



# News Release

Timothy Jeffries, Director

**FOR IMMEDIATE RELEASE**  
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## **DES Office of the Inspector General Executes Search Warrants on Phoenix Business for SNAP Fraud**

*Owners and employees suspected of fraud in the amount of \$156k*

**PHOENIX** – DES Director Timothy Jeffries today announced its Office of the Inspector General (OIG) Trafficking Detection Unit (TDU), in conjunction with other state and federal law enforcement entities, executed search warrants at four Phoenix locations, including a retail store and three private residences. The retail store, *One Dollar*, located at 10423 N. 19<sup>th</sup> Avenue in Phoenix, is suspected of committing Supplemental Nutrition Assistance Program (SNAP) fraud in the amount of \$156,000.

“People look to DES for support and assistance in critical, often desperate situations,” said Director Timothy Jeffries. “Financial resources reserved for those in need are being stolen by selfish individuals who care only about themselves and what they can gain. This type of behavior is completely unacceptable and will not be tolerated. Anyone who steals human service dollars from those in need will be held accountable to the fullest extent of the law.”

“DES OIG appreciates the support of its law enforcement partners involved in this matter,” said Inspector General Juan J. Arcellana. “These search warrants are an example of the commitment and efforts of the Department to maintain the integrity of DES programs and services.”

The *One Dollar* store owner and its employees are alleged to have been engaged in violations of the SNAP guidelines, by allowing customers to purchase ineligible items with their Electronic Benefits Card (EBT), totaling a SNAP loss of approximately \$156,000. Additionally, *One Dollar* is suspected to have allowed customers to exchange Women, Infants and Children (WIC) benefits for ineligible items – with an approximate WIC program loss of \$10,000.

“The USDA OIG is determined to help protect the integrity of the SNAP and WIC program,” said Special Agent-in-Charge Lori Chan, USDA, Office of Inspector General (OIG). “Vendors who engage in SNAP and/or WIC fraud exploit the programs’ needy beneficiaries, and misuse the substantial funding that taxpayers provide. USDA OIG works to ensure SNAP and WIC funds are used for their intended purpose of feeding families, not for the enrichment of criminal enterprises. We would like to thank our federal, state and local partners for continually supporting the pursuit of such criminals.”

During the course of the execution of the search warrant, \$100,000 in cash was seized at one of the homes, along with other incriminating evidence. Because the investigation is ongoing, other pertinent details are not available at this time.

This investigation is a joint effort involving the Department of Economic Security Office of Inspector General, United States Department of Agriculture Office of Inspector General, the Federal Bureau of Investigation, the Arizona Attorney General's Office, and Arizona Department of Health Services Bureau of Nutrition and Physical Activity. Additional assistance was provided by the Phoenix and Glendale Police Departments.

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