

IN THE UNITED STATES DISTRICT COURT **-FILED-**
FOR THE NORTHERN DISTRICT OF INDIANA **JAN 15 2020**
HAMMOND DIVISION

At _____ M
ROBERT N. TRGOVICH, Clerk
U.S. DISTRICT COURT
NORTHERN DISTRICT OF INDIANA

UNITED STATES OF AMERICA) CAUSE NO.
)
 v.)
) 18 U.S.C. § 1343
CHARLENE GEE)

2:20CR 008

INDICTMENT

THE GRAND JURY CHARGES:

General Allegations

At times material to this indictment:

1. Sebos Nursing and Rehabilitation Center (“Sebos”) was a business located in Hobart, Indiana within the Northern District of Indiana.
2. Charlene Gee was hired to work as a Human Resources Director with Sebos in November of 2018. Gee maintained this position until August of 2019.
3. Some employees of Sebos were eligible for bonus payments in addition to their salaries. These extra payments include sign up bonuses when an employee was first hired and referral bonuses given to current employees who referred others who were ultimately hired as a Sebos employee.
4. Directors, such as Charlene Gee, were not eligible for these bonuses.

5. During each pay period, the Sebos HR Director was responsible for compiling the bonuses earned by Sebos employees into an excel spreadsheet entitled “Payroll Sign up Form.”

6. Once compiled, the HR Director brought the “Payroll Sign up Form” to the Sebos Administrator who reviewed it for accuracy and then signed off on the bonuses to be paid to the employees during that pay period.

7. The HR Director then emailed this payroll information to a payroll company called ProPay which was located in Evanston, Illinois.

8. Propay then relied on the information provided by the HR Director to pay out the bonuses to Sebos employees which was often through direct deposit to the employees’ banks.

The Scheme

9. From on or about November 20, 2018 to on or about August 31, 2019, within the Northern District of Indiana,

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defendant herein, devised and intended to devise a scheme to defraud Sebos Nursing and Rehabilitation Center, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

10. As part of the scheme, on a biweekly basis, Charlene Gee would present a three page “Payroll Sign Up Form” to the Sebos Administrator with

a list of the employees eligible for a bonus or other extra payment during that pay period.

11. The Administrator would review the bonuses and extra payments and sign a certification on the first and last page of the form agreeing that the contents were accurate and the included bonus payments should be paid. The signed form would then be returned to Gee.

12. After receiving the signed Payroll Sign Up Form from the administrator, Gee would alter the second page of the “Payroll Sign Up Form” to add her own name and, on occasion, the name of another employee (hereinafter Employee A) to the list of employees that were to receive bonuses for that pay period.

13. Gee would then submit the altered form by email to Pro Pay, for payment of the bonuses.

14. Relying on Gee’s representations, Pro Pay then processed the bonuses and distributed them to the employees, including Gee and Employee A, who received their bonuses through a direct deposit to their bank accounts with the Navy Federal Credit Union and Midwest Bank, respectively.

15. In total, Gee altered the Payroll Sign Up sheet for 18 pay periods starting on or around December 8, 2018 and ending on or around August 09, 2019 awarding herself \$71,450.00 in unauthorized bonuses that she neither earned nor was eligible to receive.

16. During that same time period, Gee also submitted Payroll information for Employee A which provided Employee A with \$19,950.00 in unearned and unauthorized bonuses.

17. The amount of unearned bonuses distributed to Gee and Employee A through Gee's false representations totaled \$91,400.00.

18. On or about each of the dates set forth below, in the Northern District of Indiana and elsewhere, defendant

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for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count.

COUNT	TRANSACTION
1	On 12-12-18, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3500 Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 12-13-18
2	On 12-24-18, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3500 Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 12-27-18
3	On 01-08-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3000 Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 01-10-19
4	On 01-23-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$1500 Miscellaneous Bonus which caused the wire communication of a direct deposit of funds into her bank account on 01-24-19
5	On 02-05-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$1500 Referral Bonus which caused the wire

	communication of a direct deposit of funds into her bank account on 02-07-19
6	On 02-20-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3500 Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 02-21-19
7	On 03-06-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$1750 Retro Bonus which caused the wire communication of a direct deposit of funds into her bank account on 03-07-19
8	On 03-20-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3500 Sign up Bonus which caused the wire communication of a direct deposit of funds into her bank account on 03-21-19
9	On 04-02-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3000 Sign up Bonus which caused the wire communication of a direct deposit of funds into her bank account on 04-04-19
10	On 04-17-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$1500 Miscellaneous Bonus which caused the wire communication of a direct deposit of funds into her bank account on 04-18-19
11	On 04-29-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3500 Sign up Bonus which caused the wire communication of a direct deposit of funds into her bank account on 05-02-19
12	On 05-14-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$3500 Sign up Bonus which caused the wire communication of a direct deposit of funds into her bank account on 05-16-19
13	On 05-29-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$5000 Misc/Referral Bonus which caused the wire communication of a direct deposit of funds into her bank account on 05-30-19
14	On 06-11-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$5500 Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 06-13-19
15	On 06-25-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$5500 Sign on Bonus which caused the wire

	communication of a direct deposit of funds into her bank account on 06-27-19
16	On 07-10-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$5500 Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 07-11-19
17	On 07-24-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$7700 Extra Shift/Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 07-25-19
18	On 08-07-19, Gee submitted a Pay Roll sign up form to Pro Pay awarding herself a \$9000 Referral/Sign on Bonus which caused the wire communication of a direct deposit of funds into her bank account on 08-08-19

All in violation of Title 18, United States Code, Section 1343.

FORFEITURE

1. The allegations contained in this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 28 USC 2461(c).

2. Pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 28 USC 2461(c), upon conviction of an offense in violation of Title 18, United States Code, Section 1343, Charlene Gee shall forfeit to the United States of America any property, real or personal, involved in such offense and relevant conduct, and any property traceable to such property. The property to be forfeited includes, but is not limited to, the following:

Money Judgment for \$91,400 in United States Currency

3. If any of the property described above, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

A TRUE BILL


FOREPERSON

THOMAS L. KIRSCH II
United States Attorney

By: 
THOMAS M. MCGRATH
Assistant United States Attorney