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# Whistleblower Lawsuit Targets VIHFA Leadership Over Alleged Mismanagement and Retaliation

**Stephanie Berry, former COO of the V.I. Housing Finance Authority, alleges systemic failures, unauthorized financial practices, and retaliatory termination after raising concerns about HUD violations and misuse of funds**

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**Stephanie Berry, former chief operating officer of the V.I. Housing Finance Authority** By. **V.I. LEGISLATURE**

A wrongful termination lawsuit has been filed in the V.I. Superior Court this week by Stephanie Berry, former chief operating officer (COO) of the V.I. Housing Finance Authority.

The lawsuit names VIHFA, along with its Executive Director Eugene Jones Jr. and former Interim Executive Director Dayna Clendenin, as defendants. Ms. Berry, who served from January 30, 2023, to October 7, 2024, alleges that her termination was retaliation for whistleblowing about internal procedural violations.

According to court documents, Ms. Berry's complaint highlights multiple instances of mismanagement within the Planning and Construction (P&C) division. She alleges that VIHFA had not facilitated new housing construction for over six years, despite accumulating \$14 million from [stamp tax legislation](#). Ms. Berry also claims P&C staff participated in procurement evaluation panels where they had prior involvement in creating project specifications—practices she flagged as conflicts of interest.



*Former VIHFA Interim Executive Director Dayna Clendenin (Credit: V.I. Legislature)*

In emails to VIHFA leadership, Ms. Berry requested that employees involved in drafting procurement specifications be excluded from evaluation panels. Despite these warnings, she alleges that Clendenin continued appointing such staff to panels, leading to potential favoritism in contract awards.

The lawsuit also alleges irregularities in tax exemption approvals under the Affordable Housing Development Program. Ms. Berry claims that unauthorized staff signed off on tax exemption requests for projects unrelated to their assignments, and that her attempts to address this issue were ignored. One such instance involved a contractor pressuring her to approve tax exemption documents, which she declined. Despite raising these concerns with Clendenin and Jones Jr., Ms. Berry alleges the issue persisted.

Berry further alleges financial mismanagement within VIHFA, including unchecked landscaping expenditures of up to \$100,000 annually. She questioned the necessity of these expenses for undeveloped lots and refused to approve a \$12,000 landscaping request for a site slated for demolition.



*VIHFA Executive Director Eugene Jones Jr. (Credit: V.I. Legislature)*

The lawsuit accuses VIHFA leadership of retaliatory behavior after Ms. Berry raised concerns. She alleges that her work computer encountered technical issues following her emails about financial mismanagement, and that she was terminated shortly afterward. Berry claims her termination was abrupt, with no prior disciplinary action or formal complaints about her performance.

She also recounts a conversation in June 2024 where Jones Jr. warned her against documenting her concerns, stating it could be "to her detriment." Ms. Berry claims that this was later reiterated in a leadership meeting.

Ms. Berry alleges violations involving HUD-funded projects under the Envision Tomorrow Program, citing overspending on administrative costs and improper procurement practices. She claims several projects were disqualified by HUD due to non-compliance with procurement policies, resulting in unpaid vendors. Berry reported these issues to relevant authorities and believes they contributed to her termination, according to the complaint.

The lawsuit, filed under the Virgin Islands Whistleblowers Protection Act, seeks damages for wrongful termination and aims to expose systemic issues within VIHFA. Berry is demanding a jury trial and accountability for the alleged violations. She is being represented by Lee J. Rohn & Associates. VIHFA has yet to comment on the pending litigation.