

PRESS RELEASE

Sentenced for Role in \$2 Million Unemployment Insurance Fraud

Tuesday, June 11, 2024

For Immediate Release

U.S. Attorney's Office, Northern District of Texas

A Garland man was sentenced Monday to two years in prison for his role in a \$2 million unemployment insurance fraud, announced U.S. Attorney for the Northern District of Texas Leigha Simonton.

Frank Sherman, 60, was indicted in November 2022. He pleaded guilty in October 2023 to theft of government funds and was sentenced Monday by U.S. District Judge David Godbey, who also ordered him jointly and severally liable for nearly \$2.3 million in restitution.

According to plea papers, Mr. Sherman admitted that from July 2020 through September 2021, he helped unknown coconspirators he met on social media pass fraudulently-obtained unemployment funds to individuals in Canada.

Mr. Sherman agreed to ship preloaded debit cards issued by the Nevada Department of Employment, Training, & Rehabilitation from his home in Garland to unknown individuals in Canada.

Over the course of 14 months, he received at least 200 Nevada unemployment insurance debit cards loaded with more than \$2 million in unemployment insurance funds. He shipped most of the cards to Canada, but on at least one occasion, kept a debit card and used it for his own benefit.

Mr. Sherman also admitted to purloining \$3,000 in unemployment funds from the California Employment Development Department, despite never having worked in the state.

The U.S. Department of Labor – Office of Inspector General and U.S. Department of Homeland Security – Office of Inspector General conducted the investigation. Assistant U.S. Attorney Marty Basu prosecuted the case.

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Updated June 11, 2024

Topic

FINANCIAL FRAUD

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