

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

**UNITED STATES OF AMERICA** \* **CRIMINAL NO.**

**v.** \* **SECTION:**

**CAROL NEY** \*

\* \* \*

**FACTUAL BASIS**

Should this matter have gone to trial, the government would have proven, through the introduction of competent testimony and admissible, tangible exhibits, the following facts, beyond a reasonable doubt, to support the allegations in the Bill of Information now pending against the defendant:

The defendant, **CAROL NEY (NEY)** has agreed to plead guilty as charged to the one-count Bill of Information charging her with violating Title 18, United States Code, Section 666(a)(1)(A), concerning programs receiving federal funds, in that from on or about October 1, 2009 through on or about September 30, 2010, as a person who was an agent of a local government, she obtained by fraud property valued at \$5,000 or more owned by, or under the care, custody and control of a local government which received in any one-year period, benefits in excess of \$10,000 under a Federal

program involving a grant, contract, subsidy, loan, guarantee, insurance or other form of Federal assistance.

A representative of the City of Harahan (City) would testify that the City received Federal financial assistance and benefits in excess of \$10,000 during the one-year period from October 1, 2008 to September 30, 2009, in that it received at least \$56,645.89 during that time from various grants, contracts, subsidies, loans, guarantees, insurance and other forms of Federal assistance. The mayor of the City would testify that the City is a political subdivision of the State of Louisiana. Title 18, United States Code, Section 666(d)(3) provides a political subdivision of a state is a local government.

**NEY** was employed from June 2002 until early January 2011 as a police officer by the Police Department of the City. **NEY** also served as the project director of a Victim Assistance Program conducted by the City as subgrantee of the Louisiana Commission on Law Enforcement and Administration of Criminal Justice for at least two annual periods, October 1, 2008 through September 30, 2009; and October 1, 2009 through September 30, 2010. The project funds which provided for payment of personnel costs under each subgrant were Federal funds. The City agreed to pay all fringe benefits attributed to the personnel costs related to work on the subgrant.

Besides serving as the project director, **NEY** also served as the Victim Assistance Advocate in connection with the Victim Assistance Program, sometimes referred to as the Crime Victims Grant. As such, **NEY** was paid by the City to perform victim assistance services during overtime hours i.e., outside her regular work hours as a police officer for the City. The City then sought and obtained reimbursement through Federal funds for overtime amounts **NEY** had been paid by the City. **NEY** was paid a salary of \$31,795.58 in 2008, \$33,040.02 in 2009, and \$33,040.02 in 2010 for her regular work as a City police officer. **NEY** was paid \$10,840.00 in federal funds, allegedly

for victim assistance work performed by her after regular work hours during the period October 1, 2009 through September 30, 2010.

The City completed an application for each yearly subgrant in which certain representations and assurances were made. The statement of subgrant award issued included a certification that the funds would be expended for the purposes set forth in the applications and there would be compliance with all assurances certified in the application. Among the representations in the application were that hours worked on the Crime Victims Grant by the Victim Assistance Advocate would be overtime hours worked by a police officer after and in addition to regular working hours. Among other requirements was a requirement that records of work performed under the subgrant be maintained.

In compliance with that requirement, each pay period, **NEY** completed a form documenting, among other things, the overtime hours she had worked on the Crime Victims Grant. That form was approved by her supervisor, the former chief of police for the City. Based upon that submission, **NEY** was paid by the City her regular salary for work during regular working hours, as well as overtime hours at the rate of 1-1/2 times her regular hourly salary for the hours she represented she had worked on the Crime Victims Grant. The overtime hours ultimately were paid out of Federal funds and fringe benefits relating to the overtime hours ultimately were paid by the City.

During July, 2010, **NEY** told the newly-elected but not yet installed new police chief, Jacob M. Dickinson, that she anticipated, after he was installed as the new police chief for the City, that he might have some questions for her relating to her work on the Crime Victims Grant. **NEY** acknowledged that under the prior administration she had sometimes projected the overtime hours she would work on the Crime Victims Grant during the pay period and certified those hours with the

expectation she would actually work those hours. She indicated that sometimes her projections did not match the hours she actually worked during the pay period and she did nothing to correct the inaccurate report. She also stated that she was able to perform all her duties under the Crime Victims Grant during her regular hours and did not actually work the overtime hours she had represented she had worked.

Police officers of the City would testify that at times they sought to perform work during overtime hours on the Crime Victims Grant but their offers to work were refused by **NEY** in her capacity as project director. In one case, an officer was told by **NEY** to increase the number of hours she reported to have worked on the Crime Victims Grant, a request the officer took to mean a request to falsify her time sheet so as to reflect more hours than had actually been worked by the officer. **NEY** then said something to the effect that the money will not be available next year if we do not use it all up this year. The officer refused to increase the number of hours she certified.

In one instance, **NEY** initially represented that she had performed overtime work on the Crime Victims Grant during one week of a two-week pay period where she had been on annual leave out of state. When another employee questioned her about the entry, **NEY** merely shifted the overtime hours she allegedly had worked during annual leave to the other week of the pay period when she had not been out of state, leaving the total number of hours she had allegedly worked overtime for the pay period unchanged.

**NEY** was to attend a community awareness event in honor of National Crime Victims' Rights Week hosted by the Jefferson Parish District Attorney's Office Victim Witness Assistance Program on Saturday, April 24, 2010. Although the event concerned the Crime Victims Grant and services

provided under it, **NEY** directed another employee to attend the Saturday training and then claimed five hours overtime for that day.

**NEY** has acknowledged that she knowingly received payment in the amount of \$10,840 from the City, which was reimbursed by Federal funds to which she was not entitled, because she either had not performed any work, or the work was performed during the regular workday while she was being paid her regular salary by the Harahan Police Department. She also acknowledges that the payments occurred because she falsely represented that she had worked overtime hours on the Crime Victims Grant.

In addition to her work on the 2009-2010 Crime Victims Grant, during the immediately previous subgrant period, covering the period from October 1, 2008 until September 30, 2009, **NEY** was paid \$9,675 by the City, which was reimbursed by Federal funds, allegedly for victim assistance work performed by her after regular work hours. With respect to this work as well, **NEY** acknowledges that she knowingly received payment in the amount of \$9,675 to which she was not entitled, because she either had not performed any work, or the work was performed during the regular workday while she was being paid her regular salary by the Harahan Police Department. She also acknowledges that the payments occurred because she falsely represented that she had worked overtime hours on the Crime Victims Grant.

During the period from October 1, 2008 until September 30, 2009, the City received at least \$434,457.81 in Federal funds from various grants, contracts, subsidies, loans, guarantees, insurance and other forms of Federal assistance, which would be proved through the testimony of a representative of the City.

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EILEEN GLEASON  
Assistant United States Attorney  
DC Bar Roll No. 980511

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Date

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DAVID CRAIG  
Attorney for Defendant, Carol Ney

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Date

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CAROL NEY  
Defendant

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Date