



U.S. Department of Justice

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LAKE-IN-THE HILLS MAN SENTENCED TO PRISON FOR FRAUD

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois; and THOMAS UTZ, JR., Special Agent-In-Charge of the Chicago Field Office of the United States Department of Education - Office of the Inspector General (“DOE-OIG”), today made the following announcement:

This morning, in federal court in Rockford, WILLIAM J. FALBO, SR., 47, of Lake-in-the-Hills, Illinois, was sentenced to serve 12 months in prison for his conviction for obtaining federal education benefits through fraud and false statements. The court also sentenced Falbo to serve three years of supervised release following his imprisonment and ordered him to pay a total of \$42,469.45 to the victims of his crimes.

The education fraud charge that Falbo pled guilty to was part of a four count indictment filed on July 15, 2008. Count One of the indictment alleged that Falbo falsely applied for federal student financial aid in the name of his son, without his son’s permission or knowledge. Count Two alleged that Falbo defrauded Fifth Third Bank out of more than \$23,000 in connection with an account he caused to be opened in his son’s name. Count Three alleged that Falbo committed wire fraud by applying for a Discover credit card in the name of another individual, without that other individual’s permission or knowledge. Count Four charged defendant with identity theft in connection with the application for the Discover card.

In the plea agreement which was entered on March 16, 2009, defendant admitted that he had agreed to pay for his son’s college education after he divorced his son’s mother. Defendant’s son was admitted into Drake University during the spring of 2004. In order to avoid his obligation to pay for his son’s education, defendant falsely applied for federal grants and federally insured loans in his son’s name, without his son’s knowledge or permission. In support of these applications, defendant submitted numerous false documents, including a false tax return which stated that defendant’s income during 2003 was \$47,227. The actual tax return that defendant filed with the IRS for 2003 showed his income as \$233,403. Defendant also admitted that he forged his son’s name on certain documents.

At the sentencing hearing today, the court found that defendant also committed the bank fraud alleged in Count Two of the indictment and the wire fraud alleged in Count Three relating to the Discover Card. The court considered these acts as relevant conduct for purposes of determining Falbo’s sentence.

The sentencing hearing was conducted by United States District Judge Frederick J. Kapala. The case was investigated by the Chicago field office of the DOE-OIG. The case was prosecuted in federal court by Assistant United States Attorney Scott A. Verseman.

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