

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Wednesday, March 28, 2012

Former Grant Administrator and Legal Assistant of American Samoa Non-profit Legal Aid Corporation Sentenced for Stealing Nearly \$160,000 in Federal Grant Funds

Funds Intended to Benefit Low-Income Victims of Domestic Violence and Sexual Abuse

WASHINGTON – Julie Matau, 49, and her daughter, Andrea Matau, 28, each were sentenced yesterday in Oakland, Calif., for their participation in the theft of nearly \$160,000 in federal grant funds from a now-defunct nonprofit American Samoa legal services corporation, announced Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division.

U.S. District Judge Claudia Wilken for the Northern District of California sentenced Julie Matau to 12 months and one day in prison. Julie Matau also was ordered to serve three years of supervised release, including eight hours a week of community service throughout the three-year term. Judge Wilken sentenced Andrea Matau to serve 12 months of probation, including six months of home detention. Andrea Matau also was ordered to provide eight hours a week of community service for the entire 12 months of probation. Judge Wilken ordered Julie and Andrea Matau to pay \$159,763 in restitution, to be paid jointly and severally. In addition, Judge Wilken ordered that \$31,292 of the \$159,763 be paid jointly and severally with David Wagner, another individual who has pleaded guilty for his role in the scheme, if he is ordered to pay restitution in that amount. Wagner's sentencing is scheduled for April 2, 2012, in St. Louis before U.S. District Judge Carol E. Jackson for the Eastern District of Missouri.

On Dec. 21, 2011, Julie Matau pleaded guilty to wire fraud and Andrea Matau pleaded guilty to misdemeanor theft of federal funds. A federal grand jury in the Northern District of California returned an indictment against Julie and Andrea Matau on Dec. 16, 2010. Wagner pleaded guilty on March 11, 2010, in the Eastern District of Missouri for his role in the theft of federal funds.

The case arose from allegations of theft and fraud at a now-defunct nonprofit legal services corporation in American Samoa called the U'una'i Legal Services Corporation (ULSC). According to court documents, between 1998 and 2007, ULSC was the only nonprofit organization in American Samoa that was dedicated to providing free legal services to victims of domestic violence, dating violence, stalking and sexual abuse.

Between August 2005 and September 2007, ULSC received more than \$1.2 million in federal grant funds from the U.S. Department of Justice's Office of Violence Against Women and the Legal Services Corporation.

According to court documents, between May 2005 and September 2007, Wagner served as ULSC's acting executive director and Julie Matau served as ULSC's office manager and grant administrator. Julie Matau, together with Wagner, was responsible for submitting applications for federal grant funding, managing ULSC's federal funds and issuing employee payroll checks. Wagner and Julie Matau exercised joint signatory authority over ULSC's bank accounts. Andrea Matau worked as one of ULSC's legal assistants and reported directly to Julie Matau.

According to court documents, between September 2005 and September 2007, Julie Matau and Wagner arranged for themselves, Andrea Matau, and Julie and Andrea Matau's relatives to receive unlawful payments from the federal grant funds. According to court documents, Julie Matau unlawfully received \$65,649 in federal grant funds; Andrea Matau unlawfully received \$24,634 in federal grant funds; Wagner unlawfully received \$31,292 in federal grant funds; and the Mataus' relatives received \$38,188 in federal grant funds.

In her guilty plea, Julie Matau admitted that she knew that they had no legal entitlement to receive these federal grant funds and that their receipt of the federal funds violated the terms and conditions of the grants. Julie Matau also admitted that she had no intention of repaying the money to ULSC or the federal government, or of requiring others to repay the money. In her guilty plea, Andrea Matau admitted that she participated in the theft by personally receiving \$24,634 in unlawful payments and by permitting Julie Matau to deposit additional unlawful payments in Andrea Matau's personal bank account and in their joint bank account.

In his guilty plea, Wagner admitted that, with Julie Matau's assistance, he received a number of unlawful "salary advances." Wagner also admitted that he signed blank ULSC checks for Julie Matau's use in exchange for the unlawful payments that she provided to him.

The case is being prosecuted by Trial Attorneys Edward J. Loya Jr. and Monique T. Abrishami of the Criminal Division's Public Integrity Section. Senior Trial Attorney Mary K. Butler and Trial Attorney Maria N. Lerner, also of the Public Integrity Section, participated in the investigation of this matter. The case is being investigated by special agents of the Department of Justice's Office of the Inspector General and the Legal Services Corporation's Office of Inspector General, with assistance from special agents of the FBI-Honolulu Division, American Samoa Resident Agency.