

Summary: A Secretary of the Credit and Finance Office Defrauded the Oglala Sioux Tribe

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We investigated allegations that Helen Hernandez, former Secretary of the Credit and Finance Office (CFO), Oglala Sioux Tribe, Pine Ridge Indian Reservation, SD, issued payroll deduction loans to herself. It was also alleged that Hernandez used other individuals' personal information to acquire loans in their names and then used those funds for her benefit.

Our investigation showed Hernandez, then the Secretary of the CFO, issued 44 checks between February 2014 and June 2015, worth approximately \$42,100 in total. Hernandez admitted to fraudulently issuing the checks and entering false loan recipient names in CFO records to conceal her activities. She was one of only two employees at the CFO and was responsible for receiving applications, verifying qualifications, and otherwise processing loans. Because of the lack of a clear separation of duties, she could essentially issue loans to whomever she chose, with no outside verification.

The U.S. Attorney's Office, District of South Dakota, indicted Hernandez, who pled guilty to 18 U.S.C. § 1163, "Embezzlement and theft from Indian tribal organizations," and agreed to pay restitution of \$42,100 to the Oglala Sioux Tribe.

This is a summary of an investigative report we issued to the Bureau of Indian Affairs Director.

