

## CROOKED EMPLOYEE SENDS CHEATING EMPLOYER TO HIS TURN IN PRISON



There are few stories that can exemplify the adage “you reap what you sow” than the story of the owner of Des Moines-based DES Staffing Services. The owner, Dinesh Sethi, sent his employee Randy Stringer to prison in February 2010 for embezzling funds. Stringer pleaded guilty and went to prison for 15 months. After his prison term was over, Stringer contacted the FBI and supplied documents that showed Sethi illegally dodging worker’s compensation premiums. On Friday, it was the employer’s round to go to prison for 57 months after pleading guilty of creating a scheme for avoiding \$778,940 in workers’ compensation premiums. The news was released on Friday from the office of Nicholas Klinefeldt, U.S. attorney for the Southern District of Iowa. Klinefeldt’s office stated in a formal statement, “Sethi directed the creation of two shell companies, Staffing Professionals and KDM Staffing, and transferred DES employees to those entities to avoid the larger workers’ compensation premiums DES owed as a result of its accident and claims history.” According to the Attorney’s office, the poor employer had forgotten that the man he had sent to jail for embezzling funds was also the same with whom he had forged the schemes to deprive other employees. The report mentioned, “Sethi directed his chief financial officer, Randy Stringer, to shift payroll from job classifications which had a high premium rate to job classifications which had a lower premium rate, such as clerical.” Dinesh Sethi, the employer pleaded guilty last September and acknowledged that he and Stringer had defrauded the insurance companies. He also pleaded guilty to one count of wire fraud. In exchange for the plea, the prosecutors dropped five other charges against Sethi and would not bring charges against members of his family. Earlier, Sethi had sent Stringer to jail for embezzling more than \$1 million from two businesses including DES Staffing and Des Moines Quick Cash.

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