

Filed Under Seal

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

| | | |
|---------------------------------|----------|--|
| UNITED STATES OF AMERICA | : | CRIMINAL NO. _____ |
| v. | : | DATE FILED: <u>October 1, 2013</u> |
| SONDRA WONG NELSON | : | VIOLATIONS: |
| | : | 18 U.S.C. § 666(a)(1)(A) (theft from a |
| | : | federally funded organization- 1 count) |
| | : | 18 U.S.C. § 500 (falsely altering a |
| | : | postal money order - 2 counts) |
| | | Notice of Forfeiture |

INDICTMENT

COUNT ONE

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:

1. The Philadelphia Housing Authority (“PHA”) was a public, not-for-profit state agency whose central mission was to provide low-income Philadelphia residents with decent, affordable housing. PHA owned, built, maintained, and rented housing for low-income Philadelphians.

2. Much of PHA’s funding came directly and indirectly from the federal government, as PHA received in excess of \$10,000 in the calendar year 2012 of federal assistance through, among other things, grants, contracts, subsidies, loans, and guarantees.

3. PHA’s housing stock included “scattered sites,” which are apartments and homes in stand-alone houses located throughout Philadelphia that provided housing for thousands of low-income families. Tenants who lived in PHA scattered sites were permitted to

pay their monthly rents in many ways, including by delivering the rent payments at one of PHA's management offices, where the payment would be accepted and PHA's records would be updated to reflect that the rent was paid.

3. Between approximately August 2005 to approximately June 6, 2012, defendant SONDRA WONG NELSON was a PHA employee and as such was its agent. Between approximately February 2009 and approximately June 6, 2012, defendant NELSON held the position of Supervisory Asset Manager - Scattered Sites at PHA.

4. In her role as Supervisory Asset Manager at PHA, defendant SONDRA WONG NELSON was responsible for managing the daily operations of PHA's scattered sites.

5. Many of the PHA tenants living in the scattered sites paid their monthly rent at the management offices in the form of money orders made payable to PHA. Defendant SONDRA WONG NELSON, in her role as Supervisor Asset Manager at PHA, took many of these money orders, substituted her name for PHA as the payee on the money orders, and deposited the altered money orders in her personal bank account. The money orders that defendant NELSON deposited into her personal bank account include the following:

| TRANS-ACTION | DATE DEPOSITED | AMOUNT | DESCRIPTION | PHA TENANT |
|--------------|----------------|-----------|---|------------|
| 1 | 1/23/2012 | \$ 240.00 | Western Union Money Order | A.V. |
| 2 | 1/25/2012 | \$ 400.00 | Western Union Money Order | R.B. |
| 3 | 1/25/2012 | \$ 153.00 | 7-11 Western Union Money Order | B.B. |
| 4 | 1/31/2012 | \$ 320.00 | Merchants Express Money Order Company, Inc. | M.W. |
| 5 | 2/2/2012 | \$ 203.00 | Merchants Express Money Order Company, Inc. | E.B. |

| TRANS-ACTION | DATE DEPOSITED | AMOUNT | DESCRIPTION | PHA TENANT |
|---------------------|-----------------------|---------------|---|-------------------|
| 6 | 2/8/2012 | \$ 373.00 | Rite Aid Western Union Money Order | J.M. |
| 7 | 2/13/2012 | \$ 228.00 | Western Union Money Order | M.B. |
| 8 | 3/5/2012 | \$ 212.00 | Western Union Money Order | R.K. |
| 9 | 3/5/2012 | \$ 244.00 | DMC Money Order Company | M.G. |
| 10 | 3/12/2012 | \$ 279.00 | U.S. Postal Service Money Order | B.H. |
| 11 | 3/14/2012 | \$ 158.00 | Western Union Money Order | T.R. |
| 12 | 3/14/2012 | \$ 212.00 | Merchants Express Money Order Company, Inc. | T.A. |
| 13 | 3/19/2012 | \$ 246.00 | Money Gram Money Order | G.T.S. |
| 14 | 3/19/2012 | \$ 140.00 | Merchants Express Money Order Company, Inc. | S.M. |
| 15 | 3/19/2012 | \$ 252.00 | Money Gram Money Order | D.H. |
| 16 | 4/4/2012 | \$ 230.00 | Money Gram Money Order | T.C. |
| 17 | 4/4/2012 | \$ 201.00 | Western Union Money Order | H.W. |
| 18 | 4/6/2012 | \$ 330.00 | Merchants Express Money Order Company, Inc. | L.D. |
| 19 | 4/16/2012 | \$ 240.00 | DMC Money Order | T.A. |
| 20 | 5/2/2012 | \$ 207.00 | Western Union Money Order | V.M. |
| 21 | 5/7/2012 | \$ 245.00 | Merchants Express Money Order Company, Inc. | K.C. |
| 22 | 5/7/2012 | \$ 201.00 | DMC Money Order | M.B. |
| 23 | 5/17/2012 | \$ 109.00 | Merchants Express Money Order Company, Inc. | A.P. |
| 24 | 5/17/2012 | \$ 118.00 | Rite Aid Western Union Money Order | A.P. |
| 25 | 5/18/2012 | \$ 195.00 | Western Union Money Order | R.C. |

| TRANS-ACTION | DATE DEPOSITED | AMOUNT | DESCRIPTION | PHA TENANT |
|------------------------|----------------|-----------|---|------------|
| 26 | 5/22/2012 | \$ 200.00 | 7-11 Western Union Money Order | A.F. |
| 27 | 5/23/2012 | \$ 250.00 | 7-11 Western Union Money Order | J.B. |
| 28 | 5/25/2012 | \$ 200.00 | Money Gram Money Order | J.W. |
| 29 | 5/25/2012 | \$ 250.00 | Western Union Money Order | J.B. |
| 30 | 6/1/2012 | \$ 250.00 | Money Gram Money Order | C.T. |
| 31 | 6/1/2012 | \$ 202.00 | Western Union Money Order | J.B. |
| 32 | 6/4/2012 | \$ 100.00 | Western Union Money Order | Y.M. |
| 33 | 6/4/2012 | \$ 155.00 | 7-11 Western Union Money Order | M.H. |
| 34 | 6/6/2012 | \$ 223.00 | Merchants Express Money Order Company, Inc. | D.A. |
| 35 | 6/6/2012 | \$ 240.00 | Money Gram Money Order | B.P. |
| 36 | 6/6/2012 | \$ 168.00 | U.S. Postal Service Money Order | G.G. |
| TOTAL AMOUNT = \$7,974 | | | | |

6. As part of her corrupt scheme, defendant SONDRA WONG NELSON accessed PHA's internal computer database and manipulated the database to falsely reflect that the embezzled rent payments had been received by PHA, even though she knew that she had deposited those funds in her personal bank account.

7. Between approximately January 2012 and approximately June 6, 2012, in Philadelphia, in the Eastern District of Pennsylvania, defendant

SONDRA WONG NELSON,

being an agent and employee of the Philadelphia Housing Authority ("PHA"), an organization that received benefits of over \$10,000 in any one-year period under a federal program involving a

grant, contract, subsidy, loan, guarantee, insurance or other form of federal assistance, embezzled, stole and obtained by fraud property valued at \$5,000 or more, that is, funds totaling approximately \$7,974, which funds were owned by and under the care, custody and control of PHA.

All in violation of Title 18, United States Code, Section 666(a)(1)(A).

COUNT TWO

THE GRAND JURY FURTHER CHARGES THAT:

On or about March 12, 2012, in Philadelphia, in the Eastern District of Pennsylvania, defendant

SONDRA WONG NELSON,

with intent to defraud, falsely altered, in material respect, a money order, with serial number 19936540506, provided and issued by and under the direction of the United States Postal Service and payable in the United States, in that defendant NELSON falsely altered the name opposite the words "Pay to" from "PHA" to "Sondra Nelson" on the face of said money order.

In violation of Title 18, United States Code, Section 500.

COUNT THREE

THE GRAND JURY FURTHER CHARGES THAT:

On or about June 6, 2012, in Philadelphia, in the Eastern District of Pennsylvania,
defendant

SONDRA WONG NELSON,

with intent to defraud, falsely altered, in material respect, a money order, with serial number 20237207567, provided and issued by and under the direction of the United States Postal Service and payable in the United States, in that defendant NELSON falsely altered the name opposite the words "Pay to" from "PHA" to "Sondra Nelson" on the face of said money order.

In violation of Title 18, United States Code, Section 500.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violation of Title 18, United States Code, Section 666(a)(1)(A), set forth in Count One of this indictment, defendant

SONDRA WONG NELSON

shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such violations.

2. If any of the property described above as being subject to forfeiture, 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

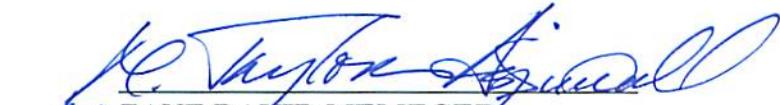
(e) has been commingled with other property which cannot be divided without difficulty;

then it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28,
United States Code, Section 2461(c).

A TRUE BILL:

GRAND JURY FOREPERSON



ZANE DAVID MEMEGER
UNITED STATES ATTORNEY

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

INDICTMENT

13-541

DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar.

Address of Plaintiff: 615 Chestnut Street, Suite 1250, Philadelphia, PA 19106-4476

Post Office: Philadelphia

County: Philadelphia

City and State of Defendant: Philadelphia, PA

County: Philadelphia

Register number: N/A

Place of accident, incident, or transaction: Eastern District of Pennsylvania

Post Office: Philadelphia

County: Philadelphia

RELATED CASE, IF ANY:

Criminal cases are deemed related when the answer to the following question is "yes".

Does this case involve a defendant or defendants alleged to have participated in the same action or transaction, or in the same series of acts or transactions, constituting an offense or offenses?

YES/NO: NO

Case Number: N/A

Judge: N/A

CRIMINAL: (Criminal Category - FOR USE BY U.S. ATTORNEY ONLY)

- 1. Antitrust
- 2. Income Tax and other Tax Prosecutions
- 3. Commercial Mail Fraud
- 4. Controlled Substances
- 5. Violations of 18 U.S.C. Chapters 95 and 96 (Sections 1951-55 and 1961-68) and Mail Fraud other than commercial
- 6. General Criminal

(U.S. ATTORNEY WILL PLEASE DESIGNATE PARTICULAR CRIME AND STATUTE CHARGED TO BE VIOLATED AND STATE ANY PREVIOUS CRIMINAL NUMBER FOR SPEEDY TRIAL ACT TRACKING PURPOSES)

18 U.S.C. § 666(a)(1)(A) (theft from a federally funded organization- 1 count)

18 U.S.C. § 500 (falsely altering a postal money order - 2 counts)

Notice of Forfeiture

DATE: 10/1/2013

SOZI P. TULANTE

Assistant United States Attorney

File No. 2012R01030

U.S. v. Sondra Wong Nelson