

## Fraud Report

**Fraud #:** F-23-255

**Submission Date:** 06/14/2023

**Entity:** Commerce, Washington State Department of

## Dashboard

**Short Description:** rental assistance fraud in TRAP 2.0 Program

**Investigation Status:** Closed

**Assigned Team:** Single Audit

**Assigned PM:**

**PR Request ID's:**

**Public Records Request:** No

**Assignment Notes:**

**Detection Method:** Entity Management

**Entity:** S103

**Total Budget:**

**Team Budget:**

**Audit Number:**

**Audit Documentation:** Database Only

**TM Project Code:**

**Ok to release/bill time:** No

**Primary Loss Type:** Out of Scope

**Loss Type Notes or Sub Category:**

**Cyber Loss Category:** --

**Cyber Cause:** --

**This case contains sensitive information:** No

**Which tab or attachment contains sensitive information?**

**Results:** No Action

**Closed Date:** 06/20/2023

**Inactivate:** No

**Inactive Notes:**

## Contact

**Created By:**

**Name:** Melissa Gong

**Title:** Rental Assistance Support Manager

**Phone:** 360-734-5121ext1239

**Email:** melissa\_gong@oppco.org

## Assignment Notes:

## Paw and Plan

Loss Notification Date: 06/14/2023

PAW Assignment Date:

Initial Contact with Entity Date:

Assessment Completion Date:

Reviewing Team: Single Audit

Team Review Date:

Fraud Team Review Date:

Please describe, if we did not meet 5 and 10 day requirements:

Action/Next Step:

## Outcome

Exit conference date:

Exit conference attendees:

Misappropriation assigned amount:

Name and title of responsible party:

Misappropriation unassigned amount:

Questionable amount:

Misappropriation recovery amount:

Loss Amount:

Cyber recovery Amount:

Final audit cost:

Audit report number:

Audit report issue date:

Other case # s reported with this one:

## Restitution

SAO Approval Date:

SAO Approval Initials:

AG Approval Date:

SAO Approval Initials:

Amount Approved:

Point of Contact:

**Contacted PA Date:**

**Post audit PA/LE/FBI contact notes:**

## Activity Log

Date	Entry
06/20/2023	'Short Description' field updated, 'Detection Method' field updated from '--' to 'Entity Management', 'Audit Documentation' field updated from '--' to 'Database Only', 'Results' field updated from '--' to 'No Action', 'Phone' field updated by sullivan
06/20/2023	'Investigation Status' field updated from 'Pre-Triage' to 'Closed', 'Closed Date' field updated from " " to '6/20/2023' by sullivan
06/20/2023	'Primary Loss Type' field updated from 'Cash Disbursements' to 'Out of Scope', 'Closed Date' field updated from '6/20/2023' to '6/20/2023' by sullivan

## Initial Loss Report

**Department/area of concern:** Washington State Department of Commerce/ TRAP 2.0

**What is the suspected loss or illegal activity?** 4660

**Start:** 06/03/2022

**End:** 07/13/2022

**What type of issue are you reporting?** Out of Scope

**What type of cyber concern are you reporting?** --

**What was the cause of initial attack vector for the cyber loss?** --

**Please describe the type of issue:**

**Please describe the amount of loss:** Two direct payments with the TRAP 2.0 Program of \$3,660 and \$1,000.

**Please describe the suspected loss of illegal activity:** SUBMITTED DESCRIPTION: Individual impersonated owner/landlord and provided false statements that led to the distribution of two direct payments to another individual who falsely claimed to be the tenant with the TRAP 2.0 Program.

**How was the suspected loss or activity detected?** Timothy Johnson completed an appointment on 2/2/23 for rental assistance and staff realized that we had assisted with two direct payments at the same address he was applying to in 2022. The number Timothy provided for his personal phone number was the same phone number that was given to us for the two prior direct payments application by Lywanna Jones for the owner of the property, Steven Larsen. We believe based on Steven's statements that Timothy impersonated his landlord in order to assist Lywanna Jones to complete two fraudulent direct pay TRAP 2.0 applications. We then contacted Steven Larsen and he agreed to sign a fraud statement for us that states the following: I, Steven Larsen, the owner of the property at 2222 Huron St Bellingham, WA 98229, verify the following information is true: Lywanna Jones has never resided or been a tenant at 2222 Huron St Bellingham, WA 98229. 360-319-1019 has never been my phone number and I never provided that as my contact to Opportunity Council. I never spoke to Opportunity Council staff regarding a tenant by the name of Lywanna Jones. I did not speak to an Opportunity Council employee regarding rental assistance before 03/16/2023. I did not decline to participation for either one of Lywanna Jones applications with the Treasury Rental Assistance Program with the Opportunity Council.

**Is an investigation in progress?** No

**If an investigation by management, law enforcement or others underway, who is in charge of this investigation?**

**What actions have you taken to date, if any?** Notified Kathryn Dodge, Treasury Rent Assistance Program Manager with the Washington State Department of Commerce.

**Are there any dedications of employee involvement?** No

**Name and/or title of employee that have been involved in (responsible for) the loss.**

**Is this person still employed by the agency?** No

**Describe the employee's job responsibilities and areas or functions the employee has/had access to:**

**Have any restitution agreements been signed?** No

**Has a police report been filed?** No

**Do you have a copy?** No

**Who at the entity is aware this concern is being reported?** Lorena Shah, Assistant Director of Community Services at Opportunity Council, Caitlin Schemmer Rental Assistance Coordinator at Opportunity Council