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AUG 19 2020

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)

No.

20CR 522

v.)

PAMELA D. STRAIN)

Violations: Title 26, United States
Code, Sections 7202 and 7206(1)

JUDGE BUCKLO

COUNT ONE

MAGISTRATE JUDGE GILBERT

The UNITED STATES ATTORNEY charges:

1. At times material to this Information:

a. Defendant PAMELA D. STRAIN resided in Lynwood, Illinois, and was the

President, Superintendent, and an owner of Beacon Hill Preparatory Academy, also known as Lighthouse Christian Academy, a private school for pre-kindergarten through eighth grade located in Harvey and later in South Holland, Illinois (Beacon Hill).

b. The National School Lunch Program, the School Breakfast Program, and

the Fresh Fruit and Vegetable Program were child nutrition programs administered by the United States Department of Agriculture (USDA) through the Illinois State Board of Education (ISBE) that provided federal funds to participating nonprofit private schools. The Child and Adult Care Food Program was a childcare program administered by the USDA through the ISBE that provided federal funds to participating private nonprofit childcare institutions. The Child Care Assistance Program was a childcare subsidy program that provided federal funds from the United States Department of Health and Human Services to reimburse participating schools.

c. From in or around 2009 through in or around October 2016, defendant

PAMELA D. STRAIN caused Beacon Hill to receive in excess of \$4 million in federal program funds through its participation in the National School Lunch, School Breakfast, Fresh Fruit and

Vegetable, Child and Adult Care Food, and Child Care Assistance Programs.

d. In or around May 2012, Beacon Hill's nonprofit status was revoked by the Internal Revenue Service, rendering it ineligible to participate in the National School Lunch, School Breakfast, and Fresh Fruit and Vegetable Programs.

2. From in or around June 2012 through in or around October 2016, defendant PAMELA D. STRAIN, knowing that Beacon Hill was ineligible to receive funds through these federal child nutrition programs, fraudulently caused Beacon Hill to receive at least approximately \$600,000 in such funds.

3. From in or around January 2009 through in or around October 2016, defendant PAMELA D. STRAIN received income, wages, and compensation totaling approximately \$2 million from Beacon Hill. A portion of the income she received each of these years was derived from the federal child nutrition program funds Beacon Hill received.

4. On or about April 15, 2014, at Chicago, in the Northern District of Illinois, Eastern Division,

PAMELA D. STRAIN,

defendant herein, willfully made and subscribed a United States Individual Income Tax Return (Form 1040 with schedules and attachments) for the calendar year 2013, which return was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service. Defendant did not believe this return to be true and correct as to every material matter in that the return reported on line 22 that her total income was \$72,425, when defendant knew that her total income substantially exceeded \$72,425, specifically, defendant willfully omitted approximately \$466,704 in additional gross income that she received from

Beacon Hill, which included money defendant had caused Beacon Hill to fraudulently obtain from federally funded child nutrition programs;

In violation of Title 26, United States Code, Section 7206(1).

COUNT TWO

The UNITED STATES ATTORNEY further charges:

1. The allegations of paragraphs 1 through 3 of Count One are incorporated here.
2. Defendant PAMELA D. STRAIN was a person required to collect, truthfully account for, and pay over certain federal employment taxes, including Federal Insurance Contributions Act taxes, on a quarterly basis on wages paid to Beacon Hill employees.
3. Beginning on or about January 1, 2015 and continuing through on or about April 30, 2015, at Chicago, in the Northern District of Illinois, Eastern Division,

PAMELA D. STRAIN,

defendant herein, did willfully fail to collect, truthfully account for, and pay over to the Internal Revenue Service the full amount of those federal income taxes and Federal Insurance Contributions Act taxes withheld from the total wages of the employees of Beacon Hill for the first quarter of 2015 ending March 31, 2015, then due and owing to the United States of America;

In violation of Title 26, United States Code, Section 7202.


UNITED STATES ATTORNEY