



U.S. Department of Housing and Urban Development  
District Office of the Inspector General  
Office of Audit  
Richard B. Russell Federal Building  
75 Spring Street, SW, Room 330  
Atlanta, GA 30303-3388  
(404) 331-3369

November 9, 2001

Audit Memorandum 2002-AT-1803

MEMORANDUM FOR: Kevin Fitzgibbons, Area Administrator, Eastern Woodlands Office  
of Native American Programs, 5API

FROM: Nancy H. Cooper  
District Inspector General for Audit-Southeast/Caribbean District, 4AGA

SUBJECT: Mowa Choctaw Housing Authority  
Hotline Complaint  
Mt. Vernon, Alabama

We have completed an audit survey of a complaint to the Department of Housing and Urban Development (HUD) Hotline in December 1998 concerning alleged improper activities by the Mowa Choctaw Housing Authority (MCHA). The complaint alleged that MCHA: overpaid painters; misused vehicles; inappropriately provided housing to felons; improperly awarded a drainage ditch contract; and, due to nepotism, did not correct operations deficiencies.

### **OBJECTIVE, SCOPE AND METHODOLOGY**

Our objective was to determine the merits of the allegations raised in the complaint. To accomplish our objective, we interviewed MCHA officials and staff and Eastern Woodlands Office of Native American Programs officials. We examined relevant MCHA records and observed MCHA vehicles. We also attempted, but were unable, to locate and interview the complainant.

Our review generally covered the period April 1997 to March 31, 2001. We extended the period as necessary to achieve the review objective. We performed on-site work in April and May 2000. We conducted the audit survey in accordance with generally accepted government auditing standards.

HUD OIG previously audited MCHA and issued a report in May 1997. The prior audit recommendations had been closed and issues previously reported were not related to the allegations in the complaint.

## **SUMMARY**

Our review found no merit to the complaint allegations. MCHA personnel provided information and documentation sufficient to refute the allegations and our review found no evidence supporting the allegations.

A reply to this memorandum is not required. If you have any questions, please contact Maxie Walls, Senior Auditor, at (205) 731-2630 Ext. 1097.

Attachment

1 - Distribution

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HUD OIG Webmanager-Electronic Format Via Notes Mail (Cliff Jones@hud.gov)  
Public Affairs Officer, G (Room 8256)  
Stanley Czerwinski, Associate Director, Resources, Community, and Economic Development  
Division, U.S. GAO, 441 G Street N.W., Room 2T23, Washington DC 20548  
The Honorable Fred Thompson, Chairman, Committee on Governmental Affairs,  
United States Senate, Washington DC 20510-6250  
The Honorable Joseph Lieberman, Ranking Member, Committee on Governmental Affairs,  
United States Senate, Washington DC 20510-6250  
The Honorable Dan Burton, Chairman, Committee on Government Reform,  
United States House of Representatives, Washington DC 20515-6143  
The Honorable Henry A. Waxman, Ranking Member, Committee on Government Reform,  
United States House of Representatives, Washington, DC 20515-4305  
Ms. Cindy Fogleman, Subcommittee on Oversight and Investigations, Room 212,  
O'Neil House Office Building, Washington, DC 20515-6143  
Steve Redburn, Chief, Housing Branch, Office of Management and Budget, 725 17<sup>th</sup> Street, NW,  
Room 9226, New Executive Office Bldg., Washington, DC 20503  
Sharon Pinkerton, Deputy Staff Director, Counsel, Subcommittee on Criminal Justice, Drug  
Policy and Human Resources, B373 Rayburn House Office Bldg., Washington, DC 20515  
Armando Falcon, Director, Office of Federal Housing Enterprise Oversight, O, 1700 G Street, NW,  
Room 4011, Washington, DC 20552