

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

**UNITED STATES OF AMERICA** : **CRIMINAL NO. 14-\_\_\_\_**  
**v.** : **DATE FILED:**  
**JOHN BERNHARDT** : **VIOLATIONS:**  
: **18 U.S.C. § 641 (conversion of**  
: **government funds - 1 count)**  
: **42 U.S.C. § 408(a)(5) (Social Security**  
: **representative payee fraud - 1 count)**

**INFORMATION**

**COUNT ONE**

(Conversion of Government Funds)

**THE UNITED STATES ATTORNEY CHARGES THAT:**

At all times material to this information:

1. The Social Security Administration (“SSA”), an agency of the United States, administered certain government benefit programs, including the Disability Insurance Benefit (“DIB”) program, pursuant to Title 42, United States Code, Sections 401-433.
2. The DIB program was an earned-right program funded through Social Security wage taxes. When an individual worked, that individual paid taxes on his or her wages into the Social Security trust fund. If that individual paid sufficient Social Security taxes to earn sufficient “credits,” as that term was defined for purposes of the Social

Security Act, he or she was eligible to receive retirement insurance benefits upon reaching a certain age.

3. The Representative Payee Program authorized SSA to pay recipients' benefits, including DIB benefits, to a "representative payee," if and when doing so would be in the best interest of the intended beneficiary. A representative payee was an individual or organization authorized to receive and manage benefits on behalf of someone deemed incapable of doing so on his or her own. The representative payee was required to use SSA benefit money for the basic needs of the beneficiary, such as food, clothing, and shelter.

4. The roommate of defendant JOHN BERNHARDT, identified in this information as "C.C.", received DIB benefits during his lifetime. The SSA issued DIB payment checks to C.C. via the United States Treasury Department.

5. In or about July 2009, pursuant to defendant JOHN BERNHARDT's application to become his roommate's representative payee, SSA began issuing C.C.'s DIB payment checks to "John Bernhardt for C.C."

6. In or about May 2010, C.C. moved out of the apartment he was sharing with defendant JOHN BERNHARDT.

7. In or about June 2010, defendant JOHN BERNHARDT stopped using the SSA benefit money for the basic needs of C.C., the beneficiary.

8. SSA was not timely notified that defendant JOHN BERNHARDT was no longer acting as C.C.'s representative payee and had stopped using the SSA money

for the basic needs of C.C., and as such, the U.S. Treasury, on behalf of SSA, continued to issue DIB payment checks to defendant BERNHARDT through in or about October 2012.

9. As part of his obligations as representative payee, defendant JOHN BERNHARDT was required to inform SSA how he spent the beneficiary's money for the basic needs of the beneficiary. On or about August 9, 2012, defendant BERNHARDT submitted a Form SSA-623-OCR-SM "Representative Payee Report" to the SSA in which he falsely claimed that from August 1, 2011 through July 31, 2012, he used C.C.'s DIB benefit money to pay for C.C.'s food and housing.

10. In or about October 2012, SSA terminated C.C.'s DIB payments to his representative payee, defendant JOHN BERNHARDT.

11. Defendant JOHN BERNHARDT improperly received and converted to his own use approximately \$27,191 in DIB payments that were intended for C.C., which defendant JOHN BERNHARDT knew he was not entitled to receive.

12. Beginning in or about June 2010 and continuing through in or about October 2012, in the Eastern District of Pennsylvania, defendant

**JOHN BERNHARDT**

knowingly converted to his own use money of the United States in excess of \$1,000, that is, approximately \$27,191 in DIB payments that were intended for C.C.

In violation of Title 18, United States Code, Section 641.

**COUNT TWO**

(Social Security Representative Payee Fraud)

**THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 11 of Count One of this information are realleged here.
2. Beginning in or about June 2010 and continuing through in or about October 2012, in the Eastern District of Pennsylvania, defendant

**JOHN BERNHARDT,**

having made application to receive C.C.'s DIB benefit payments for the use and benefit of C.C., knowingly and willfully received payments intended for C.C. and converted such money to his own use, by concealing and failing to disclose to SSA that he was no longer using C.C.'s DIB benefit payments for the use and benefit of C.C.

In violation of Title 42, United States Code, Section 408(a)(5).

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**ZANE DAVID MEMEGER**  
**UNITED STATES ATTORNEY**

