



**United States Department of Justice
United States Attorney's Office
District of Minnesota**

**B. Todd Jones,
United States Attorney**

**Jeanne F. Cooney
Director of Community Relations
(612) 664-5611
email: jeanne.cooney@usdoj.gov**

News Release

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New Prague man pleads guilty to embezzling funds from an employee benefit plan

Earlier today in federal court in St. Paul, a 62-year-old New Prague man pleaded guilty to embezzling approximately \$642,166.81 from his company's employee benefit plan between 2008 and 2009. Delroy Joseph Sand, Jr., pleaded guilty to one count of theft from an employee benefit plan. Sand, who was indicted on November 17, 2010, entered his plea before United States District Court Judge Paul A. Magnuson.

In his plea agreement, Sand admitted that during 2008 and 2009, he took the money from the plan for his own use. From February of 2008 through September of 2009, Sand was the trustee for the employees' retirement savings plan at Hecla, Inc., a business that provides adult foster care as well as group home and mental health services in Minnesota.

For his crime, Sand faces a potential maximum penalty of five years in prison. Judge Magnuson will determine his sentence at a future hearing, yet to be scheduled.

This case is the result of an investigation by the U.S. Department of Labor – Employee Benefits Security Administration, with assistance from the Federal Bureau of Investigation and the U.S. Department of Housing and Urban Development-Office of Inspector General. It is being prosecuted by Assistant U.S. Attorney William J. Otteson.

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