



How the PRAC Fights Fraud

The Pandemic Response Accountability Committee (PRAC) was created to serve the American public by promoting transparency and facilitating coordinated oversight of the federal COVID-19 pandemic response. The PRAC Fraud Task Force brings together agents from Offices of Inspectors General (OIG) to investigate fraud in pandemic relief programs, such as the COVID-19 Economic Injury Disaster Loan (COVID-19 EIDL) program, the Paycheck Protection Program (PPP), and pandemic unemployment insurance (UI) programs.

How data analytics power our investigations

The PRAC Fraud Task Force and many of our law enforcement partners are boosted by the PRAC's innovative Pandemic Analytics Center of Excellence (PACE), which uses advanced analytic tools incorporating multiple pandemic program data sources to uncover suspicious network activity and identify anomalies that may indicate potential fraud. As of December 2024, the PACE has provided investigative support to 48 federal law enforcement and oversight partners on **over 1,000 pandemic-related investigations with over 23,000 subjects involving an estimated \$2.39 billion in fraud.**











Notable public PRAC Task Force cases

| Total potential fraud | Programs defrauded | Scheme details and DOJ press release link | Highlights |
|-----------------------------|--------------------------|--|--|
| \$53M Texas | PPP | In the largest PRAC Fraud Task Force investigation to date, 14 people were charged with defrauding the PPP of more than \$53M. They allegedly falsified information and provided doctored documents in their applications. PACE analytics helped support case development. Press Release | 14 Individuals |
| \$12.4M Missouri | PPP/UI | A bank manager was sentenced for both unemployment insurance and PPP fraud schemes. He facilitated the submission of fraudulent applications for a business owner, which netted \$12.4M in stolen funds. In exchange, he received kickbacks that included Kansas City Chiefs playoff tickets. Press Release | 110 Kickbacks Including Playoff Tickets |
| \$7M Virginia | PPP/ COVID-19 EIDL | Two individuals were sentenced to five years and one year, respectively, for their roles in a fraud scheme in which they falsified payroll records and created fake IRS tax documents for multiple companies to obtain more than \$7M in PPP and COVID-19 EIDL relief funds. As part of the scheme, approximately \$620K was transferred from one conspirator to the other. Press Release | \$620K Transferred |
| \$4.2M Ohio | PPP/ COVID-19 EIDL | Two individuals were charged with allegedly falsifying tax and wage documents to obtain approximately \$4.2M in PPP and EIDL loans between April 2020 and February 2022. Press Release | 13 Count Indictment |
| \$3.1M California | PPP | An individual was charged with submitting at least seven fraudulent PPP loan applications for over \$5 million in relief funds for four companies. He ultimately obtained over \$3.1M in relief funds for what were allegedly shell companies. Press Release | 4 LLC Shell Companies |
| \$2.8M Ohio | PPP | Two individuals were charged in a \$2.8M pandemic relief scheme in which they allegedly falsely claimed affiliation with a pizza chain employing 98 individuals. Press Release | 1 Pizza Chain |



PRAC Fraud Task Force cases continued

| Total potential fraud | Programs defrauded | Scheme details and DOJ press release link | Highlights |
|------------------------------|--------------------|---|---|
| \$2M Massachusetts | COVID-19 EIDL | A couple was charged in two separate schemes, one in which they allegedly defrauded the COVID-19 EIDL program. They allegedly misused funds by transferring over \$1M to a shared personal bank account and using funds for a down payment on a home. Press Release | \$825K Down Payment on a House  |
| \$1.6M Maryland | PPP/ COVID-19 EIDL | An individual faces an 18-count indictment for allegedly making false statements about her businesses, including falsifying employee and revenue totals to apply for relief funds. She allegedly submitted at least six fraudulent applications each for PPP and COVID-19 EIDL funds, and used the funds for personal expenses such as plastic surgery, home renovations, and other family expenses. Press Release | 18 Count Indictment  |
| \$1.1M Louisiana | PPP | An individual pleaded guilty for her role in a scheme involving at least 110 PPP loan applications that all contained the same invoices and federal tax forms with the same business name and amounts. The defendant recruited several individuals into the scheme and submitted the paperwork to secure the funding while taking kickbacks after the funds were delivered. Press Release | 110 PPP Loan Applications  |
| \$1M New York | PPP/ COVID-19 EIDL | Two individuals were sentenced to 34 years combined for using stolen identities, sham tax records, and corporate documents to apply for more than \$10M in PPP and COVID-19 EIDL funds, of which they secured more than \$1M. The pair submitted a total of 14 fraudulent loan applications. Press Release | 34 Years Combined  |
| \$1M Oklahoma | PPP | Six individuals were charged with allegedly creating fake businesses and identities to fraudulently acquire nearly \$1M in PPP loans. Press Release | 6 Individuals & Fake Businesses  |
| \$451K West VA | PPP/ COVID-19 EIDL | An individual pleaded guilty to stealing over \$451,000 in PPP and COVID-19 EIDL funds, of which he used over \$47,000 on his personal mortgage. Press Release | \$47K Personal Mortgage  |
| \$350K Virginia | PPP | A business owner agreed to pay \$350,000 to settle a case in which he and a co-conspirator fraudulently obtained seven PPP loans by allegedly inflating business income and payroll records for his four businesses. Press Release | 4 Businesses with Inflated Records  |
| \$74K Florida | COVID-19 EIDL | An individual pleaded guilty to fraudulently obtaining \$74,000 through the COVID-19 EIDL program, for a business he did not own, while he was in federal custody. Press Release | 1 Loan while in Federal Custody  |

Disclaimer: An indictment is a formal accusation of a serious crime. However, all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

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