

## **Former District Government Employee Pleads Guilty to Carrying Out Embezzlement Scheme**

Defendant collected more than \$400,000 meant for individuals and families in need of temporary assistance. A former policy analyst for the District of Columbia Department of Human Services (DHS) pled guilty today to a federal charge stemming from a scheme in which he collected more than \$400,000 in fraudulent benefits meant for needy District residents.

Gary T. Holliday, 49, of Fort Washington, Md., pled guilty in the U.S. District Court for the District of Columbia to a charge of wire fraud.

The announcement was made by U.S. Attorney Jessie K. Liu, Assistant Director in Charge Nancy McNamara of the FBI's Washington Field Office, District of Columbia Inspector General Daniel W. Lucas, and Special Agent in Charge Maureen R. Dixon of the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG), for the region that includes Washington, DC.

Holliday is to be sentenced on June 6, 2019 by the Honorable Rudolph Contreras. The charge carries a statutory maximum of 20 years in prison. Under federal sentencing guidelines, Holliday faces an estimated range of 33 months to 41 months in prison. He also has agreed to pay \$404,831 in restitution and a forfeiture money judgment of at least \$400,000.

According to plea documents, Holliday embezzled money intended to provide temporary support and assistance to low-income families and individuals. Specifically, he targeted the Supplemental Nutrition Assistance Program (SNAP), formerly known as the food stamps program, and Temporary Assistance for Needy Families (TANF), which consists of cash benefits. Benefits in both programs were provided to clients via electronic benefit cards.

Holliday's job responsibilities at DHS included representing the agency at "fair hearings" that involved disputes between DHS and its clients about eligibility and benefits. In cases where the agency lost the hearing, Holliday was responsible for creating a memorandum summarizing the conclusions of the hearing and directing another employee at DHS to calculate and pay whatever "underpayments" the client was owed. Holliday created and submitted a fraudulent memorandum, dated June 19, 2017, in which he falsely claimed that as a result of a purported fair hearing, a client of DHS needed to be processed for SNAP and TANF underpayments.

In fact, the named client had not applied for benefits (the client's alleged application had been forged by Holliday) and there had never been a fair hearing regarding the client's eligibility for benefits. As a result of the Holliday's actions, another employee created an active underpayment account for the client in the DHS computer system. Then, between June 2017 and November 2018, Holliday used his access to the DHS computer system to create over 400 fraudulent underpayments for the client, totaling in excess of \$400,000. He accessed the fraudulent proceeds by using the client's benefit card.

This case is being investigated by the FBI's Washington Field Office, the District of Columbia Office of the Inspector General, and the U.S. Department of Health and Human Services Office of Inspector General. It is being prosecuted by Assistant U.S. Attorney Emily A. Miller, with assistance from Paralegal Specialist Aisha Keys.