



UNITED STATES ATTORNEY'S OFFICE

*United States Attorney Donald W. Washington
Western District of Louisiana*

United States Courthouse • 300 Fannin Street, Suite 3201 • Shreveport, Louisiana 71101-3068 • (318) 676-3600
United States Courthouse • 800 Lafayette Street, Suite 2200 • Lafayette, Louisiana 70501-7206 • (337) 262-6618

For Immediate Release
January 14, 2009

Contact: Donald W. Washington (337-262-6618)
William J. Flanagan (318-676-3600)

<http://www.usdoj.gov/usao/law>

ALAN LEE AND ARK-LA-TEX AIR REPAIR, INC. PLEAD GUILTY TO DEFRAUDING BOSSIER PARISH SCHOOL BOARD

Shreveport, Louisiana: Alan Lee, 53, of Haughton, La., part-owner of Ark-La-Tex Air Repair, Inc., and one of five defendants indicted last month for defrauding the Bossier Parish School Board in connection with the purchase and maintenance of air conditioning systems, has pleaded guilty to one count of mail fraud, United States Attorney Donald W. Washington announced today. The guilty plea was entered before United States District Judge Maurice Hicks. Sentencing is set for May 14, 2009.

Ark-La-Tex Air Repair, Inc. also plead guilty to conspiracy to commit mail fraud. The corporation itself was named in last month's indictment, and today's guilty plea to facilitate the forfeiture of corporate assets that are proceeds of the crime.

Ark-La-Tex Repair, Inc. received approximately \$8.6 million worth of air conditioning contracts from the School Board between 2004 and 2008. During this same time, Lee admitted that he and the company charged the Board for more expensive equipment than was actually installed, charged for equipment that was never installed at all, and charged for replacing air conditioning units that were

functioning properly. Lee also admitted that his co-defendants who were School Board employees were allowed to swipe their maintenance department credit cards at Air Repair to receive cash, with bogus invoices subsequently generated to cover up the fraud. As a result of the scheme charged in the indictment, the School Board was defrauded in excess of \$780,000.

Lee faces a maximum penalty of 20 years in prison, a \$250,000 fine, or both. The corporation faces a maximum penalty of a \$500,000 fine. Sentencing in federal court is determined by the discretion of federal judges and the governing statute. Parole has been abolished in the federal system.

As part of the plea, the corporation agreed to forfeit to the government certain property, including \$789,405 in cash, numerous motor vehicles, a party barge, jet ski, four wheeler, and 4.582 acres located on Hazel Jones Road in Bossier City.

A six-month investigation by the FBI code-named "Screaming Eagle" led to the indictment which remains pending against the four co-defendants.

This investigation was conducted by the Federal Bureau of Investigation, Shreveport Resident Agency, with the assistance of the Bossier Parish Sheriff's Office. The case is being prosecuted by Assistant U.S. Attorneys Alexander C. Van Hook and Robin S. McCoy.

###