

PRESS RELEASE

Three Sentenced for Roles in Covid-19 Unemployment Scheme That Stole \$669,124 from Virginia Taxpayers

Friday, March 6, 2026

For Immediate Release

U.S. Attorney's Office, Western District of Virginia

ABINGDON, Va. – Three co-conspirators who stole more than \$650,000 from Virginia taxpayers by using the personally identifying information (PII) of inmates at Duffield Regional Jail, and others who were ineligible to receive pandemic unemployment benefits, to file false unemployment benefits claims, were sentenced today in U.S. District Court in Abingdon.

Jonathan Ricketts, 45, of Duffield, Va., was sentenced today to 84 months in federal prison. He previously pled guilty to one count of conspiracy to defraud the United States and one count of making false statements in connection with emergency benefits. He was also ordered to pay \$669,124 in restitution jointly and severally with Farren Ricketts.

Christopher Woliver, 37, of Big Stone Gap, Va., was sentenced today to 24 months in federal prison. He previously pled guilty to one count of conspiracy to defraud the United States and one count of making false statements in connection with emergency benefits. He was also ordered to pay \$29,076 in restitution jointly and severally with Farren Ricketts and Jonathan Ricketts.

Megan Caudill, 39, of Swords Creek, Va., was sentenced today to 30 days in prison and three years of supervised release, with 12 months being on home confinement. She previously pled guilty to one count of conspiracy to defraud the United States and one count of making false statements in connection with emergency benefits. In addition, she was ordered to pay \$166,204 in restitution jointly and severally with Farren Ricketts and Jonathan Ricketts.

"I applaud our partners at the IRS, Department of Labor, and the Russell County Sheriff's Office for their outstanding work on this case. Fraudsters who line their pockets at the

expense of taxpayers will face accountability for their crimes,” Acting United States Attorney Robert N. Tracci said today.

During the Covid-19 pandemic, the Pandemic Unemployment Assistance Program (PUA) was enacted, expanding eligibility for unemployment benefits to individuals who were not eligible for regular unemployment compensation or had exhausted their unemployment insurance benefits. To receive PUA, claimants had to certify they were unemployed or had their hours reduced as a result of the Covid-19 pandemic and file weekly claims. Unfortunately, Virginia paid \$1.1 billion in fraudulent unemployment claims between April 1, 2020, and March 31, 2021 in relation to this program.

These conspirators charged in the Western District of Virginia played a central role in contributing to this massive fraud, stealing a total of \$669,124 in pandemic unemployment benefits to which they were not entitled.

Specifically, Jonathan Ricketts and his wife Farren Ricketts owned Ricketts Advisory LLC, a company that employed, at times, seven individuals for the sole purpose of filing fraudulent unemployment benefits claims during the Covid pandemic.

While he was incarcerated at Duffield Regional Jail, Jonathan Ricketts collected and sent Duffield inmates’ PII, as well as their signatures, by mail, to Farren Ricketts. She then used that PII to file fraudulent unemployment claims. In total, Ricketts Advisory was responsible for the filing of at least 101 false claims.

Caudill was an employee of Ricketts Advisory. In addition to the \$21,368 in direct, fraudulent unemployment benefits she received, Caudill also assisted in eleven other individuals filing for, and receiving, fraudulent unemployment benefits, resulting in \$166,204 in unwarranted payments.

Woliver, also an employee of Ricketts Advisory, received approximately \$3,270 in pandemic unemployment benefits to which he was not entitled. In addition, recruited others to file their claims through the business, and, as a result, an additional \$25,806 fraudulent claims were received by others.

Agencies that assisted with this investigation included The Department of Labor - Office of the Inspector General, the Internal Revenue Service - Criminal Investigation (IRS-CI), the Russell County Sheriff’s Office, and the Norton Police Department in Wise County.

Robert N. Tracci, Acting United States Attorney for the Western District of Virginia, Kareem Carter, Special Agent in Charge of the Internal Revenue Service - Criminal

Investigation (IRS-CI), Washington, D.C. Field Office, and Anthony P. D'Esposito, Inspector General, U.S. Department of Labor (DOL OIG) made the announcement.

Assistant United States Attorney Danielle Stone prosecuted the case.

As part of the Pandemic Response Accountability Committee (PRAC) Task Force, this investigation was conducted by the Special Inspector General for Pandemic Recovery. The PRAC's 20 member Inspectors General identify major risks that cross program and agency boundaries to detect fraud, waste, abuse, and mismanagement in the more than \$5 trillion in COVID-19 spending.

Updated March 6, 2026