

Department of Justice
U.S. Attorney's Office
Northern District of Ohio

FOR IMMEDIATE RELEASE

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Cleveland Heights man sentenced to more than 11 years in prison for \$1.1 million unemployment fraud

A Cleveland Heights man was sentenced to more than 11 years in prison for conspiring to defraud states out of more than \$1.1 million in unemployment insurance benefits, said Steven M. Dettelbach, United States Attorney for the Northern District of Ohio.

Juan Sanders, 35, was sentenced to 139 months in federal prison. He previously pleaded guilty to one count each of conspiracy to commit mail and wire fraud, wire fraud, aggravated identity theft and money laundering.

Co-conspirators Trina Grant, of Cleveland, Ashley Robinson, of Warrensville Heights, and Robert Barrett, of Cleveland, have also been found guilty of crimes and sentenced.

"These defendants took advantage of a program designed to help people out of work and instead used it to enrich themselves," Dettelbach said.

"This sentence illustrates the Office of Inspector General's commitment to combating unemployment insurance fraud. Ensuring the accountability and integrity of the unemployment insurance program remains a high priority for the Office of Inspector General," said James Vanderberg, Special Agent-in-Charge of the Chicago Regional Office of the U.S. Department of Labor Office of Inspector General, Office of Labor Racketeering and Fraud Investigations.

"Stealing innocent peoples' identities to defraud safety net programs is detestable," said Kathy Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. "This defendant let greed be his guide and today's sentence should send a strong warning that such acts will not be tolerated and when discovered, prosecuted to the fullest extent possible."

The defendants conspired to defraud state unemployment offices in Ohio, California, North Carolina, Massachusetts and Illinois from about September 2011 to January 2014. Under this scheme, Sanders fraudulently obtained personal identifying information from unsuspecting individuals to submit fraudulent claims for unemployment insurance benefits, according to court documents.

Sanders also created state unemployment insurance accounts for multiple fictitious employers in Ohio, California, North Carolina, Massachusetts and Illinois. Sanders then filed claims from “employees” who had been purportedly laid off by the fictitious companies. Sanders caused benefit debit cards for the “employees” of these fictitious companies to be mailed to various addresses in Ohio, according to court documents.

Once the benefits were loaded or reloaded onto the debit cards, Sanders, Grant, Robinson and Barrett used the debit cards at various ATMs in Ohio and withdrew the fraudulently obtained money, according to court documents.

As a result of this scheme, approximately \$1,174,767 in fraudulent unemployment benefits were paid from state agencies in North Carolina (\$572,170), Ohio (\$261,509), Illinois (\$144,240), California (\$129,600) and Massachusetts (\$67,248).

Sanders used \$16,900 in fraudulently obtained cash to pay off a car loan on his 2007 Jaguar XJ automobile as well as several months’ rent on a Cleveland Heights apartment, according to court documents.

The case was prosecuted by Assistant United States Attorneys Robert W. Kern, M. Kendra Klump, and James Morford following an investigation by the Department of Labor’s Office of the Inspector General and the Internal Revenue Service Criminal Investigation Division.

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