



Department of Justice

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Northern District of Georgia

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DACULA MAN PLEADS GUILTY IN WORKER'S COMP FRAUD SCHEME

Atlanta, GA - PHILIP ASCENSION GALAVIZ, 59, of Dacula, Georgia, pleaded guilty today to one count of wire fraud and one count of worker's compensation fraud before United States District Judge Clarence Cooper.

United States Attorney David E. Nahmias said, "We are committed to protecting the integrity of benefits programs administered by the federal Office of Worker's Compensation Programs. We will prosecute fraud schemes that undermine worker's compensation programs that exist to help injured and disabled American workers."

According to United States Attorney Nahmias and the information presented in court: GALAVIZ sustained a back injury in 1986 while working as a civilian employee for the Department of the Air Force. He began receiving worker's compensation benefits in 1989.

To remain eligible for benefits, GALAVIZ reported to the Department of Labor, Office of Worker's Compensation Programs on an annual basis that he had not been employed nor had any earnings or income. However, the evidence showed that beginning in March 1999 Galaviz began working as a consultant for Computer Programmers Resource, a company he started with his wife, earning between \$26,000 and \$68,000 per year.

The evidence also showed that later in 2004, GALAVIZ became the owner/operator of "Squeaky Klean," a commercial and residential pressure washing and automobile detailing business. He had a number of regular corporate clients, including several restaurant chains in the Atlanta and Athens areas.

In December, 2005 GALAVIZ was indicted on 67 counts of wire fraud and four counts of worker's compensation fraud for making false statements and concealing information from the Office of Worker's Compensation Programs.

GALAVIZ could receive a maximum sentence of 20 years in prison and a fine of up to \$250,000 on the wire fraud charge, and a maximum sentence of five years on prison and a fine of up to \$250,000 on the worker's compensation fraud charge.

Sentencing is scheduled for June 21, 2006, at 4:00 p.m., before Judge Cooper.

This case is being investigated by Special Agents of the Department of Labor.

Assistant United States Attorney Teresa D. Hoyt is prosecuting the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney or F. Gentry Shelnett, Chief, Criminal Division, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.usdoj.gov/usao/gan.