



Richmond City Council

The Voice of the People

Richmond, Virginia

Office of the Inspector General

February 7, 2022

Mr. Lincoln Saunders
Chief Administrative Officer
City of Richmond

The Office of the Inspector General (OIG) has completed an investigation in the Department of Social Services (DSS). This report presents the results of the investigation.

Allegation:

The Office of Inspector General received a complaint from the Director of the Department of Social Services alleging an Intensive Case Manager used his/her position to take a deceased clients Supplemental Nutritious Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) benefits.

Legal and City Policy Requirements:

1. In accordance with the Code of Virginia, §15.2-2511.2, the Office of the Inspector General is required to investigate all allegations of fraud, waste, and abuse.
2. City Code section 2-231 requires the Office of the Inspector General to conduct investigations of alleged wrongdoing.
3. 18 U.S.C. 1341 Mail Fraud
 - a. 1. Defendant knowingly devised or participated in a scheme to defraud, or for obtaining money or property by means of false pretenses, representations, or promises;
 - b. 2. The false pretenses, representations, or promises related to a material fact:
 - c. 3. The defendant did so willfully and with an intent to defraud; and'
 - d. 4. Defendant used the United States Postal Service by mailing or by causing to be mailed some matter or thing or taking or receiving such a matter or thing from the mail for the purpose of executing the scheme to defraud.

4. VA. Code: § 18.2-152.5 Computer invasion of privacy; penalties. "A person is guilty of the crime of computer invasion of privacy when he uses a computer or computer network and intentionally examines without authority any employment, salary, credit or any other financial or identifying information."
5. City Admin Regulation: 2.7.III.C: USE OF COMPUTER EQUIPMENT. "Under no circumstances is an employee of the COR authorized to engage in any activity that is illegal under local, state, federal or international law while utilizing COR-owned resources."
6. City Personnel Rule: 5.2(1) Neglect of Duty.
7. City Personnel Rule: 5.2(8) Conduct unbecoming an employee of the City tending to bring the City service into disrepute;
8. City Personnel Rule: 5.2(13) Material falsification of any City document or employment application;
9. City Personnel Rule: 5.2(15) Theft, fraud, or embezzlement of City services or property leased to or otherwise in the possession of the City.

Background:

In May 2019, one of the Intensive Case Manager's clients, who was receiving both SNAP and TANF benefits on behalf of five children, died in a car accident in May 2019. The intensive case manager accessed the deceased client's personal identifying information and had duplicate benefit cards made and expended the funds from these cards.

Findings:

During this investigation, significant findings were discovered raising public integrity issues. Due to the subject employee assuming a deceased client's identity to obtain benefits, the OIG sought help from the U.S. Attorney's Office and the Federal Bureau of Investigation (FBI).

During the investigation, the investigator obtained and reviewed the subject employee personnel file, emails, and computer usage. During this review, the investigator was able to determine the subject employee's current address and another address that belonged to a relative of the subject employee. This relative's address was used to obtain duplicate SNAP and TANF cards for the deceased client. The investigator was also able to determine through SNAP and TANF records that the subject employee also changed the pin number for the SNAP and TANF cards in order to activate and use the replacement cards. The review discovered the subject employee was accessing the deceased client case file using the City of Richmond computer. The subject employee

added fraudulent documents to the deceased client case file in order for it to appear that the deceased client was still alive and using their benefits.

In July 2019 the subject employee accessed the deceased client's SNAP and TANF accounts and requested new cards new PIN, and had the mailing address changed to a relative of the subject employee. Once the subject employee received the new cards the subject employee began making purchases using these cards. The investigator was able to identify purchases made by the subject employee which included Walmart, Staples, and Virginia Department of Motor Vehicles. The Investigator analyzed SNAP and TANF reports and determined the subject employee obtained and had access to \$13,357.07 in SNAP and TANF benefits and spent \$8,408.16. This fraudulent activity continued until February 2020.

Conclusion:

Based on the findings, the OIG concludes that the allegations are substantiated. The employee was prosecuted and pleaded guilty to one count of mail fraud and was sentenced on November 23, 2021. The subject employee was sentenced to 20 months of confinement in a Federal Prison and upon release from imprisonment, the subject employee will be on supervised release for a term of three (3) years. As part of a Federal plea agreement, the employee is required to reimburse the City of Richmond, Department of Social Services \$8408.16 in restitution.

The Office of the Inspector General appreciates the cooperation and assistance offered by the Federal Bureau of Investigations (FBI) and the United States Attorney's Office Eastern District of Virginia.

If you have any questions, please contact me at extension 1840.

Sincerely,



James Osuna,
Inspector General

cc: Reginald Gordon, DCAO Human Services
Shaunda Giles, Director of Social Services
Honorable Members of City Council