar days. Bambi confirmed that she signed the paperwork, but stated she did not read what she had signed.

A rent recalculation which was conducted by Leasing Specialist Connie Worker ("Connie") which revealed that Doe defrauded PHA in the amount of \$1,926.00 from July 2013 to June 2014 based on Doe's income.

OAC Investigators contacted Doe on June 3, 2014, in regards to a repayment agreement. Doe stated that she will enter into a repayment agreement with the OAC for the amount of \$1,926.00

On June 12, 2014, Doe entered into a repayment agreement with the OAC in the amount of \$1,926.00. Doe provided a down payment of \$706.20, to be followed by monthly payments of \$100.00 until the balance is paid in full.

#### CONCLUSION AND RECOMMENDATIONS:

OAC's investigation substantiated the allegation that Doe has failed to accurately report her household income to PHA. This investigation determined that Doe's daughter, Bambi, failed to report her income with PHA and, as head of household; Doe is responsible for reporting the income of all residents in the HCV Unit.

According to PHA's Zero Income Paperwork, "All zero income tenants must report any change of income within thirty calendar days of the change in income to the management office so that the necessary rental adjustments can be made." This investigation determined that the income for Bambi failed to report her income to PHA in violation of the Self Certification of Zero Income form. A subsequent rent recalculation revealed that Doe defrauded PHA in the amount of \$1,926.00. These findings are supported by records from Elite, PeopleSoft, EIV, Department of Labor, Work Number, statements made by Connie, Doe and Bambi.

It is recommended that this matter be referred to Lease Housing for informational purposes only, as on June 12, 2014, Doe entered into a repayment agreement with the OAC.

Based on the above findings, no further investigative steps are warranted. It is recommended that this case be closed.

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

Sherlock Holmes  
Confidential Investigator

Recommended Approval by: \_\_\_\_\_ Date: \_\_\_\_\_

Arthur Doyle

Special Investigator

Recommended Approval by: \_\_\_\_\_ Date: \_\_\_\_\_

Michael D. Muffley, Esq.  
Chief of Investigations

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Janea Jordon  
Executive Vice President,  
Office of Audit and Compliance

## 11.8 REFERRAL MEMORANDUM – TEMPLATE



12 SOUTH 23<sup>RD</sup> STREET  
PHILADELPHIA, PA 19103  
PHA.PHILA.GOV

OFFICE OF AUDIT AND COMPLIANCE

### Memo

To: DINESH INDALA, ACTING EXECUTIVE VICE PRESIDENT, HOUSING OPERATIONS

CC: CONVENTIONAL SITES DEPARTMENT  
SCATTERED SITES DEPARTMENT  
PAPMC SITES DEPARTMENT

From: JANEA JORDON, EXECUTIVE VICE PRESIDENT, OFFICE OF AUDIT AND COMPLIANCE

Date: JUNE 24, 2015

Re: JANE DOE Client #123456, Unit #567891, Ludlow, OAC 15-00123

The Office of Audit and Compliance (“OAC”) for the Philadelphia Housing Authority (“PHA”) received a complaint and Confidential Investigator Sherlock Holmes conducted an investigation which determined that PHA tenant Jane Doe (“Doe”), a resident of 123 Federal Street, Philadelphia, PA 19146 (“Federal Street”), violated her Lease Agreement by allowing an unauthorized tenant, Tom Smith (“Smith”), to reside in her PHA unit since February 2012. In addition, Doe violated the Admissions and Continued Occupancy Policy (“ACOP”) by allowing Sally Doe (“Sally”) to receive her Department of Public Welfare (“DPW”) benefits at Federal Street.

According to Doe’s Lease Agreement, Section 9.B allows a tenant to provide accommodations for guests or visitors for a period not to exceed thirty (30) consecutive days, or ninety (90) cumulative days during any twelve (12) month period. In addition, Section 9.D of the Lease Agreement states the tenant is to comply with all obligations imposed by applicable provisions of PHA policies, including without limitation to the ACOP. Therefore, page 92 of the ACOP states that, “guests who represent the unit address as their residence address for receipt of benefits or other purposes will be considered unauthorized occupants. In addition, guests who remain in the unit beyond the allowable time limit will be considered unauthorized occupants, and their presence represents a violation of the Public Housing Lease.”

*Insert facts that support your findings...*

OAC is referring these findings to you for your information. Should you have any questions or concerns, please do not hesitate to contact Michael D. Muffley, Esq., Chief of Investigations, (215) 684-5934.

OR

OAC is referring these findings to you for your information and any action you deem appropriate. Kindly advise this office of the action you have taken within thirty (30) days of receipt. Should you have any questions or concerns, please do not hesitate to contact Michael D. Muffley, Esq., Chief of Investigations, (215) 684-5934.

## 11.9 COMPLETED INVESTIGATION LETTER



12 SOUTH 23<sup>RD</sup> STREET  
PHILADELPHIA, PA 19103  
PHA.PHILA.GOV

OFFICE OF AUDIT AND COMPLIANCE

May 22, 2015

Mr. John Doe  
1234 Main Street  
Philadelphia, PA 19107

Re: OAC Case # 15-00999

Dear Mr. Doe:

The Philadelphia Housing Authority (PHA) Office of Audit and Compliance (OAC) has completed its investigation of the above-referenced complaint, and has made the necessary recommendations it deemed appropriate.

PHA is committed to maintaining the highest ethical standards, and your complaint is an important part of our efforts.

Thank you for bringing this matter to our attention.

Sincerely,  
Janea Jordon  
Executive Vice President, OAC



Janea Jordon  
*Executive Vice President*  
*Office of Audit and Compliance*

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If you have information of possible wrongdoing, call, write, or visit:

**Office of Audit and Compliance**  
**Philadelphia Housing Authority**  
**12 S. 23rd Street, Philadelphia, PA 19103**  
**Fraud Hotline (215) 684-8300, [oac@pha.phila.gov](mailto:oac@pha.phila.gov)**  
**[www.pha.phila.gov](http://www.pha.phila.gov)**

