

Department of Justice
U.S. Attorney's Office
Western District of Virginia

FOR IMMEDIATE RELEASE

Monday, June 21, 2021

Lee County Woman Pleads Guilty to Nearly \$700,000 Unemployment Fraud Scheme

ABINGDON, Va. – A Lee County woman pleaded guilty today to conspiring to defraud the government of more than \$699,124 in pandemic-related unemployment funds, mail fraud, and aggravated identity theft.

According to court documents, Farren Ricketts, 30, and others conspired to file fraudulent claims for pandemic unemployment benefits through the Virginia Employment Commission (VEC) website. The scheme involved Ricketts filing claims for various individuals, including her husband and others known to be ineligible to receive pandemic employment benefits.

To further the conspiracy, Ricketts developed a business entity called “Ricketts Advisory, LLC,” registered with the State Corporation Commission, and advertised as a financial services company providing assistance filing pandemic unemployment claims.

Between May 2020 and February 2021, Ricketts filed more than 100 fraudulent claims for pandemic unemployment benefits. For many of these filings, Ricketts created fraudulent documents to support the claims, including fraudulent IRS forms to purport pre-pandemic income.

In addition, Ricketts filed numerous claims in the names of prison inmates who were unaware that Ricketts was using their personally identifiable information.

“Defrauding the federal government of critical funds designed to assist those in need is unconscionable, particularly during a worldwide pandemic. It is also a federal crime with serious consequences,” Acting U.S. Attorney Bubar stated today. “Along with our partners at the Department of Labor and IRS, we will continue to investigate and prosecute anyone who stole from these vital programs and bring them to justice.”

“Farren Ricketts engaged in a scheme to defraud the Pandemic Unemployment Assistance program by submitting fraudulent claims for benefits for herself and others. This scheme resulted in a loss to the government of more than \$669,000. Unemployment insurance programs exist to provide needed assistance to qualified individuals who are unemployed or underemployed due to no fault of their own. Fraud against these programs causes state workforce agencies, like the Virginia Employment Commission, to redirect valuable resources to address fraud in order to ensure benefits go to individuals who are eligible to receive them. The U.S. Department of Labor Office of Inspector General will continue to work closely with the U.S. Attorney's Office, the Virginia Employment Commission, and our many law enforcement partners to investigate those who exploit the unemployment insurance program,” stated Syreeta Scott, Acting Special Agent-in-Charge of the Philadelphia Region, U.S. Department of Labor Office of Inspector General

“Thieves fraudulently taking advantage of pandemic unemployment assistance is disgraceful. We will continue working with our law enforcement partners in an effort to hold those accountable who stole funds meant to help those in need,” said Darrell J. Waldon, Acting Special Agent in Charge of the IRS-CI Washington DC Field Office.

Ricketts pleaded guilty today to one count of conspiracy to defraud the United States, one count of mail fraud, and one count of aggravated identity theft. She is scheduled to be sentenced on October 29, 2021. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

The Department of Labor Office of the Inspector General, the Internal Revenue Service – Criminal Investigation, are investigating the case.

Assistant U.S. Attorney Daniel J. Murphy is prosecuting the case.

Component(s):

USAO - Virginia, Western