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Eastern District of Louisiana

FOR IMMEDIATE RELEASE
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ILLINOIS MAN SENTENCED TO FEDERAL PRISON FOR DEFRAUDING JEFFERSON SCHOOLS

NEW ORLEANS, LOUISIANA- KEVIN DERMODY, age 38, a resident of Oswego, Illinois, was sentenced yesterday by U. S. District Judge Kurt D. Engelhart to 12 months imprisonment for conspiracy to commit mail fraud, announced U. S. Attorney Jim Letten. In addition to the term of imprisonment, Judge Engelhart imposed a \$10,000 fine and three (3) years supervised release following the term of imprisonment.

On March 3, 2008, **DERMODY** pled guilty to a charge involving defrauding the Jefferson Parish Public School System's tax deferred employee benefit plan of approximately \$4 million. The defendant and his co-conspirators did so by making many false representations including falsely creating contract documents with the Jefferson Parish School Board and then backdating those same contact documents to make it appear to justify that the transactions conducted by the defendant were authorized and disclosed to the Jefferson Parish School Board and the Jefferson Parish Public School System participants. Prior to indictment, a civil suit filed by the victim, Jefferson Parish School Board, resulted in the recovery of losses suffered to the benefit plan.

After sentencing **DERMODY** was ordered to report to the facility to be designated by the Bureau of Prisons on October 13, 2008.

This case was investigated by Special Agents of the Federal Bureau of Investigation and Postal Inspectors of the U. S. Postal Inspection Service. The prosecution was handled by Assistant U. S. Attorney James Mann.

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