
HOUSING AUTHORITY OF THE CITY OF SEATTLE

MANUAL OF OPERATIONS

SUBJECT: Fraud and Program Violations

SCOPE: This policy shall apply to all housing programs administered by the Seattle Housing Authority, unless specifically noted.

POLICY:

It is the policy of the Seattle Housing Authority to identify and aggressively pursue applicant and resident program violations and fraud with the goal of minimizing program violations and eliminating fraud; and ensuring the correct amount of assistance is provided to eligible families.

SHA shall work cooperatively with other federal, state and local government agencies, in the pursuit of applicant and resident fraud cases and continue to develop partnerships to improve communication of information among government agencies that provide benefits or services to SHA residents.

Departments responsible for implementing this policy shall diligently investigate and resolve any program violations or fraud.

IMPLEMENTATION POLICY:

- A. Program violations and Fraud. A program violation or fraud occurs whenever a resident or applicant receives a benefit for which he or she is not eligible, or when a resident or applicant receives a benefit in excess of the amount for which he or she is eligible.

Fraud is a deception, in which deceit or trickery is deliberately used to gain a benefit to which the resident or applicant is not entitled.

- B. Applicant and resident program violations and fraud take many forms including, but not limited to: under reported and unreported income and assets, false identities, and unauthorized boarders and lodgers.

Applicant and resident program violations and fraud are discovered primarily through HUD's Enterprise Income Verification system and other data-matching reporting, the personal observations of SHA staff, reports received from residents and others, and through the annual and interim recertification process.

SHA staff shall remain constantly aware of the possibility of program violations and fraud, and shall be vigilant in observing circumstances that may indicate potential program

violations or fraud. This includes, but is not limited to, residents and applicants with possessions or a life style that cannot be supported on their reported income; residents who say they are unemployed who have departure and arrival patterns consistent with employment; and the arrival and departure patterns of guests.

- C. Grievances. If an adverse action is to be taken against a resident who has committed a program violation or fraud the resident may request a grievance hearing in accordance with SHA's grievance policy.

Any applicant denied admission as a result of a program violation or fraud may request a review in accordance with SHA's admissions policy.

- D. Penalties for Program Violations and Fraud. Any applicant who has committed a program violation or fraud shall be denied admission in accordance with SHA's Admission and Occupancy policies.

Any resident who has committed a program violation or fraud shall reimburse the Housing Authority for housing benefits for which they were not entitled or eligible for. Calculations of benefits for which the resident was not entitled or eligible for shall be from the point in time the program violation or fraud first occurred. SHA shall offer no waivers or reductions to the amount of reimbursement due the Housing Authority.

SHA may terminate the residents housing assistance and bring legal action to recover any amount for which they were not entitled or eligible for. In addition, any resident found guilty of fraud may be prosecuted in municipal, state or federal court.

The Housing Authority, at its discretion, may pursue all applicable remedies in cases of fraud, including, but not limited to, denial of application for housing assistance, cancellation from housing program wait lists, termination of housing assistance, eviction, civil proceedings to recover overpaid housing assistance and investigation and legal costs or referral to other government agencies for criminal prosecution.

- E. Reimbursement. SHA may enter into a repayment agreement for the amount to be reimbursed for housing benefits for which the resident was not entitled or eligible for in accordance with SHA's policy on repayment agreements.