



U.S. Department of Justice
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PRESS RELEASE

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**RIO ARRIBA COUNTY MAN SENTENCED TO 71 MONTHS FOR
FEDERAL CONSPIRACY AND MAIL FRAUD CONVICTION**

***Defendant Convicted for Role in Multi-State Scheme to Defraud
Federal and State Unemployment Insurance Systems of \$1,356,000***

ALBUQUERQUE – Gerald Archuleta, 45, of Ojo Caliente, N.M., was sentenced this afternoon in federal court in Albuquerque, N.M., to 71 months in prison followed by three years of supervised release for his conviction on conspiracy and mail fraud charges arising out of a scheme to defraud the federal and state unemployment insurance system. Archuleta also was ordered, jointly with his co-defendant, to pay \$719,858.73 in restitution.

Archuleta's co-defendant, Jasonn Gonzales, 43, an accountant from Velarde, N.M., previously was sentenced to 111 months for a conviction arising out of the same scheme in Dec. 2014.

Archuleta and Gonzales were charged in a six-count indictment filed in March 2014. Count 1 charged the two men with conspiracy to commit mail fraud in furtherance of a scheme to defraud the federal and state Unemployment Insurance System in New Mexico, Texas and Colorado of money by false and fraudulent pretenses. Counts 2 through 5 of the indictment charged the men with mail fraud, and Count 6 charges Gonzales alone with aggravated identity theft.

According to court filings, the federal and state Unemployment Insurance System seeks to lessen the effects of unemployment through payments made to claimants (laid-off workers) on a weekly basis while the claimants seek employment. The unemployment insurance program is administered on behalf of the federal government by state workforce agencies in each state. In entering their guilty pleas, Gonzales and Archuleta admitted that between 2009 and 2012, they schemed to defraud the New Mexico Department of Workforce Solutions, the Texas Workforce Commission and the Colorado Department of Labor and Employment of more than \$1,356,000 by making false and fraudulent claims for unemployment benefits in the names of real people.

Gonzales and Archuleta perpetuated their unlawful scheme by fraudulently registering numerous non-existent companies with the three state workforce agencies and filing false quarterly reports for the fictitious companies which identified claimed employees. The two men provided the names, dates of birth and social security numbers of the claimed employees to the state agencies without the knowledge or authorization of the claimed employees, who were real people. Gonzales and Archuleta then made false and fraudulent claims for unemployment benefit claims on behalf of the claimed employees of the fictitious companies. The two men opened post office boxes in New Mexico, Texas and Colorado, which they provided to the three state workforce agencies as mailing addresses for the claimed employees. The state agencies mailed debit cards to the claimed employees at the post office boxes and the defendants used the debit cards to withdraw the fraudulently obtained benefits. During the life of the conspiracy, Gonzales and Archuleta submitted fraudulent claims for unemployment benefits in the aggregate amount of \$1,356,461, and defrauded the three state workforce agencies of approximately \$801,848, in total.

On Oct. 24, 2014, Archuleta entered a guilty plea to Counts 1 through 5 of the indictment; his guilty plea was amended on Feb. 26, 2016. Gonzales entered a guilty plea on Aug. 18, 2014, to all six counts of the indictment without the benefit of a plea agreement. In entering his guilty plea, Gonzales also admitted to the forfeiture provisions of the indictment and to the entry of an \$801,848.00 money judgment against him.

This case was investigated by the Department of Labor Office of Inspector General, Office of Labor Racketeering and Frauds Investigations, and the U.S. Postal Inspection Service, and was prosecuted by Assistant U.S. Attorney Tara C. Neda.

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