

MESSAGE FROM THE PRESIDENT



Greetings,

It is the Colorado Welfare Fraud Council's hope that you and your loved ones had a happy holiday. CWFC is looking forward to an exciting 2012!

Please mark your calendars for June 12-15, 2012, when CWFC will be hosting our annual training conference in Steamboat Springs, Colorado. The conference committee is working hard to put on an excellent training conference. Ask food stamp workers or any eligibility worker in any county and they will tell you that they can't keep up with the number of new applications coming through their doors due to slow economy. Some of those applicants really don't care about PROGRAM INTEGRITY,

but we do. Every day those individuals who think that they can get away with fraud, with the attitude that they will never get caught, are wrong. Every day across this great state and nation, those who break the rules are finding out the hard way that they will pay with court fines, disqualifications, jail time, being classified as felons and most of all, shame to their

families, neighbors and communities.

Join us in Steamboat for our annual training conference! For more information about the conference, log on to www.cwfc.us.

Rogelio Segura

CWFC President



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EX-WELFARE CASE MANAGER FRAUD SUSPECT
LONGTIME COUNTY EMPLOYEE ACCUSED OF STEALING BENEFITS

PAUL SHOCKLEY
GRAND JUNCTION SENTINEL

A former longtime Mesa County Department of Human Services case manager and her husband are accused of improperly receiving more than \$53,000 in welfare benefits.

Tony Padilla Jr., 45, and his wife, Venica Padilla, 41, now Aurora residents, are suspected of defrauding an adoption sub-

sidy-assistance program and falsely representing they were financially supporting two adopted daughters, according to arrest warrant affidavits.

The fraud is the largest in recent years investigated by Mesa County and has been referred to the District Attorney's Office for prosecution, Human Ser-

vices spokeswoman Karen Martsof said.

According to affidavits, Venica Padilla was a senior case manager with Mesa County Human Services' child welfare division while the fraud happened between September 2003 and November 2009.

EX-WELFARE CASE MANAGER FRAUD SUSPECT (CONT).

The affidavit said Venica Padilla’s employment of 13 years with Mesa County ended in October 2010, approximately two months after she was questioned by investigators.

County spokeswoman Jessica Peterson said she could not discuss circumstances surrounding Padilla’s departure.

The Padillas are accused of stealing from a program that provides assistance, a monthly stipend, for parents of adopted children with special needs until the children turn 18, according to the affidavit.

An investigation showed the Padillas took money from the program, despite the fact the girls were not living in their home, and they did not provide financial assistance to the girls’ caretakers, according to the affidavit.

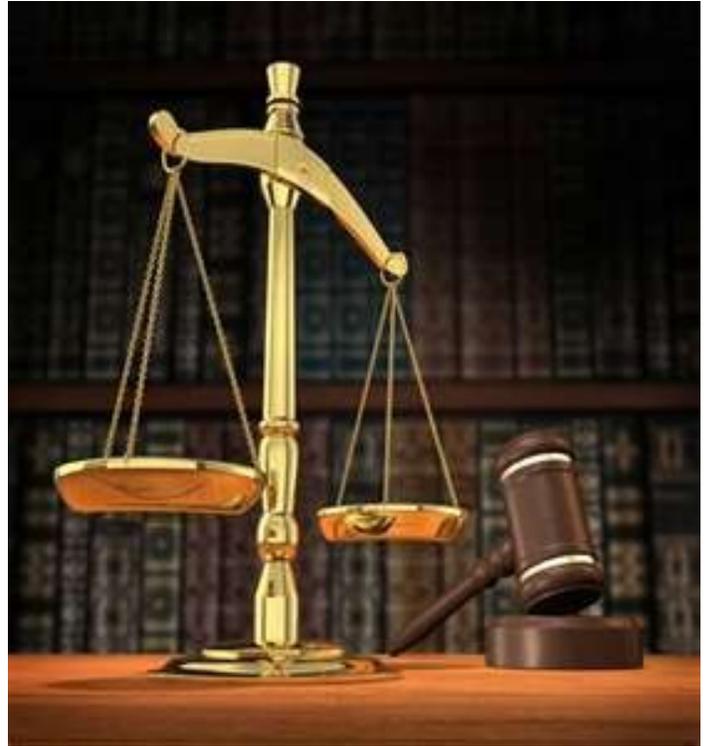
Interviewed in August 2010, Venica Padilla initially said she didn’t understand the paperwork.

“Venica stated it was not her understanding that she was marking that they (daughters) were living with her on the review forms by answering ‘yes’ to the question, ‘Does your/son daughter continue to live with you?,” the affidavit said.

She later acknowledged she knew she was required to report that the girls were not living in her home.

Venica Padilla was employed in Mesa County as a senior Human Services case manager between March 1994 and April 2005, before rejoining the organization in May 2007, according to Peterson.

The affidavit said Padilla also was employed as a compliance investigator working in the child welfare division of



the Colorado Department of Human Services for roughly one year.

On October 11, 2011, the Padillas were formally charged in the case.

The Padillas are charged with 28 combined felonies, including theft, forgery and attempt to influence a public servant.

DEAR INFORMER

Do I have to have a claim in order to pursue an IPV?

Federal regulation 273.16 defines Disqualification for IPV as:

1. Made a false or misleading statement, or misrepresented, concealed or withheld facts; or
2. Committed any act that constitutes a violation of

the Food Stamp Act, the Food Stamp Program regulations, or any State statute for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking of coupons, authorization cards or reusable documents used as part of an automated benefit delivery system.

The matter of a claim is not directly addressed in regulation. Therefore, several counties have sought IPV’s without a claim attached. The Administrative Law Judges have found clients guilty of an IPV whether or not there is a claim associated with the IPV. The Office of Appeals has affirmed such decisions.



Send questions to jparrill-cole@bouldercounty.org.

WHAT IS FOOD ASSISTANCE TRAFFICKING?

Colorado state statute 26-2-306 defines trafficking as:

(1) Any person who obtains, uses, transfers, or disposes of food stamps in the manner specified in paragraphs (a) to (c) of this subsection (1) commits the offense of trafficking in food stamps. A person who traffics in food stamps includes:

(a) Any bona fide recipient of food stamps, or his authorized representative who knowingly transfers food stamps to another who does not, or does not intend to, use the said food stamps for the benefit of the food stamp household for whom the food stamps were intended as the same is defined in the rules and regulations of the state department;

(b) Any person who knowingly acquires, accepts, uses, or transfers to another for consideration food stamps not issued to him or an authorized representative or to a member of a food stamp

household of which he is a member by the state department or another authorized issuing agency in another state;

(c) Any person who knowingly receives, possesses, alters, transfers, or redeems food stamps received, used, or transferred in violation of any federal statute.

(2) Trafficking in food stamps is:

(b) A class 2 misdemeanor under section 18-1.3-501, C.R.S., if the value of the food stamps is less than five hundred dollars;

(b.5) A class 1 misdemeanor under section 18-1.3-501, C.R.S., if the value of the food stamps is five hundred dollars or more but less than one thousand dollars;

(c) A class 4 felony under section 18-1.3-401, C.R.S., if the value of the food stamps is one thousand dollars or more but less than twenty thousand dollars;

(d) A class 3 felony under section 18-1.3-401, C.R.S., if the value of the food stamps is twenty thousand dollars or more.

(3) When a person commits the offense of trafficking in food stamps twice or more within a period of six months, two or more of the offenses may be aggregated and charged in a single count, in which event the offenses so aggregated and charged shall constitute a single offense, and, if the aggregate value of the food stamps involved is one thousand dollars or more but less than twenty thousand dollars, it is a class 4 felony; however, if the aggregate value of the food stamps involved is twenty thousand dollars or more, it is a class 3 felony.

Volume 4, section 4.4430.1, ESTABLISHING CLAIMS AGAINST HOUSEHOLDS, contains detail regarding claims associated with trafficking offenses.



The use of social media has also changed how trafficking occurs. Clients have been found posting SNAP benefits and/or EBT cards on such sites as Craig's List, Facebook, Twitter and eBay. An October 4, 2011 memo from Laura Griffin, Acting Director of the FNS Program Accountability and Administrative Division, discusses IPV's related to social media. The memo states "The Food and Nutrition Service (FNS) has reviewed this matter and considers the offer to sell SNAP benefits to be a violation of SNAP regulations, constituting an Intentional Program Violation (IPV). The legal basis that an individual who offers to sell their benefits by either making their offer in a public way or posting their EBT card for sale online has committed an IPV is contained in the following regulations and statutory provisions: 7 CFR 273.16 (c) (2), 7 CFR 273.16 (e)(6) and 7 CFR 274.7(a)."

QUARTERLY INVESTIGATOR'S MEETING

Every quarter, the investigation and recovery staff from several of the metro area counties meet to discuss what's going on in their agencies. Often, state policy staff from CDHS and

HCPF attend to provide input and to pass along new information to the counties. These meetings are not officially sanctioned by CWFC, but many of the attendees are CWFC members.

The next meeting will be held in El Paso County on April 25, 2012 at 10:00 a.m. Please contact ShawnSouthard@elpasoco.com for meeting details.



Award Nomination Form

Nominees need not be CWFC members

(Check only one)

Ted Cole Memorial Award

This award recognizes an individual or group who demonstrated excellence in performance that enhances the general principles and goals of the CWFC, public relations, positive contribution to newsletter, legislation, or other printed forums that relate to preventing public assistance fraud and the promotion of the CWFC.

Outstanding Group or Individual of the Year

This award recognizes an individual or group of individuals who have made an important contribution and/or a major impact in the prevention, detection, prosecution, and recovery of fraudulently obtained public assistance within the last year

Prosecutor of the Year

This award recognizes an individual who has made an outstanding contribution and/or shown excellence in the prosecution of fraud.

Income Maintenance Tech, Eligibility Worker, or Case Manager of the Year

This award recognizes an individual who has made an outstanding contribution and/or demonstrates excellence in the prevention of public assistance or food assistance fraud.

Recovery, Legal, Investigative Tech of the Year

This award recognizes an individual who has made an outstanding contribution and/or demonstrates excellence in the recovery of public assistance or food assistance fraud.

Investigator of the Year

This award includes all Investigators from local, state and federal levels. It recognizes an individual who has made an outstanding contribution and/or exhibited excellence in the investigation of fraud and program abuse.

Nominee: _____

Reason for Nomination- please attach your nomination on department letterhead

Your Name: _____

Phone #: _____

Fax or E-mail nominations to Jennifer Parrilli-Cole by May 04, 2012

Phone: 303-682-6792 Fax: 303- 682-6786

E-mail: jparrilli-cole@bouldercounty.org

Greetings from the 2011-2012 CWFC Membership Committee!

The Colorado Welfare Fraud Council (CWFC) is looking forward to an exciting year! The CWFC will be celebrating our 28th year as a professional organization dedicated to the prevention, detection, investigation and prosecution of welfare fraud, and the recovery of those fraudulently obtained public assistance funds. As Vice-President and chair of the Membership Committee, I would like thank all members, past and present, for their contributions and commitment over the last three decades which have made CWFC the great organization it is today.

CWFC Memberships for the year 2012 are now being accepted

The rewards of membership in the CWFC are many. CWFC members represent public assistance and fraud professionals from the county, state and federal level, the law enforcement and judicial community, and other professionals interested in preserving the intent and spirit of welfare fraud law and public assistance program integrity. CWFC annual memberships are honored from January 1st through December 31st inclusive. In light of these challenging economic times, CWFC annual memberships remain an affordable \$20.00 per year. Also, new members and returning members (non-current) who join now for the 2012 year will enjoy full membership privileges for the remainder of 2011 as well as the full 2012 calendar year. **I urge all current CWFC members to extend an awareness of the benefits of CWFC membership to your colleagues and associates, and to encourage them to join the Colorado Welfare Fraud Council.** Also, current CWFC members, please take a moment to provide your up to date contact information if it has changed. Let's make this a great year!

Sincerely,

Bridget Convey

Vice-President and Membership Committee Chair, CWFC, 2011-2012

Please Print Legibly and Complete Membership Form in its Entirety

2012 CWFC Membership Form

Name: _____ Date: _____

Agency: _____ Title: _____

Mailing Address: _____

Telephone: _____ Fax: _____ E-mail _____

New Member Returning Member Renewal Change of Contact Information Only

2012 Annual Membership is \$20.00. Please make checks payable to CWFC and mail with completed Membership Form to:

CWFC, P.O. Box 890, Canon City, CO 81215