

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF KENTUCKY
AT LOUISVILLE**

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DISTRICT COURT CLERK
WESTERN DISTRICT OF KY
16 MAR 21 PM 2:44

UNITED STATES OF AMERICA

PLAINTIFF

v.

CRIMINAL NO. 3:14-CR-00068-GNS

**LOTTIE CARISA BURGOS
aka AISHA CARISA CISSE**

DEFENDANT

PLEA AGREEMENT

Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the United States of America, by John E. Kuhn, Jr., United States Attorney for the Western District of Kentucky, and defendant, Lottie Carisa Burgos, and her attorney, Scott Cox, have agreed upon the following:

1. Defendant acknowledges that she has been charged in the Indictment in this case with violations of Title 18, United States Code, Sections 1028A, 1343, and 1957.
2. Defendant has read the charges against her contained in the Indictment, and those charges have been fully explained to her by her attorney. Defendant fully understands the nature and elements of the crimes with which she has been charged.
3. Defendant will enter a voluntary plea of guilty to Counts 1-12 and 15-20 in this case. Defendant will plead guilty because she is in fact guilty of the charges. The parties agree to the following factual basis for this plea:

All events occurred in Jefferson County, in the Western District of Kentucky.

Between January 1, 2011, and March 31, 2013, Lottie Carisa Burgos (Burgos) devised a scheme to defraud and obtain money by means of false and fraudulent representations, and

caused writings and signals to be transmitted via interstate wire communication for the purpose of executing her scheme.

The Kentucky Division of Child Care is part of the Kentucky Department for Community Based Services (DCBS). The DCBS receives federal funding from the United States Department of Health and Human Services to provide child care for low income working parents and guardians. The DCBS distributes these child care funds through the Child Care Assistance Program (CCAP). To be eligible for benefits, children must attend an approved location, including a licensed child care facility, and licensed facilities and their child care employees must meet certain state requirements.

Amongst those requirements, child care staff with supervisory authority over minors must have a high school diploma or GED, and all child care staff must have either a statement from a health professional that the individual is free of active tuberculosis, or a copy of results of a negative tuberculin skin test. A licensed child care facility must also have at least one person who is CPR certified on duty at all times.

Burgos owned and operated ABC Village Daycare (ABC Village) at two locations, 1801 West Market Street, Louisville, Kentucky, and 2823 South 7th Street, Louisville, Kentucky. Both ABC Village locations were licensed child care facilities in Kentucky. As ABC Village's owner, it was Burgos's responsibility to collect and maintain documents verifying her employees' qualifications.

As part of the scheme, Burgos or others acting at her direction falsified high school diplomas, negative tuberculosis tests, and CPR certificates to make it appear that ABC Village employees met state requirements.

Not all children qualify for CCAP assistance. A child can qualify if the child's parent or guardian is employed for at least 20 hours per week, and meets certain income limits. As part of the scheme, Burgos hired women with children to work at ABC Village so that ABC Village could bill DCBS for child care for their children. These women needed a job to satisfy the eligibility requirement that a parent be employed for at least 20 hours per week. These women often did little or no work at ABC Village.

ABC Village was required to keep daily attendance records (sign-in sheets) for the children attending ABC Village. CCAP rules required ABC Village to maintain payment records, including sign-in sheets, for five years. To receive CCAP payments, ABC Village, like other licensed child care providers, was required to submit monthly billing forms. These billing forms identified the eligible children who attended the facility that month, and the dates they attended.

These billing forms can be submitted electronically, and when a provider submits the form the provider is required to check a box affirming that "I certify that all entries have been made by me or reviewed by me for accuracy, and are complete and true to the best of my knowledge. I understand that if I give false information or withhold information, I may be subject to prosecution for fraud. . . ." As part of the scheme, Burgos and others acting at her direction falsified sign-in sheets to reflect that children attended ABC Village on certain dates even though those children did not attend ABC Village on those dates, or at all.

As part of the scheme, Burgos also submitted fraudulent billing forms, by interstate wire transmission, that inflated the number of children who attended ABC Village and the number of days those children attended ABC Village. On the dates listed below, Burgos caused interstate

wire communications to be sent in the form of electronic payments from DCBS to Burgos for ABC Village's billed CCAP services:

Count	Location	Payment Date	Payment Amount
1	7 th Street	March 2, 2011	\$44,787
2	West Market	March 14, 2011	\$14,759
3	West Market	September 4, 2011	\$28,755
4	7 th Street	September 6, 2011	\$19,953
5	7 th Street	September 12, 2011	\$9,272
6	West Market	January 4, 2012	\$24,494
7	West Market	January 17, 2012	\$20,807
8	7 th Street	March 5, 2012	\$16,383
9	7 th Street	September 12, 2012	\$29,343
10	West Market	December 9, 2012	\$4,769
11	West Market	December 16, 2012	\$32,685
12	West Market	March 10, 2013	\$29,569

On the dates listed below, Burgos knowingly engaged in monetary transactions in criminally derived property of a value greater than \$10,000. These monies were derived from the wire fraud scheme described above.

Count	Date	Transaction
15	September 9, 2011	BURGOS transferred \$15,000 from PNC account xx-xxxx-xx11 to PNC account xx-xxxx-xx76
16	January 11, 2012	BURGOS transferred \$20,000 from PNC account xx-xxxx-xx11 to PNC account xx-xxxx-xx76

Count	Date	Transaction
17	January 20, 2012	BURGOS transferred \$15,000 from PNC account xx-xxxx-xx11 to PNC account xx-xxxx-xx76
18	February 6, 2012	BURGOS purchased a \$23,990 cashier's check with funds from PNC account xx-xxxx-xx11
19	April 11, 2012	BURGOS transferred \$25,000 from PNC account xx-xxxx-xx11 to PNC account xx-xxxx-xx76
20	May 7, 2012	BURGOS transferred \$30,000 from PNC account xx-xxxx-xx11 to PNC account xx-xxxx-xx76

4. Defendant understands that the charges to which she will plead guilty carry a maximum term of imprisonment of 300 years, a combined maximum fine of \$4,500,000, and a maximum 3 year term of supervised release. Defendant understands that an additional term of imprisonment may be ordered if the terms of the supervised release are violated, as explained in 18 U.S.C. § 3583.

5. Defendant understands that if a term of imprisonment of more than one year is imposed, the Sentencing Guidelines require a term of supervised release and that she will then be subject to certain conditions of release. §§5D1.1, 5D1.2, 5D1.3.

6. Defendant understands that by pleading guilty, she surrenders certain rights set forth below. Defendant's attorney has explained those rights to her and the consequences of her waiver of those rights, including the following:

A. If defendant persists in a plea of not guilty to the charges against her, she has the right to a public and speedy trial. The trial could either be a jury trial or a trial by the judge sitting without a jury. If there is a jury trial, the jury would have to agree unanimously before it could return a verdict of either guilty

or not guilty. The jury would be instructed that defendant is presumed innocent and that it could not convict her unless, after hearing all the evidence, it was persuaded of defendant's guilt beyond a reasonable doubt.

B. At a trial, whether by a jury or a judge, the United States would be required to present its witnesses and other evidence against defendant. Defendant would be able to confront those government witnesses and her attorney would be able to cross-examine them. In turn, defendant could present witnesses and other evidence in her own behalf. If the witnesses for defendant would not appear voluntarily, she could require their attendance through the subpoena power of the Court.

C. At a trial, defendant would have a privilege against self-incrimination and she could decline to testify, without any inference of guilt being drawn from her refusal to testify. If defendant desired to do so, she could testify in her own behalf.

7. Defendant understands that the United States Attorney's Office has an obligation to fully apprise the District Court and the United States Probation Office of all facts pertinent to the sentencing process, and to respond to all legal or factual inquiries that might arise either before, during, or after sentencing. Defendant admits all acts and essential elements of the indictment counts to which she pleads guilty.

8. Defendant agrees that the amount of restitution ordered by the Court shall include Defendant's total offense conduct, and is not limited to the counts of conviction. The parties agree and stipulate that Defendant shall pay restitution in the amount of \$1,424,929.00. The parties agree that the restitution shall be ordered due and payable on the date of sentencing.

Defendant agrees that any payment schedule imposed by the Court is without prejudice to the United States to take all actions available to it to collect the full amount of the restitution at any time. Restitution payments shall be made payable to the U.S. District Court Clerk at Gene Snyder Courthouse, 601 W. Broadway, Louisville, KY 40202. The restitution shall be paid to or on behalf of the following victim:

<u>Victim</u>	<u>Amount</u>
Kentucky Department for Community Based Services	\$1,424,929.00

Defendant agrees that not later than 45 days from entry of the Plea Agreement, Defendant shall provide to the United States, under penalty of perjury, a financial disclosure form listing all Defendant's assets/financial interests. Defendant authorizes the United States to run credit bureau reports prior to sentencing, and Defendant will sign releases authorizing the United States to obtain Defendant's financial records. Defendant understands that these assets and financial interests include all assets and financial interests in which Defendant has an interest, direct or indirect, whether held in Defendant's own name or in the name of another, in any property, real or personal. Defendant shall also identify all assets valued at more than \$5,000 which have been transferred to third parties since the date of the first offense, including the location of the assets and the identity of the third party(ies). Defendant agrees that the United States may share the contents of the reports and financial disclosures with the Court and U.S. Probation.

Defendant agrees to submit to a deposition in aid of collection at times and places that the United States directs. If the Defendant has a financial advisor or accountant, Defendant agrees, at her expense, to make them available to aid the United States in determining Defendant's net worth. Defendant authorizes the United States to file notice of Lis Pendens prior to judgment on

any real property Defendant owns either individually or jointly. Defendant agrees to her name and debt being added to the Treasury Offset Program.

Upon execution of the Plea Agreement, Defendant agrees not to transfer, sell, or secrete any of Defendant's property, real or personal, held jointly, individually or by nominee/third party, valued at \$5,000 or more without first advising the United States not less than 10 days before the proposed sale or transfer. Defendant agrees that failure to comply with any of the provisions of this Agreement constitutes a material breach of the Plea Agreement and Defendant agrees that the United States is relieved of its obligations under this Agreement and/or may not move the Court pursuant to U.S.S.G. § 3E1.1(b) to reduce the offense level by one additional level, and may in its discretion argue to the Court that the Defendant should not receive a two-level reduction for acceptance of responsibility pursuant to U.S.S.G. § 3E1.1(a). However, the Defendant may not withdraw her guilty plea because of her breach.

9. Defendant acknowledges liability for the special assessment mandated by 18 U.S.C. § 3013 and will pay the assessment in the amount of \$1,800.00 to the United States District Court Clerk's Office by the date of sentencing.

10. At the time of sentencing, the United States and Defendant will

-agree that the United States will move for dismissal of Counts 13 and 14 of the Indictment.

-agree that a sentence of between 3 years of probation and 46 months of imprisonment, followed by 3 years of supervised release, is the appropriate disposition of this case.

-agree that a reduction of 3 levels below the otherwise applicable Guideline for "acceptance of responsibility" as provided by §3E1.1(a) and (b) is appropriate, provided the defendant does not engage in future conduct which violates any federal or state law, violates a condition of bond, constitutes obstruction of justice, or otherwise demonstrates a lack of acceptance of responsibility. Should such conduct occur and the United States, therefore,

opposes the reduction for acceptance, this plea agreement remains binding and the defendant will not be allowed to withdraw her plea.

-stipulate that the amount of loss involved in this case is \$1,424,929.00.

11. Both parties have independently reviewed the Sentencing Guidelines applicable in this case, and in their best judgment and belief, conclude as follows:

A. The Applicable Offense Level should be determined as follows:

2B1.1(a) (base offense level)		7
2B1.1(b)(H) (\$550,000 < loss < \$1,500,000)	+	14
3B1.1(c) (organizer/leader)	+	2
2S1.1(b)(2)(A) (money laundering)	+	1
<u>3E1.1(a) & (b) (acceptance of responsibility)</u>	-	<u>3</u>
FINAL OFFENSE LEVEL		21

B. The Criminal History of defendant shall be determined upon completion of the presentence investigation, pursuant to Fed. R. Crim. P. 32(c).

Both parties reserve the right to object to the USSG §4A1.1 calculation of defendant's criminal history. The parties agree to not seek a departure from the Criminal History Category pursuant to §4A1.3.

12. Defendant is aware of her right to appeal her conviction and that 18 U.S.C. § 3742 affords a defendant the right to appeal the sentence imposed. Unless based on claims of ineffective assistance of counsel or prosecutorial misconduct, the Defendant knowingly and voluntarily waives the right (a) to directly appeal her conviction and the resulting sentence pursuant to Fed. R. App. P. 4(b) and 18 U.S.C. § 3742, and (b) to contest or collaterally attack her conviction and the resulting sentence under 28 U.S.C. § 2255 or otherwise.

13. Defendant agrees not to pursue or initiate any civil claims or suits against the United States of America, its agencies or employees, whether or not presently known to defendant, arising out of the investigation or prosecution of the offenses covered the Indictment in this case.

14. The defendant hereby waives all rights, whether asserted directly or by a representative, to request or receive from any department or agency of the United States any records pertaining to the investigation or prosecution of this case, including without limitation any records that may be sought under the Freedom of Information Act, 5 U.S.C. § 552, or the Privacy Act of 1974, 5 U.S.C. § 552a.

15. Defendant agrees to interpose no objection to the United States transferring evidence or providing information concerning defendant and this offense, to other state and federal agencies or other organizations, including, but not limited to the Internal Revenue Service, other law enforcement agencies, and any licensing and regulatory bodies, or to the entry of an order under Fed. R. Crim. P. 6(e) authorizing transfer to the Examination Division of the Internal Revenue Service of defendant's documents, or documents of third persons, in possession of the Grand Jury, the United States Attorney, or the Criminal Investigation Division of the Internal Revenue Service. Defendant further agrees to the entry of an order under Fed. R. Crim. P. 6(e) authorizing the use of documents in possession of the Grand Jury to be used during the defendant's deposition as contemplated in paragraph 9 of this Agreement.

16. If the Court refuses to accept this agreement and impose sentence in accordance with its terms, or to dismiss Counts 13 and 14 according to the United States' motion, pursuant to Fed. R. Crim. P. 11(c)(1)(C), this Agreement will become null and void and neither party shall be bound thereto, and defendant will be allowed to withdraw the plea of guilty.

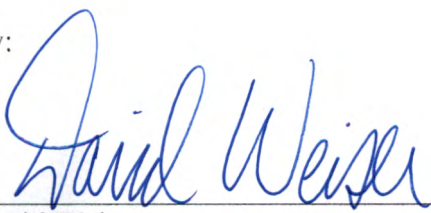
17. Defendant agrees that the disposition provided for within this Agreement is fair, taking into account all aggravating and mitigating factors. Defendant states that she has informed the United States Attorney's Office and the Probation Officer, either directly or through her attorney, of all mitigating factors. Defendant will not oppose imposition of a sentence incorporating the disposition provided for within this Agreement, nor argue for any other sentence. If Defendant argues for any sentence other than the one to which she has agreed, she is in breach of this Agreement. Defendant agrees that the remedy for this breach is that the United States is relieved of its obligations under this Agreement, but Defendant may not withdraw her guilty plea because of her breach.

18. This plea agreement and the supplemental plea agreement state the complete and only Agreement between the United States Attorney for the Western District of Kentucky and defendant in this case, and are binding only on the parties to this Agreement, supersedes all prior understandings, if any, whether written or oral, and cannot be modified other than in writing that are signed by all parties or on the record in Court. No other promises or inducements have been or will be made to defendant in connection with this case, nor have any predictions or threats been made in connection with this plea.

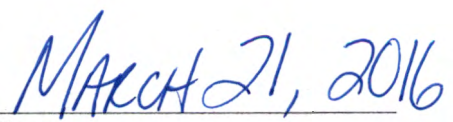
AGREED:

JOHN E. KUHN, JR.
United States Attorney

By:

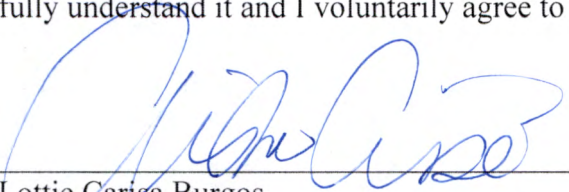


David Weiser
Assistant United States Attorney



Date

I have read this Agreement and carefully reviewed every part of it with my attorney. I fully understand it and I voluntarily agree to it.




Lottie Carisa Burgos
aka Aisha Carisa Cisse
Defendant

3/21/2016

Date

I am the defendant's counsel. I have carefully reviewed every part of this Agreement with the defendant. To my knowledge my client's decision to enter into this Agreement is an informed and voluntary one.



Scott Cox
Counsel for Defendant

21 MARCH 16

Date

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