

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	CRIMINAL NO.: 08-168
v.	*	SECTION: "S"
DIANE STAFFORD	*	VIOLATIONS: 18 U.S.C. § 641 18 U.S.C. § 664
	* * *	

FACTUAL BASIS

Should this matter have gone to trial, the Government would have proved, through the introduction of competent testimony and admissible tangible exhibits, the following facts, beyond a reasonable doubt, to support the allegations in the Indictment now pending against the defendant, DIANE STAFFORD. The defendant has agreed to plead guilty as charged in the Indictment charging her with theft of public money in violation of Title 18, United States Code, Section 641 and theft from an employee pension plan in violation of Title 18, United States Code, Section 664.

Prior to Hurricane Katrina (August 29, 2005), defendant, DIANE STAFFORD, lived with her father, "W. G." and other family members at 555 Golden Court Drive, Chalmette, LA 70043. On or about August 29, 2005, "W. G." died as a result of drowning during Hurricane Katrina. W.G. was a retired Ironworker and member of Ironworker's Local 58 Union. He received a monthly pension payment in the amount of \$858.50 from the Iron Workers Mid-South Pension Fund

(“Fund”). The Fund is an employee pension benefit plan subject to the provisions of Title I of the Employee Retirement Income Security Act of 1974 (“ERISA”). Defendant, DIANE STAFFORD was a joint account-holder on “W.G.’s” checking account. “W.G.’s” pension payments continued after his death, via check then by direct deposit through February 1, 2006. The first two payments after “W.G.’s” death were made by check; each check bears the endorsement of a deceased “W.G.” and the signature of defendant, DIANE STAFFORD.

On October 11, 2005, someone telephoned the Administrator of the Iron Workers Mid-South Pension Fund, requesting that the mailing address of “W.G.” be changed from 555 Golden Court Drive, Chalmette, LA 70043 to P.O. Box 13013, Mexico Beach, FL 32410 and that the form of payment of “W.G.’s” pension payments be made by electronic funds transfer (“EFT”) rather than by check.

On January 10, 2006, the Fund sent “W.G.” notice of an audit of his pension benefits. This notice was sent via certified mail to the Mexico Beach, Florida address and requested a verification of “W.G.’s” receipt of his pension benefits. The certified letter was signed for by defendant DIANE STAFFORD. The Fund never received the completed certification that “W.G.” received his pension benefits. On January 25, 2006, and February 10, 2006, the Fund notified the survivors of “W.G.” of an overpayment of his pension benefits via certified mail. The Iron Workers Mid-South Pension Plan has declared an overpayment of \$5,151 to the account of the decedent “W.G.”. Defendant DIANE STAFFORD’S signature is on the January 25, 2006 certified letter. If called to testify at trial, a family member would state that she knew that her mother, DIANE STAFFORD, was committing fraud by continuing to received “W.G.’s” pension benefits after his death.

After Hurricane Katrina, (August 29, 2005) defendant, DIANE STAFFORD relocated to Mexico Beach, Florida with her friend, "D.A.". "D.A." received Dependency and Indemnity Compensation ("DIC") in the amount of \$591.00 each month from the U.S. Veterans Administration because she qualified as a surviving spouse of a deceased veteran. "D.A." died in February 2006. From March 1, 2006 through August 1, 2007, benefit checks totaling \$12,010.00 continued to be issued by the U. S. Veterans Administration to "D.A." and showed an endorsement by decedent "D.A." and defendant, DIANE STAFFORD. Several of these benefit checks were cashed within the Eastern District of Louisiana.

On October 24, 2007, defendant, DIANE STAFFORD was interviewed by a Special Agent of the Office of Inspector General, U.S. Department of Veterans Affairs. During the course of the interview, DIANE STAFFORD admitting to cashing the Veteran Administration benefit checks issued to "D.A." totaling \$12,010.00.

JULIA K. EVANS (D.C. BAR # 435461) (DATE)
ASSISTANT UNITED STATES ATTORNEY

DEFENDANT DIANE STAFFORD (DATE)

SARAH E. STONE, (DATE)
ASSISTANT FEDERAL DEFENDER