

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 v. : Criminal No. 12-
 :
 SEAN SMITH : 18 U.S.C. §§ 1341 and 2

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

THE DEFENDANT AND OTHER PARTIES

1. At all times relevant to this Information:

a. Clothes for Kids Sake, Inc. ("Clothes for Kids") was a non-profit organization in Parsippany, New Jersey, founded in 2009 with the mission of collecting used clothing and household items to sell to Savers, Inc., a chain of for-profit thrift stores. The profits from the sales of the used clothing and household items benefitted specific not-for-profit organizations in the social services field, including Big Brothers Big Sisters.

b. Big Brothers Big Sisters of Morris, Bergen, Passaic & Sussex, Inc. ("Big Brothers Big Sisters") was a non-profit organization headquartered in Mountain Lakes, New Jersey. Big Brothers Big Sisters had a mission to help children reach their potential through one-on-one relationships with mentors.

Big Brothers Big Sisters was a beneficiary of funding from Clothes for Kids.

c. Defendant SEAN SMITH resided in Mount Holly, New Jersey and was the director of operations at a Clothes for Kids donation center in Mount Laurel, New Jersey. As the director of operations, defendant SEAN SMITH had full hiring, firing, and supervisory authority over the approximately 40 employees who worked in the donation center and an additional 10 employees who worked in an affiliated call center. Defendant SEAN SMITH also had access to each employee's employment file and wage information, including online access to the banking and direct deposit information each employee had on file with Clothes for Kids.

THE SCHEME TO DEFRAUD

2. From at least as early as in or about May 2011 through in or about August 2012, in Morris and Burlington Counties, in the District of New Jersey, and elsewhere, defendant

SEAN SMITH

did knowingly devise and intend to devise a scheme and artifice to defraud Big Brothers Big Sisters and Clothes for Kids, and to obtain monies, funds and other property from Big Brothers Big Sisters and Clothes for Kids by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice to defraud was in substance as set forth below.

OBJECT OF THE SCHEME AND ARTIFICE TO DEFRAUD

3. It was the object of the scheme and artifice to defraud for defendant SEAN SMITH to obtain money from Big Brothers Big Sisters and Clothes for Kids by making it appear as though employees were working for Clothes for Kids and entitled to wages even though those employees had either never worked for Clothes for Kids or were no longer employed by Clothes for Kids and having those wages electronically deposited into bank accounts he controlled.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE TO DEFRAUD

4. It was part of the scheme and artifice to defraud that beginning in on or about May 2011 defendant SEAN SMITH made it appear as though two individuals, including his girlfriend, were working for Clothes for Kids when in fact they were not working, and had never worked, for Clothes for Kids. Defendant SEAN SMITH approved and submitted employment documents to Clothes for Kids that made it appear as though these individuals had been hired and had begun to work. He also verified the hours that he claimed each of the two individuals were working. In fact, neither of these individuals ever performed the work that defendant SEAN SMITH claimed they performed for Clothes for Kids. Defendant SEAN SMITH then submitted paperwork that caused these fake employees' wages, totaling approximately \$59,361, to be deposited into bank accounts that he controlled.

5. It was further part of the scheme and artifice to defraud that beginning at least as early as on or about January 2012, defendant SEAN SMITH manually changed the direct deposit information for approximately seven employees who had recently stopped working for Clothes for Kids. After changing the direct deposit information for each employee to a bank account that he controlled, defendant SEAN SMITH made it appear as though the former employees were continuing to do work for Clothes for Kids, and he caused Clothes for Kids to continue to pay them wages. All of the fraudulent wages, totaling approximately \$42,566, were deposited into bank accounts that defendant SEAN SMITH controlled.

6. It was further part of the scheme and artifice to defraud that defendant SEAN SMITH caused Clothes for Kids, on at least one occasion, to mail a paper check to the Mount Laurel donation center. The paper check, in the amount of \$303.53, was made out to an employee who no longer worked for Clothes for Kids. Defendant SEAN SMITH received the check and deposited it into a bank account that he controlled.

7. In total, defendant SEAN SMITH stole approximately \$101,927 from Clothes for Kids and Big Brother Big Sisters as part of his scheme and artifice to defraud. Defendant SEAN SMITH used the stolen money to pay for various personal expenses.

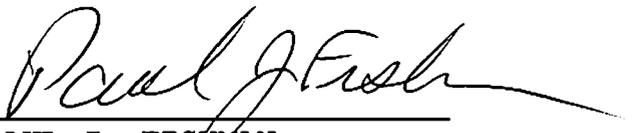
8. On or about February 10, 2012, in Morris and

Burlington Counties, in the District of New Jersey, and elsewhere, for the purpose of executing and attempting to execute this scheme and artifice to defraud, defendant

SEAN SMITH

did knowingly cause to be sent and delivered by the Postal Service, certain mail matter, namely a check in the amount of \$303.54 from Clothes for Kids, in Parsippany, New Jersey, to the Clothes for Kids donation center, in Mount Laurel, New Jersey.

In violation of Title 18, United States Code, Sections 1341 and Section 2.



PAUL J. FISHMAN
United States Attorney