

UNITED STATES DISTRICT COURT
District of Minnesota

UNITED STATES OF AMERICA,

INDICTMENT

Plaintiff,

18 U.S.C. § 853(p)

18 U.S.C. § 981(a)(1)(C)

v.

18 U.S.C. § 1343

28 U.S.C. § 2461(c)

TIMOTHY STAFFORD

Defendant.

THE UNITED STATES GRAND JURY CHARGES THAT:

COUNTS 1-25
(Wire Fraud)

At all times relevant to this Indictment:

UNITED STATES ARMY GUARD RECRUITING ASSISTANCE PROGRAM

1. The United States Army National Guard is an all-volunteer force which depends on private citizens volunteering to serve. The Army National Guard relies on experienced Recruiting and Retention Non-Commissioned Officers (“Uniformed Recruiters”) to recruit qualified soldiers for entry into the Army National Guard in accordance with applicable rules and regulations.

2. In 2005, the Army National Guard developed the Guard Recruiting Assistance Program (G-RAP) in order to help meet its recruitment goals during a time of war and low recruitment numbers. The G-RAP was designed to supplement traditional recruiting efforts performed by Uniformed Recruiters.

3. The G-RAP permitted eligible members of the Army National Guard to volunteer as part-time Recruiting Assistants (“RA”). The G-RAP provided financial incentives to RAs to network with their friends, family, neighbors, co-workers, acquaintances, community members, and other individuals within their spheres of influence, in order to identify potential soldiers interested in joining the Army National Guard. Under the G-RAP, RAs earned referral bonus payments for each potential soldier who signed an enlistment contract and/or shipped to Basic Training.

4. Under the G-RAP program, RAs were considered part-time independent contractors not acting in their official capacities as members of the Army National Guard. Guard members, who worked as RAs, were only permitted to perform RA activities while off-duty, and were prohibited from wearing their uniforms while performing RA activities.

5. The United States contracted with Document and Packaging Brokers, Inc. (“DOCUPAK”), a private company, located in Pelham, Alabama, to administer the G-RAP program. DOCUPAK created and maintained the G-RAP website and online systems, and paid monetary bonuses to RAs who successfully referred soldiers into the Army National Guard. DOCUPAK paid the bonuses from government funds paid through the contract.

6. The funds which DOCUPAK paid to RAs came from funds paid to DOCUPAK under its contract with the United States Army and Army National Guard, all departments of the executive branch of the government of the United States.

7. DOCUPAK paid each RA \$1,000 for each G-RAP nominee who signed a contract to enlist in the Army National Guard, and a second \$1,000 when the nominee shipped out to Basic Training. If the nominee had prior military service, DOCUPAK paid a single \$2,000 or \$3,000 payment to the RA when the nominee signed the enlistment contract.

8. DOCUPAK paid the G-RAP referral bonuses by wire transfer from its account with First Commercial Bank, account no. ****3390 (DOCUPAK's FCB account), based in the state of Alabama, to the bank account designated by the RA.

PROCESS TO CLAIM G-RAP REFERRAL BONUS

9. After the RA identified a potential soldier, the RA would begin the recruitment process by:

- a. logging onto the G-RAP website and identifying the potential soldier as a G-RAP recruit;
- b. nominating the potential soldier as a G-RAP recruit by entering the potential soldier's name and social security number into the G-RAP website;
- c. verifying his or her relationship with the potential soldier by documenting how and when the RA met the recruit, summarizing recruiting efforts, and documenting the potential soldier's progress towards joining the Army National Guard.

10. The RA would then introduce the G-RAP nominee to arrange a meeting between the G-RAP nominee and a Uniformed Recruiter. When the G-RAP nominee

was ready to enlist, the Uniformed Recruiter would finalize the nominee's recruitment process.

PROHIBITED CONDUCT

11. Uniformed Recruiters assigned to the State Recruiting and Retention Command were ineligible to participate in the G-RAP program, and were prohibited from receiving G-RAP referral bonus payments.

12. Each RA received online instruction on their responsibilities and the rules of the G-RAP program. The G-RAP rules prohibited the RA from obtaining a nominee's personal identification information from anyone but the G-RAP nominee himself or herself. RAs were specifically trained to report any Uniformed Recruiters who offered a recruit's personal identification information in exchange for the RA's agreement to falsely input the potential soldier's personal identification information into the G-RAP system in order to share the resulting G-RAP referral bonus payment.

INDIVIDUALS INVOLVED

13. At all times relevant to this Indictment, INDIVIDUAL A, INDIVIDUAL B, INDIVIDUAL C, and **DEFENDANT TIMOTHY STAFFORD** were members of the Army National Guard assigned to various units and duty positions.

14. From on or about October 16, 2009 through on or about August 15, 2011, INDIVIDUAL A was a Uniformed Recruiter on Active Guard orders for full time National Guard duty.

15. From on or about March 1, 2008 through on or about February 28, 2012, INDIVIDUAL B was a Uniformed Recruiter on Active Guard orders for full time National Guard duty.

16. From on or about January, 1, 2009, until January 9, 2015, INDIVIDUAL C was a Uniformed Recruiter on Active Guard orders for full time National Guard duty.

17. On or about September 19, 2009, **DEFENDANT TIMOTHY STAFFORD** enrolled into the G-RAP program as an RA. **DEFENDANT TIMOTHY STAFFORD** designated his personal bank account at Wells Fargo Bank, account no. ****7998 (“STAFFORD’s Wells Fargo Bank Account”) in Minnesota to receive G-RAP referral bonus payments.

THE SCHEME AND ARTIFICE

18. Between on or about November 2009 and December 2010, in the State and District of Minnesota and elsewhere, **DEFENDANT TIMOTHY STAFFORD**, INDIVIDUAL A, INDIVIDUAL B, and INDIVIDUAL C devised and intended to devise a scheme and artifice to defraud the United States Army and the United States Army National Guard, both agencies of the United States, and their contractor DOCUPAK, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises.

19. It was part of the scheme that:

- a. On diverse occasions, INDIVIDUAL A, INDIVIDUAL B, and INDIVIDUAL C, knowingly provided the names and social security

numbers of their respective recruits to **DEFENDANT TIMOTHY STAFFORD** with the agreement or understanding that **DEFENDANT TIMOTHY STAFFORD** would fraudulently input the recruit's personal identification information into the G-RAP website and share the G-RAP referral bonuses with INDIVIDUAL A, INDIVIDUAL B, or INDIVIDUAL C.

- b. After receiving the recruit's personal identification information, **DEFENDANT TIMOTHY STAFFORD** submitted the recruit's name and social security number to DOCUPAK by wire and falsely represented that **DEFENDANT TIMOTHY STAFFORD** identified, contacted, and encouraged the recruit to enlist in the Army National Guard.
- c. In this manner, **DEFENDANT TIMOTHY STAFFORD** falsely claimed that he was responsible for referring these recruits into the G-RAP and Army National Guard, when in fact **DEFENDANT TIMOTHY STAFFORD** did not refer or know the recruits.

DEFENDANT TIMOTHY STAFFORD and INDIVIDUAL A

20. On or about the each of the dates set forth below, in the State and District of Minnesota, and elsewhere, for the purpose of executing the scheme described above,

TIMOTHY STAFFORD

and INDIVIDUAL A caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	DATE OF WIRE (on or about)	RECRUIT	WIRE TRANSMISSION
1	12/8/2009	SN	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
2	5/12/2010	DF	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
3	5/28/2010	SN	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
4	9/24/2010	DF	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota

All in violation of Title 18 United States Code, Section 1343.

DEFENDANT TIMOTHY STAFFORD and INDIVIDUAL B

21. On or about the each of the dates set forth below, in the State and District of Minnesota, and elsewhere, for the purpose of executing the scheme described above,

TIMOTHY STAFFORD

and INDIVIDUAL B caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	DATE OF WIRE (on or about)	RECRUIT	WIRE TRANSMISSION
5	11/17/2009	KS1	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
6	11/19/2009	KS1	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
7	12/1/2009	BU	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
8	1/19/2010	BU	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota

All in violation of Title 18 United States Code, Section 1343.

DEFENDANT TIMOTHY STAFFORD and INDIVIDUAL C

22. On or about the each of the dates set forth below, in the State and District of Minnesota, and elsewhere, for the purpose of executing the scheme described above,

TIMOTHY STAFFORD

and INDIVIDUAL C caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	DATE OF WIRE (on or about)	RECRUIT	WIRE TRANSMISSION
9	10/27/2009	KS2	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota

10	4/6/2010	LD	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
11	4/15/2010	JD	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
12	4/20/2010	JG	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
13	5/18/2010	JD	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
14	5/19/2010	BH	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
15	5/25/2010	BH	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
16	6/1/2010	DL	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
17	6/17/2010	JG	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
18	7/1/2010	KS2	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
19	9/10/2010	TG	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota

20	9/10/2010	TG	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
21	9/16/2010	DL	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
22	9/22/2010	LD	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
23	12/3/2010	JW	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
24	12/3/2010	JW	\$1,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota
25	12/3/2010	PK	\$2,000 wire from DOCUPAK's FCB account in the State of Alabama to STAFFORD'S Wells Fargo Bank Account in the State of Minnesota

All in violation of Title 18 United States Code, Section 1343.

FORFEITURE ALLEGATIONS

The allegations in Counts 1 through 25 above are hereby realleged and incorporated as is fully set forth herein by reference for purposes of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) in conjunction with Title 28, United States Code, Section 2461(c).

If convicted of Counts 1 through 25 of the Indictment, the defendant,

TIMOTHY STAFFORD,

shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the violations of Title 18, United States Code, Section 1343.

If any of the above-described property is unavailable for forfeiture within the definition of Title 21, United States Code, Section 853(p), the United States intends to forfeit substitute property pursuant to Title 21, United States Code, Section 853(p).

A TRUE BILL

UNITED STATES ATTORNEY

FOREPERSON