

PRESS RELEASE

Two Former Directors of Boston Nonprofit Indicted on Additional Fraud Charges

Thursday, March 9, 2023

For Immediate Release

U.S. Attorney's Office, District of Massachusetts

Defendants allegedly defrauded Boston COVID-19 relief fund and Boston Office of Housing Stability

BOSTON – The former founder and chief executive of the local nonprofit Violence in Boston (VIB) and her husband, also a former founding director of the organization, have been charged in a superseding indictment today charging additional schemes to defraud the City of Boston out of COVID-19 relief funds and rental assistance money.

Monica Cannon-Grant, 42, and Clark Grant, 39, both of Taunton, have been charged by a federal grand jury in a 27-count superseding indictment, returned today with three counts of wire fraud conspiracy; 17 counts of wire fraud; one count of conspiracy; and one count of making false statements to a mortgage lending business. The new wire fraud charges center on alleged schemes to obtain and utilize pandemic assistance funds from the Boston Resiliency Fund for purposes not disclosed to the City, including for their own personal benefit, as well as to fraudulently obtain rental assistance payments from Boston's Office of Housing Stability. Cannon-Grant was also charged with mail fraud, filing false tax returns, and failing to file tax returns. Cannon-Grant and Clark Grant were previously charged in an 18-count indictment in March 2022. The defendants will appear in federal court in Boston at a later date.

Cannon-Grant was the founder and CEO of VIB, an anti-violence nonprofit formally established in 2017, the stated purpose of which is to reduce violence, raise social awareness and aid community causes in Boston, among other purposes. Grant is Cannon-Grant's husband, a founding director of VIB and, beginning in July 2018 until recently, was a full-time employee for a commuter services company.

According to the superseding indictment, the defendants allegedly conspired to use VIB to defraud the Boston Resiliency Fund, a charitable fund established by the City of

Boston to provide aid to Boston residents during the COVID-19 pandemic. After receiving approximately \$53,977 in pandemic relief funds, the defendants allegedly withdrew approximately \$30,000 in cash from the VIB bank account, some of which the defendants kept. After depositing the COVID-19 relief grant check, the defendants are also alleged to have used VIB funds to pay their auto loan and auto insurance bills.

In addition, the superseding indictment alleges that the defendants conspired to defraud Boston's Office of Housing Stability by concealing thousands of dollars of household income in order to obtain \$12,600 in rental assistance from the City of Boston. Instead of truthfully reporting that Clark Grant was receiving pandemic unemployment assistance (in addition to his salary), and that other family members were gainfully employed and receiving pandemic unemployment (in the case of one other family member), the defendants allegedly misrepresented their actual household income to obtain rent relief funds that were intended to aid Boston residents who were facing housing insecurity.

It is further alleged that the defendants conspired to defraud the Massachusetts Department of Unemployment Assistance by submitting a forged employment document so that another family member could receive approximately \$43,893 in unemployment assistance, bringing the total amount of fraudulent unemployment assistance received by the defendants and their co-conspirators to approximately \$145,269. Finally, the superseding indictment alleges that Cannon-Grant filed false tax returns for 2017 and 2018 and that she failed to file tax returns for 2019 and 2020, failing to report tens of thousands of dollars that Cannon-Grant received from VIB and an entity with which she contracted to provide consulting services.

If you believe you are a victim of or have information pertaining to the crimes alleged against the defendants, you may contact the U.S. Attorney's Office for the District of Massachusetts at: (617) 748-3663.

The charges of wire fraud conspiracy each provide for a sentence of up to 20 years in prison, up to three years of supervised release and a fine of up to \$250,000. The charges of wire fraud each provide for a sentence of up to 20 years in prison, up to three years of supervised release and a fine of up to \$250,000. The charge of making false statements to a mortgage lending business provides for a sentence of up to 30 years in prison, up to five years of supervised release and a fine of up to \$1 million. The charge of filing false tax returns provides for a sentence of up to three years in prison, one year of supervised release and a fine of up to \$100,000. The charge of failure to file a tax return provides for a sentence of up to one year of prison, one year of supervised release and a fine of up to \$25,000. Sentences are imposed by a federal district court

judge based upon the U.S. Sentencing Guidelines and statutes which govern the determination of a sentence in a criminal case.

First Assistant United States Attorney Joshua S. Levy; Ketty Larco-Ward, Inspector in Charge of the U.S. Postal Inspection Service; Jonathan Mellone, Special Agent in Charge of the U.S. Department of Labor, Office of Inspector General, Labor Racketeering and Fraud Investigation; Joleen D. Simpson, Special Agent in Charge of the Internal Revenue Service's Criminal Investigations in Boston; Matthew M. Modafferi, Special Agent in Charge of the U.S. Postal Service Office of Inspector General; and Massachusetts Inspector General Jeffrey Shapiro made the announcement today. Assistant U.S. Attorneys Adam Deitch and Dustin Chao of the Criminal Division are prosecuting the case.

On May 17, 2021, the Attorney General established the COVID-19 Fraud Enforcement Task Force to marshal the resources of the Department of Justice in partnership with agencies across government to enhance efforts to combat and prevent pandemic-related fraud. The Task Force bolsters efforts to investigate and prosecute the most culpable domestic and international criminal actors and assists agencies tasked with administering relief programs to prevent fraud by, among other methods, augmenting and incorporating existing coordination mechanisms, identifying resources and techniques to uncover fraudulent actors and their schemes, and sharing and harnessing information and insights gained from prior enforcement efforts. For more information on the Department's response to the pandemic, please visit <https://www.justice.gov/coronavirus>.

Anyone with information about allegations of attempted fraud involving COVID-19 can report it by calling the Department of Justice's National Center for Disaster Fraud (NCDF) Hotline at 866-720-5721 or via the NCDF Web Complaint Form at: <https://www.justice.gov/disaster-fraud/ncdf-disaster-complaint-form>.

The details contained in the indictment are allegations. The defendants are presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.
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