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## MEMORANDUM

TO: ALL USDA PARTICIPANTS  
FROM: DCCECE/ HNU  
DATE: SEPTEMBER 30, 2022  
SUBJECT: **Fraud News Memo**



The Health and Nutrition Unit (HNU) is thankful for each of our food program participants and the understanding of requirements put into place to ensure that fiscal integrity continues to be maintained across all operating USDA Food Programs in the state of Arkansas.

As many of you may have seen, the Justice Department has recently released a news article regarding child-nutrition theft and fraud. A copy of this article is provided below.

We will continue to work diligently as a team to ensure there is accountability and integrity in the operation of all USDA Food Programs. Thank you for all you do!

Please keep this memo on file for quick and easy reference. A copy is also available on the resource library under COVID-19 Memos 2022. Thank you so much for all that you do to feed the children of Arkansas

# DOJ charges 47 in alleged \$250 million child-nutrition theft and fraud scheme

BY GARRETT DOWNS | 09/20/2022 02:28 PM EDT

The Justice Department on Tuesday [indicted 47 people](#) for allegedly orchestrating a sweeping \$250 million fraud of the Federal Child Nutrition Program during the Covid-19 pandemic.

The charges include conspiracy, wire fraud, money laundering and bribery, and are spread out across six cases centering on Minnesota amounting to the largest pandemic relief fraud scheme to date. Most of the charges ensnare Feeding Our Future, a non-profit organization that participated in the federal program. The organization's founder and executive director Aimee Bock is alleged to have orchestrated the scheme.

“This was a brazen scheme of staggering proportions,” said U.S. Attorney Andrew M. Luger for the District of Minnesota. “These defendants exploited a program designed to provide nutritious food to needy children during the COVID-19 pandemic. Instead, they prioritized their own greed, stealing more than a quarter of a billion dollars in federal funds to purchase luxury cars, houses, jewelry, and coastal resort property abroad.”

**The scheme:** DOJ alleges that Feeding Our Future and Bock exploited changes in the child nutrition laws meant to better serve needy children. The Agriculture Department loosened site requirements during the pandemic to address need, allowing participation by for-profit restaurants and off-site food distribution.

In Minnesota, the state education department handles federal nutrition programs. It takes applications for feeding sites from sponsoring organizations, as well as receives federal funds from the USDA on a per-meal basis, which it then disperses to sponsors. Sponsors are responsible for paying sites and sponsoring agencies keep 10-15 percent of the funds as an administrative fee.

According to the DOJ, Feeding Our Future recruited individuals to open feeding sites across Minnesota under its sponsorship through the Minnesota Department of Education. The sites then claimed to be serving thousands of children per day and Feeding Our Future received reimbursement, which was allegedly received and laundered through the sites and shell companies.

The DOJ alleges that fraudulent meal counts and reimbursement sheets were created and submitted to the state's education department. The defendants allegedly created fraudulent rosters, using the website "[www.listofrandomnames.com](http://www.listofrandomnames.com)" and populating ages between seven and 17 using Microsoft Excel.

**Follow the money:** Feeding Our Future ultimately opened 250 of the sites in Minnesota, and received over \$240 million in federal reimbursement funds, which the DOJ says was dispersed between the co-conspirators. It also received \$18 million in administrative funds for opening the sites, and bribes and kickbacks from companies sponsored by Feeding Our Future.

DOJ alleges the defendants used the funds for luxury cars, properties in three states and two countries and international travel.

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