

## MEMORANDUM CHICAGO HOUSING AUTHORITY OFFICE OF THE INSPECTOR GENERAL

OIG Reference: 2019-08-00024

**To:** Angela Hurlock, Chairperson, CHA Board of Commissioners

Matthew Brewer, Vice-Chair & Chair of the Finance and Audit Committee

Members of the Finance and Audit Committee

From: Kathryn Richards, Inspector General

**Date:** March 3, 2023

**Subject:** Significant OIG Activity – Guilty Plea of Former HCV Participant Jeanette

Carney

The Office of the Inspector General (OIG) writes to notify you that, on March 2, 2023, Jeanette Carney, a former Housing Choice Voucher (HCV) participant, pleaded guilty in the Circuit Court of Cook County to one count of wire fraud, relative to a scheme to defraud the CHA of housing benefits. Carney's sentencing hearing is set for March 31, 2023.

The OIG's investigation revealed that from August 2015 through November 2021, Carney fraudulently received housing benefits totaling over \$90,000 by failing to report her husband, David Thompson, as a household member or his income from employment with the City of Chicago. Additionally, Carney falsely reported four dependents, a daughter and four grandchildren, who did not reside in the unit. This resulted in additional loss to the CHA. The evidence shows Carney had reported between \$4,680 and \$21,600 in annual household income since 2015. In fact, evidence shows that Carney's husband, a former laborer with the City of Chicago Department of Transportation, earned as much as \$94,000, annually, while residing with Carney. Carney's husband reported each HCV unit address to his employer, on signed City of Chicago employee residency affidavits.

Carney had been indicted on December 1, 2021, in a five-count indictment for Class 1 felony theft, wire fraud, and forgery. Prosecution of the matter is being handled by the Illinois Attorney General's Office, Public Integrity Bureau. This matter will remain open pending the outcome of Carney's sentencing.

The OIG also referred this matter and relevant non-grand jury records to the HCV department for appropriate administrative action. HCV terminated the voucher in 2022 following an administrative hearing.