



Memorandum



Miami-Dade County Office of the Inspector General
A State of Florida Commission on Law Enforcement Accredited Agency
19 West Flagler Street ♦ Suite 220 ♦ Miami, Florida 33130
Phone: (305) 375-1946 ♦ Fax: (305) 579-2656
Visit our website at: www.miamidadeig.org

To: The Honorable Carlos A. Gimenez, Mayor, Miami-Dade County
The Honorable Jean Monestime, Chairman
and Members, Board of County Commissioners, Miami-Dade County

From: Mary T. Cagle, Inspector General

Date: July 7, 2016

Subject: Low Income Home Energy Assistance Program Defrauded by CAHSD
Employees; Ref. IG12-34

An anonymous tip to the Miami-Dade County Office of the Inspector General (OIG) resulted in an investigation and criminal charges against two Miami-Dade County (County) employees, and one of their family members. Iraida Macias (Macias) and Earlene Finney (Finney) used their positions at the County's Community Action and Human Services Department (CAHSD) to fraudulently obtain federal funds slated to help low income individuals pay their energy bills. Lakeisha Esther Macias-Berry (Macias-Berry), Macias' daughter, also fraudulently participated in the program. The investigation concluded this past Friday, July 1st, with the sentencing of Macias—the last of the three defendants to take a plea. Macias and Finney, County employees of seven and nine years respectively, were arrested and criminally charged on May 13, 2016. Their charges revolved around their circumvention of the CAHSD's application process in order to obtain federal Low Income Home Energy Assistance Program (LIHEAP) funds that they were not entitled to receive.

LIHEAP, a U.S. Department of Health and Human Services program, is administered at the state level by the Florida Department of Economic Opportunity (DEO) Office of Housing and Community Development. CAHSD is the designated LIHEAP agency serving Miami-Dade County. LIHEAP funds are available to eligible low-income individuals and families to help meet the cost of home energy expenses. Qualified individuals and families can receive up to \$300 in LIHEAP assistance per year. Additional assistance within the same year is available as "crisis assistance" during high energy consumption periods, i.e., summer and winter. A maximum of \$600 can be provided as energy "crisis assistance." LIHEAP funds are given as a credit to the individual or families, and disbursed directly to the energy provider. To receive LIHEAP assistance an applicant's household income cannot exceed 150% of the federal poverty guidelines, and may only be from allowable sources as established by the DEO.

CAHSD has approximately fourteen service centers throughout Miami-Dade County where an individual can apply to receive LIHEAP funds. CAHSD employees conduct eligibility screenings, assist applicants in completing the LIHEAP application, approve the

applications, and enter the approved recipient's information into the County's computer system for payment. Payments are made directly by the County's Finance Department to the utility company as a credit on the recipient's account.

Macias worked as an Eligibility Interviewer and as one of two individuals at CAHSD who input the eligible applications into the County's computer system. Finney, a Clerk 2 Specialist Supervisor, approved and maintained LIHEAP case files for the service center located in Little Havana. The OIG investigation uncovered that Macias and Finney were receiving County-administered LIHEAP funds credited to the energy accounts of their homes and the residences of family members. Based on the actual household annual income for Macias and Finney, neither would have qualified for LIHEAP assistance. Macias and Finney not only obtained funds that they were not qualified to receive, they were able to manipulate the system and obtain over the maximum amounts allowed under the program.

The OIG found over \$4,000 in LIHEAP funds credited to Macias and her household from 2010 to 2015. Macias also assisted her daughter, Macias-Berry, to receive over \$9,000 in LIHEAP funds between 2001 and 2013. Macias-Berry, a school teacher, misrepresented her application by not fully disclosing her household income in order to qualify for LIHEAP. The OIG uncovered that Finney approved LIHEAP applications for a home where she or her family members have lived for various years. The investigation revealed that Finney falsified the applications by using the name and information of a deceased acquaintance. From 2010 to 2014, over \$6,000 in LIHEAP funds were credited to the residence through Finney's actions.

Macias pled guilty to one count each of Official Misconduct, Organized Scheme to Defraud, and Grand Theft—all third degree felonies. Macias was sentenced to three years of probation; as part of her plea she has to perform 50 hours of community service. Earlier last month, Finney pled guilty to one count each of Official Misconduct and Fraudulent Use of Personal Identification, both third degree felonies, and one count of Misdemeanor Theft. Finney was sentenced to two years of probation. Both Macias and Finney, as special conditions of their probations, must pay restitution to the County and costs of investigation to the OIG, and are prohibited from obtaining government employment. Macias and Finney also resigned their employment with the County. Also earlier last month, Macias-Berry, who was charged with one count of Perjury not in an Official Proceeding (a misdemeanor), accepted a plea to one year of probation with the special conditions that she pay restitution to the County and costs of investigation to the OIG.

The OIG investigation was a joint effort with the Miami-Dade State Attorney's Office and the U.S. Department of Health and Human Services, Office of the Inspector General. The OIG appreciates CAHSD's cooperation and assistance during the course of this investigation.

cc: Russell Benford, Deputy Mayor
Lucia Davis-Raiford, Director, Community Action and Human Services Department
Cathy Jackson, Director, Audit and Management Services Department
Neil Singh, Interim Commission Auditor