



Department of Justice

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KEENER TOWNSHIP TRUSTEE FOUND GUILTY ON ALL COUNTS

Hammond, IN—The United States Attorney's Office today announced that Michael Orsburn was convicted on 19 of 19 counts on Thursday, January 25, 2007.

Michael Orsburn, Keener Township Trustee (Jasper County, Indiana), was convicted on all counts yesterday following a three day jury trial. Michael Orsburn and his wife, Teresa, were indicted by a federal grand jury, charged with 15 counts of mail and honest services fraud and 4 counts of filing false income tax returns. Teresa plead guilty to all 19 counts on Friday, January 19, 2007. Michael's trial began on Monday, January 22.

The Orsburns were convicted of participating in a scheme to steal funds from the Trustee's Office, which provides fire and ambulance services, poor relief, and cemetery maintenance in and around DeMotte, Indiana. In carrying out the scheme, Teresa would write an official Trustee's check payable to either herself or to Michael, and then deposit the check into Michael's individual checking account. She would make a false entry in the Trustee's accounting system to make it appear the check was written to a legitimate supplier, and when the cancelled check was later returned by the bank, she would erase her name (or Michael's), and write in the supplier's name. Township Advisory Board members made repeated demands for records over a two year period, but those demands were refused by both the Trustee and Deputy Trustee.

Eventually, the Board members discovered original checks and documents in a storage area at the Trustee's Office, which led to the indictment. The case was referred by the DeMotte Police Department to the Jasper County Sheriff, and then to the FBI and the Northwest Indiana Public Corruption Task Force.

None of the stolen funds were reported on the Orsburn's income tax returns, and they were also charged with filing false income tax returns for the years 2001, 2002, 2003, and 2004.

The scheme began in late 2000, and continued until the discovery just after Easter, 2005. An Indiana State Board of Accounts audit revealed the total loss to the citizens of Keener Township was in excess of \$308,000. Sentencing is scheduled for April 4, 2007 for Michael Orsburn, and April 11 for Teresa Orsburn.

The case was prosecuted by AUSAs Thomas L. Kirsch, II and Bernard Van Wormer.

The specific sentence to be imposed upon conviction in each case will be determined by the judge after a consideration of federal sentencing statutes and the Federal Sentencing Guidelines.

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