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 (OIGs) 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 February 28, 2025, 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 more than $2.4 billion in estimated fraud loss**.

Notable public PRAC Fraud Task Force cases

Total potential fraud	*Programs defrauded*	*Scheme details and DOJ press release link*	*Highlights*
$100M Florida	PPP	A telecom CEO and his company pleaded guilty to defrauding the FCC of over $100 million and for making false statements to obtain PPP funds which were used to buy jewelry, pay property taxes, and make donations to a university. The CEO agreed to pay $1,758,339 to the SBA, and along with his company, agreed to pay a combined total of $109,637,057 in restitution. Press Release	**$140K** For Personal Use
$53M Texas	PPP	14 people were charged with defrauding the PPP of more than $53 million. 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 UI and PPP fraud schemes. He facilitated the submission of fraudulent applications for a business owner, which netted $12.4 million 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 $7 million in PPP and COVID-19 EIDL relief funds. As part of the scheme, approximately $620,000 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 $4.2 million in PPP and COVID-19 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 $3.1 million in relief funds for what were allegedly shell companies. Press Release	**4** LLC Shell Companies

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.

PRAC Fraud Task Force cases continued

Total potential fraud	Programs defrauded	Scheme details and DOJ press release link	Highlights
$2.8M Ohio	PPP	Two individuals were charged in a $2.8 million pandemic relief scheme in which they falsely claimed affiliation with a pizza chain employing 98 individuals. One was sentenced and the other is awaiting sentencing. Press Release	**1** Pizza Chain
$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 $1 million 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	A former Baltimore City Council candidate was convicted for making false statements about her businesses, including falsifying employee and revenue totals to apply for relief funds. She 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	**6** Businesses
$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 $10 million in PPP and COVID-19 EIDL funds, of which they secured more than $1 million. The pair submitted a total of 14 fraudulent loan applications. Press Release	**34** Years Combined
$1M Oklahoma	PPP	Six individuals were sentenced for their roles in a fraud scheme to create fake businesses and identities. The ringleader received 33 months and the group was ordered to pay restitution of $1,655,738. This case was supported by the PRAC's data analytics center, which applies analytic and forensic technologies to identify clusters of fraud where egregious cases of theft occurred. Press Release	**6** Individuals & Fake Businesses
$902K West VA	PPP/ COVID-19 EIDL	An individual was sentenced to five years of federal probation and restitution for theft of PPP and COVID-19 EIDL funds, of which he used over $47,000 on his personal mortgage. He also paid to settle False Claims Act allegations. 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
$341K Virginia	UI	11 members of a 17-person fraud ring charged with stealing over $340,000 in pandemic unemployment benefits were sentenced and ordered to pay restitution. Press Release	**17** Person Fraud Ring

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For more information:

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