

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Karen P. Hewitt***

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For Immediate Release

NEWS RELEASE SUMMARY - December 10, 2008

United States Attorney Karen P. Hewitt announced that a federal grand jury sitting in San Diego handed up an indictment on December 4, 2008 and unsealed today charging Shannan Lee Bauman with conspiracy, wire fraud, mail fraud, alteration of postal money orders, and making false statements on tax returns, arising from a fraudulent embezzlement scheme she committed from November 2001 until May 2005. According to the indictment, Bauman fraudulently gained approximately \$466,074 during this period, which she knowingly failed to report on her income tax returns.

The indictment alleges that Bauman stole money that was held in trust by Ranch & Sea Management, her former employer, on behalf of its clients. According to court documents, Bauman was the bookkeeper in Ranch & Sea Management's long-term rental division. The indictment alleges that Bauman utilized a variety of different schemes in order to perpetrate the fraud by diverting funds to her personal use by issuing unauthorized checks, altering money orders, and making false entries into the company's internal accounting

system to cover up the theft of funds. The indictment also alleges that Bauman caused false monthly accounting statements to be mailed to Ranch & Sea clients, also to conceal the theft of funds.

This case was investigated by Special Agents of the Federal Bureau of Investigation and the Internal Revenue Service - Criminal Investigation Division.

Bauman was arraigned on the indictment today before United States Magistrate Judge Anthony J. Battaglia. The next hearing in the case is scheduled before the Honorable Dana M. Sabraw on January 23, 2009.

DEFENDANT

Case number: 08CR4230-DMS

Shannan Lee Bauman

SUMMARY OF CHARGES

- Title 18, United States Code, Section 371 - Conspiracy
- Title 18, United States Code, Section 1341 - Mail Fraud
- Title 18, United States Code, Section 1343 - Wire Fraud
- Title 18, United States Code, Section 500 - Fraudulently Altering a Postal Money Order
- Title 26, United States Code Section 7206(1) - False Statements on a Tax Return

AGENCIES

Federal Bureau of Investigation

Internal Revenue Service, Criminal Investigative Division

An indictment itself is not evidence that the defendant committed the crimes charged. The defendant is presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.