

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH DAKOTA
NORTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

vs.

ERIC SHEPHERD and
OLIVIA LOCKE,

Defendants.

1:25-CR-10024

CR

REDACTED INDICTMENT

Conspiracy to Commit Theft
Concerning Programs Receiving
Federal Funds
(18 U.S.C. §§ 371 and 666(a)(1)(A))

Conspiracy to Commit Theft from an
Indian Tribal Organization
(18 U.S.C. §§ 371 and 1163)

The Grand Jury charges:

COUNT 1

A. Relevant Persons and Entities:

At all times relevant to this indictment:

1. The Sisseton Wahpeton Oyate Tribe ("Tribe") is a federally recognized Indian tribe.
2. The Tribe is an Indian tribal government that receives federal assistance in excess of \$10,000 in a one-year period.
3. The Sisseton Wahpeton Housing Authority is an entity established by the Tribe.
4. The Sisseton Wahpeton Housing Authority is supervised by the Tribe's Housing Board of Commissioners.
5. Defendant Eric Shepherd is an agent and the Executive Director of the Sisseton Wahpeton Housing Authority.

6. Defendant Olivia Locke is an agent and the Chief Financial Officer of the Sisseton Wahpeton Housing Authority.

B. Introduction:

Beginning on or about September 12, 2019, and continuing through August 14, 2024, in the District of South Dakota, the defendants, Eric Shepherd and Olivia Locke, knowingly and willfully conspired and agreed together and with each other to commit the offense of theft concerning programs receiving Federal funds, in violation of 18 U.S.C. § 666(a)(1)(A). Defendants willfully and unlawfully conspired to knowingly and intentionally embezzle, steal, obtain by fraud, and without authority knowingly convert to the use of a person other than the rightful owner, and intentionally misapply property worth at least \$5,000 which was owned by and under the care, custody, or control of the Sisseton Wahpeton Housing Authority, an organization, government, and agency which received in any one year period Federal assistance in excess of \$10,000, all while being agents of the Sisseton Wahpeton Housing Authority. Defendants acted willfully, for the purpose of enriching themselves, all as described and set forth below, and knew of the unlawful purpose of the conspiracy when they participated in it.

C. Object of the Conspiracy:

The object of the defendants' conspiracy was personal enrichment by fraudulently obtaining funds from the Sisseton Wahpeton Housing Authority.

D. Manner and Means of the Conspiracy:

1. The Sisseton Wahpeton Housing Authority was established to undertake projects such as providing or assisting in providing decent, safe, and sanitary dwellings, located on the Lake Traverse Reservation, for low-income enrolled members of the Tribe.

2. Defendant Eric Shepherd is the Executive Director of the Sisseton Wahpeton Housing Authority. His duties include supervising employees of the Sisseton Wahpeton Housing Authority. He reports directly to and is supervised by the Tribe's Housing Board of Commissioners.

3. Defendant Olivia Locke is the Chief Financial Officer of the Sisseton Wahpeton Housing Authority. Her duties include various financial responsibilities, including preparing budgets, quarterly reports, and reconciling bank accounts.

4. The defendants created or caused to be created checks payable to themselves from the Sisseton Wahpeton Housing Authority bank accounts. The defendants knew that the checks were not issued for a legitimate purpose and were not authorized by the Tribe's Housing Board of Commissioners.

5. The defendants cashed or deposited their checks and used the funds for their own purposes.

E. Overt Acts in Furtherance of the Conspiracy:

In furtherance of the conspiracy and to effect the objects thereof, the defendants committed the following overt acts, as well as others, in the District of South Dakota:

1. On or about October 11, 2019, Eric Shepherd received a check drawn on a Sisseton Wahpeton Housing Authority bank account and made payable to him in the amount of \$12,000.00, and Olivia Locke received a check drawn on a Sisseton Wahpeton Housing Authority bank account and made payable to her in the amount of \$10,000.00. Each check bears the printed signatures of Eric Shepherd and Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

2. On or about November 11, 2020, Eric Shepherd received a check drawn on a Sisseton Wahpeton Housing Authority bank account and made payable to him in the amount of \$10,000.00. The check bears the printed signatures of Eric Shepherd and Olivia Locke. The check was not issued for a legitimate purpose and was not properly authorized. The defendant used the funds for his own purposes.

3. On or about July 14, 2021, Eric Shepherd sent an email to an individual known to the grand jury and copied Olivia Locke. Eric Shepherd directed the individual to process a \$35,000.00 payment to Eric Shepherd and a \$20,000.00 payment to Olivia Locke. Each payment was made by a check drawn on a Sisseton Wahpeton Housing Authority bank account and had taxes withheld. This resulted in a check made payable to Eric Shepherd in the amount of \$30,677.50 and a check made payable to Olivia Locke in the amount of \$17,710.00. Each check bears the printed signatures of Eric Shepherd and

Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

4. On or about September 29, 2023, Eric Shepherd received a check drawn on a Sisseton Wahpeton Housing Authority bank account and made payable to him in the amount of \$10,000.00, and Olivia Locke received a check drawn on a Sisseton Wahpeton Housing Authority bank account and made payable to her in the amount of \$10,000.00. Each check bears the printed signatures of Eric Shepherd and Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

5. On or about January 16, 2024, Eric Shepherd sent a memo to an individual known to the grand jury and copied Olivia Locke. Eric Shepherd directed the individual to process a \$100,000.00 payment to Eric Shepherd and a \$53,700.00 payment to Olivia Locke. Each payment was made by a check drawn on a Sisseton Wahpeton Housing Authority bank account and had taxes withheld. This resulted in a check made payable to Eric Shepherd in the amount of \$87,350.00 and a check made payable to Olivia Locke in the amount of \$46,906.95. Each check bears the printed signatures of Eric Shepherd and Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

The defendants' actions were all in violation of 18 U.S.C. §§ 371 and 666(a)(1)(A).

COUNT 2

A. Relevant Persons and Entities:

At all times relevant to this indictment:

1. The Sisseton Wahpeton Oyate Tribe ("Tribe") is a federally recognized Indian tribe and an Indian tribal organization.
2. The Sisseton Wahpeton Housing Authority is an entity established by the Tribe and an Indian tribal organization.
3. The Dakota Nation Development Corporation is an entity established by the Tribe and an Indian tribal organization.
4. The Sisseton Wahpeton Housing Authority and the Dakota Nation Development Corporation are each supervised by the Tribe's Housing Board of Commissioners.
5. Defendant Eric Shepherd was employed as the Executive Director of the Sisseton Wahpeton Housing Authority. In this capacity, his duties also included tasks pertaining to the Dakota Nation Development Corporation.
6. Defendant Olivia Locke was employed as the Chief Financial Officer of the Sisseton Wahpeton Housing Authority. In this capacity, her duties also included tasks pertaining to the Dakota Nation Development Corporation.

B. Introduction:

Beginning on or about July 31, 2019, and continuing through September 13, 2024, in the District of South Dakota, the defendants, Eric Shepherd and

Olivia Locke, knowingly and willfully conspired and agreed together and with each other to commit the offense of embezzlement and theft from an Indian tribal organization, in violation of 18 U.S.C. § 1163. Defendants willfully and unlawfully conspired to embezzle, steal, knowingly convert to their own use, willfully misapply, and willfully permit to be misapplied, over \$1,000 of the moneys, funds, credits, goods, assets, and other property belonging to the Dakota Nation Development Corporation, an Indian tribal organization, and entrusted to the custody and care of an officer, employee, and agent of an Indian tribal organization. Defendants acted willfully, for the purpose of enriching themselves, all as described and set forth below, and knew of the unlawful purpose of the conspiracy when they participated in it.

C. Object of the Conspiracy:

The object of the defendants' conspiracy was personal enrichment by fraudulently obtaining funds from an Indian tribal organization.

D. Manner and Means of the Conspiracy:

1. As part of their job duties, the defendants were authorized signors on the bank account for the Dakota Nation Development Corporation. Beginning on or about July 31, 2019 and continuing through on or about September 13, 2024, the defendants created checks payable to themselves from this bank account. The defendants knew that the checks were not issued for a legitimate purpose and were not authorized by the Tribe's Housing Board of Commissioners.

2. The defendants cashed or deposited their checks and used the funds for their own purposes.

E. Overt Acts:

In furtherance of the conspiracy and to accomplish the object thereof, the defendants committed the following overt acts, as well as others, in the District of South Dakota:

1. On or about June 24, 2020, Eric Shepherd and Olivia Locke created and signed checks drawn on a Dakota Nation Development Corporation account and made payable to themselves, in the amounts of \$1,081.60 to Eric Shepherd and \$832.00 to Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

2. On or about August 27, 2021, Eric Shepherd and Olivia Locke created and signed checks drawn on a Dakota Nation Development Corporation account and made payable to themselves, in the amounts of \$1,000.00 to Eric Shepherd and \$1,000.00 to Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

3. On or about June 1, 2023, Eric Shepherd and Olivia Locke created and signed checks drawn on a Dakota Nation Development Corporation account and made payable to themselves, in the amounts of \$1,589.98 to Eric Shepherd and \$1,319.47 to Olivia Locke. Each check was not issued for a legitimate

purpose and was not properly authorized. The defendants used the funds for their own purposes.

The defendants' actions were all in violation of 18 U.S.C. §§ 371 and 1163.

COUNT 3

A. Relevant Persons and Entities:

At all times relevant to this indictment:

1. The Sisseton Wahpeton Oyate Tribe ("Tribe") is a federally recognized Indian tribe and an Indian tribal organization.
2. The Sisseton Wahpeton Housing Authority is an entity established by the Tribe and an Indian tribal organization.
3. The I-29 Motel is an entity established by the Tribe and an Indian tribal organization.
4. The Sisseton Wahpeton Housing Authority and the I-29 Motel are each supervised by the Tribe's Housing Board of Commissioners.
5. Defendant Eric Shepherd was employed as the Executive Director of the Sisseton Wahpeton Housing Authority. In this capacity, his duties also included tasks pertaining to the I-29 Motel.
6. Defendant Olivia Locke was employed as the Chief Financial Officer of the Sisseton Wahpeton Housing Authority. In this capacity, her duties also included tasks pertaining to the I-29 Motel.

B. Introduction:

Beginning on or about October 3, 2022, and continuing through September 6, 2024, in the District of South Dakota, the defendants, Eric

Shepherd and Olivia Locke, knowingly and willfully conspired and agreed together and with each other to commit the offense of embezzlement and theft from an Indian tribal organization, in violation of 18 U.S.C. § 1163. Defendants willfully and unlawfully conspired to embezzle, steal, knowingly convert to their own use, willfully misapply, and willfully permit to be misapplied, over \$1,000 of the moneys, funds, credits, goods, assets, and other property belonging to the I-29 Motel, an Indian tribal organization, and entrusted to the custody and care of an officer, employee, and agent of an Indian tribal organization. Defendants acted willfully, for the purpose of enriching themselves, all as described and set forth below, and knew of the unlawful purpose of the conspiracy when they participated in it.

C. Object of the Conspiracy:

The object of the defendants' conspiracy was personal enrichment by fraudulently obtaining funds from an Indian tribal organization.

D. Manner and Means of the Conspiracy:

1. As part of their job duties, the defendants were authorized signors on the bank account for the I-29 Motel. Beginning on or about October 3, 2022 and continuing through on or about September 6, 2024, the defendants created checks payable to themselves from this bank account. The defendants knew that the checks were not issued for a legitimate purpose and were not authorized by the Tribe's Housing Board of Commissioners.

2. The defendants cashed or deposited their checks and used the funds for their own purposes.

E. Overt Acts:

In furtherance of the conspiracy and to accomplish the object thereof, the defendants committed the following overt acts, as well as others, in the District of South Dakota:

1. On or about October 3, 2022, Eric Shepherd and Olivia Locke created and signed checks drawn on an I-29 Motel account and made payable to themselves, in the amounts of \$2,000.00 to Eric Shepherd and \$2,000.00 to Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

2. On or about March 14, 2023, Eric Shepherd and Olivia Locke created and signed checks drawn on an I-29 Motel account and made payable to themselves, in the amounts of \$5,000.00 to Eric Shepherd and \$5,000.00 to Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

3. On or about July 30, 2024, Eric Shepherd and Olivia Locke created and signed checks drawn on an I-29 Motel account and made payable to themselves, in the amounts of \$5,000.00 to Eric Shepherd and \$5,000.00 to Olivia Locke. Each check was not issued for a legitimate purpose and was not properly authorized. The defendants used the funds for their own purposes.

The defendants' actions were all in violation of 18 U.S.C. §§ 371 and 1163.

A TRUE BILL:

Name Redacted

Foreperson

ALISON J. RAMSDELL
United States Attorney

By: Conny Larson