



## NEWS RELEASE

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### **Operators of Trucking School Charged with Defrauding VA by Collecting Tuition for Veterans who Never Attended Classes**

*LOS ANGELES* – An operator of a San Fernando Valley trucking school was arrested this morning by federal authorities after he and the owner were indicted on federal charges that allege they bilked the Department of Veterans Affairs out of well over \$4 million in tuition and other payments after falsely certifying that veterans had attended classes, when they never had.

Robert Waggoner, 54, of Canyon Country, was arrested this morning at his residence by special agents with the Department of Veterans Affairs' Office of Inspector General.

The second defendant named in a nine-count indictment returned by a federal grand jury on April 6 – Emmet Marshall, 50, of Woodland Hills – has agreed to self-surrender on Tuesday.

The case was announced this afternoon after a United States Magistrate Judge unsealed the indictment during Waggoner's arraignment.

Marshall was owner and president of the Chatsworth-based Alliance School of Trucking (AST), and Waggoner was a director at the school.

The two defendants and another person involved in the scheme recruited eligible veterans to take trucking classes paid under the Post-9/11 GI Bill. AST was certified to offer classes under the Post-9/11 GI Bill that included a 160-hour Tractor Trailer & Safety class and a 600-hour Select Driver Development Program.

Pursuant to the Post-9/11 GI Bill, the VA paid tuition and fees directly to the school at which the veteran was enrolled. The VA also paid a housing allowance to the veteran enrolled full-time in an approved program, and, in some cases, the VA paid a books and supplies benefit directly to the veteran.

According to the indictment, Marshall and Waggoner recruited eligible veterans to enroll at AST by telling the veterans they could collect housing and other fees from the VA without attending the programs.

Knowing that the vast majority of veterans enrolling at AST did not intend to attend any portion of those programs, Marshall and Waggoner created and submitted fraudulent enrollment certifications, according to the indictment. They also created student files that contained bogus documents.

From the end of 2011 through April 2015, as a result of the fraudulent scheme, the VA paid AST approximately \$2,351,658 in tuition and fee payments for veterans who purportedly attended approved programs at AST, according to the indictment. During that same period, the VA also paid approximately \$1,957,715 in education benefits directly to veterans who purportedly attended approved programs at AST.

“The VA offers generous benefits to veterans who have put their lives on the line to safeguard America,” said Acting United States Attorney Sandra R. Brown. “Fraud schemes, particularly those involving schooling for veterans, compromise the system designed to help veterans after they complete their service. Taxpayers who fund these programs also suffer when benefit programs are subject to waste, abuse and fraud.”

Lisa Molinar, Assistant Special Agent-in-Charge of the U.S. Department of Veterans Affairs, Office of Inspector General, Los Angeles Field Office, stated, “This investigation demonstrates the OIG’s continued commitment to aggressively pursue educational institutions and individuals who prey on veterans and conspire to misuse VA Post-9/11 GI Bill education benefits. The VA OIG will continue to work these cases in order to protect the integrity of the program.”

Waggoner is expected to be arraigned on the indictment this afternoon in United States District Court.

Marshall will be arraigned once he surrenders to federal authorities.

*An indictment contains allegations that a defendant has committed a crime.*

*Every defendant is presumed to be innocent until proven guilty in court.*

The indictment against Marshall and Waggoner charges each defendant with nine counts of wire fraud. If they are convicted, each defendant would face a statutory maximum sentence of 20 years in federal prison for each count.

The VA’s Office of Inspector General has a hotline where anyone can report information on ongoing fraudulently activities by calling 1-800-488-8244.

The case involving AST is being prosecuted by Assistant United States Attorney Sarah Heidel of the Major Frauds Section.