



INVESTIGATIONS

Defendant Sentenced to 60 Months of Probation and Ordered to Pay \$489,189 in Restitution for SNAP Fraud—Ohio

On August 12, 2020, in U.S. District Court, Northern District of Ohio, a storeowner was sentenced to 60 months of probation and ordered to pay a \$400 special assessment, a \$100,000 fine, and \$489,189 in restitution. On March 4, 2014, the U.S. Department of Agriculture (USDA) Office of Inspector General (OIG) initiated this investigation to determine if the owners or employees of a store located in Cleveland, Ohio, were exchanging Supplemental Nutrition Assistance Program (SNAP) benefits for unauthorized items. The investigation determined that, from July 2003 through February 2015, several individuals associated with the store conspired to commit SNAP fraud by conducting transactions in which SNAP benefits were exchanged for unauthorized items. On February 10, 2016, in U.S. District Court, Northern District of Ohio, the two storeowners were indicted on the charges of conspiracy, food stamp fraud, and unlawful food stamp redemptions, and three counts of money laundering. On October 25, 2016, the first storeowner pled guilty to the six count indictment, and the second storeowner pled guilty to the first three. On November 20, 2018, in U.S. District Court, Northern District of Ohio, the first storeowner was sentenced to 18 months in prison and 18 months of supervised release. The storeowner was also ordered to pay a \$600 special assessment, a \$10,000 fine, and \$30,004 in restitution to USDA. On November 20, 2018, in U.S. District Court, Northern District of Ohio, the second storeowner was sentenced to 12 months and one day in prison and 36 months of supervised release. The second storeowner was also ordered to pay \$300 special assessment, a \$5,500 fine, and \$10,101 in restitution to USDA. Additionally, the two storeowners were ordered to comply with the forfeiture of \$419,772 previously seized by the Internal Revenue Service, Criminal Investigations (IRS-CI) division. On December 12, 2018, in U.S. District Court, Northern District of Ohio, the first storeowner was indicted for the additional charge of filing false tax returns and subsequently pled guilty on July 24, 2019. This investigation was conducted jointly with the Federal Bureau of Investigation; IRS-CI; and the Ohio Department of Public Safety, Ohio Investigative Unit.

Defendant Sentenced to 12 Months in Prison and 36 Months of Supervised Release for Theft of Government Property and Unlawful Possession of a Firearm—Oregon

On August 17, 2020, in U.S. District Court, District of Oregon, a Forest Service (FS) employee was sentenced to 12 months in prison and 36 months of supervised release. He was also ordered to pay a \$200 special assessment. On August 9, 2018, USDA OIG initiated this investigation based on information that the Lincoln County (Oregon) Sheriff's Office had contacted FS Law Enforcement and Investigations. The Sheriff's Office reported that an individual had disclosed that an FS employee stole tools, dental tools, and Novocain from the

Angell Job Corps Center in Yachats, Oregon. According to the witness, the stolen property was located at the FS employee's residence, which was Government housing located on the Angell Job Corps Center, and at his mother's residence in Waldport, Oregon. Additionally, the witness alleged the FS employee possessed methamphetamine in his residence. The FS employee was interviewed and denied stealing any Government property, but he admitted to using methamphetamine. Stolen Government property and methamphetamine were subsequently seized from his residence. Additional stolen Government property was seized from his mother's and his son's residences. On December 12, 2018, in U.S. District Court, District of Oregon, the FS employee was indicted on the charges of theft of Government property and unlawful possession of a firearm. On July 3, 2019, he pled guilty to both charges.

Defendant Sentenced to 24 Months of Supervised Release and Ordered to Pay Restitution and Fines for Unlawful Use of Food Stamps—Arizona

On August 17, 2020, in Arizona Superior Court, Maricopa County, a storeowner was sentenced to 24 months supervised probation and was ordered to pay a \$35 special assessment, \$85 in fines/fees, and \$1,022 in restitution. On May 1, 2013, USDA OIG initiated this investigation based on information that indicated a store in Phoenix, Arizona, defrauded USDA's SNAP. The investigation revealed that from January 10, 2017, to September 6, 2018, personnel at the store exchanged \$1,023 in ineligible items for SNAP benefits. These items included bags of tobacco, cigarettes, methamphetamine pipes, digital scales, rolling papers, clothing, phone cards, and marijuana testing kits. On October 21, 2019, in Arizona Superior Court, Maricopa County, the storeowner and the store manager were indicted on three counts and two counts, respectively, of unlawful use of food stamps. On February 26, 2020, in Arizona Superior Court, Maricopa County, the store manager pled guilty to one count of attempted unlawful use of food stamps, and on June 15, 2020, the storeowner pled guilty to one count of attempted unlawful use of food stamps. On June 17, 2020, in Arizona Superior Court, Maricopa County, the store manager was sentenced to 18 months of supervised probation and was ordered to pay a \$55 special assessment, \$85 in fines/fees, and \$1,022 in restitution. This was a joint investigation with the Phoenix [Arizona] Police Department.

Defendant Sentenced to 2 Days in Prison, 24 Months of Supervised Release, and Ordered to Pay \$45,175 in Restitution for Theft of Government Funds—Iowa

On August 24, 2020, in U.S. District Court, District of Northern Iowa, a SNAP recipient was sentenced to two days in prison (time served) and 24 months of supervised release. The recipient was also ordered to pay \$45,175 in restitution and was given a 12-month suspension from receiving SNAP benefits. Additionally, the SNAP recipient, who is not a U.S. citizen, was not taken into custody and was granted a one-year grace period from deportation by the U.S. Department of Homeland Security (DHS), Homeland Security Investigations (HSI). This investigation was conducted jointly with DHS HSI and the Iowa Department of Inspections and Appeals (DIA). On March 26, 2019, USDA OIG initiated this investigation to determine if a Clarion, Illinois, SNAP recipient illegally obtained SNAP benefits. The investigation disclosed that the SNAP recipient falsified state benefit application forms to receive government assistance, including SNAP benefits in the amount of \$43,346. The SNAP recipient falsified SNAP applications, Review/Recertification Eligibility Documents, and Family Investment Program (FIP) applications from January 2016 through May 2019.

FIP receives Federal and state funding and provides cash assistance to needy families. Although the SNAP recipient and her husband were both employed, they did not disclose their employment on any of the government assistance applications. As a result, the SNAP recipient was overpaid \$23,437 in SNAP and \$19,909 in FIP payments. On June 19, 2019, in U.S. District Court, District of Northern Iowa, the SNAP recipient was indicted on the charge of theft of U.S. Government funds and her husband was indicted on charges of unlawful use of fraudulent documents and fraud or misuse of a Social Security number to obtain employment. On October 21, 2019, the SNAP recipient pled guilty to the charge of theft of Government funds. The SNAP recipient's husband is currently a fugitive.

Four Defendants Collectively Sentenced to 53 Months in Prison, 144 Months of Supervised Release, and Ordered to Pay Special Assessments for Conspiracy to Violate the Animal Welfare Act —Florida

On August 10, 12, 13, and 25, 2020, in U.S. District Court, Northern District of Florida, four individuals were sentenced for their roles in a dogfighting scheme. They were sentenced to the following, respectively:

- 15 months in prison and 36 months of supervised release;
- 8 months in prison and 36 months of supervised release;
- 18 months in prison and 36 months of supervised release; and,
- 12 months in prison and 36 months of supervised release.

The first three individuals were each ordered to pay a \$300 special assessment, and the fourth individual was ordered to pay a \$100 special assessment. This was a joint investigation involving both State and Federal law enforcement agencies from several States and regions, as well as the U.S. Department of Justice, Environment and Natural Resources Division, Washington, D.C. On November 28, 2020, OIG initiated this investigation based on information that indicated three individuals were collectively breeding, selling, training, and fighting pit bull-type dogs. OIG's investigation revealed that in January 2018, a male pit bull dog was purchased from the residence of one of the individuals. Further investigation revealed messages and videos related to dog fighting, and a review of multiple Facebook accounts, as well as other evidence, suggested that two of the individuals were engaging in dogfighting while the third individual functioned as a quasi-veterinarian for several dog fighters. Multiple Federal search and seizure warrants were executed at various locations, which resulted in the seizure of several dogs and items identified as training equipment at each location. A review of the evidence resulted in the identification of two additional subjects, both of whom were involved in breeding, selling, training, and fighting pit bull-type dogs. On January 28 and 30, 2020, three of the individuals pled guilty to multiple charges, including conspiracy to violate the Animal Welfare Act, knowingly selling or delivering a dog for purposes of having the dog participate in an animal fighting venture, and possessing a dog for purposes of having a dog participate in an animal fighting venture. On February 29, 2020, in U.S. District Court, Northern District of Florida, following a jury trial, the fourth individual was convicted of conspiracy to violate the Animal Welfare Act, and the fifth individual was acquitted.

RECENTLY ISSUED AUDITS

Report 04801-0001-23, *Duplication of Housing Assistance Programs Inspection Report*, August 2020.

Engagement 08025-001-41, *COVID-19: FS' Wildland Fire Response Plans*, August 2020.