

Texas Workforce Press Release

FOR IMMEDIATE RELEASE

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IRS Workers Indicted for Unemployment Insurance Fraud

TWC assists U.S. Treasury Department in prosecution of claimants

AUSTIN — Two individuals have been indicted for allegedly claiming more than \$12,000 in combined Unemployment Insurance (UI) benefits while employed by the Internal Revenue Service, the Texas Workforce Commission (TWC) announced today.

A federal grand jury has returned an indictment charging Spencer M. Allen and Mona K. Alexander, both of Austin, with theft of UI benefits by making false statements to TWC. The indictments are a result of a collaborative effort by TWC and the U.S. Department of the Treasury Inspector General for Tax. Allen obtained \$3,395 and Alexander obtained \$9,172 in UI benefits; each faces fines and possible jail time if convicted.

“TWC is committed to catching those who try to cheat the system and preserving it for those who lose their jobs through no fault of their own,” said TWC Chairman Tom Pauken. “These interagency collaborations send a strong message that this type of fraud will be detected and will be prosecuted.”

TWC’s Regulatory Integrity Division (RID) is charged with detecting and preventing fraud, waste and abuse. RID enforces all regulatory statutes within the jurisdiction of the agency, including Tax, Workforce, Trade Act, Skills Development Fund, Self-Sufficiency Fund, Child Care Development Fund and all other programs that TWC administers. Prevention, detection, and elimination of fraud, waste and abuse in the UI benefits program are top priorities, ensuring funds are available exclusively to those who meet the eligibility requirements.

TWC administers UI benefits to workers who become unemployed through no fault of their own and are actively seeking work. TWC regularly cross matches UI claims with employer wage reports and other databases to detect possible UI fraud. If TWC discovers that claimants have received UI benefits through fraudulent applications, the agency seeks immediate reimbursement of overpayments. Examples of UI fraud include giving false information and failure to report self-employment or other earnings while receiving UI benefits.

To report suspected UI fraud, call the TWC Fraud and Program Abuse Hotline at (800) 252-3642. For monthly updates on fraud convictions, see TWC’s Web site at <http://www.twc.state.tx.us/ui/bnfts/prosecutiondispo.html>.

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The Texas Workforce Commission is a state agency dedicated to helping Texas employers, workers and communities prosper economically. For details on TWC and the services it offers in coordination with its network of local workforce development boards, call (512) 463-8556 or visit www.texasworkforce.org.

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