



# Department of Justice

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## **FORMER DOD EMPLOYEE SENTENCED ON CHARGES INVOLVING FRAUD AND THEFT FROM THE ARMY**

WASHINGTON – Jesse D. Lane, Jr., a former civilian employee of the Department of Defense (DOD) and former member of the California Army National Guard, was sentenced for defrauding the United States and conspiring with four other individuals to do the same, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today. Lane was sentenced to 30 months by the Hon. Percy Anderson, U.S. District Judge for the Central District of California. Judge Anderson also ordered Lane to pay \$323,228 in restitution.

On June 4, 2007, Lane pleaded guilty to one count of conspiracy and one count of honest services wire fraud. As part of his plea, Lane admitted that he and his co-conspirators were members of the 223rd Finance Detachment, a unit of the California National Guard that processes pay for Army National Guard members, and were deployed together to Iraq and Kuwait from March 2004 until February 2005, when they returned to their home drilling post in Compton, Calif. Beginning in March 2005, and continuing through August 2005, Lane accessed a DOD pay-processing computer system and inputted over \$320,000 in unauthorized DOD pay and entitlements for himself and his co-conspirators. In return, Lane's co-conspirators kicked back at least \$150,000 of the money they received to Lane.

On Nov.13, 2006, Lane's co-conspirators Jennifer Anjakos of Chula Vista, Calif., Lomeli Chavez of Oceanside, Calif., and Derryl Hollier and Luis Lopez of Los Angeles each pleaded guilty to one count of conspiracy to commit wire fraud on related charges arising from this scheme in the U.S. District Court for the Central District of California in Los Angeles. All four co-conspirators were sentenced on Sept. 10, 2007.

These cases were prosecuted by Trial Attorney John P. Pearson of the Public Integrity Section of the Criminal Division, which is headed by Section Chief William M. Welch II. These cases were investigated by the U.S. Army Criminal Investigation Division, the Internal Revenue Service Criminal Investigation Division, the Federal Bureau of Investigation, and the Defense Criminal Investigative Service, in support of the Justice Department's National Procurement Fraud Task Force and the International Contract Corruption Initiative. The prosecution received assistance from the California National Guard and has benefitted strongly from assistance by the U.S. Army Audit Agency.

The National Procurement Fraud Initiative was announced by the Department of Justice in October 2006, and is designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in contracting activity for national

security and other government programs. The National Procurement Fraud Task Force, chaired by Assistant Attorney General Fisher, was created as part of this initiative.

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