

**FILED**  
UNITED STATES DISTRICT COURT  
ALBUQUERQUE, NEW MEXICO

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF NEW MEXICO

MAY 23 2012

*er*  
MATTHEW J. DYKMAN  
CLERK

UNITED STATES OF AMERICA, )  
 )  
Plaintiff, )

CRIMINAL NO. 12-1251

vs. )

FRANCIS LOUIS CARRILLO, )  
 )  
Defendant. )

Counts 1-3: 18 U.S.C. § 641: Theft of  
Government Property;  
Counts 4-6: 18 U.S.C. § 666(a)(1)(A): Theft  
Concerning Programs Receiving Federal Funds.

INDICTMENT

The Grand Jury charges:

Background

1. The United States Department of Housing and Urban Development ("HUD") is a federal agency whose central mission is to make quality, affordable housing accessible to all Americans. In carrying out its mission, HUD oversees and funds a number of programs designed to provide affordable housing for low-income Americans. One such program is known as the Supportive Housing Program ("SHP"). While HUD provides the funding for SHP, the program is administered at the local level by various entities, including community organizations and not-for-profit corporations.

2. The United States Department of Labor ("DOL") is a federal agency whose central mission is to promote the welfare of the American workforce and to provide opportunities for those Americans seeking employment. In carrying out its mission, DOL oversees and provides funding for a number of programs designed to provide vocational training for older Americans. Once such program is known as the Senior Community Service Employment Program

("SCSEP"). While DOL provides the funding for SCSEP, the program is administered at the local level by various entities, including community organizations and not-for-profit corporations.

3. Based in Albuquerque, Goodwill Industries of New Mexico ("GINM") is a not-for-profit corporation organized under the laws of the State of New Mexico. GINM's primary mission is to provide skill development and vocational training opportunities to members of the community facing barriers to employment. At all times relevant to this indictment, GINM received federal funds through both the SHP and SCSEP programs. In each of 2008, 2009 and 2010, GINM received in excess of \$80,000 in total funding through the SHP and SCSEP programs.

4. These awards were subject to specific requirements governing the use of the SHP and SCSEP grant money. For its part, GINM was responsible for distributing the SHP and SCSEP funding in a manner consistent with these requirements. In order to ensure that the funds were administered and distributed properly, both HUD and DOL conducted periodic audits relating GINM's handling of these funds.

5. Among the permissible purposes for which SHP funds could properly be used was the provision of short-term emergency rental assistance to local residents facing the prospect of eviction and homelessness as a result of a sudden job loss or other economic setback. As a matter of practice, at all times relevant to this indictment, GINM periodically issued checks to landlords of GINM clients, using both SHP and SCSEP funds, in order to ensure that such were not subject to eviction.

6. At all times relevant to this indictment, the defendant, **FRANCIS LOUIS**

**CARRILLO** ("**CARRILLO**"), was an employee of GINM who served as Deputy Director of Community Programs. **CARRILLO**'s responsibilities in this position included providing preliminary approval of requests for disbursements under SHP and SCSEP, the federal programs described above. The disbursements that **CARRILLO** was responsible for approving included checks for emergency rental assistance described above.

7. As a matter of internal practice at GINM, check requests for emergency rental assistance ordinarily originate with a Coordinator, an employee of GINM who works directly with GINM clients. The check request is then passed on to the Program Manager, also a GINM employee who ensures that the program budget is sufficient to fulfill the particular request. From there, the request is presented to **CARRILLO** for his approval as Deputy Director of Community Programs. After **CARRILLO** approves the request, the final step is approval by the Director of Community Programs at GINM.

8. As set forth below, between January 2008 and May 2010, while serving as Deputy Director of Community Programs for GINM, **CARRILLO** stole funds from GINM, including funds received through the federal programs described above, through the issuance of false and fraudulent checks for short-term rental assistance. **CARRILLO** carried out this scheme in the following manner:

a. **CARRILLO** would cause a false and fraudulent check request to be issued based on a supposed need for short-term rental assistance for a GINM client. On such requests, **CARRILLO** would falsify the name of a landlord.

b. On certain occasions, **CARRILLO** would attach to the request a falsified lease agreement supposedly establishing the identity of the landlord and GINM client.

c. On certain occasions, **CARRILLO** would direct one of his subordinates to sign the check request.

d. Upon issuance of the check, **CARRILLO** would have the payee either cash the check and provide him with the funds, or endorse the check such that **CARRILLO** could cash it himself.

Count One

9. The grand jury hereby realleges and reincorporates the allegations contained in paragraphs 1-8, *supra*, as though fully set forth herein.

10. On or about May 23, 2008, in Bernalillo County, in the District of New Mexico and elsewhere, the defendant **FRANCIS LOUIS CARRILLO**, knowingly and unlawfully embezzled, stole and converted to his own use and gain money and property of the United States, to wit, funds under the supervision and control of the Department of Labor, the value of such property being in excess of \$1000 when combined with the value of the property charged in either Count 2 or 3 of this Indictment.

In violation of 18 U.S.C. § 641.

Count Two

11. The grand jury hereby realleges and reincorporates the allegations contained in paragraphs 1-8, *supra*, as though fully set forth herein.

12. On or about June 17, 2008, in Bernalillo County, in the District of New Mexico and elsewhere, the defendant **FRANCIS LOUIS CARRILLO**, knowingly and unlawfully embezzled, stole and converted to his own use and gain money and property of the United States, to wit, funds under the supervision and control of the Department of Labor, the value of such

property being in excess of \$1000 when combined with the value of the property charged in either Count 1 or 3 of this Indictment.

In violation of 18 U.S.C. § 641.

Count Three

13. The grand jury hereby realleges and reincorporates the allegations contained in paragraphs 1-8, *supra*, as though fully set forth herein.

14. On or about January 14, 2010, in Bernalillo County, in the District of New Mexico and elsewhere, the defendant **FRANCIS LOUIS CARRILLO**, knowingly and unlawfully embezzled, stole and converted to his own use and gain money and property of the United States, to wit, funds under the supervision and control of the Department of Housing and Urban Development, the value of such property being in excess of \$1000 when combined with the value of the property charged in either Count 1 or 2 of this Indictment.

In violation of 18 U.S.C. § 641.

Count Four

15. The grand jury hereby realleges and reincorporates the allegations contained in paragraphs 1-8, *supra*, as though fully set forth herein.

16. Between January 28, 2008 and December 30, 2008, both dates being approximate and inclusive, in Bernalillo County, in the District of New Mexico and elsewhere, the defendant **FRANCIS LOUIS CARRILLO**, while an agent of an organization that received at least \$10,000 in benefits under a federal program during calendar year 2008, to wit, Goodwill Industries of New Mexico, knowingly and unlawfully embezzled, stole and converted to his own use property valued at \$5,000 or more that was owned by or under the care, custody or control of

that organization.

In violation of 18 U.S.C. § 666(a)(1)(A).

Count Five

17. The grand jury hereby realleges and reincorporates the allegations contained in paragraphs 1-8, *supra*, as though fully set forth herein.

18. Between January 2, 2009 and December 15, 2009, both dates being approximate and inclusive, in Bernalillo County, in the District of New Mexico and elsewhere, the defendant **FRANCIS LOUIS CARRILLO**, while an agent of an organization that received at least \$10,000 in benefits under a federal program during calendar year 2009, to wit, Goodwill Industries of New Mexico, knowingly and unlawfully embezzled, stole and converted to his own use property valued at \$5,000 or more that was owned by or under the care, custody or control of that organization.

In violation of 18 U.S.C. § 666(a)(1)(A).

Count Six

19. The grand jury hereby realleges and reincorporates the allegations contained in paragraphs 1-8, *supra*, as though fully set forth herein.

20. Between January 19, 2010 and May 11, 2010, both dates being approximate and inclusive, in Bernalillo County, in the District of New Mexico and elsewhere, the defendant **FRANCIS LOUIS CARRILLO**, while an agent of an organization that received at least \$10,000 in benefits under a federal program during calendar year 2010, to wit, Goodwill Industries of New Mexico, knowingly and unlawfully embezzled, stole and converted to his own use property valued at \$5,000 or more that was owned by or under the care, custody or control of

use property valued at \$5,000 or more that was owned by or under the care, custody or control of that organization.

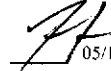
In violation of 18 U.S.C. § 666(a)(1)(A).

A TRUE BILL:

/s/

FOREPERSON OF THE GRAND JURY

Assistant United States Attorney

 05/16/12 1:56pm