

STATE OF MINNESOTA

DISTRICT COURT

COUNTY OF HENNEPIN

FOURTH JUDICIAL DISTRICT

Assigned to: Judge Laura M. Thomas

Minnesota Department of Education,

Plaintiff,

ORDER FOR JUDGMENT

vs.

Court File No. 27-CV-22-13107

Emadeldin Ibrahim,

Defendant.

The above-entitled matter came before the Court for a post-trial hearing on June 5, 2026. The jury returned its Special Verdict Form on April 23, 2026, which is recorded in this Court file.

Appearances at the hearing were noted on the record.

Based upon the Special Verdict Form and upon the attached Memorandum, the Court issues the following:

ORDER FOR JUDGMENT

Minnesota Department of Education shall have judgment against Emadeldin Ibrahim in the amount of **\$2,481,310.08**, plus the prejudgment interest calculated by the Court Administrator.

LET JUDGMENT BE ENTERED ACCORDINGLY.

Dated: June 9, 2026

BY THE COURT

Laura M. Thomas
Judge of Fourth District Court

MEMORANDUM

In this civil case, the jury returned its unanimous verdict on April 23, 2026. Verdict, Index No. 160. The jury found that Emadeldin Ibrahim knowingly submitted 90,636 false or fraudulent claims for payment of snacks and meals in 2021 in violation of the Minnesota False Claims Act. *Id.* The jury found that the Minnesota Department of Education [MDE] incurred \$188,350.84 in damages as a result of Ibrahim’s false or fraudulent claims submitted through the At-Risk Afterschool Meal component of the Child and Adult Care Food Program. See 7 C.F.R. § 226.20; Verdict, Index No. 160. Upon this basis and following the statutory directives, the Court calculates the total amount of the judgment that should be entered in this case as follows:

PREJUDGMENT INTEREST

The compensatory damages, the \$188,350.84 awarded by the jury, are subject to pre-verdict interest from July 31, 2024.¹ Minn. Stat. § 549.09, subd. 1(b). The statutory interest rate set by the Court Administrator is 5% per annum for 2024, and 4% per annum for 2025 and 2026. 2026 Interest Rates on State Court Judgments and Arbitration Awards, https://www.revisor.mn.gov/court_rules/rule/msinte/ (last visited June 8, 2026). The Court Administrator shall calculate the prejudgment interest accordingly. Minn. Stat. § 549.09, subd. 1(a)

TRIPLE DAMAGES

Under Minnesota Statutes Section 15C.02(a) [the Minnesota False Claims Act], the Court triples the amount of compensatory damages found by the jury, which amounts to **\$565,052.52**.

CIVIL PENALTY

The imposition of a civil penalty under the Minnesota False Claims Act is mandatory and applies on a per-act basis. Minn. Stat. § 15C.02(a) (stating “A person who commits any act described in clauses (1) to (7) is liable to the state or the political subdivision for a civil penalty...”); see also *Grant ex rel United States v. Zorn*, 107 F.4th 782, 797–8 (8th Cir. 2024) *cert. denied*, 145 S. Ct. 2812 (2025), and *cert. denied sub nom. Zorn v. Grant*, 145 S. Ct. 2816 (2025) (holding that trial court was required to impose at least the minimum penalty for each false claim); *United States v. Killough*, 848 F.2d 1523, 1533 (11th Cir. 1988) (“Imposition of forfeitures under the [False Claims] Act is not discretionary, but is mandatory for each claim found to be false.”)

¹ The date the Minnesota Department of Education was served in this case. Wells Fargo Aff. Service, Index No. 79.

There is no binding case law on how the Court should approach the amount of the civil penalty to be imposed under the Minnesota False Claims Act. Further, the Court must consider the issue against the backdrop of a constitutional issue – the Excessive Fines Clause. U.S. Const. Amend. VIII; Minn. Const. Art. I, § 5. If the Court were to adopt the 11th Circuit’s approach at the urging of Plaintiff, it would result in a civil penalty in this case of \$1,296,819,888.00 based on 90,636 acts the jury determined to be false multiplied by the minimum penalty of \$14,308.00. See Verdict, Index No. 160; Civil Monetary Penalties Inflation Adjustments for 2025, 90 Fed. Reg. 126, 29446 (July 3, 2022) (to be codified at 28 C.F.R. pt. 85). To impose this level of penalty upon Ibrahim ignores Ibrahim’s ability to pay which the Court is compelled to consider as well as proportionality. See *State by Humphrey v. Alpine Air Prods. Inc.*, 490 N.W.2d 888, 897 (Minn. Ct. App. 1992) *aff’d*, 500 N.W.2d 788 (Minn. 1993). Minnesota courts generally consider four factors when determining the appropriate amount of a civil penalty: (1) the good or bad faith of the defendant; (2) the injury to the public; (3) the defendant’s ability to pay; and (4) the desire to eliminate the benefits derived by the violation. *Id.* at 896-7.

A consideration of the *Alpine Air Prod., Inc.* factors reveals that a significant penalty is appropriate here. Ibrahim did not take any accountability for his actions at trial and he had multiple hours to testify over several days. Even worse, he called his two adult children to testify about how they assisted their father (one was still a minor in 2021). At trial, the adult children demonstrated their continuing misapprehension, describing their actions as helping the community when they were actively engaged in their parent’s fraud. Further, the public has been injured by Ibrahim’s fraud. There is the obvious financial injury, and most notably to a food program that serves as a lifeline to the children of indigent and working poor people. Fraud, like Mr. Ibrahim’s, “undermines the integrity of the fund and the public’s faith in the state’s ability to administer it efficiently and fairly... [The fraud] ‘erodes the public confidence in the [g]overnment’s ability to manage’ the defrauded program.” *Thigpen v. Best Home Care LLC*, 29 N.W.3d 205, 216 (Minn. 2025) (quoting *Grashoff v. Adams*, 65 F.4th 910, 913 (7th Cir. 2023)). The jury here determined that Ibrahim prepared no meal or after-school snack for any child. He created lists of hundreds of fictitious children’s names throughout 2021 and he sought to profit. Over the course of March, October, and November of 2021, Ibrahim presented, or caused Partners in Quality Care to Present, 45,318 demands for reimbursement of snacks, and another 45,318 demands for reimbursement of suppers—a total of 90,636 demands. Finally, Ibrahim has the ability to pay a significant civil penalty, as he continues to own and run multiple businesses including an adult day care. Several of his adult day care employees testified at trial. The evidence was clear and abundant, the

behavior is shameful, and it should be discouraged.

Although not controlling, the Court finds the rationale employed by the Eighth Circuit persuasive in terms of civil penalties under the False Claims Act and adopts it here. See *Zorn*, 107 F.4th at 797–8 (holding that a trial court cannot impose a civil penalty that is grossly disproportionate to the financial harm caused). Using the *Zorn* approach, a civil penalty violates the Excessive Fines Clause if it exceeds a single digit ratio between the penalty and the compensatory damages. *Zorn*, 107 F.4th at 800. Therefore, using *Zorn*, a civil penalty that passes Constitutional muster in this case is one that does not exceed a ceiling ratio of 9:1. See *id.* Applying the Eighth Circuit approach in this case is also consistent with a recent Minnesota Supreme Court case *Thigpen*, 29 N.W.3d at 213. Under a single-digit multiplier cap of 9:1, the maximum constitutional civil penalty on the damages awarded of \$188,350.84 (x9) is **\$1,695,157.56**. Taking all of the facts and circumstances of this case into account, only a few of which are mentioned above, this civil penalty is warranted.

ATTORNEY FEES

The final issue relates to attorney fees. According to the Minnesota False Claims Act statute, “If the prosecuting attorney or a person who brought an action under section 15C.05 prevails in or settles an action under this chapter, the court shall award the prosecuting attorney or person reasonable costs, reasonable attorney fees, and the reasonable fees of expert consultants and expert witnesses.” Minn. Stat. § 15C.12.

In calculating reasonable attorney fees, the Court establishes the “lodestar”--the product of the number of hours reasonably expended on the litigation and the reasonable hourly rate at which those hours should be billed. *Hensley v. Eckerhart*, 461 U.S. 424, 433 (1983). When evaluating whether the fees are reasonable, courts consider: “(1) the time and labor involved; (2) the nature and difficulty of the responsibility assumed; (3) the amount involved and the result obtained; (4) fees customarily charged for similar legal services; and (5) the experience and reputation of counsel.” *Alpine Air Prods.*, 490 N.W.2d at 898 (citing *State v. Paulson*, 188 N.W.2d 424, 426 (Minn. 1971)). The MDE briefed this issue well. The supporting documents compel a finding that MDE’s request for **\$220,700.00** in attorneys’ fees is reasonable given (1) the substantial time and labor Assistant Attorney Generals Frank Langan and Joe Weiner expended throughout this action and since November 2024, (2) the nature and difficulty of investigating, proving, and presenting the fraud at trial, (3) the complexity of the case involving the MDE, multiple non-profit entities, and the Child and Adult Care Food Program, see 7 C.F.R. § 226.20, which is governed by a complex system of federal regulations, and (4) the suggested hourly rate of \$375 for Frank Langan, and \$500 for Joe Weiner. These rates are

well within the fee range customarily charged for similar legal services by attorneys of their experience and caliber in the Twin Cities' private-practice legal market. See *City of Long Lake v. City of Orono*, 27-CV-23-9758, Docket Index No. 118, at 10 (Minn. Dist. Ct. Jul. 15, 2024) (approving attorney's fees of \$490 and \$365 per hour for law firm partner and fifth-year associate, respectively, as "standard complex litigator hourly rate" for case with unique challenges.)

In finding the requested fees reasonable, the court also considered the amount of the judgment obtained through the efforts of AAG's Langan and Weiner – half a million dollars in damages after trebling, and over a million dollars in civil penalties. MDE, as the prevailing party, is also entitled to its court costs of **\$400.00**.

The Court currently holds \$106,978.10 previously deposited by Wells Fargo. Wells Fargo, NA Letter, Index No.103; see Order Dismissing Wells Fargo, Index No. 100. Following entry of judgment, the order releasing those funds to MDE shall issue separately.

MDE'S MOTION FOR PREJUDGMENT ATTACHMENT AND GARNISHMENT

As discussed by MDE at the hearing, its motion for prejudgment attachment and garnishment is mooted by the Court's prompt issuance of an order for judgment. As a result, the Court does not address the substance of those motions but rather denies them as moot. In accordance with this, the Court Administrator shall promptly enter judgment in this matter.

Laura M. Thomas
Judge of Fourth District Court
June 9, 2026