

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	CRIMINAL NO.
v.	*	SECTION:
MARGUERITE JOHNSTON	*	

* * *

FACTUAL BASIS

The defendant, **MARGUERITE JOHNSTON** (hereinafter, the “defendant” or “Johnston”), has agreed to plead guilty as charged to the one-count bill of information charging her with theft of government money, in violation of Title 18, United States Code, Section 641. Should this matter proceed to trial, both the Government and the defendant, **MARGUERITE JOHNSTON**, do hereby stipulate and agree that the following facts set forth a sufficient factual basis for the crimes to which the defendant is pleading guilty. The Government and the defendant further stipulate that the Government would have proven, through the introduction of competent testimony and admissible, tangible exhibits, the following facts, beyond a reasonable doubt, to support the allegations in the bill of information now pending against the defendant

The United States Social Security Administration (“SSA”) was an agency of the

United States created to provide for the general welfare by establishing a system of federal benefits. Specifically, SSA was responsible for the administration of numerous programs including, but not limited to, SSA retirement benefits, survivors and disability insurance programs (“RSDI”), the Supplemental Security Income program for aged and disabled indigent persons (“SSI”), and Social Security Account Number issuance, reporting, and recording.

SSA was also charged with administering benefits under the Social Security Title II (“SST2”) program. SST2 benefits were paid to aged (*i.e.*, 62 years old and over), blind and disabled persons who have worked long enough in employment covered by Social Security to meet insured status requirements. Other persons, such as a spouse, a widow(er), minor children, and survivors may also be entitled to SST2 benefits.

When a recipient of SSA benefits is incapable of managing their payments for any reason, including because the recipient is a minor, the SSA may appoint someone, usually a family member, to serve as a representative payee. A representative payee is responsible for handling and taking care of the benefits. A representative payee is required to, among other things, report any and all material changes in the status or condition (*i.e.*, changes that may affect the recipient’s eligibility for benefits) of the payee whom they represent, such as the payee’s death, to SSA promptly and to return any payments to which the claimant is not entitled.

. **C.D.**, as a surviving child of **F.J.**, a deceased recipient of SST2 benefits, was entitled to receive, and did in fact receive, SST2 benefits. **C.D.** had been eligible to receive SST2 benefits off of F.J.’s benefits since F.J.’s death in February 1995. **C.D.** was himself diagnosed as being disabled. **C.D.** was the son of the defendant, **MARGUERITE JOHNSTON**.

The defendant, **MARGUERITE JOHNSTON**, was also entitled to receive, and did,

in fact, receive SST2 benefits as the mother of a qualifying disabled child, **C.D.**, who himself received SSA benefits. She had been eligible to receive, and did, in fact, receive SST2 benefits in this manner since February 1995. Eligibility for these benefits terminated when one of several conditions, including the death of the child, occurred.

The defendant, **MARGUERITE JOHNSTON**, was also a representative payee for **C.D.** All SST2 benefits paid to **C.D.** were paid to **C.D.** via direct deposit into the Capital One Bank, N.A. bank account of the defendant, **MARGUERITE JOHNSTON**.

As representative payee for **C.D.**, the defendant, **MARGUERITE JOHNSTON**, was required to report any and all material changes in the status or condition of **C.D.** to SSA.

On or about January 14, 2007, **C.D.** passed away. After that date, he was no longer entitled to receive SST2 benefits. Additionally, after that date, the defendant, **MARGUERITE JOHNSTON**, was no longer eligible to receive SST2 benefits in her name as the mother of **C.D.**

C.D. continued to receive SST2 benefits up through and including May 1, 2009. The defendant, **MARGUERITE JOHNSTON**, continued to receive SST2 benefits up through and including May 1, 2009. SSA was never informed that **C.D.** had died.

The defendant, **MARGUERITE JOHNSTON**, was responsible for notifying, and required to notify, SSA of the death of her son, **C.D.** She never notified SSA that **C.D.** had died.

From on or about January 14, 2007, to on or about May 1, 2009, in the Eastern District of Louisiana, the defendant, **MARGUERITE JOHNSTON**, received the SST2 benefits paid by SSA to her deceased son, **C.D.**, had them deposited in her bank account, as representative payee for **C.D.**, and used the funds for her own gain and benefit. She, further, continued to receive SST2 benefits paid by SSA in her own name as a result of her status as **C.D.**'s mother. In total,

the defendant, **MARGUERITE JOHNSTON**, received SST2 benefits after **C.D.'s** death in the amount of approximately \$49,863.60, to which she was not entitled.

After receiving these benefits, the defendant, **MARGUERITE JOHNSTON**, accessed and withdrew the SST2 benefits and converted them to her personal use, all the while knowing that she was not entitled to receive them.

By engaging in the behavior outlined above, the defendant, **MARGUERITE JOHNSTON**, did knowingly embezzle, steal, purloin, and convert to her own use funds of the Social Security Administration to which she knew she was not entitled in the amount of approximately \$49,863.60.

The above facts come from an investigation conducted by, and would be proven at trial by credible testimony from, agents from the United States Social Security Administration - Office of Inspector General, documents and records of the United States Social Security Administration, and the statements and admissions of the defendant, **MARGUERITE JOHNSTON**.

APPROVED AND ACCEPTED:

MARGUERITE JOHNSTON
Defendant

Date

ALEXANDRE BONIN, ESQ.
(LA Bar No. _____)
Attorney for Defendant Johnston

Date

JORDAN GINSBERG
(IL Bar. No. 6282956)

Date

Assistant United States Attorney