

Chief Approval

*BAH*

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

UNITED STATES OF AMERICA

v.

CASE NO. 8:15-cr-400-T-36TBM

SANDRA K. SHEPHERD

**PLEA AGREEMENT**

Pursuant to Fed. R. Crim. P. 11(c), the United States of America, by A. Lee Bentley, III, United States Attorney for the Middle District of Florida, and the defendant, SANDRA K. SHEPHERD, and her attorney, Assistant Federal Public Defender Adam J. Nate, mutually agree as follows:

**A. Particularized Terms**

1. Count Pleading To

The defendant shall enter a plea of guilty to Count One of the Information. Count One charges the defendant with a false statement to the Social Security Administration (a federal agency), in violation of 18 U.S.C. §§ 1001 and 2.

2. Maximum Penalties

Count One carries a maximum sentence of not more than 5 years imprisonment, a fine of \$250,000, a term of supervised release of 3 years, and a special assessment of \$100 per felony count for individuals, and \$400 per felony count for persons other than individuals, such as corporations. With respect to

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certain offenses, the Court shall order the defendant to make restitution to any victim of the offense, and with respect to other offenses, the Court may order the defendant to make restitution to any victim of the offense, or to the community, as set forth below.

3. Elements of the Offense

The defendant acknowledges understanding the nature and elements of the offense with which defendant has been charged and to which defendant is pleading guilty. The elements of Count One are:

- First: the Defendant made the statement as charged;
- Second: the statement was false;
- Third: the falsity concerned a material matter;
- Fourth: the Defendant acted willfully, knowing that the statement was false; and
- Fifth: the false statement was made or used for a matter within the jurisdiction of a department or agency of the United States.

4. Indictment Waiver

Defendant will waive the right to be charged by way of indictment before a federal grand jury.

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5. No Further Charges

If the Court accepts this plea agreement, the United States Attorney's Office for the Middle District of Florida agrees not to charge defendant with committing any other federal criminal offenses known to the United States Attorney's Office at the time of the execution of this agreement.

6. Mandatory Restitution to Victim of Offense of Conviction

Pursuant to 18 U.S.C. § 3663A(a) and (b), defendant agrees to make full restitution to the Social Security Administration program, or its designee.

7. Guidelines Sentence

Pursuant to Fed. R. Crim. P. 11(c)(1)(B), the United States will recommend to the Court that the defendant be sentenced within the defendant's applicable guidelines range as determined by the Court pursuant to the United States Sentencing Guidelines, as adjusted by any departure the United States has agreed to recommend in this plea agreement. The parties understand that such a recommendation is not binding on the Court and that, if it is not accepted by this Court, neither the United States nor the defendant will be allowed to withdraw from the plea agreement, and the defendant will not be allowed to withdraw from the plea of guilty.

8. Acceptance of Responsibility - Three Levels

At the time of sentencing, and in the event that no adverse information is received suggesting such a recommendation to be unwarranted,

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the United States will recommend to the Court that the defendant receive a two-level downward adjustment for acceptance of responsibility, pursuant to USSG §3E1.1(a). The defendant understands that this recommendation or request is not binding on the Court, and if not accepted by the Court, the defendant will not be allowed to withdraw from the plea.

Further, at the time of sentencing, if the defendant's offense level prior to operation of subsection (a) is level 16 or greater, and if the defendant complies with the provisions of USSG §3E1.1(b) and all terms of this Plea Agreement, including but not limited to, the timely submission of the financial affidavit referenced in Paragraph B.5., the United States agrees to file a motion pursuant to USSG §3E1.1(b) for a downward adjustment of one additional level. The defendant understands that the determination as to whether the defendant has qualified for a downward adjustment of a third level for acceptance of responsibility rests solely with the United States Attorney for the Middle District of Florida, and the defendant agrees that the defendant cannot and will not challenge that determination, whether by appeal, collateral attack, or otherwise.

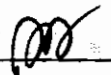
9. Cooperation - Substantial Assistance to be Considered

Defendant agrees to cooperate fully with the United States in the investigation and prosecution of other persons, and to testify, subject to a prosecution for perjury or making a false statement, fully and truthfully before any federal court proceeding or federal grand jury in connection with the charges in this case and other matters, such cooperation to further include a full and

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complete disclosure of all relevant information, including production of any and all books, papers, documents, and other objects in defendant's possession or control, and to be reasonably available for interviews which the United States may require. If the cooperation is completed prior to sentencing, the government agrees to consider whether such cooperation qualifies as "substantial assistance" in accordance with the policy of the United States Attorney for the Middle District of Florida, warranting the filing of a motion at the time of sentencing recommending (1) a downward departure from the applicable guideline range pursuant to USSG §5K1.1, or (2) the imposition of a sentence below a statutory minimum, if any, pursuant to 18 U.S.C. § 3553(e), or (3) both. If the cooperation is completed subsequent to sentencing, the government agrees to consider whether such cooperation qualifies as "substantial assistance" in accordance with the policy of the United States Attorney for the Middle District of Florida, warranting the filing of a motion for a reduction of sentence within one year of the imposition of sentence pursuant to Fed. R. Crim. P. 35(b). In any case, the defendant understands that the determination as to whether "substantial assistance" has been provided or what type of motion related thereto will be filed, if any, rests solely with the United States Attorney for the Middle District of Florida, and the defendant agrees that defendant cannot and will not challenge that determination, whether by appeal, collateral attack, or otherwise.

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10. Cooperation - Responsibilities of Parties

a. The government will make known to the Court and other relevant authorities the nature and extent of defendant's cooperation and any other mitigating circumstances indicative of the defendant's rehabilitative intent by assuming the fundamental civic duty of reporting crime. However, the defendant understands that the government can make no representation that the Court will impose a lesser sentence solely on account of, or in consideration of, such cooperation.

b. It is understood that should the defendant knowingly provide incomplete or untruthful testimony, statements, or information pursuant to this agreement, or should the defendant falsely implicate or incriminate any person, or should the defendant fail to voluntarily and unreservedly disclose and provide full, complete, truthful, and honest knowledge, information, and cooperation regarding any of the matters noted herein, the following conditions shall apply:

(1) The defendant may be prosecuted for any perjury or false declarations, if any, committed while testifying pursuant to this agreement, or for obstruction of justice.


(2) The United States may prosecute the defendant for the charges which are to be dismissed pursuant to this agreement, if any, and may either seek reinstatement of or refile such charges and prosecute the defendant thereon in the event such charges have been dismissed pursuant to this agreement. With regard to such charges, if any, which have been dismissed,

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the defendant, being fully aware of the nature of all such charges now pending in the instant case, and being further aware of defendant's rights, as to all felony charges pending in such cases (those offenses punishable by imprisonment for a term of over one year), to not be held to answer to said felony charges unless on a presentment or indictment of a grand jury, and further being aware that all such felony charges in the instant case have heretofore properly been returned by the indictment of a grand jury, does hereby agree to reinstatement of such charges by recision of any order dismissing them or, alternatively, does hereby waive, in open court, prosecution by indictment and consents that the United States may proceed by information instead of by indictment with regard to any felony charges which may be dismissed in the instant case, pursuant to this plea agreement, and the defendant further agrees to waive the statute of limitations and any speedy trial claims on such charges.

(3) The United States may prosecute the defendant for any offenses set forth herein, if any, the prosecution of which in accordance with this agreement, the United States agrees to forego, and the defendant agrees to waive the statute of limitations and any speedy trial claims as to any such offenses.

(4) The government may use against the defendant the defendant's own admissions and statements and the information and books, papers, documents, and objects that the defendant has furnished in the course of the defendant's cooperation with the government.

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(5) The defendant will not be permitted to withdraw the guilty pleas to those counts to which defendant hereby agrees to plead in the instant case but, in that event, defendant will be entitled to the sentencing limitations, if any, set forth in this plea agreement, with regard to those counts to which the defendant has pled; or in the alternative, at the option of the United States, the United States may move the Court to declare this entire plea agreement null and void.

11. Use of Information - Section 1B1.8

Pursuant to USSG §1B1.8(a), the United States agrees that no self-incriminating information which the defendant may provide during the course of defendant's cooperation and pursuant to this agreement shall be used in determining the applicable sentencing guideline range, subject to the restrictions and limitations set forth in USSG §1B1.8(b).

B. Standard Terms and Conditions

1. Restitution, Special Assessment and Fine

The defendant understands and agrees that the Court, in addition to or in lieu of any other penalty, shall order the defendant to make restitution to any victim of the offense(s), pursuant to 18 U.S.C. § 3663A, for all offenses described in 18 U.S.C. § 3663A(c)(1); and the Court may order the defendant to make restitution to any victim of the offense(s), pursuant to 18 U.S.C. § 3663, including restitution as to all counts charged, whether or not the defendant enters a plea of guilty to such counts, and whether or not such counts are dismissed

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pursuant to this agreement. The defendant further understands that compliance with any restitution payment plan imposed by the Court in no way precludes the United States from simultaneously pursuing other statutory remedies for collecting restitution (18 U.S.C. § 3003(b)(2)), including, but not limited to, garnishment and execution, pursuant to the Mandatory Victims Restitution Act, in order to ensure that the defendant's restitution obligation is satisfied.

On each count to which a plea of guilty is entered, the Court shall impose a special assessment pursuant to 18 U.S.C. § 3013. To ensure that this obligation is satisfied, the Defendant agrees to deliver a check or money order to the Clerk of the Court in the amount of \$100, payable to "Clerk, U.S. District Court" within ten days of the change of plea hearing.

The defendant understands that this agreement imposes no limitation as to fine.

2. Supervised Release

The defendant understands that the offense(s) to which the defendant is pleading provide(s) for imposition of a term of supervised release upon release from imprisonment, and that, if the defendant should violate the conditions of release, the defendant would be subject to a further term of imprisonment.

3. Immigration Consequences of Pleading Guilty

The defendant has been advised and understands that, upon conviction, a defendant who is not a United States citizen may be removed from

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the United States, denied citizenship, and denied admission to the United States in the future.

4. Sentencing Information

The United States reserves its right and obligation to report to the Court and the United States Probation Office all information concerning the background, character, and conduct of the defendant, to provide relevant factual information, including the totality of the defendant's criminal activities, if any, not limited to the count(s) to which defendant pleads, to respond to comments made by the defendant or defendant's counsel, and to correct any misstatements or inaccuracies. The United States further reserves its right to make any recommendations it deems appropriate regarding the disposition of this case, subject to any limitations set forth herein, if any.

5. Financial Disclosures

Pursuant to 18 U.S.C. § 3664(d)(3) and Fed. R. Crim. P. 32(d)(2)(A)(ii), the defendant agrees to complete and submit to the United States Attorney's Office within 30 days of execution of this agreement an affidavit reflecting the defendant's financial condition. The defendant promises that her financial statement and disclosures will be complete, accurate and truthful and will include all assets in which she has any interest or over which the defendant exercises control, directly or indirectly, including those held by a spouse, dependent, nominee or other third party. The defendant further agrees to execute any documents requested by the United States needed to obtain from

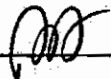
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any third parties any records of assets owned by the defendant, directly or through a nominee, and, by the execution of this Plea Agreement, consents to the release of the defendant's tax returns for the previous five years. The defendant similarly agrees and authorizes the United States Attorney's Office to provide to, and obtain from, the United States Probation Office, the financial affidavit, any of the defendant's federal, state, and local tax returns, bank records and any other financial information concerning the defendant, for the purpose of making any recommendations to the Court and for collecting any assessments, fines, restitution, or forfeiture ordered by the Court. The defendant expressly authorizes the United States Attorney's Office to obtain current credit reports in order to evaluate the defendant's ability to satisfy any financial obligation imposed by the Court.

6. Sentencing Recommendations

It is understood by the parties that the Court is neither a party to nor bound by this agreement. The Court may accept or reject the agreement, or defer a decision until it has had an opportunity to consider the presentence report prepared by the United States Probation Office. The defendant understands and acknowledges that, although the parties are permitted to make recommendations and present arguments to the Court, the sentence will be determined solely by the Court, with the assistance of the United States Probation Office. Defendant further understands and acknowledges that any discussions between defendant or defendant's attorney and the attorney or other agents for the government

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regarding any recommendations by the government are not binding on the Court and that, should any recommendations be rejected, defendant will not be permitted to withdraw defendant's plea pursuant to this plea agreement. The government expressly reserves the right to support and defend any decision that the Court may make with regard to the defendant's sentence, whether or not such decision is consistent with the government's recommendations contained herein.

7. Defendant's Waiver of Right to Appeal the Sentence

The defendant agrees that this Court has jurisdiction and authority to impose any sentence up to the statutory maximum and expressly waives the right to appeal defendant's sentence on any ground, including the ground that the Court erred in determining the applicable guidelines range pursuant to the United States Sentencing Guidelines, except (a) the ground that the sentence exceeds the defendant's applicable guidelines range as determined by the Court pursuant to the United States Sentencing Guidelines; (b) the ground that the sentence exceeds the statutory maximum penalty; or (c) the ground that the sentence violates the Eighth Amendment to the Constitution; provided, however, that if the government exercises its right to appeal the sentence imposed, as authorized by 18 U.S.C. § 3742(b), then the defendant is released from her waiver and may appeal the sentence as authorized by 18 U.S.C. § 3742(a).

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8. Middle District of Florida Agreement

It is further understood that this agreement is limited to the Office of the United States Attorney for the Middle District of Florida and cannot bind other federal, state, or local prosecuting authorities, although this office will bring defendant's cooperation, if any, to the attention of other prosecuting officers or others, if requested.

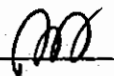
9. Filing of Agreement

This agreement shall be presented to the Court, in open court or in camera, in whole or in part, upon a showing of good cause, and filed in this cause, at the time of defendant's entry of a plea of guilty pursuant hereto.

10. Voluntariness

The defendant acknowledges that defendant is entering into this agreement and is pleading guilty freely and voluntarily without reliance upon any discussions between the attorney for the government and the defendant and defendant's attorney and without promise of benefit of any kind (other than the concessions contained herein), and without threats, force, intimidation, or coercion of any kind. The defendant further acknowledges defendant's understanding of the nature of the offense or offenses to which defendant is pleading guilty and the elements thereof, including the penalties provided by law, and defendant's complete satisfaction with the representation and advice received from defendant's undersigned counsel (if any). The defendant also understands that defendant has the right to plead not guilty or to persist in that

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plea if it has already been made, and that defendant has the right to be tried by a jury with the assistance of counsel, the right to confront and cross-examine the witnesses against defendant, the right against compulsory self-incrimination, and the right to compulsory process for the attendance of witnesses to testify in defendant's defense; but, by pleading guilty, defendant waives or gives up those rights and there will be no trial. The defendant further understands that if defendant pleads guilty, the Court may ask defendant questions about the offense or offenses to which defendant pleaded, and if defendant answers those questions under oath, on the record, and in the presence of counsel (if any), defendant's answers may later be used against defendant in a prosecution for perjury or false statement. The defendant also understands that defendant will be adjudicated guilty of the offenses to which defendant has pleaded and, if any of such offenses are felonies, may thereby be deprived of certain rights, such as the right to vote, to hold public office, to serve on a jury, or to have possession of firearms.

11. Factual Basis

Defendant is pleading guilty because defendant is in fact guilty. The defendant certifies that defendant does hereby admit that the facts set forth below are true, and were this case to go to trial, the United States would be able to prove those specific facts and others beyond a reasonable doubt.

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FACTS

a. The Federal Programs

(1) The Social Security Administration ("SSA") was a federal agency that administered the Supplemental Security Income ("SSI") program pursuant to Title XVI of the Social Security Act, as codified at 42 U.S.C. §§ 1381-1383a, and also administered the Old Age, Survivor's and Disability Insurance ("OASDI") program, pursuant to Title II of the Social Security Act, as codified at 42 U.S.C. §§ 401-434.

(2) SSI was a cash assistance program designed to provide for the aged and disabled who had little or no income or resources. Under the SSI program, United States citizens or legally admitted aliens residing in the United States could receive payments from SSA, provided they were aged or disabled and met certain income or resource requirements.

(3) OASDI provided monthly benefits to qualified retired and disabled workers and their dependents, and to survivors of insured workers. Eligibility and benefit amounts were determined by the worker's contributions to Social Security. Benefits were paid as an earned right to workers, their families, and their survivors. There was no means test to qualify for such benefits.

(4) When qualified SSI and/or OASDI recipients lacked the capacity to manage their own program benefits due to their age or physical or mental limitations, SSA approved "representative payees" to receive the beneficiaries' benefits and to use them for the beneficiaries. Thereafter, each

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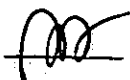
representative payee was obligated to receive and use the relevant beneficiary's OASDI or SSI program benefits exclusively for that beneficiary.

(5) SSA required that a representative payee report to SSA information showing a continuing relationship with the beneficiary, a continuing responsibility for the beneficiary's care, and how the representative payee used the beneficiary's OASDI or SSI program benefits. The SSA further prescribed that each representative payee meet other specific, mandatory reporting requirements.

(6) In that regard, each representative payee was required to complete and submit to the SSA a Form SSA-6234-OCR-SM ("Form SSA-6234") that included certain information about the beneficiary's living situation and financial benefits received and expended on behalf of the beneficiary. More specifically, the Form SSA-6234 required the representative payee to list the following or similar information:

- i. Whether the representative payee decided how the beneficiary's total available benefits were spent or saved;
- ii. Whether the representative payee charged the beneficiary a fee for payee or guardianship services provided during the previous year;
- iii. How much of the beneficiary's total available benefits were spent for the beneficiary's food and housing during the previous year;
- iv. How much of the beneficiary's total available benefits were spent on other items or services for the beneficiary such as clothing, education, medical and

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dental expenses, recreation, or personal items during the previous year; and

v. How much, if any, of the beneficiary's total available benefits was saved for the beneficiary as of the close of the previous year.

(7) The Form SSA-6234 further required the representative payee to sign and date the form under the following or like pertinent language:

I declare under penalty of perjury that I have examined all of the information on this form, and on any accompanying statements or forms, and it is true and correct to the best of my knowledge. I understand that anyone who knowingly gives a false or misleading statement about a material fact in this information, or causes someone else to do so, commits a crime . . . .

b. HARC: The Hillsborough Achievement and Resource Centers, formerly the Hillsborough Association for Retarded Citizens (or "HARC") was established in 1953 to positively impact the future for all people living with developmental disabilities, such as Alzheimer's disease and Down syndrome. In that regard, HARC opened and operated group homes that served its target client population. HARC also spearheaded various community programs for its clients focused on inclusion activities for youths, adults and seniors with disabilities.

c. The Defendant's Conduct

(1) Sandra K. Shepherd, the defendant, began volunteering at HARC in or about 2010, answering and responding to telephone

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calls. After volunteering for approximately six months, the defendant was hired by HARC to serve as the client finance manager, reporting directly to the Chief Financial Officer (or "CFO").

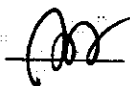
(2) As a client finance manager, one of the defendant's duties and responsibilities was to annually assist the HARC CFO in completing and submitting to SSA a Representative Payee Report, or Form SSA-6234, for each HARC client for whom HARC had been approved by the SSA to act as a Representative Payee.

(3) In or about March 2011, the defendant learned that HARC client funds, purportedly saved solely for HARC clients' needs and use (in a bank account often referred to by HARC employees as the "Endowment Account"), had been wrongfully diverted by HARC executives—including the HARC CEO and CFO—from the clients, for other purposes.

(4) The defendant discussed the wrongful diversion of HARC client funds with the then-HARC CFO, who acknowledged that the funds had been diverted and quipped that the HARC CEO was, "going to look good in orange." The defendant also discussed the diversion of the clients' funds with the prior HARC CFO, who likewise acknowledged the wrongfulness of the diversion.

(5) In or around August 1, 2011, the defendant completed a Form SSA-6234 that stated and represented, in pertinent part, that \$5,128 of SSA benefits had been spent solely for W.C., a developmentally disabled HARC client, during the period August 1, 2010 through July 31, 2011, for such items

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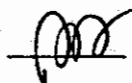
and services as clothing, education, medical and dental expenses, recreation, or other personal items, when the defendant—and other HARC executives—well knew that such was not the case. Instead, only approximately \$1,013.06 had been used for such items and services for W.C., and the remaining difference had been wrongfully diverted by the HARC executives for other purposes.

(6) The defendant then gave the bogus Form SSA-6234 to the HARC CFO to review, complete, and sign. The HARC CFO signed the form, notwithstanding the obvious false information within the form. The defendant later mailed the false and misleading Form SSA-6234 for HARC client W.C. to the SSA. In interviews with the government, the defendant has specifically acknowledged that she likewise: (i) completed additional false and fraudulent Form SSA-6234s relating to other developmentally disabled HARC clients, including V.C., A.H., and M.C. (all of whom are known to the defendant and to the government); (ii) provided the bogus forms to the HARC CFO—who was also knowledgeable as to the false and fraudulent information in the forms—to be signed; and (iii) mailed the bogus forms to the SSA.

12. Entire Agreement

This plea agreement constitutes the entire agreement between the government and the defendant with respect to the aforementioned guilty plea and no other promises, agreements, or representations exist or have been made to the defendant or defendant's attorney with regard to such guilty plea.

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13. Certification

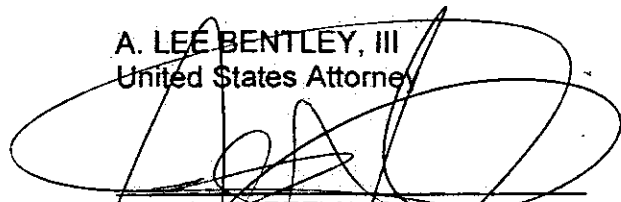
The defendant and defendant's counsel certify that this plea agreement has been read in its entirety by (or has been read to) the defendant and that defendant fully understands its terms.

DATED this 17 day of September, 2015.

  
SANDRA K. SHEPHERD  
Defendant

  
ADAM J. NATE  
Assistant Federal Public Defender  
Attorney for Defendant

A. LEE BENTLEY, III  
United States Attorney

  
JAY G. FREZEVANT  
Assistant United States Attorney

  
ROBERT A. MOSAKOWSKI  
Assistant United States Attorney  
Chief, Economic Crimes Section

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