

May 19, 2014

## HOUSING AUTHORITY OF LAFAYETTE

An employee of the Lafayette Housing Authority improperly placed property she owned in the Section 8 federally-subsidized housing program and received monthly payments from the authority for its use, according to a report released Monday by Legislative Auditor Daryl Purpera's office.

The audit, which was performed by Mandeville accountant William Daniel McCaskill, said the Lafayette Housing Authority apparently had "proper internal controls in place" to detect the problem. The report has been referred to the inspector general's office in the U.S. Department of Housing and Urban Development, and the state auditor has sent the report to the District Attorney for the 15th Judicial District.

The misappropriation was less than \$10,000, according to the report.

McCaskill said that during the fiscal year ending Sep. 30, 2013, the authority's staff "determined that a Section 8 caseworker improperly placed a house she owned" in the program, "improperly causing LHA to pay monthly. . .payments" to her.

As soon as housing authority staff documented the situation, "including possible collusion with another LHA staff member," the agency stopped the rental payments, and two Section 8 staff members subsequently resigned.

Housing authority officials said in their response to the finding that they will continue to use the internal controls they have in place to detect problems and refer them to the appropriate authorities.

The authority, which oversees 565 low-rent housing units and 1,761 Section 8 units, must also repay HUD more than \$2.9 million in questioned costs HUD claims it is owed from 2011.

For more information, contact: Daryl G. Purpera, CPA, CFE Legislative Auditor 225-339-3800

**On Twitter**: Lafayette Housing Authority employee improperly placed property she owned in Section 8 program.