

Felon Pleads Guilty To \$464,000 In Food Stamp Fraud

By Administrator

Tuesday, 18 December 2018 09:53 -

United States Attorney Robert J. Higdon, Jr. announced that Feran Sanchez 51, waived indictment and pleaded guilty to SNAP fraud and conspiracy to commit money laundering charges. SNAP, formerly known as the Food Stamp Program, is a federally funded, national program established by the United States Government to alleviate hunger and malnutrition among lower income families. The United States Department of Agriculture administers the SNAP through its agency, the Food and Nutrition Service (FNS). FNS is responsible for the authorization and disqualification of retail food establishments participating in the redemption of SNAP benefits. Social service agencies from each state share responsibility with FNS for administration of the program by authorizing and revoking distribution of SNAP benefits to individual recipients. According to the Criminal Information and information in the public record, Sanchez previously pleaded guilty to making material false statements in connection with the on-going federal crop insurance fraud investigations in EDNC. On April 9, 2010, the Court granted the government's motion for a departure based on substantial assistance and sentenced Sanchez to 5 years' probation.

Mr. Higdon stated, "This prosecution reflects our Office's commitment to protecting the integrity of important federal programs like SNAP as well as holding accountable felons who continue to engage in criminal conduct."

Sanchez's 2010 felony conviction made him ineligible to participate in the SNAP program as a vendor and in fact, the FNS-Retailer Operations Division permanently withdrew his authorization to participate in the program. Notwithstanding his debarment, SANCHEZ recruited another person who, at Sanchez's direction, created a business entity known as Selena's Mexican Bakery & Store, opened a bank account in the name of Selena's Mexican Products, and submitted an electronic SNAP vendor application which contained false and misleading information. Based on the application, the unindicted co-conspirator received authorization to be a SNAP vendor in August 2013. The unindicted co-conspirator opened up a bank account, listing Sanchez on the account.

From August 30, 2013, through September 24, 2017, Selena's Mexican Bakery & Store received approximately \$464,385.60 in SNAP benefits. During that time frame, Sanchez trafficked SNAP EBT benefits, allowing individuals to exchange benefits for cash or ineligible purchases.

Sanchez and/or another person, through Selena's Mexican Products, also caused to be transferred the \$464,385.60 SNAP funds to Selena's Mexican Products business account at First Bank. SANCHEZ transferred a portion of the money to an account controlled exclusively by him. He withdrew or otherwise spent the remaining SNAP funds in the Selena's Mexican Products business account.

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Investigation of this case was conducted by the United States Department of Agriculture - Office of Inspector General, Investigations and the Internal Revenue Service - Criminal Investigations. Special thanks to the Warsaw Police Department for their assistance in the investigation.