



United States Attorney's Office Annual Report
for 2011
Enforcement and Prevention

Protecting and improving the lives of our citizens by fairly and consistently enforcing the federal laws is the goal of the United States Attorney's Office for the Northern District of Alabama. In that regard, we strive not just to process cases, but to prioritize them and to lead initiatives that will best service the community.

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Despite significant budget cuts and staff reductions resulting from the Department of Justice hiring freeze, the lawyers and professionals making up the support staff of the Birmingham and Huntsville Offices achieved significant milestones in 2011. Among them:

The work of our Office resulted in the imposition of more than \$17 million in fines, forfeiture, restitution, and other judgments. And, over the course of the

year, the Office collected more than \$10 million. Hundreds of federal offenses were prosecuted, including drug conspiracy and trafficking, bank robbery, carjacking, Hobbs Act robbery, firearm offenses (such as felon in possession), capital murder (seeking the death penalty), murder-for-hire, child-exploitation, and postal offenses. But, of course, our work is far from done. We continue to focus on making our neighborhoods safer for people to live and conduct business.

ENFORCEMENT

NATIONAL SECURITY

Terrorism -- *United States v. Kodirov*: On July 13, 2011, Ulugbek Kodirov met with two other individuals, one an undercover agent, at a motel in Leeds, Alabama. Kodirov was introduced to the agent by the other individual for the purpose of obtaining weapons Kodirov intended to use to kill the President. Before the meeting, Kodirov had lengthy conversations with the individual about his desire to kill President Obama. He left the meeting with a M15-A1 machine gun and four disassemble hand grenades. Agents arrested him before he left the motel. In February 2012, Kodirov pleaded guilty to charges of threatening to kill the President, providing material support to terrorist activity, and illegal possession of a firearm. In July 2012, he was sentenced to serve 188 months of imprisonment.

Illegal Explosive Devices – *United States v. Kugler*: In December of 2010, two defendants created 3 pipe bombs and detonated them in public near two places of business. Fortunately, although there was significant property damage, no one was injured. Both men were indicted and they pleaded guilty. In May of 2011, they were each sentenced to 40 months of imprisonment.

United States v. Simmons: In August 2009, Birmingham Police obtained a search warrant for the defendant's home after a call threatening to kill several Birmingham officers was traced to the defendant's cell phone. Inside the home, officers found a potentially deadly pipe bomb. Simmons was indicted and convicted for his possession of the illegal explosive device. In March 2011, he was sentenced to two years of imprisonment.

Hoaxes – *United States v. Dodd*: In 2010, the defendant sent at least 23 letters that contained a threat in the form of white powder that could reasonably have been perceived as the biological toxin, anthrax. The letters were mailed to a number of state and federal officials, including United States Senator Richard Shelby, Alabama Senator Jim Preuitt of Talladega, two Talladega County state court judges, and the Talladega County Sheriff. Dodd was indicted for his conduct. He pleaded guilty in July 2011 and, in December 2011, was sentenced to four years and three months of imprisonment.

United States v. Ryder: In 2009, the defendant mailed two hoax anthrax letters to the Social Security Administration office in Albertville. The defendant was indicted for the conduct in 2011 and eventually pleaded guilty. In early 2012, she was sentenced to 12 months of probation.

VIOLENT CRIME

Reducing violent crime is essential to the success of any district, ours included. The citizens of Northern Alabama should feel safe in our neighborhoods, our homes, our schools, and our places of business. With state budget cuts resulting in fewer law enforcement officers, this Office's involvement in fighting violent crime is more important to these goals than ever. Thus, lawyers in our Criminal Division continue to work to reduce violent crime to improve public safety.

Project Safe Neighborhood – Project Safe Neighborhoods (PSN) is a nationwide commitment to reduce gun and gang crime in America by networking existing local programs that target gang and gun crime and providing these programs with additional tools necessary to be successful. Funding for the initiative is used to hire new federal and state prosecutors, support investigators, provide training, distribute gun lock safety kits, deter juvenile gun crime, and develop and promote community outreach efforts as well as to support other gun and gang violence reduction strategies.

Cases

Murder for Hire – *United States v. Patterson*: In July 2009, Kimberly McGuffie reached out to an acquaintance for assistance in murdering her ex-husband. That individual contacted authorities and began working as a confidential informant. Along with her mother, Barbara Patterson, McGuffie conspired to kill her ex-husband by giving him a deadly cocktail of prescription drugs. Through the confidential informant, she enlisted the help of a “hit man,” who was actually an undercover officer. McGuffie and Patterson obtained the drugs they planned to utilize in committing the murder, gave those drugs to the “hit man,” and paid him \$1,000. In December 2011, McGuffie pleaded guilty to conspiring with her mother to hire someone to kill her ex-husband. She was sentenced to serve 10 years of imprisonment. Patterson pleaded not guilty and went to trial. She was convicted and sentenced to 9 years of imprisonment.

Bank Robbery – *United States v. Lindsey*: In December 2010, the defendant, along with four others, entered a bank in Cedar Bluff. All five men were carrying firearms. They robbed the bank of more than \$160,000. All were charged and convicted. In June 2011, Lindsey, the mastermind behind the robbery, was sentenced to serve 30 years of imprisonment.

United States v. Jenkins: In 2009 and 2010, the defendant committed four armed bank robberies throughout the Tuscaloosa area, stealing more than \$45,000

total. Following a full investigation, the defendant was indicted and, in June 2011, he pleaded guilty to all four robberies. In March of 2012, he was sentenced to serve 151 months of imprisonment.

United States v. Barnes: In June 2010, the defendant, who had two prior convictions for attempted murder, entered a bank in Pleasant Grove while wearing a disguise and brandishing a gun. After stealing more than \$15,000, the defendant left the bank in a getaway car. A police chase followed and the defendant was arrested after he wrecked his car. The stolen money and the gun used in the robbery were found in his possession. A jury convicted the defendant of the armed robbery and he was sentenced to serve 159 months of imprisonment.

United States v. Crawmer: In September 2010, the defendant robbed a Wells Fargo Bank in Madison of more than \$8,000 while wielding a 9mm semi-automatic handgun. The defendant was apprehended a short time later. He pleaded guilty to the robbery and to being a felon in possession of a firearm. In October 2011, he was sentenced to 22 years of imprisonment.

United States v. Dowdell: In 2008, the defendant robbed a Regions bank of more than \$27,000 while armed with a .380 caliber pistol. He was convicted of federal charges for the conduct and, in March 2011, the district court sentenced him to serve 11½ years of imprisonment.

Carjacking – *United States v. McCord*: In 2010, the defendant stole a Dodge Stratus at gunpoint. He was tracked down the following day and arrested; he was in possession of a .357-caliber revolver. The defendant pleaded guilty and, in March 2011, he was sentenced to serve 11 years of imprisonment.

United States v. Glover: In 2010, the defendant used a box-cutter as a weapon to steal an SUV from a mother of two small children who were in the backseat of the vehicle at the time. The defendant forced the mother out of the car and drove off with the kids, putting them out on the street a short distance away. The defendant was apprehended the next day. After pleading guilty, the defendant was sentenced, in March 2011, to serve 13 years of imprisonment.

Pharmacy Burglary – *United States v. Cain*: In 2009, the defendant, a convicted felon, broke into a drug store in Phil Campbell. He then shot at a Phil Campbell police officer who was responding to a burglary call at the store. In June 2011, the defendant pleaded guilty to the drugstore burglary and to being a felon in possession of a firearm. In September 2011, he was sentenced to serve 27½ years of imprisonment.

Drug Trafficking – *United States v. Herrera*: In May 2011, Alabama State Troopers stopped the defendant who was driving an 18 wheeler for a routine commercial vehicle safety inspection. In a hidden compartment within the sleeper berth of the truck, the officers found more than 200 pounds of cocaine. Following

a trial, the defendant was convicted and sentenced to serve 17½ years of imprisonment.

United States v. Carson: A three-year FBI investigation into an Oxycontin and heroin distribution ring led to the conviction of numerous individuals. The ring was responsible for distributing more than 150,000 80-milligram Oxycontin pills over a two-year period. Carson, the 18th defendant convicted as part of the investigation, was convicted by a jury and sentenced to serve 210 months of imprisonment.

United States v. Lara: In February 2011, the defendant was arrested on charges related to the distribution of methamphetamine. In May, the defendant was convicted by a jury on one count of conspiracy to distribute 50 grams or more of methamphetamine and two counts of distributing methamphetamine. He was sentenced to life imprisonment in October 2011. The investigation of the operation led to the indictment, conviction, and sentence of four other individuals as well.

United States v. Pruitt: On three separate occasions, the defendant, who had had previously been convicted of trafficking cocaine, distributed crack cocaine to a police informant. He pleaded guilty and in March 2011 was sentenced to serve 20 years of imprisonment.

United States v. Weir: In September 2010, federal agents found 65.5 grams of crack cocaine and 11.8 grams of powder cocaine in the defendant's residence

while there to arrest him on an outstanding warrant. In August 2011, he was sentenced to nearly 22 years of imprisonment.

United States v. Crispin: In early 2011, federal agents arrested Crispin after executing a search warrant at his home, where the agents found 35 grams of crack cocaine, 7 grams of powder cocaine, and several firearms. The defendant pleaded guilty to possessing the cocaine and was sentenced to ten years of imprisonment.

Arson – *United States v. Horton*: In January 2011, Donny Horton was sentenced to serve 60 months in prison following his guilty pleas to charges of mail fraud and arson in connection with two church fires at Gardendale First Baptist Church. Horton fraudulently took \$78,769 from the Church as a deposit for seating in the new sanctuary it was building. He then twice set fire to the building to delay installation of the 2,600 seats he had accepted payment for, but never ordered. An initial seating installation was scheduled for early April 2010. To delay that delivery, Horton travelled to Alabama from Georgia on April 3, 2010, and set fire to the sanctuary, causing about \$110,234 in damage. When the installation was rescheduled for April 30, 2010, Horton again set fire to the sanctuary, causing \$118,270 in damage. In addition to his five-year prison sentence, Horton was ordered to pay \$340,629 in restitution, and to forfeit \$78,769 to the government as proceeds of illegal activity.

Public Corruption

Public corruption in federal, state, or local government remains a high priority.

Our region will best thrive if we have honest government at every level.

National Recognition

Four members of our Office were recognized nationally by U.S. Attorney General Eric Hold and the Executive Office of U.S. Attorneys for their work in the office's successful prosecution of 17 individuals for corruption within Alabama's two-year college system. Assistant U.S. Attorneys George Martin and Tamarra Matthews-Johnson and paralegal specialists Cynthia Porter and Deborah Hamaker received 2011 Executive Office of U.S. Attorneys Director's Awards for "Superior Performance as a Litigative Team." The investigation into the corruption within the Alabama Department of Post-Secondary Education spanned three years. Through guilty pleas and several trials, 17 individuals, including the department's chancellor, college presidents, state legislators, and prominent business owners were convicted. The public officials and others who conspired to corrupt the functioning of state government were sentenced collectively to dozens of years in prison and ordered to pay restitution, fines, and forfeiture amounts of more than \$23 million.

Cases

United States v. Campbell: The Alabama Small Business Development Consortium is composed of universities in the state, each with its own small business development center, as well as a procurement technical center and an international trade center. The consortium's purposes are to enhance economic growth, to provide management and technical assistance to small business, and to develop Alabama's workforce. An investigation into the Consortium and a related non-profit institute revealed substantial fraud and misappropriation of more than \$7 million in state funds.

The state director of the Consortium, Maurice William Campbell, Jr., was indicted on charges of fraud, money laundering, and conspiracy. More specifically, he was charged with conspiracy to defraud the state and the Alabama Small Business Institute of Commerce, a private non-profit institute he incorporated, and with making financial transactions intended to conceal the proceeds of the fraud.

The investigation led to the conviction of Campbell and three other individuals who were employed by either the Consortium or the non-profit. Lauren Young, head of marketing for the Consortium, pleaded guilty to charges of wire fraud and filing false tax returns. Mickie Davis, a bookkeeper for the non-profit, pleaded guilty to charges of conspiracy, wire fraud, and filing false tax

returns. Benjamin Johnson, executive director of the non-profit, pleaded guilty to charges of conspiracy and filing false tax returns.

Campbell pleaded not guilty and went to trial. In November 2011, a jury convicted him of all 96 counts charged. In April 2012, he was sentenced to serve 188 months of imprisonment.

United States v. Langford: Larry Langford was a former Jefferson County Commissioner and Mayor of Birmingham. In 2008, he was indicted on 61 counts including charges of conspiracy, mail fraud, bribery, tax fraud, and money laundering. This Office successfully tried Langford on all charges and he appealed. Last year, after extensive briefing and oral argument before the Court of Appeals for the Eleventh Circuit, all of Langford's convictions were affirmed, along with his 180-month prison sentence.

United States v. Adams: Between 2007 and 2010, the court clerk for the City of Adamsville, Janice Adams, embezzled more than \$100,000 from the city. Adams had served as the clerk for more than 20 years. As a result of her conduct, innocent people were arrested and jailed for non-payment of court matters because Adams took their money but did not record it. She was convicted of her crimes and, in September 2011, she was sentenced to serve one year and a day of imprisonment.

United States v. Nalls: Over a three-year period, Cedric Nalls, a vehicle maintenance supervisor for the U.S. Postal Service along with two vendors conspired to defraud the Postal Service of more than \$300,000 in a billing kick-back scheme. Because of position, Nalls had access to credit card numbers assigned to postal vehicles and provided those numbers to the vendors so they could request payment for work purportedly done on the vehicles. But, they repeatedly sought payment for work never done. The vendors would then return a portion of these payments to Nalls. His two codefendants pleaded guilty to the scheme in May 2011 and Nalls pleaded guilty in June 2011. He was sentenced to serve 37 months of imprisonment.

CHILD EXPLOITATION

Project Safe Childhood – Project Safe Childhood (PSC) is a unified and comprehensive strategy to combat child exploitation. Initiated in May 2006, PSC combines law enforcement efforts, community action, and public awareness. The goal is to reduce the incidence of sexual exploitation of children. There are five essential components to Project Safe Childhood: (1) building partnerships; (2) coordinating law enforcement; (3) training PSC partners; (4) public awareness; and (5) accountability. The Department of Justice and this Office is committed to the safety and well-being of our children and has placed a high priority on protecting

and combating sexual exploitation of minors. PSC prosecutions by United States Attorneys' Offices have increased each year since the launch of the initiative.

Cases

United States v. Wooten: In November 2011, Michael Wooten, a former Birmingham City Schools security officer, was arrested on child-pornography charges. An investigation uncovered sexually explicit photographs found on Wooten's computer and taken in a studio Wooten had set up in a closed Birmingham school building. The images were graphic and pornographic and depicted at least five different girls who appeared to be under the age of 12. Some depicted Wooten engaging in actual or simulated sexual intercourse. Wooten pleaded guilty to charges arising out of the conduct in January 2012. In May 2012, he was sentenced to serve 360 months in prison, and to be on supervised release for the remainder of his life should he ever be released.

United States v. Zelaya-Rodriguez: In November 2011, Manuel Zelaya-Rodriguez was sentenced to 15 years and 8 months on several charges, including sex trafficking of a 15-year-old girl. Zelaya-Rodriguez harbored the girl, who was an illegal alien, and caused her to engage in commercial sex acts between August 2009 and September 2009. Within a two-week period, Zelaya-Rodriguez collected money from 40 to 50 men who paid to have sex with the child victim. He was convicted following a jury trial. He will be deported after serving his sentence.

United States v. Corbitt: In March 2011, James Corbitt, a former part-time middle school coach, was sentenced to 180 months of imprisonment following his guilty plea to receiving, possessing, and distributing child pornography. An investigation uncovered thousands of images and videos of child pornography on Corbitt's computer. In addition, Corbitt secretly filmed two minor boys at his apartment using a hidden pen camera. He then uploaded the resulting videos to his shared folder on a file sharing network. After his release from prison, Corbitt will be required to register as a sex offender and will be on supervised release for the remainder of his life.

United States v. Guthrie: In May 2011, Tracy Guthrie was sentenced to 120 months of imprisonment following his guilty plea to a charge of attempting to entice a 14-year-old boy to engage in illegal sexual activity. Guthrie used the Internet to make arrangements to engage in sexually explicit conduct with someone he thought to be a 14-year-old boy (it was actually a law enforcement officer). Guthrie chatted on-line, asked for pictures of the minor child, and went to a designated restaurant to meet with the child. After his release from prison, Guthrie will have to register as a sex offender and will be on supervised release for the remainder of his life.

United States v. Cobb: In May 2011, Christopher Cobb was sentenced to serve 210 months in prison following his convictions on charges of receiving and

possessing child pornography by computer. Cobb used sophisticated computer file sharing software to receive and possess hundreds of images of child pornography that depicted sadistic and masochistic conduct against prepubescent children. Cobb was convicted following a jury trial. In addition to his prison sentence, Cobb will have to register as a sex offender and will remain on supervised release for the remainder of his life.

PRESCRIPTION DRUG FRAUD

United States v. Johnson: In January 2011, state and federal agents arrested 21 people on charges connected to a scheme to use stolen and altered medical records and driver's licenses to obtain prescription drugs from online pharmacies. Two of those individuals were indicted by a federal grand jury and subsequently pleaded guilty to at least a portion of the charges. A third defendant chose to go to trial and was convicted. Between 2007 and 2010, the defendants conspired to commit mail fraud against mail-order pharmacies and have controlled substances delivered to them by private and commercial interstate carriers. To accomplish this task, the defendants used personal identifying information of third parties and stolen and altered medical records to create fraudulent prescription orders. The three defendants were sentenced to serve 87 months, 46 months, 30 months of imprisonment, respectively.

FINANCIAL FRAUD

Our financial fraud investigations encompassed health-care fraud and mortgage fraud, among other things.

United States v. Poole-Moore: In November 2009, Annestra Poole-Moore and a codefendant pleaded to her part in a prescription fraud scheme. Among other crimes, she was convicted of health-care fraud and aggravated-identity theft. In 2008 and 2009, Poole-Moore was employed by a health insurance provider as a claims representative associate. She utilized her position to obtain the personal information of people who were covered by a prescription drug plan. Then, she and her codefendant used that information to create counterfeit prescriptions and obtain controlled substances. The controlled substances were then sold illegally to third parties. In September 2011, Poole-Moore was sentenced to serve four years in prison for her part in the scheme.

United States v. Thomas: In September 2011, Barry Thomas, a former CFO for an equipment leasing company pleaded guilty to wire fraud in connection to a \$1.2 million embezzlement scheme. Part of Thomas's responsibilities as CFO was to handle payroll and payment of salaries for the company. To do that, he would use the internet to send communications from his Birmingham office to the payroll firm in California, directing what amounts were to be deposited into the accounts of the leasing company employees. On numerous occasions, Thomas directed that

the payroll company deposit amounts into his personal account that exceeded his salary. The total amount embezzled was \$1,126,277. In March 2012, Thomas was sentenced to serve 2 years in prison.

United States v. Skrobak: In December 2011, Walter Skrobak pleaded guilty to Interstate transportation of stolen goods and making false statements with respect to a federal tax return. Skrobak was the head security guard at a company providing security for an OfficeMax facility in McCalla, Alabama. Between October 2008 and November 2012, Skrobak stole at least 1,600 units of computer software and sold them online to an individual in another state. Skrobak received nearly \$400,000 from the illegal sales, but did not report the money on his federal tax returns. Skrobak has not yet been sentenced.

United States v. Lang: For most of 2008, Jerry Lang, owner of C & J Recycling structured his business transactions, totaling more than \$500,000, to evade reporting requirements of U.S. banks and financial institutions. Lang would sell scrap metal to American Recycling, which would issue him multiple checks of less than \$10,000, instead of a single check for the total amount owed. Lang would cash the checks at different times to avoid detection. In December 2011, a jury convicted Lang on 70 of 85 counts of structuring cash transactions. Lang has not yet been sentenced.

United States v. Gunter: In December 2011, Keith Gunter pleaded guilty to wire and mail fraud. Between 2006 and 2007, Gunter represented himself as a real-estate developer and devised a scheme to sell real property over the Internet auction site eBay. Many of the transactions he conducted were fraudulent because either he did not own the land he was purporting to sell or did not provide the title after the victims paid to purchase the property. Through his fraudulent conduct, he stole more than \$200,000. In March 2012, Gunter was sentenced to serve five years of imprisonment.

United States v. Holcombe: In December 2011, Dwayne Holcombe was sentenced to nearly two years and five months in prison following his conviction for fraud. Holcombe was employed by Farmers and Merchants bank for more than 25 years. In about March 2004, he began to change paper and computer records to extend the due date on some loans. This caused the bank not to generate late notices that would have been reviewed by bank officers and made available to bank examiners and auditors. Then, during the summer of 2010, Holcombe also began altering computer loan records by replacing the borrower's name with the name of another bank customer. In addition to his prison sentence, Holcombe was also ordered to pay \$1.3 million in restitution and to forfeit that same amount to the government.

United States v. Adams: In November 2011, Tammy Adams, a former accounting manager, was sentenced to serve five years and five months on fraud and tax charges resulting from her conduct in embezzling more than \$750,000 from her employer. From 2004 to 2008, Adams deposited company funds into her personal account using forged checks and unauthorized wire transfers. She also failed to pay taxes on her ill-gotten gains.

United States v. Oakley: In December 2011, Marcus Oakley, Alfred Johnson, and Robert Russell were sentenced to serve 15, 46, and 87 months in prison, respectively, for their participation in an Internet-pharmacy, mail-fraud scheme. From 2007 to 2009, the three men used falsified medical records to receive prescription drugs through Internet pharmacies.

United States v. Young: In September 2011, Michael Young was sentenced to serve 17 months in prison following his guilty plea to bank fraud. Between April 2009 and June 2010, Young, president of the Alabama Central Credit Union, submitted fraudulent bills and invoices on behalf of two fictitious companies he had created. No goods or services were provided related to the invoices. The money paid to satisfy the invoices was controlled by and spent by Young. In addition to his prison sentence, Young was ordered to pay \$140,000 in restitution.

United States v. Smith: In September 2011, Gregory Smith was sentenced to serve 30 months in prison after he pleaded guilty to fraud. Between 2007 and

2010, Smith, who was a branch manager with First South Farm Credit at the time, created bogus mortgage documents, forged signatures of legitimate First South customers on financial documents and, among other things, created new false loans. He did all of this to illegitimately disburse more than \$2 million in loan proceeds and to avoid detection by auditors. In addition to his prison sentence, he was ordered to pay \$2.2 million in restitution and to forfeit nearly \$1.9 million to the government as proceeds of the illegal activity.

United States v. Sanders: In November 2011, Roger Sanders was sentenced to serve 15 months in prison for conspiracy to commit bank fraud. Between 2007 and 2010, Sanders, an Arkansas banker, conspired with Gregory Smith to defraud Smith's employer, First South Farm Credit, of more than \$250,000 by creating false loans. Sanders kicked back more than \$100,000 of that amount to Smith. In addition to his prison sentence, Sanders was order to pay \$271,190 in restitution.

IDENTITY THEFT

United States v. Thomas: In October 2011, Thomas was sentenced to 29 months in prison after she pleaded guilty to misusing a social security number and aggravated identity theft. In April 2009, Thomas was working as a Social Security Administration employee. In that capacity, she had access to SSA databases. She used that access to obtain a social security number that she supplied to a friend for the friend's use on a false credit application for a car loan.

United States v. Herring: In March 2011, John Herring was sentenced to three years and four months in prison for his role in a scheme that employed a telephone scam to obtain personal identification information. The information was then used to steal Social Security benefits. Herring pleaded guilty to theft of government property and aggravated identity theft. The scheme Herring was involved in worked as follows: Someone would call recipients of Social Security benefits and pose as an employee of a utility company. Personal identification information was then solicited as necessary to resolve a problem with the utility account. Next, the information was used to open a special Social Security Administration bank account that allowed for benefits to be deposited electronically and a debit card to be issued. The debit card was then used to steal funds from the accounts. In addition to his prison sentence, Herring was ordered to forfeit more than \$26,000 to the government, and to pay more than \$41,000 in restitution to the SSA.

TAX FRAUD

United States v. Benedict: In August 2011, Arnold Benedict was sentenced to 30 months of imprisonment for electronically filing scores of fraudulent tax returns with the IRS. In the years 2007 and 2008, Benedict filed about 52 false claims for refunds, using stolen identities for at least 23 of the returns. Benedict used names, addresses, and Social-Security numbers of individuals that were

provided to him by coconspirators. Many were incarcerated and unaware their identifying information was being used on the false tax returns. Twenty-four months of Benedicts' 30-month prison term resulted from aggravated identity theft charges. The other 6 months were imposed for Benedicts convictions on conspiracy to defraud and making false claims against the United States.

United States v. Twilley: Also in August 2011, Carol Twilley was sentenced to serve 24 months of imprisonment for tax fraud. From 2003 to 2005, Twilley was the manager and part owner of a family medical clinic. During that time, the clinic withheld Social Security and Medicare taxes from its employees but did not file quarterly returns, pay over the collected taxes, or pay its own share of the taxes. The clinic was unable to account for withheld funds. In effect, Twilley stole more than \$340,000 from taxpayers.

DISASTER FRAUD

United States v. Spires: In November 2011, Robert Spires pleaded guilty to fraudulently claiming disaster benefits following the April 27 tornadoes in Alabama. Spires received funds for rental assistance and personal property replacement from FEMA after he falsely claimed that a home he was renting was severely damaged by the tornadoes. He also made further attempts to defraud FEMA, seeking disaster benefits for expenses he did not incur and for damaged

property he did not own. In February 2012, Spires was sentenced to serve 21 months of imprisonment.

United States v. Green: In October 2011, Libra Green pleaded guilty to making a false statement to the Government. In an attempt to obtain disaster funds, she fraudulently reported to FEMA that she lost her home, her father, and her infant daughter in the April 27, 2010 tornadoes. In March 2012, she was sentenced to serve 24 months of imprisonment.

PREVENTION

In addition to our enforcement efforts, we continue to work towards preventing crime in the first place. Although enforcement is a vital and indispensable tool in fighting crime, history demonstrates that long-term reductions in crime require additional efforts to attack its root causes.

Reentry – Beginning in Spring 2011, the United States Attorney for the Northern District of Alabama has conducted outreach to federal and state courts, corrections and probations and to community based service providers in an effort to improve reentry outcomes for ex-offenders that are returning to the community. This outreach has centered on the creation of the Northern District of Alabama Reentry Council, which is led by the United States Attorney and which is composed of federal and state agency executives. Since December of 2011, the Reentry Council

has coordinated with community based reentry service providers from the 31 counties within the Northern District. And, through consultation with the Reentry Council, community based providers have begun developing proposals and initiatives to improve reentry outcomes as they relate to: Education; Job Access and Workforce Development; Healthcare and Rehabilitation; Transportation; Housing; and Community Reintegration and Support.

Project HOPE – Project HOPE (Helping Our Partners Excel) is a comprehensive strategy to reduce violent gun crimes in the Northern District of Alabama. It is funded through a grant from the Department of Justice to the University of North Alabama. The Project includes two components related to prevention: Early Prevention and Re-Entry.

The Early Prevention component targets fifth graders. Educators identified the need for an intervention at this level to prevent future violence and delinquent behavior. The Prevention Coordination, along with students from the University of North Alabama's Criminal Justice Program, has created eight to ten lessons designed to better equip students to make good decisions about gangs, guns, and crime. The lessons are also crafted to assist the students in dealing with bullies and peer pressure. The Program differs from many efforts to reduce violence and delinquency in that it does not attempt to target only youth who are considered to be "high risk" or "disadvantaged." Rather, the lessons are presented to all the

students in a classroom. The Program is in its early stages, but already involves 75 teachers and 1,500 students at nearly a dozen different schools. The plan is to expand the Program until it is available in every school within the Northern District of Alabama.

The Re-Entry Component of Project HOPE is designed to reduce the recidivism rates of released inmates by ensuring that information about support services within each community is readily available to those who want to avoid criminal activity. Project HOPE is partnering with others to identify organizations willing to provide the necessary support and to then establish a single source of information identifying all available services.