

Office of the Inspector General, USDA Investigation Developments

> June 21, 2005 <

Oregon Woman Pleads Guilty, Sentenced for Sale of Endangered Species (APHIS)

On June 7, 2005, a Beaverton, Oregon, woman pled guilty in District Court of the United States for the District of Oregon to a Class A misdemeanor for selling endangered species (ocelots) in violation of the Endangered Species Act and submitting false statements involving Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) documents. The OIG investigation was initiated in November 2004 based on a referral from the U.S. Fish and Wildlife Service and disclosed that the woman acquired and sold ocelot felines in violation of the Endangered Species Act. The investigation revealed that she falsely applied for APHIS certification as an exotic/wild animal dealer. The woman was sentenced to 24 months probation and a court ordered fine of \$25,000 to be paid to the World Wildlife Fund, which protects and preserves Endangered Species.

Former Agency Employee Pleads Guilty in Travel Voucher Fraud (NFC)

On June 7, 2005, a former Supervisory Program Analyst for the National Finance Center (NFC), USDA, New Orleans, Louisiana, pled guilty in the District Court of the United States for the District of Louisiana to one-count of submission of false statements. The OIG investigation disclosed that from January 2000 to December 2002, the former employee fraudulently submitted 18 travel vouchers and received \$25,037 in reimbursements. The former employee worked at NFC for approximately 25 years and retired from his position in December 2003. Sentencing is scheduled for September 2005.

Minnesota Woman Sentenced for Trafficking in Endangered Species (APHIS)

On June 2, 2005, a woman was sentenced to serve 15 months incarceration, 24 months supervised release, and 100 hours of community service, and fined a special assessment of \$200 by the District Court of the United States for the District of Minnesota. The OIG investigation disclosed that the woman and her husband conspired with numerous individuals throughout the United States and made false statements on Animal and Plant Health Inspection Service forms so they could illegally sell and transport endangered species, in violation of the Lacey Act. Additionally, it was found that the husband instructed one individual to lie to an OIG investigator. The couple and one individual were indicted in October 2003. An additional six individuals were indicted in August 2004. The wife was found guilty by a trial jury on March 24, 2005. The husband was found guilty on obstruction of justice counts and pled guilty to charges related to the

couple's animal trafficking activities. Additionally, four individuals pled guilty to trafficking endangered species and two individuals were acquitted.

Former Agency Employee Sentenced, Ordered to Pay \$2,934 in Travel Voucher Fraud (FS)

On June 1, 2005, a former Forest Service (FS) employee from Athens, Ohio, was sentenced in the District Court of the United States for the District of Ohio to serve 3 months of home confinement, 24 months of probation, and 50 hours of community service. The former FS employee was also fined \$1,400 and ordered to make restitution in the amount of \$2,934. The OIG investigation disclosed that the former FS employee filed false travel vouchers. He claimed he drove his personally owned vehicle on Government business and claimed mileage when he actually flew at a discounted airfare or rented a vehicle at a discounted rental rate. In October 2002, the former FS employee was indicted on seven counts of making false statements and seven counts of filing false claims stemming from the false travel vouchers. The case went to trial in January 2004, and the former FS employee was found guilty on all 14 counts. In January 2004, the former employee resigned from his position with FS.

Hawaii Grocer Sentenced and Ordered to Pay \$125,000 for Food Stamp Fraud

On May 31, 2005, the owner of a grocery store was sentenced in the District Court of the United States for the District of Hawaii to 4 months in a correctional facility, 8 months house arrest, and 3 years supervised release, and a criminal forfeiture order of \$125,000 was ordered. The OIG investigation disclosed that from 1999 to 2002, the store redeemed approximately \$125,000 in food stamps in excess of eligible sales. In February 2004, OIG executed a search warrant at the store and seized \$3,600 and a vehicle. In November 2004 the storeowner was charged with trafficking in Electronic Benefit Transfer benefits, money laundering, and criminal forfeiture. On January 4, 2005, in the District Court of the United States for the District of Hawaii, the storeowner pled guilty to money laundering, food stamp trafficking, and a criminal forfeiture count.