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U.S. DISTRICT COURT
EASTERN DISTRICT OF LA.
JUL 20 1990
WILLIAM PIERCE
CHIEF

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

FELONY

**BILL OF INFORMATION FOR
CONSPIRACY TO COMMIT WIRE FRAUD**

UNITED STATES OF AMERICA

v.

ROY AUSTIN

CRIMINAL NO.

SECTION:

VIOLATIONS: 18 U.S.C. § 371

**16-48
SECT. N MAG. 2**

* * *

The United States Attorney charges that:

COUNT 1

(Conspiracy to Commit Wire Fraud)

A. AT ALL TIMES MATERIAL HEREIN

1. The defendant, **ROY AUSTIN**, was an Orleans Parish Sheriff's Office ("OPSO") Colonel.
2. **AUSTIN** owned and operated a private company named Austin Sales and Service. **AUSTIN** utilized Austin Sales and Service to arrange security details for local entities and events that required security beyond what would otherwise be provided by police patrols. **AUSTIN** staffed those events with off-duty OPSO deputies, New Orleans Police Department officers, and others.

3. OPSO Employee "A" was an OPSO employee.

4. OPSO Employee "A" Family Member "1" was a family member of OPSO Employee "A".

B. THE CONSPIRACY

5. Beginning on or about 2009 and continuing through January 2014, in the Eastern District of Louisiana, and elsewhere, the defendant, **ROY AUSTIN**, and others known and unknown to the United States Attorney, did knowingly and willfully combine, conspire and agree with each other to devise a scheme and artifice to defraud local entities and events and to obtain money by means of false and fraudulent representations by fraudulently inflating invoices sent to those local entities and events by means of wire and radio communication, from outside the State of Louisiana and into the Eastern District of Louisiana, all involving the use of interstate wire transmissions, in violation of Title 18, United States Code, Sections 1343 and 371.

C. MANNER AND MEANS OF THE CONSPIRACY

6. During the course of the conspiracy, in addition to other acts, the defendant, **AUSTIN**, with others known and unknown, submitted fraudulently inflated invoices to local entities and events via electronic mail and fax transmissions, which traveled in interstate commerce by means of wire and radio communication, from outside the State of Louisiana and into the Eastern District of Louisiana. **AUSTIN** fraudulently inflated invoices by padding the billing documents with names of individuals who did not in fact provide any security services ("Ghost Employees"). Those local entities and events included Mardi Gras Krewe A, Mardi Gras Krewe B, Sporting Event A, Sporting Event B, Sporting Event C, Sporting Event D, Sporting Event E, Sporting Event F, Food Festival A, and Music Event A. The total amount of fraudulently inflated charges was approximately \$83,000.

7. AUSTIN kept a portion of the overbilled amount in the Austin Sales and Service corporate bank account for his own personal use. In some instances, AUSTIN drafted Austin Sales and Service corporate checks made payable to the Ghost Employees who did not work and then fraudulently endorsed those checks and deposited them into his personal bank account for his own personal use.

8. As part of the scheme, AUSTIN regularly directed funds from that overbilled surplus for his own personal use by drafting checks to members of his family under the fraudulent guise of payments for detail work that in fact did not take place.

9. At the time of those fraudulent payments, AUSTIN often also drafted checks made payable to OPSO Employee "A's" family members under the fraudulent guise of payments for detail work that in fact did not take place and delivered those checks to OPSO Employee "A." Those payments to OPSO Employee "A" were OPSO Employee "A's" share of the fraudulently collected funds.

10. AUSTIN and OPSO Employee "A" then either fraudulently endorsed those checks or, in some instances, had their respective family members endorse the checks for subsequent deposit.

C. OVERT ACTS

On or about the following dates, in furtherance of and to conceal the conspiracy and accomplish its purposes, the defendant, ROY AUSTIN, OPSO Employee A, and others, committed the following overt acts, among others, in the Eastern District of Louisiana and elsewhere:

11. On or about April 7, 2010, **AUSTIN** provided OPSO Employee "A" a check in the amount of \$360 made payable to OPSO Employee "A" Family Member "1" as OPSO Employee "A's" share of the fraudulently collected funds for allowing **AUSTIN** to run the day-to-day operation of the scheme.

12. In or around 2012, Mardi Gras Krewe A hired Austin Sales and Service to provide security details for its preview party, bus parking, and extravaganza. On or about February 27, 2012, **AUSTIN** caused an email to be sent to Mardi Gras Krewe A that contained an invoice for the security details provided in the amount of \$25,570. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Mardi Gras Krewe A paid **AUSTIN** the entire amount billed in this invoice.

13. In or around 2012, Mardi Gras Krewe B hired Austin Sales and Service to provide security details for its parade and after-party. On or about February 27, 2012, **AUSTIN** caused an email to be sent to Mardi Gras Krewe B that contained an invoice for the security details provided in the amount of \$20,990. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Mardi Gras Krewe B paid **AUSTIN** the entire amount billed in this invoice.

14. In or around 2012, Music Festival A hired Austin Sales and Service to provide security details for its event day, pre-event, post-event, and box office. On or about October 16, 2012, **AUSTIN** caused an email to be sent to an OPSO employee that contained the spreadsheet upon which the invoice to Music Festival A was based intending it to be used to create the invoice in the amount of \$56,924. The invoice fraudulently included charges for Ghost Employees who did not in fact work and was subsequently delivered to Music Festival A. Music Festival A paid **AUSTIN** the entire amount billed in this invoice.

15. On or about November 13, 2012, **AUSTIN** drafted an Austin Sales and Service corporate check made payable to Ghost Employee A who did not work and then **AUSTIN** fraudulently endorsed that check and deposited it into his personal bank account for his own personal use.

16. In or around 2013, Mardi Gras Krewe A hired Austin Sales and Service to provide security details for its preview party and extravaganza. On or about February 28, 2013, **AUSTIN** caused an email to be sent to Mardi Gras Krewe A that contained an invoice for the security details provided in the amount of \$31,246. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Mardi Gras Krewe A paid **AUSTIN** the entire amount billed in this invoice.

17. On or about March 5, 2013, **AUSTIN** drafted an Austin Sales and Service corporate check made payable to Ghost Employee B who did not work and then **AUSTIN** fraudulently endorsed that check and deposited it into his personal bank account for his own personal use.

18. In or around 2013, Mardi Gras Krewe B hired Austin Sales and Service to provide security details for its parade and after-party. On or about February 19, 2013, **AUSTIN** caused an email to be sent to Mardi Gras Krewe B that contained an invoice for the security details provided in the amount of \$21,276. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Mardi Gras Krewe B paid **AUSTIN** the entire amount billed in this invoice.

19. In or around 2013, Sporting Event A hired Austin Sales and Service to provide security details for its sporting event. On or about January 19, 2013, **AUSTIN** caused an email to be sent to Sporting Event A that contained an estimate for the security details to be provided,

which was later invoiced in the amount of \$25,725. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Sporting Event A paid AUSTIN the entire amount billed in this invoice.

20. On or about February 16, 2013, AUSTIN drafted three Austin Sales and Service corporate checks made payable to Ghost Employees C, D, and E who did not work and then AUSTIN fraudulently endorsed those checks and deposited them into his personal bank account for his own personal use.

21. In or around 2013, Sporting Event B hired Austin Sales and Service to provide security details for its sporting event. On or about March 4, 2013, AUSTIN caused an email to be sent to Sporting Event B that contained an invoice for the security details provided in the amount of \$7,625. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Sporting Event B paid AUSTIN the entire amount billed in this invoice.

22. On or about May 2, 2013, AUSTIN drafted Austin Sales and Service corporate checks made payable to Ghost Employees F and G who did not work and then AUSTIN fraudulently endorsed those checks and deposited them into his personal bank account for his own personal use.

23. In or around 2013, Sporting Event C hired Austin Sales and Service to provide security details for its sporting event. On or about March 28, 2013, AUSTIN caused an email to be sent to an OPSO employee that contained the schedule upon which the invoice to Sporting Event C was based intending it to be used to create the invoice in the amount of \$8,190. The invoice fraudulently included charges for Ghost Employees who did not in fact work and was subsequently delivered to Sporting Event C. Sporting Event C paid AUSTIN the entire amount billed in this invoice.

24. In or around 2013, Food Festival A hired Austin Sales and Service to provide security details for its event. On or about March 27, 2013, AUSTIN caused an email to be sent to Food Festival A that contained an invoice for the security details provided in the amount of \$8,280. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Food Festival A paid AUSTIN the entire amount billed in this invoice.

25. In or around 2013, Music Festival A hired Austin Sales and Service to provide security details for its event day, pre-event, post-event, and box office. On or about November 13, 2013, AUSTIN caused a fax transmission to be sent to Music Festival A that contained an invoice for the security details provided in the amount of \$60,115. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Music Festival A paid AUSTIN the entire amount billed in this invoice.

26. In or around 2014, Mardi Gras Krewe A hired Austin Sales and Service to provide security details for its extravaganza. On or about March 18, 2014, AUSTIN caused an email to be sent to Mardi Gras Krewe A so that a check would be paid to satisfy the invoice provided by AUSTIN in the amount of \$33,909. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Mardi Gras Krewe A paid AUSTIN the entire amount billed in this invoice.

27. On or about March 22, 2014, AUSTIN drafted an Austin Sales and Service corporate check made payable to Ghost Employee H who did not work and then AUSTIN fraudulently endorsed that check and deposited it into his personal bank account for his own personal use.

28. In or around 2014, Sporting Event B hired Austin Sales and Service to provide security details for its sporting event. On or about February 18, 2014, AUSTIN caused an email

to be sent to Sporting Event B that contained an invoice for the security details provided in the amount of \$15,210. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Sporting Event B paid AUSTIN the entire amount billed in this invoice.

29. In or around 2014, Sporting Event C hired Austin Sales and Service to provide security details for its sporting event. On or about April 29, 2014, AUSTIN caused an email to be sent to Sporting Event C that contained an invoice for the security details provided in the amount of \$12,090. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Sporting Event C paid AUSTIN the entire amount billed in this invoice.

30. In or around 2014, Food Festival A hired Austin Sales and Service to provide security details for its event. On or about April 2, 2014 and April 3, 2014, AUSTIN caused two emails to be sent to Food Festival A that contained invoices for the security details provided in the total amount of \$10,961. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Food Festival A paid AUSTIN the entire amount billed in this invoice.

31. In or around 2014, Music Festival A hired Austin Sales and Service to provide security details for its event day, pre-event, post-event, and box office. On or about November 8, 2014, AUSTIN caused an email to be sent to Music Festival A that contained an invoice for the security details provided in the amount of \$99,341. The invoice fraudulently included charges for Ghost Employees who did not in fact work. Music Festival A paid AUSTIN the entire amount billed in this invoice.

All in violation of Title 18, United States Code, Section 371.

NOTICE OF FORFEITURE

1. The allegations of Count 1 of this Bill of Information are realleged and incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Sections 371, 1343 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c).

2. As a result of the offense alleged in Count 1, defendant, **ROY AUSTIN**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c), any and all property, real or personal, which constitutes or is derived from proceeds traceable to a violation of Title 18, United States Code, Section 371.

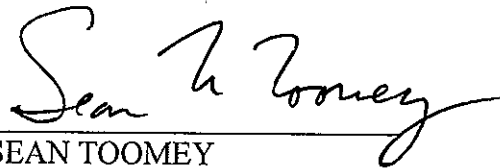
3. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- 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 subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

All in violation of Title 18, United States Code, Sections 371 and 981(a)(1)(C), made applicable through Title 28, United States Code, Section 2461(c).

KENNETH ALLEN POLITE, JR.
UNITED STATES ATTORNEY

A handwritten signature in black ink, reading "Sean Toomey". The signature is written in a cursive style with a horizontal line underneath the name.

SEAN TOOMEY
Assistant United States Attorney
La. Bar Roll No. 36055

New Orleans, Louisiana
March 25, 2016