

PRESS RELEASE

Long Island Woman Indicted for \$3.28 Million Paycheck Protection Program Fraud Scheme

Thursday, May 23, 2024

For Immediate Release

U.S. Attorney's Office, Eastern District of New York

Defendant Submitted at Least 27 Fraudulent Applications for Covid-19 Relief Loans

Earlier today, in federal court in Brooklyn, an indictment was unsealed charging Donna Ingram with wire fraud, disaster relief fraud, and theft of public funds relating to her scheme to submit fraudulent applications for loans under the United States Small Business Administration's (the "SBA") Paycheck Protection Program ("PPP"), which Congress created as part of the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. Ingram was arrested today and is scheduled to be arraigned this afternoon before United States Magistrate Judge Sanket J. Bulsara.

Breon Peace, United States Attorney for the Eastern District of New York; Ivan J. Arvelo, Special Agent-in-Charge, Homeland Security Investigations, New York (HSI); Patrick J. Freaney, Special Agent-in-Charge, United States Secret Service (USSS); Amaleka McCall-Brathwaite, Special Agent-in-Charge, Office of the Inspector General of the SBA, Eastern Region Office (SBA-OIG); Edward A. Caban, Commissioner, New York City Police Department (NYPD); and Jonathan Mellone, Special Agent-in-Charge, U.S. Department of Labor, Office of the Inspector General, Northeast Region (DOL-OIG), announced the arrest and charges.

"As alleged, the defendant made a business out of defrauding the government by falsely claiming that she and others needed government loan benefits to pay their employees during the pandemic. This money was meant to help businesses weather the

pandemic. In reality, the defendant was lining her own pockets," stated United States Attorney Peace. "This Office will continue prosecuting those who took advantage of the COVID crisis and stole funds from vitally important government relief programs."

"Donna Ingram is accused of spearheading a scheme that defrauded the United States government of over \$3.2 million in relief funds meant for the well-meaning public during a time when their lives were in unparalleled crisis. The defendant's alleged crimes were anything but victimless, and robbed small businesses — the backbone of this country — of critical resources. HSI New York stands at the forefront of investigating financial crimes, and will pursue justice on behalf of New Yorkers regardless of how much time has passed," said HSI New York Special Agent in Charge Ivan J. Arvelo. "I commend our state and local law enforcement partners for their exceptional collaboration that resulted in today's arrest."

"Billing a loan program that served as a lifeline to businesses experiencing distress during the pandemic is simply unconscionable," said Patrick J. Freaney, Special Agent-in-Charge, United States Secret Service (USSS). "While our nation has moved past the pandemic, the United States Secret Service remains steadfast in its commitment to holding these alleged fraudsters accountable. I want to thank our many law enforcement partners for their seamless collaboration in this important and ongoing work."

"Abusing the Paycheck Protection Program, which was established to support struggling small businesses during the pandemic, for personal gain is inexcusable," said SBA OIG's Eastern Region Special Agent in Charge Amaleka McCall-Braithwaite. "Our office is dedicated to safeguarding the integrity of SBA programs and ensuring that individuals who commit fraud are held accountable. I want to thank the U.S. Attorney's Office and our law enforcement partners for their dedication and commitment to seeing justice served."

"This indictment underscores law enforcement's ongoing commitment to ensuring that only people and businesses truly in need used public resources earmarked for relief programs during the pandemic," stated NYPD Commissioner Caban. "The NYPD will continue to assist our federal partners in any of their investigations related to that grave time, with the goal of protecting taxpayer funds and holding all alleged fraudsters accountable for their actions."

"An important part of the mission of the U.S Department of Labor, Office of Inspector General is to investigate allegations of pandemic-related fraud. We will continue to work with our law enforcement partners to investigate these types of allegations," stated

Jonathan Mellone, Special Agent-in-Charge, Northeast Region, U.S. Department of Labor, Office of Inspector General.

As set forth in court filings, between May 2020 and May 2021, Ingram submitted at least 27 PPP loan applications (the "Subject Applications") on behalf of her own companies as well as at least 22 other businesses (the "Subject Businesses"). The Subject Applications contained false information about the Subject Businesses, including false claims about their revenue, number of employees, payroll costs, and intended use of the loan proceeds. For example, for one business, referred to in the Indictment as Subject Business-3, Ingram submitted two separate applications for loans, one which falsely claimed that the business had earned approximately \$950,950 in 2019 and another which falsely claimed that the same business had earned approximately \$820,000 in 2019. Subject Business-3 received two PPP loans for \$150,000 each and its owner paid Ingram approximately \$50,500 in kickbacks. In total, the Subject Businesses received loans in the amount of approximately \$3.28 million and Ingram received kickbacks totaling at least \$430,000 for her preparation and submission of the fraudulent Subject Applications.

The charges in the indictment are allegations, and the defendant is presumed innocent unless and until proven guilty. If convicted, Ingram faces up to 20 years' imprisonment.

The government's case is being handled by the Office's General Crimes Section. Assistant United States Attorney Sean M. Sherman is in charge of the prosecution.

The Defendant:

DONNA INGRAM
Age: 50
Freeport, Long Island

E.D.N.Y. Docket No. 24-CR-214 (HG)

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Attachment

[Indictment](#) [PDF, 428 KB]

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