

1541

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

UNITED STATES OF AMERICA

v.

CHARLES SIMPSON

a/k/a Edward Simpson

TANISHA JACKSON

a/k/a Paige Jackson

a/k/a Tanisha Swift

a/k/a Deshun Jackson

PAIGE JACKSON

a/k/a Shanae Jackson

Criminal No. 21-370
[UNDER SEAL]

(18 U.S.C. §§ 1349, 1503(a), 1956(h))

FILED

AUG 25 2021

INDICTMENT

COUNT ONE

CLERK U.S. DISTRICT COURT
WEST. DIST. OF PENNSYLVANIA

The grand jury charges:

GENERAL ALLEGATIONS

Unless otherwise indicated, at all times relevant to this Indictment:

A. Background on Federally Funded Child Nutrition Programs

1. The Food and Nutrition Service ("FNS") was an agency of the United States Department of Agriculture (USDA) that administered various federally funded Child Nutrition Programs at the national level, including, among others, the Summer Food Service Program ("SFSP") and the Child and Adult Care Feeding Program ("CACFP") (collectively, the "Feeding Programs").

2. SFSP ensured that children in low-income areas continued to receive nutritious meals during the summer months when schools were normally closed and the National School Lunch/School Breakfast Programs were not operating.

3. Likewise, CACFP included an At-Risk Afterschool component that offered federal funding to afterschool programs that served a meal, a snack, or both to children in low-income areas.

4. The Feeding Programs operated throughout the United States and were administered through disbursement of federal funds to state governments, which maintained oversight of the Feeding Programs' operations. In Pennsylvania, the Feeding Programs were administered by the Pennsylvania Department of Education (PADOE).

5. "Sponsors" were organizations authorized to participate in the Feeding Programs. Public and private nonprofit and for-profit organizations that met specific requirements could participate as sponsors in the At-Risk Afterschool component of CACFP. In contrast, only nonprofit organizations were eligible to participate as Sponsors in SFSP.

6. In Pennsylvania, sponsors seeking to participate in the Feeding Programs were required to submit an application to PADOE for approval.

7. Sponsors were required to obtain PADOE approval for each "site" from which they intended to operate the Feeding Programs. A site was the location where meals were served under each of the Feeding Programs during a supervised time period. A variety of locations could serve as sites, including, for example, schools, recreation centers, playgrounds, parks, places of worship, community centers, and public housing facilities. When sponsors entered into an agreement with PADOE, they acknowledged their responsibility to oversee the administration of their Feeding Program(s) at any approved sites.

8. Based on federal guidance published by USDA, PADOE established requirements for persons who were eligible to receive meals under the Feeding Programs and for meals that were eligible to be served under the Feeding Programs.

9. Based on federal guidance published by USDA, sponsors were required to keep and maintain certain records, which included, but were not limited to, daily site records documenting the number of eligible meals served (so-called “count sheets”) and documentation of the allowable operating and administrative costs for the Feeding Programs. Sponsors were also required to maintain these records for a period of three (3) years in addition to the current year. Sponsors likewise were required to make all records available to the PADOE or USDA for inspection, audit, or review.

10. A “meal” or a “snack” were considered reimbursable under the Feeding Programs when they were physically served, and only if they contained all required components (within specific nutrition guidelines) pursuant to Feeding Program regulations.

11. To receive reimbursement, sponsors accessed the PADOE “PEARS” website using personalized login information and generated a reimbursement claim based on, among other things, the number of eligible meals served to eligible persons at approved sites. The amount of each claim was based on a straight-forward calculation: the number of eligible meals served to eligible persons was multiplied by a payment rate established by Congress.

12. Sponsors were also required to submit a proposed budget when they applied to participate in the Feeding Programs. The budget was made up of anticipated reimbursements (i.e., claim amounts), operating expenses (food, food-service labor, supplies, kitchen rent, maintenance, utilities, etc.), and administrative expenses (administrative labor, office rent, office supplies, contracted/professional services, communication, insurance, etc.). PADOE generally prohibited sponsors from making capital expenditures—i.e., using program funds to finance vehicles, buildings, and equipment. The sponsors’ budgets were evaluated and approved by PADOE personnel.

13. Sponsors authorized to participate in a Feeding Program generally provided bank account information to PADOE, and reimbursement payments were disbursed via direct deposit into the designated accounts. In situations where a bank account was not yet set up with PADOE or was not active, PADOE also would send a physical check for Feeding Program reimbursements to the sponsor.

B. The Defendants and Relevant Entities

14. Defendant TANISHA JACKSON was the mother of defendant PAIGE JACKSON. Defendant CHARLES SIMPSON was a close associate of defendants TANISHA JACKSON and PAIGE JACKSON.

15. Defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON were affiliated with entities participating in the Feeding Programs beginning no later than in and around 2011.

1. DTO Corporation (Texas)

16. In and around 2011 and 2012, DTO Corporation (a/k/a Dedicated to Others) participated in the SFSP in Texas. According to documents submitted to the Texas Department of Agriculture (TDA), defendants TANISHA JACKSON, a/k/a Tanisha Swift or Nisha Swift, and PAIGE JACKSON were identified as officers of DTO Corporation.

17. In and around 2012 and 2013, TDA denied DTO Corporation's applications to participate in the 2012-2013 CACFP and 2013 SFSP because the applications were incomplete, the entity failed to provide certain requested items to TDA, and the entity did not maintain adequate staffing.

2. C&T Community Outreach (Texas and Arkansas)

18. In and around July 2013, C&T Community Outreach (“C&T”) was registered as a non-profit corporation in Texas.

19. C&T participated in the 2013-14 CACFP in Texas and the 2014 SFSP in Texas and Arkansas.

20. According to records submitted to the TDA for the 2013-2014 CACFP, defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON were identified as officers of C&T.

21. Likewise, according to records submitted to the Arkansas Department of Human Services (ADHS) for the 2014 SFSP, defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON were identified as officers of C&T.

22. On or about June 25, 2014, during C&T’s first month participating in the Arkansas SFSP, FNS conducted a review of C&T’s SFSP operations in Arkansas, which found, among other things: incomplete meal counts at the point of service (i.e., at the time of distribution); insufficient quantity of food available; and meal components not ready or not served together (as required by federal regulations). The site review also determined that C&T failed to disclose on its application to Arkansas that C&T also participated in SFSP and CACFP in Texas and that C&T had no records for food purchases or menus during the review week.

23. On or about June 27, 2014, ADHS declared C&T seriously deficient and ultimately terminated the entity’s participation in SFSP.

24. On or about August 7, 2014, ADHS informed defendants CHARLES SIMPSON and TANISHA JACKSON that they were excluded from future participation in Arkansas’s Feeding Programs.

25. In and around July of 2014, TDA conducted a review of C&T's SFSP operations in Texas for the prior month, concluding that C&T did "not maintain adequate records of meal preparation and ordering," that the "consolidated meal count [wa]s not accurate," and that "meal count sheets at [one specified site] [we]re not completed correctly."

26. On or about August 6, 2014, FNS and TDA representatives conducted an unannounced site visit of C&T's operation in Texas, finding that C&T did not provide meal service at two of its sites on that date.

27. On or about October 21, 2015, and November 25, 2015, TDA terminated C&T from participating in SFSP and CACFP in Texas, respectively.

28. According to TDA's termination letter to C&T, defendants CHARLES SIMPSON and PAIGE JACKSON would be placed on the list of individuals and providers excluded from participating in SFSP in Texas.

3. HOIN, Inc. (Pennsylvania)

29. On or about January 6, 2014, HOIN, Inc. (HOIN)—a/k/a Helping Others In Need—was registered as a non-profit corporation in Texas.

30. On or about March 10, 2015, defendant PAIGE JACKSON was assigned a username for PADOE's online PEARS system.

31. On or about July 30, 2015, defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused to be submitted, via defendant PAIGE JACKSON's PEARS user account, an application on behalf of HOIN to PADOE to participate as an SFSP sponsor in Pennsylvania. The application identified defendants PAIGE JACKSON and CHARLES SIMPSON, a/k/a Edward Simpson, as Director/Program Contact and Secretary, respectively.

32. HOIN's application to participate in the 2015 SFSP in Pennsylvania contained the question, "Has the agency or any of the agency's principals participated in any publicly funded programs within the past seven years?" Defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused the application to falsely reflect the answer "No."

33. HOIN's application to participate in the 2015 SFSP in Pennsylvania also contained the question, "Within the past seven years, has the sponsor or any principals been declared ineligible to participate in any publicly funded programs for violating program requirements?" Defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused the application to falsely reflect the answer "No."

34. The defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON further caused HOIN's 2015 SFSP application to include a false certification "that neither the Sponsor nor its principals/authorized representatives is presently debarred, suspended, proposed for debarment, declared ineligible, disqualified, or voluntarily excluded from participation in this transaction by any Federal/State department or agency."

35. On or about August 10, 2015, the defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON, caused HOIN to file a Periodic Report for a Nonprofit Corporation in Texas updating the officers of HOIN. The report identified defendant PAIGE JACKSON as Registered Agent/President/Director, defendant TANISHA JACKSON as Secretary/Director 1, and defendant CHARLES SIMPSON as Treasurer/Director 2.

36. PADOE approved HOIN's applications to participate in the Pennsylvania SFSP in 2015, 2017, and 2018.

37. In and around October 2015, defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused to be submitted, via defendant PAIGE JACKSON's PEARS user account, an application on behalf of HOIN to PADOE to participate as a CACFP sponsor in Pennsylvania. The application identified defendants PAIGE JACKSON and CHARLES SIMPSON, a/k/a Edward Simpson, as Director/Program Contact and Assistant Director/Executive Director, respectively.

38. HOIN's application to participate in the 2015-2016 CACFP in Pennsylvania contained the question, "Within the past seven years, has the sponsor or any principals been declared ineligible to participate in any publicly funded programs for violating program requirements?" Defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused the application to falsely reflect the answer "No."

39. The defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON further caused HOIN's 2015-2016 CACFP application to include a false certification "that neither the Sponsor nor its principals/authorized representatives is presently debarred, suspended, proposed for debarment, declared ineligible, disqualified, or voluntarily excluded from participation in this transaction by any Federal/State department or agency."

40. PADOE approved HOIN's applications to participate in the Pennsylvania CACFP during the 2015-2016, 2016-2017, 2017-2018, and 2018-2019 school years.

41. The PADOE sponsor applications for HOIN's participation in SFSP and CACFP required the applicant to further "certify under penalty of perjury that the information on these

application forms is true and correct, and that I will immediately report to [PADOE] any changes that occur to the information submitted.”

42. The PADOE sponsor applications for HOIN’s participation in SFSP and CACFP required the applicant to further certify that “I will ensure that all monthly claims for reimbursement are true and correct and that records are available to support these claims.”

43. Likewise, SFSP and CACFP claims for reimbursement submitted to PADOE through PEARS contained the following certification: “I certify that to the best of my knowledge, this claim is true and correct in all respects, records are available to support the claim, the claim is in accordance with the existing agreement and that payment has not been received. I know that deliberate misrepresentations or withholding of information may result in prosecution under applicable state and federal statutes.”

44. From in and around June 2015, through in and around March 2019, HOIN received approximately \$4 million in reimbursements from PADOE for SFSP and CACFP claims submitted via defendant PAIGE JACKSON’s PEARS user account.

THE CONSPIRACY

45. From in and around July 2015, and continuing thereafter to in and around May 2019, in the Western District of Pennsylvania and elsewhere, the defendants, CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON, knowingly and willfully did conspire, combine, confederate, and agree with each other and other individuals, both known and unknown to the grand jury, to commit offenses against the United States, that is, mail fraud and wire fraud, in violation of Title 18, United States Code, Sections 1341 and 1343, respectively.

PURPOSE OF THE CONSPIRACY

46. The purpose of the conspiracy was for the defendants and their co-conspirators to obtain and convert to their personal use reimbursements from PADOE based on the submission of fraudulent CACFP and SFSP claims for meals and snacks that were never provided to children at registered sites, did not satisfy applicable program requirements, or for which there was insufficient or fabricated documentation to justify reimbursement.

MANNER AND MEANS OF THE CONSPIRACY

47. It was a manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON sought to conceal their prior association with DTO Corporation and C&T and their related participation in, and subsequent exclusion from, Feeding Programs in Arkansas and Texas, through the submission of false SFSP and CACFP applications to PADOE on behalf of HOIN between in and around 2015 and in and around 2019.

48. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit application materials to PADOE that concealed defendant CHARLES SIMPSON's involvement in HOIN by falsely using his middle name, Edward, as his first name.

49. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit SFSP and CACFP application materials to PADOE that concealed defendant TANISHA JACKSON's involvement in HOIN by falsely using a misspelled version of her middle name, Deshun, as her first name.

50. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit misleading SFSP and CACFP application materials to PADOE that listed as officers both defendant PAIGE JACKSON and another purported individual using defendant PAIGE JACKSON's middle name, Shanae, as the individual's first name.

51. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit SFSP and CACFP application materials to PADOE that falsely listed various individuals as officers of HOIN, when such individuals, in fact, played little or no role in its operation.

52. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit SFSP and CACFP application materials to PADOE that falsely certified that all of the information on the applications was true and correct.

53. It was a further manner and means of the conspiracy that defendant PAIGE JACKSON managed HOIN's day-to-day operations from a commercial rental property located in Sharpsburg, Pennsylvania.

54. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON and TANISHA JACKSON maintained primary residences in and around Dallas, Texas, including at least one apartment rented with approximately \$38,000 in HOIN funds, during the period that HOIN was a SFSP and CACFP sponsor in Pennsylvania.

55. It was a further manner and means of the conspiracy that between in and around 2015 and in and around 2019, defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to register with PADOE a total of more than twenty feeding

sites, where HOIN agreed to provide meals, snacks, or both to children participating in SFSP and CACFP.

56. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused the submission of false and fraudulent SFSP and CACFP claims for reimbursement, which were submitted to PADOE via defendant PAIGE JACKSON's online PEARS account and transmitted from HOIN's Sharpsburg, Pennsylvania rental location and elsewhere.

57. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit false SFSP and CACFP claims for reimbursement for more than 500,000 meals and snacks that were never served to children at HOIN sites.

58. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit false SFSP and CACFP claims for reimbursement for meals and snacks purportedly served at sites that were not operating on the dates reflected on the claims. In certain instances, the defendants caused HOIN to seek fraudulent reimbursement for meals and snacks served at HOIN sites that had not been operating for a period of weeks or months.

59. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit false SFSP and CACFP claims for reimbursement containing fraudulently inflated meal and snack totals compared to the actual number of meals and snacks served to children at HOIN sites. In certain instances, the defendants caused HOIN to seek fraudulent reimbursement for more than five times as many meals and snacks compared to the number that were actually served at HOIN sites.

60. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit false SFSP and CACFP claims for meals and snacks that did not contain all required nutritional components, including, for example, 8 oz. of milk.

61. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit SFSP and CACFP claims that falsely certified that the information contained in the claims was true and correct and that HOIN maintained records to support the claims.

62. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused HOIN to submit false and fraudulent documentation during the course of PADOE administrative reviews to justify HOIN's SFSP and CACFP reimbursement claims, including, for example, (a) fabricated "count sheets" documenting the number of purported meals and snacks served at HOIN sites and (2) fabricated invoices and sales records documenting the purported purchase of food supplies.

63. It was a further manner and means of the conspiracy that defendants PAIGE JACKSON and TANISHA JACKSON sought to mislead PADOE staff and others by using different first names than their legal names. To that end, during in person and telephonic conversations with PADOE staff, defendant TANISHA JACKSON referred to herself as "Paige" and defendant PAIGE JACKSON referred to herself as "Shanae."

64. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused PADOE to initiate SFSP and CACFP reimbursement payments to HOIN in the form of hardcopy checks transmitted via the United States mails and also in the form of interstate wire transfers to HOIN bank accounts at First

National Bank of Texas, Woodforest Bank, and Bank of America. HOIN reimbursements occurred on an approximately monthly basis and were in excess of \$100,000 on average.

65. It was a further manner and means of the conspiracy that defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON misappropriated PADOE reimbursements deposited into HOIN's bank accounts for their personal use, including, but not limited to the following categories of expenditures:

a. More than \$120,000 in consumer goods purchased from luxury clothing retailers, including Armani Exchange, Balenciaga, Christian Louboutin, Fendi, Gianni Versace, Gucci, Louis Vuitton, Neiman Marcus, and Zara USA;

b. More than \$500,000 in payments toward the purchase and financing of luxury vehicles, including a Hummer, two Mercedes, two Range Rovers, two Maseratis, a Bentley, and a Porsche;

c. At least twelve large cash withdrawals in excess of \$10,000, totaling approximately \$265,150;

d. Tens of thousands of dollars in airfare and rental car charges; and

e. Tens of thousands of dollars in funds transferred to the defendants' personal bank accounts.

ACTS IN FURTHERANCE OF THE CONSPIRACY

66. On or about September 25, 2015, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$20,000 in cash to be withdrawn from the HOIN First National Bank of Texas (FNBT) account ending in 0413 at a bank location in and around Texas.

67. In and around March and April 2016, defendants CHARLES SIMPSON and TANISHA JACKSON caused the following payments involving HOIN funds to be made toward the purchase of a 2004 Bentley Continental from a car dealer located in Addison, Texas:

a. On or about February 27, 2016, defendants CHARLES SIMPSON and TANISHA JACKSON caused a \$20,000 transfer to be made from the HOIN FNBT account ending in 3278 to defendant TANISHA JACKSON's FNBT account ending in 0413. Prior to the transfer, the balance in defendant TANISHA JACKSON's FNBT account was zero. On or about March 4, 2016, defendants CHARLES SIMPSON and TANISHA JACKSON purchased a \$15,000 FNBT cashier's check from defendant TANISHA JACKSON's FNBT account ending in 0413 and caused such cashier's check to be used toward the vehicle purchase.

b. On or about March 24, 2016, defendants CHARLES SIMPSON and TANISHA JACKSON purchased an \$18,000 cashier's check from the HOIN FNBT account ending in 3278 and caused such cashier's check to be used toward the vehicle purchase.

c. On or about March 26, 2016, defendants CHARLES SIMPSON and TANISHA JACKSON caused a \$775 debit card payment to be made toward the vehicle purchase from the HOIN FNBT account ending in 3278.

d. On or about April 7, 2016, defendant TANISHA JACKSON purchased a \$24,616.22 cashier's check drawn on the HOIN FNBT account ending in 3278 and caused such cashier's check to be used toward the vehicle purchase.

68. On or about May 24, 2016, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$20,000 in cash to be withdrawn from the HOIN Woodforest National Bank account ending in 1432 at a bank location in and around Texas.

69. On or about June 24, 2016, defendants CHARLES SIMPSON and TANISHA JACKSON purchased a 2004 Hummer H2 from a car dealer in Carrollton, Texas, with a \$22,841.49 cashier's check drawn on the HOIN Woodforest National Bank account ending in 1432.

70. In and around October and November 2016, defendants CHARLES SIMPSON and TANISHA JACKSON caused the following payments involving HOIN funds to be made toward the purchase of a 2012 Porsche Panamera from a car dealer located in Addison, Texas:

a. On or about October 28, 2016, defendant CHARLES SIMPSON purchased a \$25,155.22 cashier's check drawn on the HOIN Woodforest account ending in 1432 and caused such cashier's check to be used toward the vehicle purchase. On or about the same day, defendant CHARLES SIMPSON also made a \$12,000 cash withdrawal from the same HOIN bank account.

b. On or about November 23, 2016, defendant CHARLES SIMPSON purchased a \$30,000 cashier's check drawn on the HOIN Woodforest account ending in 1432 and caused such cashier's check to be used toward the vehicle purchase. On or about the same day, defendant CHARLES SIMPSON also made a \$16,000 cash withdrawal from the same HOIN bank account.

71. On or about December 23, 2016, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$18,000 in cash to be withdrawn from the HOIN Woodforest National Bank account ending in 1432 at a bank location in and around Texas.

72. On or about May 12, 2017, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$28,000 in cash to be withdrawn from the HOIN Woodforest National Bank account ending in 1432 from a bank location in and around Texas.

73. Between in and around July 2017, and in and around September 2017, defendants CHARLES SIMPSON and TANISHA JACKSON caused the following payments involving HOIN funds to be made toward the purchase of a 2013 Maserati Granturismo from a car dealer located in Addison, Texas:

a. On or about July 28, 2017, defendant CHARLES SIMPSON purchased two \$20,000 cashier's checks drawn on the HOIN Woodforest account ending in 1432 and caused such cashier's check to be used toward the vehicle purchase. On or about the same day, defendant CHARLES SIMPSON also made a \$5,000 cash withdrawal from the same HOIN bank account.

b. On or about August 25, 2017, defendant TANISHA JACKSON purchased a \$40,000 cashier's check drawn on the HOIN Woodforest account ending in 1432 and caused such cashier's check to be used toward the vehicle purchase. On or about the same day, defendant TANISHA JACKSON also made a \$30,000 cash withdrawal from the same HOIN bank account.

74. On or about September 22, 2017, defendants CHARLES SIMPSON and TANISHA JACKSON caused a total of \$35,900 in cash to be withdrawn from the HOIN Woodforest National Bank account ending in 1432 from a bank location in and around Texas.

75. On or about December 29, 2017, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$25,000 in cash to be withdrawn from the HOIN Bank of America account ending in 3314 from a bank location in and around Texas.

76. On or about January 8, 2018, and February 9, 2019, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$2,500 and \$4,350, respectively, to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at a custom paint and autobody shop located in DeSoto, Texas.

77. On or about January 26, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$20,000 in cash to be withdrawn from the HOIN Bank of America account ending in 3314 from a bank location in and around Texas.

78. On or about February 2, 2018, and February 9, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$7,369.49 and \$11,948.41, respectively, to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for services at a dental clinic in the Dominican Republic.

79. On or about March 6, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$857.20 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for roundtrip tickets in the defendants' names on American Airlines flights between Dallas, Texas, and Las Vegas, Nevada.

80. On or about March 6, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$1,144.06 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for roundtrip tickets in the defendants' names on American Airlines flights between Dallas, Texas, and Cancun, Mexico.

81. On or about March 24, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$7,967.20 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at a Gucci luxury clothing store located in Dallas, Texas.

82. In and around March 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused the following payments involving HOIN funds to be made toward the purchase of a 2017 Maserati Levante from a car dealer located in Addison, Texas:

a. On or about March 1, 2018, defendant CHARLES SIMPSON purchased a \$9,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase.

b. On or about March 6, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON purchased a \$15,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase.

c. On or about March 23, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON purchased a \$15,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase.

d. On or about March 25, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON purchased a \$33,986.84 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase.

83. On or about May 25, 2019, defendant CHARLES SIMPSON caused \$611.39 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for a roundtrip ticket in his name on American Airlines flights between Dallas, Texas, and Miami, Florida.

84. On or about June 28, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON financed the purchase of a 2014 Land Rover Range Rover from a car dealer in Addison, Texas, with a \$20,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and the trade-in of the 2013 Maserati Granturismo the defendants previously purchased using HOIN-derived funds.

85. On or about June 29, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$30,000 in cash to be withdrawn from the HOIN Bank of America account ending in 3314 from a bank location in and around Texas.

86. On or about July 2, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$3,242.09 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at the Christian Louboutin luxury apparel store located in Dallas, Texas.

87. On or about July 28, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$1,821.99 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at a Fendi luxury apparel store located in Honolulu, Hawaii.

88. On or about July 28, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$1,837.85 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at a Gucci luxury apparel store located in Honolulu, Hawaii.

89. In and around July 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused the 2014 Land Rover Range Rover they purchased using HOIN-derived funds to be traded in toward the purchase of a 2018 Land Rover Range Rover Velar from a car dealer located in Addison, Texas, with such purchase financed by the following additional payments:

a. On or about October 12, 2018, defendant CHARLES SIMPSON and TANISHA JACKSON purchased a \$10,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase.

b. On or about November 9, 2018, defendant CHARLES SIMPSON and TANISHA JACKSON purchased a \$19,138.73 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase.

90. On or about August 2, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused a total of \$711.94 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for tickets in the defendants' names on a Southwest Airlines flight from Dallas, Texas, to Los Angeles, California.

91. On or about August 6, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$547.38 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for tickets in the defendants' names on a Spirit Airlines flight from Los Angeles, California, to Dallas, Texas.

92. In and around the summer of 2018, PADOE conducted an administrative review of HOIN's SFSP operation. In connection with such review, defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON caused the submission to PADOE of fabricated invoices from a fictitious food supplier, "Grocery Supply," totaling \$41,574, as a means to substantiate HOIN's claimed food purchases. Likewise, defendants CHARLES SIMPSON, TANISHA JACKSON, and PAIGE JACKSON also caused the submission to PADOE of falsified and altered invoices in the name of a legitimate supplier, Gordon's Food Supply, totaling \$18,828, as a further means to substantiate HOIN's claimed purchases for the 2018 SFSP.

93. On or about November 7, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused a \$1,077.09 debit card charge to the HOIN Bank of America account ending in 3314 for purchases at the Balenciega luxury apparel store located in Dallas, Texas.

94. In and around November 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused the 2018 Land Rover Range Rover Velar they purchased using HOIN-derived funds to be traded in toward the purchase of a 2016 Mercedes-Maybach from a car dealer located in Addison, Texas, with such purchase financed by the following additional payments:

a. On or about November 30, 2018, defendant CHARLES SIMPSON and TANISHA JACKSON purchased a \$10,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase. On or about the same day, defendant CHARLES SIMPSON also made a \$22,250 cash withdrawal from the same HOIN bank account.

b. On or about December 17, 2018, defendant CHARLES SIMPSON and TANISHA JACKSON purchased a \$20,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and caused such cashier's check to be used toward the vehicle purchase.

95. On or about November 6, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$1,077.75 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at a Zara USA luxury apparel store located in Dallas, Texas.

96. On or about November 7, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON purchased a \$30,000 cashier's check drawn on the HOIN Bank of America account ending in 3314 and made a payment toward the purchase of a 2018 Mercedes-Benz G63W4 from a car dealer with locations in and around Dallas, Texas. On or about the same day, defendants CHARLES SIMPSON and TANISHA JACKSON entered into a financing agreement with the car dealer and agreed to make monthly payments toward the \$120,586.78 balance on the vehicle. In

the financing agreement, defendants CHARLES SIMPSON and TANISHA JACKSON represented to the car dealer that they were the CEO and Director of HOIN, respectively.

97. Between on or about November 30, 2018, and on or about December 4, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused a total of \$10,140.87 to be charged to debit cards associated with the HOIN Bank of America account ending in 3314 for purchases at a recording studio located in Atlanta, Georgia.

98. Between on or about December 4, 2018, and on or about December 7, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused a total of \$11,897.35 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at a Louis Vuitton luxury apparel store located in Atlanta, Georgia.

99. On or about December 18, 2018, defendants CHARLES SIMPSON and TANISHA JACKSON caused \$2,944.40 to be charged to a debit card associated with the HOIN Bank of America account ending in 3314 for purchases at a Gianni Versace luxury apparel store located in Dallas, Texas.

100. On or about January 24, 2019, defendants CHARLES SIMPSON and TANISHA JACKSON caused a \$3,300 check to be issued from the HOIN Bank of America account ending in 3314, payable to a recording studio in Dallas, Texas, with the memo line "rent."

101. In and around January 2019, PADOE conducted an administrative review of HOIN's CACFP operation. In connection with such review, defendants TANISHA JACKSON and PAIGE JACKSON created fictitious meal count documentation for submission to PADOE personnel during an in-person review of HOIN's Sharpsburg, Pennsylvania rental space.

In violation of Title 18, United States Code, Section 1349.

COUNT TWO

The grand jury further charges:

102. Paragraphs 1 through 101 are incorporated as fully set forth herein.

103. From in and around June 2015 and continuing thereafter to in and around May 2019, in the Western District of Pennsylvania and elsewhere, the defendants, CHARLES SIMPSON and TANISHA JACKSON, did knowingly, intentionally, and unlawfully conspire with persons both known and unknown to the grand jury, to commit an offense against the United States in violation of Title 18, United States Code, Section 1957(a), to wit: to knowingly engage or attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000 derived from specified unlawful activity, that is, mail and wire fraud, in violation of Title 18, United States Code, Sections 1341 and 1343.

In violation of Title 18, United States Code, Section 1956(h).

COUNT THREE

The grand jury further charges:

104. On or about May 2, 2019, in the Western District of Pennsylvania, and elsewhere, the defendant, CHARLES SIMPSON, did corruptly influence, obstruct, and impede, and endeavor to influence, obstruct, and impede, the due administration of justice; to wit, a federal grand jury investigation pending in the Western District of Pennsylvania. With knowledge that his statements would be transmitted to the grand jury, the defendant falsely told federal law enforcement officers that he did not make any decisions for HOIN and that he was solely a food delivery driver; that he earned \$10 to \$12 per hour from HOIN; that all the money that HOIN obtained was used on expenses related to serving food; that any funds he used from the HOIN bank account were offsets against his own money that he had previously deposited into the HOIN account; and that “Deshun Jackson” and defendant TANISHA JACKSON were different people, when, in fact, he knew they were the same person.

In violation of Title 18, United States Code, Section 1503(a).

FORFEITURE ALLEGATIONS

105. Paragraphs 1 through 101 of this Indictment are hereby re-alleged and incorporated by reference as though fully set forth herein for the purpose of alleging criminal forfeiture.

106. The United States hereby gives notice to the defendants charged in Count One that, upon their conviction of such offense, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(8), and Title 28, United States Code, Section 2461(c), which require any person convicted of such offense to forfeit any real or personal property used or intended to be used to commit, to facilitate, or to promote the commission of such offense; and constituting, derived from, or traceable to the gross proceeds that the defendant obtained directly or indirectly as a result of the offense, including but not limited to the following:

- a. A sum of money in an amount to be determined by the Court.

107. The United States hereby gives notice to the defendants charged in Count Two that, upon their conviction of such offense, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(1), and Title 28, United States Code, Section 2461(c), which require any person convicted of such offense to forfeit all property involved in such offense and all property traceable to such property, including but not limited to the following:

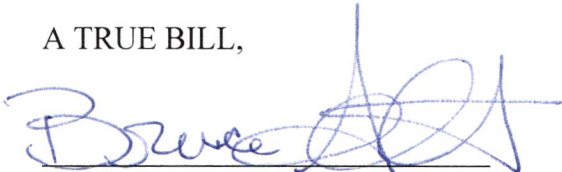

- a. A sum of money in an amount to be determined by the Court.

108. If any of the above-described forfeitable property, 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, sold to, or deposited with a third party;
- c. Has been placed beyond the jurisdiction of the Court;
- d. Has been substantially diminished in value; or

e. Has been commingled with other property which cannot be subdivided without difficulty,
the United States intends to seek forfeiture pursuant to Title 21, United States Code, Section 853(p), Title 18, United States Code, Section 982(b), and Title 28, United States Code, Section 2461(c), of any other property of the defendant up to the value of the forfeitable property described in these forfeiture allegations.

A TRUE BILL,


FOREPERSON
STEPHEN R. KAUFMAN
Acting United States Attorney
PA ID No. 42108