

IN THE UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF FLORIDA  
PENSACOLA DIVISION

UNITED STATES OF AMERICA

v.

INDICTMENT

CHARLES W. MORRIS,  
a/k/a Charlie Morris  
and  
TERESA Y. ADAMS,  
a/k/a Terry Adams

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3:09 cr 46 / LAC

THE GRAND JURY CHARGES:

COUNT ONE

A. INTRODUCTION

At all times material to this indictment:

1. The United States Department of Justice and the United States Department of Homeland Security are agencies of the United States which provide funds through grants and other forms of federal assistance to state and local government agencies.
2. Okaloosa County, Florida is a political subdivision of the State of Florida, which, through its Board of County Commissioners, funded the Okaloosa County Sheriff's Office (hereinafter referred to as OCSO) on an annual basis. Okaloosa County, through its Board of County Commissioners, and OCSO are local government agencies that received federal assistance in excess of \$10,000 during the one year periods

Returned in open court pursuant to Rule 6(f)
<u>April 22, 2009</u>
Date
<u>Elizabeth M. Smith</u>
United States Magistrate Judge

beginning February 27, 2007 and ending February 26, 2008, and beginning February 27, 2008 and ending February 27, 2009.

3. During all times pertinent to this Indictment, defendant **CHARLES W. MORRIS, a/k/a Charlie Morris**, was the duly elected Sheriff of Okaloosa County, Florida. As the elected Sheriff, **MORRIS'** salary was limited to that as authorized by Florida State Statutes. As Sheriff of Okaloosa County, however, **MORRIS** maintained complete authority and independence in his determination of salaries and bonuses for employees of his agency, the OCSO.

4. Throughout the time frame encompassed by this Indictment, defendant **TERESA Y. ADAMS** held the position of Director of Administrative Services for the OCSO. As Administrative Services Director for the OCSO, **ADAMS'** duties included supervision of the Human Resources and Finance Sections of the OCSO. Those sections' responsibilities included salary and payroll functions for the employees of the OCSO.

#### **B. THE CHARGE**

That between on or about May 1, 2007, through on or about February 27, 2009, in the Northern District of Florida and elsewhere, the defendants,

**CHARLES W. MORRIS,**  
**a/k/a Charlie Morris,**  
**and**  
**TERESA Y. ADAMS,**  
**a/k/a Terry Adams,**

did knowingly and willfully combine, conspire, confederate and agree with each other and with other persons to commit an offense against the United States, that is, to knowingly convert to their own use and to the use of unauthorized persons, the property and funds valued at five thousand dollars (\$5,000) or more and under the care, custody and control of Okaloosa County, Florida and the OCSO, without authority, in violation of Title 18, United States Code, Section 666.

**C. THE MANNER AND MEANS OF THE CONSPIRACY**

1. It was a part of the conspiracy that the defendants used their official positions and authority, defendant **CHARLES W. MORRIS, a/k/a Charlie Morris**, as Sheriff of Okaloosa County, Florida, and defendant **TERESA Y. ADAMS, a/k/a Terry Adams**, as Director of Administrative Services of the OCSO, to steal and convert funds of Okaloosa County and the OCSO for their own use and the use of others through the receipt of kickbacks from bonus salary payments issued to employees of the OCSO.

2. The defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, agreed to a plan whereby **MORRIS**, as Sheriff of Okaloosa County, would authorize bonuses to employees of the OCSO, with the employees then being directed and requested by either **MORRIS** or **ADAMS** to return a kickback or a portion of those bonuses to **MORRIS** either directly or through

**ADAMS.**

3. This bonus kickback scheme allowed defendant **CHARLES W. MORRIS, a/k/a Charlie Morris**, to receive additional salary above and beyond the statutory cap he was allowed under Florida law.

4. The defendants thereafter periodically caused bonuses to be issued to employees of the OCSO, who then returned a portion of the bonus either in cash or cashier's check to defendant **CHARLES W. MORRIS, a/k/a Charlie Morris**, or defendant **TERESA Y. ADAMS, a/k/a Terry Adams**.

5. Some of the bonuses were wire transferred from an OCSO account held at Beach Community Bank to the bank accounts of the various employees receiving bonuses. Other bonuses were paid via checks drawn on the OCSO Beach Community Bank account payable to the employees receiving the bonuses.

6. It was further part of this conspiracy that the accounting entries and payroll records of the OCSO pertaining to the employees who received these illegal bonus payments with subsequent kickback payments were falsified so as to conceal from auditors' review the nature and degree of the kickbacks ultimately received by **CHARLES W. MORRIS, a/k/a Charlie Morris**.

7. It was further part of the conspiracy that the illegal bonus payments to OCSO employees from whom kickbacks were required to be paid were processed through the Payroll Section of the OCSO, with the net pay amounts matching the amounts directed by defendant **CHARLES W. MORRIS, a/k/a Charlie Morris**, or defendant

**TERESA Y. ADAMS, a/k/a Terry Adams**, after deductions for federal taxes, social security, Medicare and unemployment/workers' compensation.

8. It was further part of the conspiracy that the defendants performed acts and made statements to hide, conceal and cause to be hidden and concealed the purpose of the conspiracy and the acts committed in furtherance thereof.

9. It was further part of the conspiracy that the defendants knowingly transmitted and caused to be transmitted in interstate commerce by means of wire communication, certain signs, signals and sounds, that is, electronic transfers of funds from Beach Community Bank to the bank accounts of the financial institutions of the employees who received the illegal bonuses.

#### **D. OVERT ACTS**

To further purposes and objectives of the conspiracy, the defendants committed the following overt acts:

1. On or about May 24, 2007, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$6,500 to **ADAMS**, from which \$2,500 was kicked back or given to **MORRIS**.

2. On or about August 24, 2007, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$6,000 to OCSO employee Mike Hull, from which \$2,000 was kicked back or given to **MORRIS**.

3. On or about August 24, 2007, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$4,000 to OCSO employee Nicole Wagner, from which \$2,000 was kicked back or given to **MORRIS**.

4. On or about January 4, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$4,000 to **ADAMS**, from which \$4,000 was kicked back or given to **MORRIS**.

5. On or about February 29, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$8,000 to OCSO employee David Yacks, from which \$2,000 was kicked back or given to **MORRIS**.

6. On or about March 14, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$3,500 to OCSO employee Sarah Irish, from which \$2,000 was kicked back or given to **MORRIS**.

7. On or about March 14, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$6,000 to OCSO employee David Yacks, from which \$3,000 was kicked back or given to **MORRIS**.

8. On or about August 15, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$4,000 to OCSO employee George Wilson, from which \$3,000 was kicked back or given to **MORRIS**.

9. On or about September 30, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$7,000 to OCSO employee Debbie Barrineau, from which \$3,000 was kicked back or given to **MORRIS**.

10. On or about September 30, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$11,000 to OCSO employee Larry Donaldson, from which \$5,000 was kicked back or given to **MORRIS**.

11. On or about September 30, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$11,000 to OCSO employee Mark Schneipp, from which \$5,000 was kicked back or given to **MORRIS**.

12. On or about September 30, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$9,000 to OCSO employee George Wilson, from which \$5,000 was kicked back or given to **MORRIS**.

13. On or about September 30, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris, and TERESA Y. ADAMS, a/k/a Terry Adams,** caused to be issued a net bonus of \$8,000 to OCSO employee Nicole Wagner, from which \$4,000 was kicked back or given to **MORRIS.**

14. On or about October 10, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris, and TERESA Y. ADAMS, a/k/a Terry Adams,** caused to be issued a net bonus of \$9,000 to OCSO employee David Yacks, from which \$3,000 was kicked back or given to **MORRIS.**

15. On or about October 10, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris, and TERESA Y. ADAMS, a/k/a Terry Adams,** caused to be issued a net bonus of \$7,000 to OCSO employee Randall Holcombe, from which \$6,000 was kicked back or given to **MORRIS.**

16. On or about November 7, 2008, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris, and TERESA Y. ADAMS, a/k/a Terry Adams,** caused to be issued a net bonus of \$5,000 to OSCO employee George Wilson, from which \$4,000 was kicked back or given to **MORRIS.**

17. On or about January 16, 2009, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris, and TERESA Y. ADAMS, a/k/a Terry Adams,** caused to be issued a net bonus of \$5,000 to OCSO employee Kelly Cashman, from which \$4,000 was kicked back or given to **MORRIS.**



18. On or about January 16, 2009, the defendants **CHARLES W. MORRIS**, a/k/a **Charlie Morris**, and **TERESA Y. ADAMS**, a/k/a **Terry Adams**, caused to be issued a net bonus of \$6,000 to OCSO employee Angel DeJesus, from which \$3,000 was kicked back or given to **MORRIS**.

19. On or about January 16, 2009, the defendants **CHARLES W. MORRIS**, a/k/a **Charlie Morris**, and **TERESA Y. ADAMS**, a/k/a **Terry Adams**, caused to be issued a net bonus of \$3,000 to OCSO employee Michelle Nicholson, from which \$1,000 was kicked back or given to **MORRIS**.

20. On or about January 16, 2009, the defendants **CHARLES W. MORRIS**, a/k/a **Charlie Morris**, and **TERESA Y. ADAMS**, a/k/a **Terry Adams**, caused to be issued a net bonus of \$5,000 to OCSO employee Sandra Norris, from which \$4,000 was kicked back or given to **MORRIS**.

21. On or about January 16, 2009, the defendants **CHARLES W. MORRIS**, a/k/a **Charlie Morris**, and **TERESA Y. ADAMS**, a/k/a **Terry Adams**, caused to be issued a net bonus of \$3,000 to OCSO employee Roberta Pifer, from which \$1,000 was kicked back or given to **MORRIS**.

22. On or about January 16, 2009, the defendants **CHARLES W. MORRIS**, a/k/a **Charlie Morris**, and **TERESA Y. ADAMS**, a/k/a **Terry Adams**, caused to be issued a net bonus of \$15,000 to OCSO employee Nicole Wagner, from which \$12,000 was kicked back or given to **MORRIS**.

23. On or about January 16, 2009, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$15,000 to OCSO employee George Wilson, from which \$12,000 was kicked back or given to **MORRIS**.

24. On or about January 16, 2009, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$15,000 to OCSO employee David Yacks, from which \$8,000 was kicked back or given to **MORRIS**.

25. On or about January 16, 2009, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of \$15,000 to OCSO employee Randall Holcombe, from which \$12,000 was kicked back or given to **MORRIS**.

26. On or about February 13, 2009, the defendants **CHARLES W. MORRIS, a/k/a Charlie Morris**, and **TERESA Y. ADAMS, a/k/a Terry Adams**, caused to be issued a net bonus of approximately \$3,002 to **ADAMS**, from which \$3,000 was kicked back or given to **MORRIS**.

All in violation of Title 18, United States Code, Section 371.

## **COUNT TWO**

The allegations contained in Sections A, C and D of Count One of this indictment are hereby realleged and fully incorporated by reference herein.

That between on or about May 1, 2007 through on or about February 26, 2008, in the Northern District of Florida, and elsewhere, the defendants,

**CHARLES W. MORRIS,**  
**a/k/a Charlie Morris,**  
**and**  
**TERESA Y. ADAMS,**  
**a/k/a Terry Adams,**

being agents of the Okaloosa County Sheriff's Office, an organization of local government in Okaloosa County, Florida, receiving in the one year period beginning February 27, 2007, benefits in excess of \$10,000 under grants from the United States Department of Justice and the United States Department of Homeland Security, did knowingly steal, obtain by fraud, without authority convert to the use of a person other than the rightful owner, and intentionally misapply property that was valued at \$5,000 or more and under the care, custody and control of such local government organization and agency.

All in violation of Title 18, United States Code, Sections 666 and 2.

**COUNT THREE**

The allegations contained in Sections A, C and D of Count One of this indictment are hereby realleged and fully incorporated by reference herein.

That between February 27, 2008 through February 27, 2009, in the Northern District of Florida and elsewhere, the defendants,

**CHARLES W. MORRIS,**  
**a/k/a Charlie Morris,**  
**and**  
**TERESA Y. ADAMS,**  
**a/k/a Terry Adams,**

being agents of the Okaloosa County Sheriff's Office, an organization of local government in Okaloosa County, Florida, receiving in the one year period beginning February 27, 2008, benefits in excess of \$10,000 under grants from the United States Department of Justice and the United States Department of Homeland Security, did knowingly steal, obtain by fraud, without authority convert to the use of a person other than the rightful owner, and intentionally misapply property that was valued at \$5,000 or more and under the care, custody and control of such local government organization and agency.

All in violation of Title 18, United States Code, Sections 666 and 2.

**COUNT FOUR**

The allegations contained in Sections A, C and D of Count One of this indictment are hereby realleged and fully incorporated by reference herein.

**A. INTRODUCTION**

That between on or about June 1, 2007 through on or about February 19, 2009, at Beach Community Bank, Fort Walton Beach, Florida, a checking and payroll account was maintained for the purpose of issuing payments to employees of the Okaloosa County Sheriff's Office, including salary and bonuses. The deposits of Beach Community Bank were then insured by the Federal Deposit Insurance Corporation. Beach Community

Bank is a financial institution as that term is defined in Title 31, United States Code, Section 5312(a)(2).

**B. THE CHARGE**

That between on or about May 1, 2007 through February 27, 2009, in the Northern District of Florida and elsewhere, the defendants,

**CHARLES W. MORRIS,**  
**a/k/a Charlie Morris,**  
**and**  
**TERESA Y. ADAMS,**  
**a/k/a Terry Adams,**

did knowingly combine, conspire, confederate and agree with each other and with other persons to conduct and attempt to conduct financial transactions affecting interstate and foreign commerce, that is the electronic transfer of funds and the issuance of checks from a federally insured financial institution, which funds were in fact derived from a specified unlawful activity, that is theft concerning programs receiving federal funds, in violation of Title 18, United States Code, Section 666, with the intent to promote the carrying on of the specified unlawful activities as charged in this Indictment and to conceal and disguise the nature, location, source, ownership and control of the proceeds of these specified unlawful activities as charged in this Indictment, and to avoid a transaction reporting requirement under state and federal law involving the proceeds of these specified unlawful activities as charged in the Indictment, in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i), 1956(a)(1)(B)(i) and 1956(a)(1)(B)(ii).

All in violation of Title 18, United States Code, Section 1956(h).

**COUNT FIVE**

The allegations contained in Sections A, C and D of Count One of this indictment are hereby realleged and fully incorporated by reference herein.

That on or about January 20, 2009, in the Northern District of Florida, the defendants,

**CHARLES W. MORRIS,**  
**a/k/a Charlie Morris,**  
**and**  
**TERESA Y. ADAMS,**  
**a/k/a Terry Adams,**

did knowingly engage in and attempt to engage in a monetary transaction affecting interstate commerce in criminally derived property of a value greater than \$10,000, as set forth in the indictment, and such property was derived from a specified unlawful activity, that is, theft concerning programs receiving federal funds, in violation of Title 18, United States Code, Section 666, that is, the defendants caused the withdrawal of \$40,000 from the account of **TERESA Y. ADAMS, a/k/a Terry Adams**, which account was located at the Beach Community Bank, the withdrawal being in the form of a cashier's check payable to S.T., which funds making up the cashier's check consisted of kickbacks from employees of the Okaloosa County Sheriff's Office.

All in violation of Title 18, United States Code, Sections 1957 and 2.

**COUNT SIX**

The allegations contained in Sections A, C and D of Count One and Section A of Count Four of this indictment are hereby realleged and fully incorporated by reference herein.

**A. THE CHARGE**

That from on or about May 1, 2007 and through on or about February 27, 2009, in the Northern District of Florida and elsewhere, the defendants,

**CHARLES W. MORRIS,  
a/k/a Charlie Morris,  
and  
TERESA Y. ADAMS,  
a/k/a Terry Adams,**

did knowingly and willfully combine, conspire, confederate and agree together and with other persons to commit an offense against the United States, that is, to knowingly and willfully devise a scheme and artifice to defraud and deprive the Board of County Commissioners of Okaloosa County, Florida, the Okaloosa County Sheriff's Office and the citizens of Okaloosa County, Florida, of their right to honest services of the Sheriff of Okaloosa County, performed free from deceit, favoritism, bias, self-enrichment, self-dealing, concealment and conflict of interest.

For the purpose of executing this scheme and artifice to defraud, defendants **CHARLES W. MORRIS, a/k/a Charlie Morris, and TERESA Y. ADAMS, a/k/a Terry Adams,** knowingly transmitted and caused to be transmitted in interstate commerce by means of wire communication, certain signs, signals and sounds, that is,

electronic transfers of funds from Beach Community Bank to the bank accounts of the financial institutions of the employees who received the illegal bonuses, in violation of Title 18, United States Code, Sections 1343 and 1346.

All in violation of Title 18, United States Code, Section 1349.

### **CRIMINAL FORFEITURE**

The allegations contained in Counts One through Six of the indictment are hereby realleged and incorporated by reference for purposes of alleging forfeiture pursuant to Title 18, United States Code, Sections 982(a)(1) through (4) and Title 28, United States Code, Section 2461(c).

From their engagement in the violations alleged in Counts One through Six of this Indictment, the defendants,

**CHARLES W. MORRIS,**  
a/k/a Charlie Morris,  
and  
**TERESA Y. ADAMS,**  
a/k/a Terry Adams,

shall forfeit to the United States pursuant to Title 18, United States Code, Sections 981(a)(1) through (4) and Title 28, United States Code, Section 2461(c), any and all of their right, title and interest in any property, real and personal, constituting and derived from proceeds traceable to such offenses.

If any of the property described above as being subject to forfeiture pursuant to Counts One through Six of the Indictment, as a result of any act or omission of the defendants:



- A. cannot be located upon the exercise of due diligence;
- B. has been transferred or sold to, or deposited with, a third person;
- C. has been placed beyond the jurisdiction of this Court;
- D. has been substantially diminished in value; or
- E. has been commingled with other property which cannot be divided without difficulty;

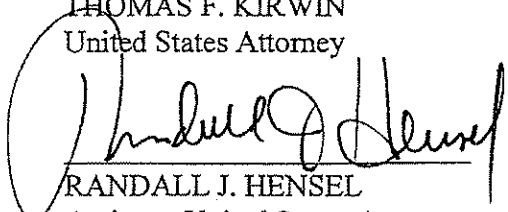
the United States shall be entitled to forfeiture of substitute property up to the value property subject to forfeiture under the provisions of Title 21, United States Code, Section 853(p), which is incorporated by reference in Title 18, United States Code, Sections 981(a)(1)(c), 982(a)(2)(B), 982(b)(1), and Title 28, United States Code, Section 2461(c).

A TRUE BILL:

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FOREPERSON

4/22/09  
DATE

  
\_\_\_\_\_  
THOMAS F. KIRWIN  
United States Attorney

  
\_\_\_\_\_  
RANDALL J. HENSEL  
Assistant United States Attorney