



ENHANCED BUSINESS INTEGRITY REVIEWS

Office of Nutrition Services, WIC Program

Presenter



John Clabaugh, CFE

Investigator 3

Washington WIC

Section 1:

WHAT IS A BUSINESS INTEGRITY REVIEW?

What is a Business Integrity Review?

- A background check for vendors
- An opportunity to prevent a vendor who is likely to be noncompliant from gaining authorization
- An opportunity to save resources

Two Types of Business Integrity Review

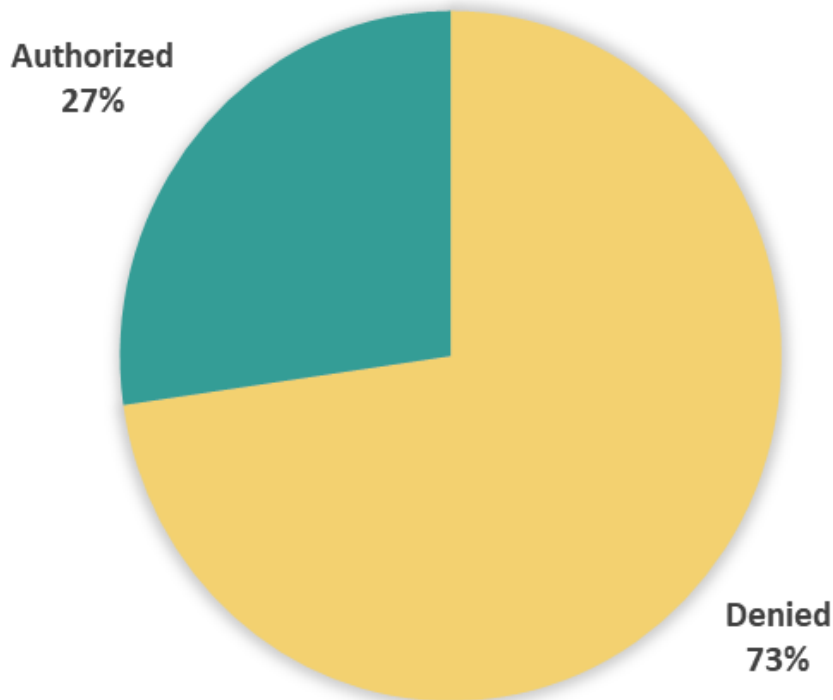
Basic Review

- 15 – 30 minutes
- Information search and verification
- Same for all vendors

Enhanced Review

- Time consuming
- Request and examine documents
- No two are the same

Results of Enhanced Business Integrity Reviews



11 Enhanced Reviews since 2016

- 3 vendors authorized
- 8 vendors denied
- Zero vendor appeals

Section 2:

LAWS, RULES AND POLICY: SCOPE OF AUTHORITY

7 CFR § 246.12(g)(3)(ii)

Activities indicating a lack of business integrity include fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, and obstruction of justice.

Washington Administrative Code 246-790

- Provide complete and truthful information
- Cooperate with requests
- Provide business and financial documents
- No outstanding violations, claims, or disqualification
- Not disqualified from SNAP
- State may verify identity of applicant

Washington Administrative Code 246-790

When there is an outstanding WIC or SNAP sanction or claim, don't:

- Sell store to or buy store from a relative or person with a financial relationship
- Reorganize the business structure to avoid the sanction or claim (convert corporation to LLC)

Section 3:

HOW TO DO A BASIC BUSINESS INTEGRITY REVIEW

Collect Information

- Past history of sanctions
- Do they own other businesses? Who are they in business with?
- Business, financial, or family connections to a sanctioned person or entity
- Criminal convictions or civil judgments
- Provided truthful and accurate information

Search Your Records



Investigative Databases



- Useful for identifying applicants and finding connections
- Addresses, aliases, phone numbers, property, vehicles, liens, relatives, associates

However:

- Can be inaccurate or outdated

TLO Person Search

[Home](#) | **People** | [Business Plus](#) | [Criminal Records](#) | [Courts](#) | [Assets](#) | [California](#)

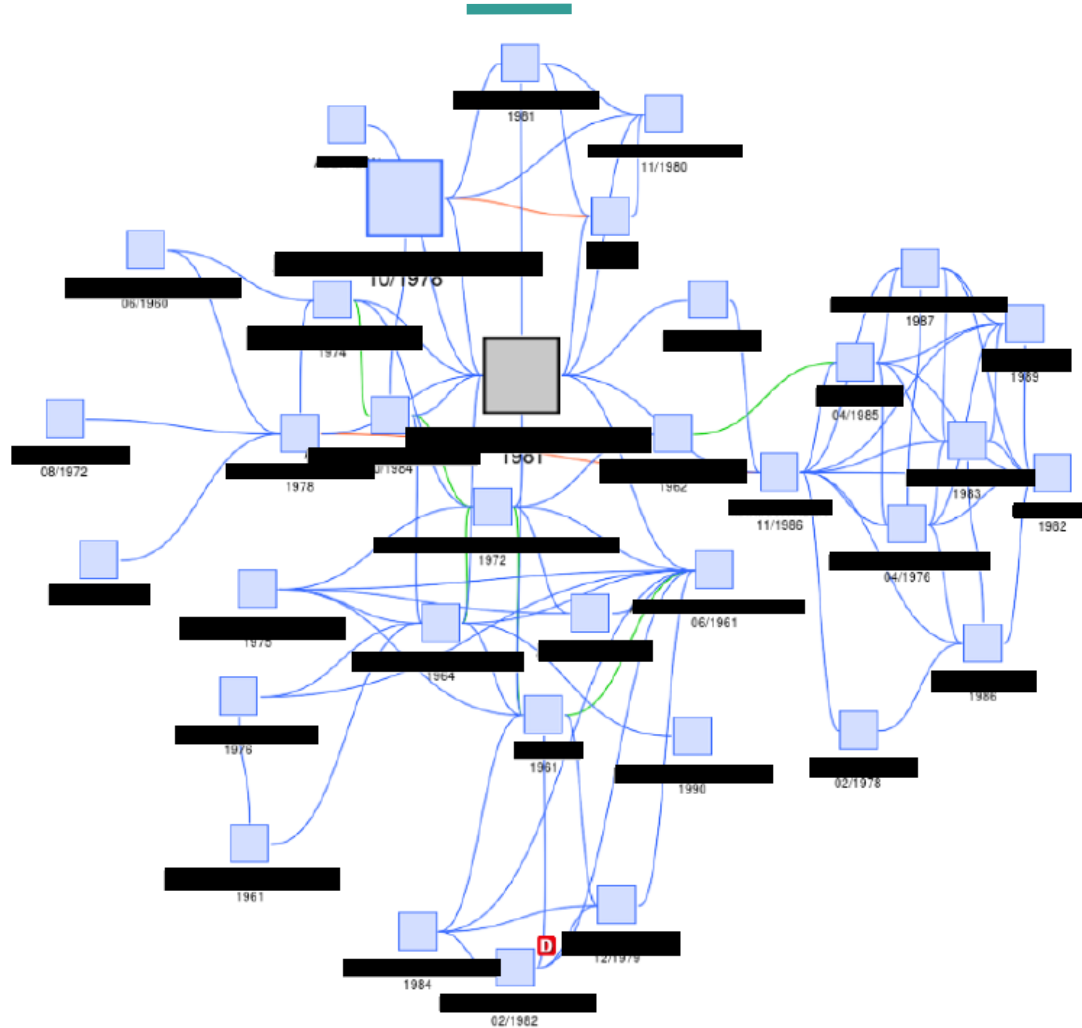
[Advanced](#) | [Expert Plus](#) | [Expanded Expert](#) | [Deceased](#) | [Phone Report](#) | [Address Report](#) | [Licenses](#) | [Phones](#) | [Social Media](#) | [Emails](#)

[Utilities](#) | [Global Watch Lists](#)

Advanced Search People (i) Information & Coverage

Last Name <input type="text"/> <small>Last Name Sounds Like <input type="checkbox"/></small>	First Name <input type="text"/> <small>Exact First <input type="checkbox"/></small>	Middle Name <input type="text"/> <small>[One Line Entry]</small>	DOB <input type="text"/> <small>12/27/1967 or 12/27 or 1967</small>	Age Range <input type="text"/> - <input type="text"/> <small>12/27/1967 or 12/27 or 1967</small>	SSN <input type="text"/> <small>Full, First 5 digits, or Last 4 digits</small>
Address (or just street name, building name, community name) <input type="text"/>			DL, Email, Domain, or IP <input type="text"/>		
Zip, Zip 9, City, County, or State <input type="text"/>	Phone (10 or 7 digit) <input type="text"/>		TLO Person ID <input type="text"/>		
Date Range Seen at Address <input type="text"/> to <input type="text"/>			Search Results Layout <input checked="" type="radio"/> Classic <input type="radio"/> Locate <input type="radio"/> Basic (i)		

TLO Relationship Diagram



Public Information Sources

- Secretary of State
- Business licensing
- Workers compensation
- County assessor/treasurer
- County auditor/recorder
- Vehicle licensing

Corporations and Charities Filing System

Advanced Business Search

ADVANCED BUSINESS SEARCH

Search Type: Business Name:

Business Type: Business Status:

Expiration Date:

Home | Español | Contact | A-Z Index | Help | My L&I

Washington State Department of Labor & Industries

Search L&I

Home » Trades & Licensing » Contractors » [Show menu](#)

Verify a Contractor, Tradesperson or Business

WA UBI No.

Business license no.

THURSTON COUNTY

OFFICE OF THE ASSESSOR
STEVEN J. DREW, ASSESSOR

Direct Parcel Number Lookup

Parcel Number [Search Tips](#)

Alternative Search Options

Last Name or Organization

First name

Situs street number

Situs street name

(Insert street name only; ex: Pacific, not Pacific Ave SE)

Sort order

STARS Person Search

(Website: stars.fns.usda.gov)

STARS Person Search Results

Person Information

First Name: [REDACTED]
Middle Name: [REDACTED]
Last Name: [REDACTED]
SSN: [REDACTED]
Date of Birth: [REDACTED]

Denied Application: No
Case Violator: No
Associated with Case: Yes
Negative Action: Yes ⓘ
Unpaid Obligation: Yes

General Information Address History **Person Role(s)** Alias Information Person Screening Results

Person Role(s)

Aliases

Alias Name	Alias DOB	Alias SSN
No aliases.		

Associated Stores & Meal Services (Non-Corporation) Roles

Role	Association Date	FNS Number	Store/Meal Service Name	Store/Meal Service Status	Status Reason	Status Date
Owner	10/09/2009	[REDACTED]	[REDACTED]	Withdrawn	Voluntary	12/14/2010
Owner	01/03/2011	[REDACTED]	[REDACTED]	Permanently Disqualified	SNAP Program Violation	06/12/2012

STARS Store/Meal Service Search

The screenshot displays the STARS (Store Tracking and Redemption System) interface. At the top, the STARS logo and USDA (United States Department of Agriculture) branding are visible. The user is logged in as John Clabaugh. A navigation menu includes options for Stores and Meal Services, Corporation, Store Monitoring, Compliance, Reports, Person, and Searches. A search bar for FNS Number is present. The main content area shows a search result for 252 Information, with buttons for Retailer Application, Retailer Status, and Retailer. The record details include:

- FNS Number:** [REDACTED]
- Chain Store Number:** NONE
- Open Case:** No
- Watch List Status:** Closed (ALERT)
- Location Address:** [REDACTED]
- Status:** Permanently Disqualified - SNAP Program Violation
- Date:** 06/12/2012
- Risk Level:** High
- Store Criteria - Type:** A - Convenience Store
- Corporation Name - Number:** NONE - NONE
- Centralization Plan Number:** NONE

System for Award Management

- Are they excluded from federal contracting?
- Search records > Advanced search - Exclusion

The screenshot shows the SAM.gov homepage. At the top left is the SAM logo with the text 'SYSTEM FOR AWARD MANAGEMENT'. To the right is a yellow banner with the text 'A NEW WAY TO SIGN IN - If you already have a SAM account, use your SAM email for login.gov.' and a 'Log In' button. Below the banner is a dark blue navigation bar with links for 'HOME', 'SEARCH RECORDS', 'DATA ACCESS', 'CHECK STATUS', 'ABOUT', and 'HELP'. Underneath the navigation bar are two red alert messages: 'ALERT: SAM.gov will be down for scheduled maintenance Saturday, 08/10/2019, from 8:00 AM to 1:00 PM (EDT).' and 'ALERT: CAGE is currently experiencing a high volume of registrations, and is working them in the order in which they are received. When your registration is assigned to a CAC Technician, you will be contacted by CAGE, if necessary, for any additional information.' Below the alerts is a paragraph of text: 'The System for Award Management (SAM) is an official website of the U.S. government. There is no cost to use SAM. You can use this site for FREE to:' followed by a bulleted list: 'Register to do business with the U.S. government', 'Update or renew your entity registration', 'Check status of an entity registration', and 'Search for entity registration and exclusion records'. At the bottom of the page is a 'Getting Started' section with three columns: 'Create A User Account' with a person icon and a plus sign, 'Register Entity' with a folder icon and a plus sign, and 'Search Records' with a magnifying glass icon over a document. Each column has a short description below it.

(Website: [Sam.gov](https://sam.gov))

U.S. Treasury Sanctions

Office of Foreign Assets Control: Trade and economic sanctions

The screenshot shows the OFAC Sanctions List Search application. At the top left is the OFAC logo, which includes the Department of the Treasury seal and the text 'OFAC Office of Foreign Assets Control'. To the right of the logo is the title 'Sanctions List Search'. Below the title is a paragraph of text explaining the application's purpose: it is designed to facilitate the use of the Specially Designated Nationals and Blocked Persons list (SDN List) and all other sanctions lists administered by OFAC. It mentions various lists like the Foreign Sanctions Evaders List, the List of Persons Identified as Blocked Solely Pursuant to E.O. 13599, the Non-SDN Iran Sanctions Act List, the Part 561 list, the Sectoral Sanctions Identifications List, and the Non-SDN Palestinian Legislative Council List. It notes that the application uses approximate string matching and has a slider-bar for setting a confidence rating threshold. It also states that OFAC does not provide recommendations with regard to the appropriateness of any specific confidence rating and that the application is not a substitute for appropriate due diligence.

Below the text are four links: 'Download the SDN List', 'Download the Consolidated Non-SDN List', 'Visit The OFAC Website', and 'Program Code Key'.

The main section is titled 'Lookup' and contains a search form with the following fields:

- Type: All (dropdown)
- Name: (text input)
- ID #: (text input)
- Program: All (dropdown menu with options: 561-Related, BALKANS, BELARUS)
- Address: (text input)
- City: (text input)
- State/Province:* (text input)
- Country: All (dropdown)
- List: All (dropdown)
- Minimum Name Score: 100 (slider)
- Search (button)
- Reset (button)

(Website: sanctionssearch.ofac.treas.gov)

State and Local Court Records

The screenshot shows the 'Odyssey Portal - Washington Courts Online Case Search' interface. At the top left is the Washington Courts logo. The main title is 'Odyssey Portal - Washington Courts Online Case Search'. Below the title is a navigation link 'Register / Sign In' with a user icon and a dropdown arrow. A dark blue horizontal bar separates the header from the main content area. The main content area has a 'Search Criteria' label with a question mark icon to its right. Below this is a text input field with a placeholder instruction: '* Enter a Record Number or Name in Last, First Middle Suffix Format'. The input field is currently empty. Below the input field is a reCAPTCHA widget with the text 'I'm not a robot' and a checkbox. To the right of the checkbox is the reCAPTCHA logo and the text 'reCAPTCHA Privacy - Terms'. At the bottom left of the main content area is a link for 'Advanced Filtering Options' with a dropdown arrow. At the bottom right is a dark blue 'Submit' button.

PACER – Federal Court Records

Criminal, civil, and bankruptcy records

The screenshot shows the PACER Case Locator website. The top navigation bar includes the PACER Case Locator logo, links for 'New Search', 'Saved Items', and 'Court Information', and a user profile for 'John Clabaugh'. Below the navigation bar is a 'Welcome' message with a home icon. The main content area is divided into three sections: 'Quick Searches' with links for 'Find Cases', 'Find Cases (Advanced)', 'Find Parties', 'Find Parties (Advanced)', 'Find Bankruptcy by SSN/EIN', and 'Find Bankruptcy (Advanced)'; 'My Recently Run Saved Searches' which shows 'No saved searches'; and 'PCL Statistics' which displays a table of case counts and party counts. A 'Quick Links' section at the bottom right features icons for PACER, U.S. Courts, and Court Links.

PCL Statistics	
Case Counts	
Appellate	1,401,330
Bankruptcy	34,880,937
Civil	8,373,249
Criminal	9,796,469
Party Count	323,390,889

(Website: pacer.gov)

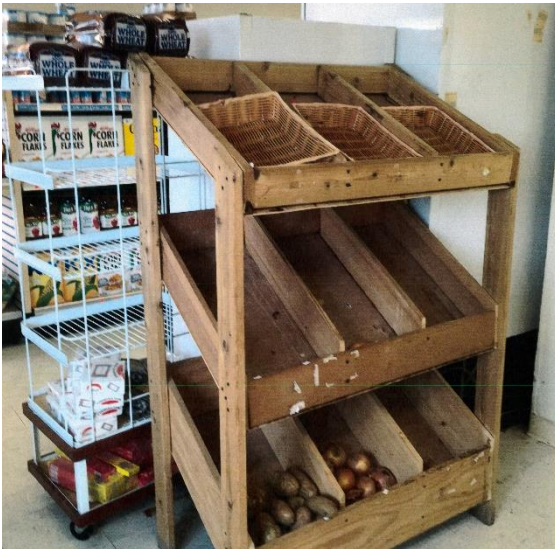
Bureau of Prisons – Inmate Locator

The screenshot shows the Federal Bureau of Prisons website's Inmate Locator page. At the top left is the BOP logo. The main header reads "Federal Bureau of Prisons" with the tagline "Correctional Excellence. Respect. Integrity." and a search bar for "bop.gov". A navigation menu includes "Home", "About Us", "Inmates", "Locations", "Jobs", "Business", "Resources", and "Contact Us". The main heading is "Find an inmate." followed by a paragraph explaining that the locator covers federal inmates from 1982 to the present, noting that release dates may not be up-to-date due to the First Step Act. Below this are two tabs: "Find By Number" and "Find By Name". The "Find By Name" tab is active, showing a form with fields for "First", "Middle", and "Last" names, and "Race", "Age", and "Sex" dropdown menus. A "Clear Form" button and a blue "Search" button are at the bottom right of the form. A link "About the inmate locator & record availability" is at the bottom of the page.

(Website: [bop.gov/inmateloc](https://www.bop.gov/inmateloc))

Do They Meet the Selection Criteria?

- Minimum quantity and variety of supplemental foods
- Approved infant formula supplier



Section 4

HOW TO DO AN ENHANCED BUSINESS INTEGRITY REVIEW

Collect Evidence

- Evidence to substantiate that there is a business, financial, or family connection between the applicant and a sanctioned person or entity
- Details about criminal convictions or civil judgments
- Follow the money

State and Local Court Documents

STATE OF WASHINGTON, vs. [REDACTED] SID: [REDACTED] DOB: [REDACTED] OIN: GCSO, 17GS11180 PCN: 926137182	Plaintiff Defendant.	No. 17-1-00609-5 Felony Judgment and Sentence (FJS) <input checked="" type="checkbox"/> Clerk's Action Required, 2.1, 4.1, 4.3, 5.2, 5.3, 5.5, 5.7 <input type="checkbox"/> Defendant Used Motor Vehicle <input type="checkbox"/> First Time Offender <input type="checkbox"/> Jail One Year or Less <input type="checkbox"/> Juvenile Decline <input type="checkbox"/> Mandatory <input type="checkbox"/> Discretionary
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I. Hearing

- 1.1 The court conducted a sentencing hearing this date and present were:
Defendant: [REDACTED]
Defendant's Lawyer: [REDACTED]
DEPUTY PROSECUTOR: [REDACTED]

II. Findings

- 2.1 **Current Offenses:** The defendant is guilty of the following offenses, based upon a guilty plea on April 18, 2018:

Count	Crime	RCW	Class	Date
1	Violation of the Uniform Controlled Substances Act: Manufacture Marijuana	69.50.401(1), (2)(c)	C	09/21/17

Federal Courts – Indictment or Information

7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

9 UNITED STATES OF AMERICA,)
10 Plaintiff,)
11 v.)
12 [REDACTED])
13 Defendant.)

CR05 0245Z
INFORMATION
05-CR-00245-INFO

14

15 The United States Attorney charges that:

16 COUNT ONE

17 On or about the fifteenth day of April, 2002, [REDACTED], a
18 resident of Seattle, in the Western District of Washington, did willfully make and
19 subscribe a United States Individual Income Tax Return (Form 1040) for the calendar
20 year 2001, which was verified by a written declaration that it was made under the
21 penalties of perjury and was filed with the Internal Revenue Service, which Income Tax
22 Return [REDACTED] knew was not true and correct as to the following
23 material matter: the Form 1040, Schedule C, line 1, reported gross receipts or sales
24 from a business of \$266,000.00, whereas, as [REDACTED] then and

Federal Courts – Judgment

Case 2:05-cr-00245-TSZ Document 21 Filed 02/17/06 Page 1 of 6

AO 245B (Rev. 6/05) Judgment in a Criminal Case (Rev. USAO 10/2/05)
Sheet 1

UNITED STATES DISTRICT COURT

WESTERN

District of

WASHINGTON

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE

V.

FEB 17 2006

AT SEATTLE
CLERK U.S. DISTRICT COURT
FOR THE DISTRICT OF WASHINGTON

Case Number: CR05-0245TSZ

USM Number: 35442-086

Defendant's Attorney

THE DEFENDANT:

- pleaded guilty to count(s) 1 of the Information (Date of Plea: June 27, 2005)
- pleaded nolo contendere to count(s) _____
which was accepted by the court.
- was found guilty on count(s) _____
after a plea of not guilty.

The defendant is adjudicated guilty of these offenses:

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Date Offense Concluded</u>	<u>Count No.</u>
26 U.S.C. § 7205(1)	Willfully Filing False Tax Return	4/15/2002	1

Federal Courts – Bankruptcy

Fill in this information to identify your case:

Debtor 1 _____

Debtor 2 _____
(Spouse, if filing)

United States Bankruptcy Court for the: Western District of Washington

Case number _____
(if known)

Check one box only as directed in this form and in Form 22A-1Supp:

1. There is no presumption of abuse

2. The calculation to determine if a presumption of abuse applies will be made under *Chapter 7 Means Test Calculation* (Official Form 22A-2).

3. The Means Test does not apply now because of qualified military service but it could apply later.

Check if this is an amended filing

Official Form 22A - 1

Chapter 7 Statement of Your Current Monthly Income

12/14

Be as complete and accurate as possible. If two married people are filing together, both are equally responsible for being accurate. If more space is needed, attach a separate sheet to this form. Include the line number to which the additional information applies. On the top of any additional pages, write your name and case number (if known). If you believe that you are exempted from a presumption of abuse because you do not have primarily consumer debts or because of qualifying military service, complete and file *Statement of Exemption from Presumption of Abuse Under § 707(b)(2)* (Official Form 22A-1Supp) with this form.

Part 1: Calculate Your Current Monthly Income

1. What is your marital and filing status? Check one only.

Not married. Fill out Column A, lines 2-11.

Married and your spouse is filing with you. Fill out both Columns A and B, lines 2-11.

Married and your spouse is NOT filing with you. You and your spouse are:

Living in the same household and are not legally separated. Fill out both Columns A and B, lines 2-11.

Living separately or are legally separated. fill out Column A, lines 2-11; do not fill out Column B. By checking this box, you declare under penalty of perjury that you and your spouse are legally separated under nonbankruptcy law that applies or that you and your spouse are living apart for reasons that do not include evading the Means Test requirements. 11 U.S.C § 707(b)(7)(B).

Fill in the average monthly income that you received from all sources, derived during the 6 full months before you file this bankruptcy.

Bill of Sale or Purchase and Sale Agreement

OP 4

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS: That [REDACTED], a Washington corporation, the party of the first part, for and in consideration of the sum of TEN and 00/100 Dollars, lawful money of the United States of America, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, to it in hand paid by [REDACTED], a Washington corporation, the party of the second part, do by these presents grant, bargain, sell and deliver unto the said party of the second part, the following described personal property now located at [REDACTED] City of [REDACTED] County of [REDACTED] and state of Washington, to-wit:

Furniture, fixtures and equipment inventory and other intangible assets of that certain business known as [REDACTED]

TO HAVE AND TO HOLD the same to the said party of the second part, their heirs, executors, administrators and assigns forever. And said party of the first part, for its heirs, executors, administrators, covenant and agree to and with the said party of the second part, their executors, administrators and assigns, that said party of the first part is owner of the said property, goods and chattels and has good right and full authority to sell the same, and that it will warrant and defend the sale hereby made unto the said party of the second part, their executors, administrators and assigns, against all and every person or person, whomsoever, lawfully claiming or to claim the same,

IN WITNESS WHEREOF, The said party of the first part has hereunto set its hand this 23rd day of November, 2010.

Seller: [REDACTED]

Lease Agreement

LEASE

THIS LEASE AND OPTION made this commencement date of December, 2015, by and between [REDACTED] hereinafter referred to as Lessor, and [REDACTED] hereinafter referred to as Lessee,

WITNESSETH:

The Lessor does hereby lease to the Lessee those certain premises commonly known as [REDACTED], Washington, [REDACTED] County, Washington, to-wit:

TOGETHER WITH the operating equipment, furniture, fixtures, leasehold improvements of said property.
Upon the following terms and conditions:

1. TERM: The term of the lease shall be for a period of 10 years (with 5 year option to extend) commencing on the above commencement date with lease deposit of \$10,000 which is refundable after taking subsequent adjustments when lease is terminated.
2. RENT: The rental for the premises shall be \$11800.00 per month, payable monthly in advance on or before the 20th day of each month for each month. First Payment: \$11,800.00

Bank Statements



P.O. Box 15284
Wilmington, DE 19850



Customer service information

- 1.888.BUSINESS (1.888.287.4637)
- bankofamerica.com
- Bank of America, N.A.
P.O. Box 25118
Tampa, FL 33622-5118

Your Business Fundamentals Checking

for September 1, 2017 to September 30, 2017



Account number:

Account summary

Beginning balance on September 1, 2017	\$61.00
Deposits and other credits	8,901.09
Withdrawals and other debits	-4,697.79
Checks	-3,508.86
Service fees	-0.00
Ending balance on September 30, 2017	\$755.44

- # of deposits/credits: 53
- # of withdrawals/debits: 51
- # of items-previous cycle¹: 0
- # of days in cycle: 30
- Average ledger balance: \$1,069.89
- ¹Includes checks paid, deposited items & other debits

Check Withdrawals

SEATTLE, WA 98118-4680

3001
19/7076

DATE 11/31/17

PAY TO THE ORDER OF M [REDACTED] \$10,000

Ten Thousand only

CHASE
JPMorgan Chase Bank, N.A.
www.Chase.com

MEMO House Payment

[REDACTED]

ENDORSE HERE

[REDACTED]

The security features listed below are not listed, exceed only, or are missing:

- Paper
- Ink
- Microprint
- Security Screen

FEDERAL RESERVE BOARD

OVERSIGHT

Check Deposits

[REDACTED]
SALT LAKE CITY, UT 84119-6678

1854
31-2971240 2916
3002799308

DATE 4-10-17

PAY TO THE ORDER OF [REDACTED] \$ 11,000.00/100

Eleven thousand dollars and 00/100 Only DOLLARS

WELLS FARGO BANK, N.A.
wfb.com

FOR Cutting items for the store [REDACTED]

[REDACTED]

Account Signature Cards

WASHINGTON TRUST BANK
 [REDACTED]
 03/09/2016

Ownership of Account - Business Purpose

Sole Proprietorship or Single Member LLC Partnership
 LLC-enter tax classification C Corp S Corp Partnership
 C Corporation S Corporation _____

Authorization Dated: _____

Account Number and Description	Initial Deposit/Source
Acct. No.: [REDACTED] SMART BUSINESS CKG	\$ _____ <input type="checkbox"/> cash <input type="checkbox"/> check <input type="checkbox"/> _____
Acct. No.:	\$ _____ <input type="checkbox"/> cash <input type="checkbox"/> check <input type="checkbox"/> _____
Acct. No.:	\$ _____ <input type="checkbox"/> cash <input type="checkbox"/> check <input type="checkbox"/> _____

Backup Withholding Certifications
 (If not a "U.S. Person", certify foreign status separately)

By signing signature field (1) on this document, I certify under penalties of perjury that the statements made in this section are true and that I am a U.S. citizen or other U.S. person (as defined in the instructions).

Taxpayer I.D. Number - TIN: [REDACTED]
 The Taxpayer Identification Number (TIN) shown is my correct taxpayer identification number.

Backup Withholding. I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

Exempt Recipients. I am an exempt recipient under the Internal Revenue Service Regulations. Exempt payee code (if any): _____

FATCA Code. The FATCA code entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Account Owner(s) Name & Address
 [REDACTED]

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

(1): [X [REDACTED]]
 I.D. # _____ D.O.B. _____

(2): [X [REDACTED]]
 I.D. # _____ D.O.B. _____

(3): [X [REDACTED]]
 I.D. # _____ D.O.B. _____

(4): [X [REDACTED]]
 I.D. # _____ D.O.B. _____

Agent (Single Accounts Only) (Name)
 [X [REDACTED]]
 I.D. # _____ D.O.B. _____

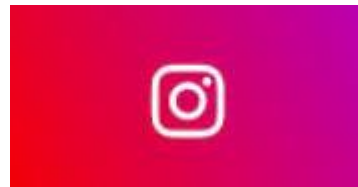
Driver's License or ID Card



Surveillance



Social Media



- Confirm associates and relationships – look at friends
- Public profiles with incriminating evidence

Section 5

CASE STUDY: GREEN FRESH MARKET

Red Flags

- Prior store failed WIC inventory audit, 3 year DQ
- STARS comments note red flags
- Prior owner has new business at same location



Key Evidence

- Surveillance of warehouse of Sunshine Traders
- Public disclosure from WA Dept. of Agriculture

 **Washington State Department of Agriculture**
Food Safety Program
PO BOX 42591
Olympia, WA 98504-2591
(360) 902-1876
foodsafety@agr.wa.gov

**Renewal Application For
Food Storage Warehouse License**
License Expiration Date: March 31st

Issued To: [REDACTED] [REDACTED] [REDACTED]	Site Address: [REDACTED] [REDACTED] [REDACTED]	License Number: [REDACTED]
Phone: [REDACTED] ext		County: King

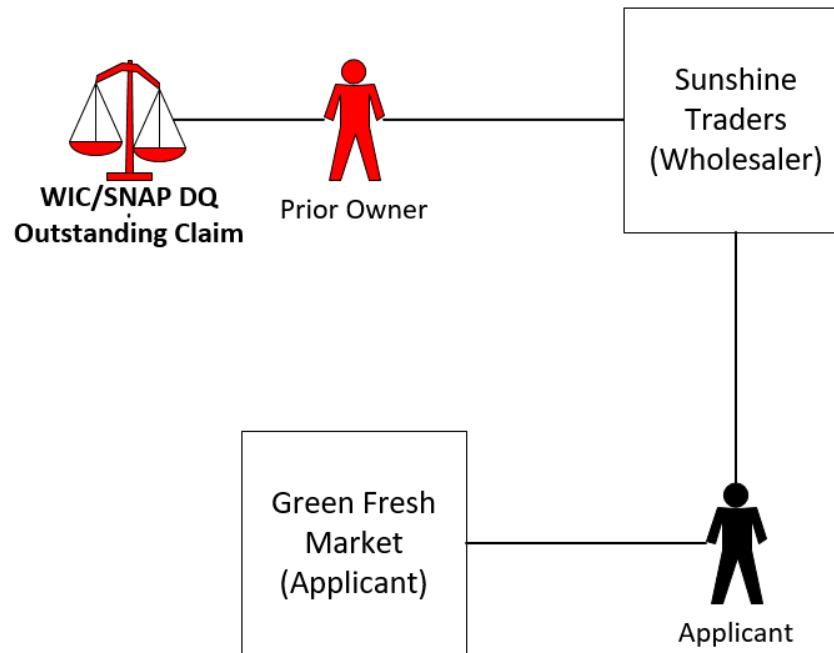
A change has been made to the business operation of this firm (please explain on the reverse side)
Licenses are non-transferable, if your business has had a change of ownership or site address you will be required to apply for a new license. Please contact the Food Safety Program for a license application. (360) 902-1876

Note: If applicable, please complete the following:

Owner	Email Address:	Website Address:
Form operates as: <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Cooperative <input type="checkbox"/> LLC <input checked="" type="checkbox"/> Corporation		
List name and address of all partners and/or officers below: [REDACTED] _____ _____ _____		

Findings

- Prior owner and Applicant co-own Sunshine Traders
- Applicant falsely stated that they have no businesses together
- Applicant refused to cooperate with the review



Disposition

- Denied due to existing financial relationship
- Did not appeal

DENIED

Section 6

CASE STUDY: BOB'S GROCERY & DELI

Red Flags

- Applicant Jimmy Garrison used to own a store with brother Danny
- Danny owned a different store that was PDQ from SNAP
- Jimmy and Danny co-own Garrisons LLC, which owns the building that Bob's is in



Key Evidence

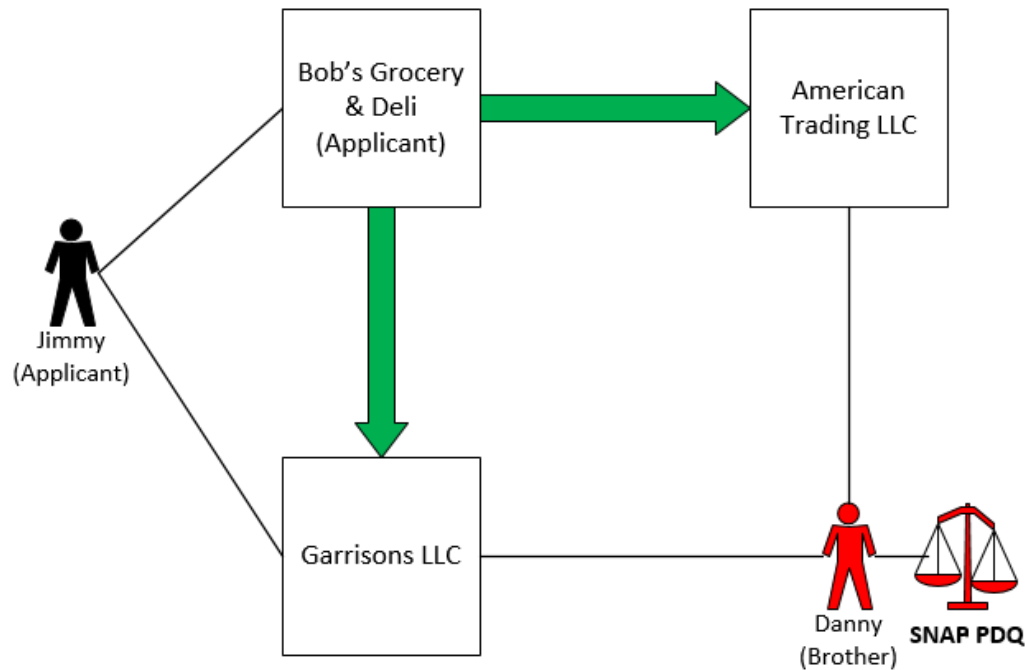
- Bank signature card shows Danny is authorized to sign checks
- 162 checks are signed by Danny
- \$114,170 to American Trading LLC, which is owned by Danny

Count of Checks Signed by Danny & Jimmy Garrison			
Month	Total Checks	Signed by Jimmy	Signed by Danny
Mar-16	82	24	6
Jul-16	101	0	26
Aug-16	99	0	19
Sep-16	99	0	30
Oct-16	95	0	24
Nov-16	99	0	27
Dec-16	101	0	30
TOTAL	676	24	162

Checks to American Trading LLC			
Date	Check #	Amount	Maker
6/21/2016	2628	\$35,000	Danny
9/8/2016	2890	\$28,500	Danny
10/8/2016	3001	\$25,670	Danny
11/29/2016	3164	\$25,000	Danny
Total		\$114,170	

Findings

- Danny has undisclosed interests in Bob's Grocery & Deli
- Danny is receiving financial benefit from the store in two ways



Disposition

- Denied due to existing financial relationship
- Did not appeal
- Case referred to USDA Office of Inspector General

DENIED

Contact

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Investigator 3

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