
UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

UNITED STATES OF AMERICA

v.

ELECTRONIC CRIMINAL COMPLAINT

THANE EPEFANIO,
MICHELLE A. EPEFANIO

CASE NUMBER: 16-04261 MJ-PCT-NMF

I, Eljay Brandon Bowron, the undersigned, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

COUNT 1

In or about September 2009, and continuing to in or about December 2015, in the District of Arizona, in Navajo County, and elsewhere:

THANE EPEFANIO and MICHELLE A. EPEFANIO did unlawfully, voluntarily, intentionally, and knowingly conspire, combine, confederate, and agree together and with each other, and with other individuals, both known and unknown, to defraud the United States by deceitful and dishonest means for the purpose of impeding, impairing, obstructing, and defeating the lawful government function of the Social Security Administration, in the administration, determination, and payment of funds through the Disability Insurance Benefits program.

MANNER AND MEANS

Among the manner and means by which THANE EPEFANIO and MICHELLE A. EPEFANIO and their co-conspirators carried out the conspiracy were the following:

1. THANE EPEFANIO and MICHELLE A. EPEFANIO represented to government agencies and others, through the presentation of documentation and other statements, that MICHELLE A. EPEFANIO did not suffer a disability that would prevent employment.
2. THANE EPEFANIO and MICHELLE A. EPEFANIO submitted false documentation to the Social Security Administration in an effort to conceal MICHELLE A. EPEFANIO's employment history.

OVERT ACTS

In furtherance of the conspiracy, and to effect the objects and purposes thereof, the following overt acts, among others, occurred within the District of Arizona, and elsewhere:

1. In or about September 2009, MICHELLE A. EPEFANIO applied for Disability Insurance Benefits with the Social Security Administration, claiming an inability to work.
2. In or about April 2014, MICHELLE A. EPEFANIO reported to the Arizona Department of Transportation that she did not have a visual or physical disability.
3. In or about May 2014, THANE EPEFANIO signed two Forms SSA-L725 indicating that MICHELLE A. EPEFANIO earned no income.

4. In or about November 2015, THANE EPEFANIO stated that MICHELLE A. EPEFANIO did not receive any income from working at the Hopi Mission School.

All in violation of Title 18, United States Code, Section 371.

I further state that I am a Special Agent with the Social Security Administration, Office of Inspector General, Office of Investigations, and that this Complaint is based on the following facts:

SEE ATTACHED AFFIDAVIT INCORPORATED HEREIN.

Continued on the attached sheet and made a part hereof: Yes No

REVIEWED BY: /s/ Monica Edelstein, AUSA

X Pursuant to 28 U.S.C. § 1746(2), I declare that the foregoing is true and correct.

ELJAY B. BOWRON, Special Agent
Complainant's Name and Title

Eljay B. Bowron 9/24/2016
Complainant's Signature Date

9/22/16 at 7:51 a.m.
Date/Time sworn by telephone

Flagstaff, Arizona
City and State

DEBORAH M. FINE, U.S. Magistrate Judge
Name & Title of Judicial Office

Deborah M. Fine
Signature of Judicial Officer

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA
UN-REDACTED AFFIDAVIT (ELECTRONIC)

I, Eljay Brandon Bowron, being duly sworn, depose and state as follows:

1. Your affiant is a Special Agent with the Social Security Administration, Office of Inspector General, Office of Investigations ("SSA/OIG/OI"), assigned to the Phoenix, Arizona, Office. Your affiant has been a Special Agent for SSA/OIG/OI since September 2002. As a Special Agent for SSA/OIG/OI, your affiant's duties include investigating possible criminal violations under Title 18 and Title 42 of the United States Code. Your affiant has conducted, or assisted in conducting, a variety of civil and criminal investigations involving fraud, waste, and abuse of the Social Security Administration and programs.
2. The information below supports the determination that there is probably cause to believe that MICHELLE EPEFANIO and THANE EPEFANIO have committed a violation of Title 18, U.S.C. Section 371, Conspiracy to Defraud.
3. **Facts of the Investigation**
 - a) In approximately August 2014, the SSA/OIG/OI's Cooperative Disability Investigations (CDI) unit received a referral referencing SSA Disability Insurance Benefit (DIB) recipient MICHELLE EPEFANIO, DOB 04/24/1978, SSN XXX-XX-8603. According to an earnings alert (wherein SSA's mainframe cross-references SSA beneficiaries and earnings records to alert SSA when an SSA recipient may be gainfully employed), MICHELLE EPEFANIO (MICHELLE), who allegedly suffers from epilepsy, seizures, migraines, and severe depression, was gainfully employed as a teacher at the Hopi Mission School (HMS) on the Hopi Native American Reservation in Kykotsmovi, Arizona. Between 2011 and 2014, HMS reported a total of \$56,990.00 paid to MICHELLE, resulting in a \$19,562.00 overpayment by SSA.
 - b) In September 2009, MICHELLE applied for SSA Disability Insurance Benefits.

Within the application, MICHELLE advised SSA that she was disabled and unable to work. MICHELLE also agreed to notify the SSA if she returned to work, or her condition improved whereas she was able to return to work.

- c) In October 2009, MICHELLE completed a SSA Function Report – Adult, as part of her disability determination process. In the form, MICHELLE stated that prior to her disability, she was able to drive. MICHELLE later stated her husband drives her to go shopping, and she has to have someone drive her. MICHELLE also stated she has memory, concentration, and balance issues.
- d) In September 2010, SSA approved MICHELLE's SSA DIB claim, and began to pay her monthly benefits of \$595.10. This monthly benefit continued to increase due to Cost of Living Adjustments (COLA), and as of January 2014, was \$752.00 per month.
- e) In April 2014, MICHELLE completed an Arizona Department of Transportation (ADOT), Motor Vehicle Division (MVD), Driver's License/Identification Card Application. Under penalty of perjury, MICHELLE checked the "no" box of the application for the question "Do you have a visual, physical, or psychological condition, alcohol or drug dependency or are you taking any medications that could affect your ability to drive?"
- f) In May 2014, on two (2) separate occasions, SSA sent Forms SSA-L725s, verification employment and wage information, to HMS regarding MICHELLE's employment. Both forms were completed and returned to SSA, indicating MICHELLE earned no money. On one (1) of these forms, MICHELLE's SSN was crossed out, and SSN XXX-XX-1989 was written beside it. Both forms were signed, with a title of the form signor listed as "Administrator." The listed SSN was assigned to THANE EPEFANIO (THANE), MICHELLE's husband, who was purportedly the Administrator, Principal, and Superintendent of HMS. The signature on THANE's Arizona Driver's License (AZ DL) is consistent with the signatures on the submitted SSA forms.

- g) A review of the HMS webpage, MICHELLE's personal Facebook page, and the HMS Facebook page, supports that MICHELLE holds the title of "Lead Teacher" at HMS.
- h) In approximately October 2015, a web capture for HMS's webpage and MICHELLE's Facebook page resulted in further evidence that MICHELLE worked as a teacher at HMS, including but not limited to, that MICHELLE was identified as a "Lead Teacher" and "5th/8th Grade Reading Teacher," and photographs of MICHELLE with HMS students and staff, including THANE, the Principal and Superintendent for HMS.
- i) During a November 2015 interview, MICHELLE stated she was a volunteer at HMS, not an employee. MICHELLE further stated she was not a full-time teacher, and simply helped other HMS teachers with their lesson plans, and with various classes.
- j) THANE also stated that MICHELLE was a volunteer at the school, not a full-time (or part-time) teacher. THANE admitted completing and signing the aforementioned Forms SSA-L725s in May 2014, and listing his SSN for the earnings. THANE maintained the earnings were actually a portion of his earnings as Principal and Superintendent of HMS, and not MICHELLE's earnings as a teacher.
- k) A review of personnel files obtained from HMS resulted in the discovery of documents completed by MICHELLE that are typically completed when an individual applies for (and successfully gains) employment, including Federal and State of Arizona tax forms.
- l) Between 2011 and 2014, HMS paid MICHELLE a total of \$65,758.84, through payroll, individual checks, or transfers.

Conclusion:

Based upon the facts as stated in this affidavit, your affiant respectfully submits that

there is probable cause to believe that MICHELLE EPEFANIO and THANE EPEFANIO have conspired to defraud the Social Security Administration in violation of Title 18, United States Code, Section 371.

Pursuant to 28 U.S.C. § 1746(2), I declare under penalty of perjury that the foregoing is true and correct.

Eljay B. Bowron
SA ELJAY B. BOWRON

09/21/2016
Date

Date/Time: 9/22/16 at 7:51 a.m. Sworn by
telephone.
D.M.F.

Deborah M. Fine
DEBORAH M. FINE
United States Magistrate Judge