



# NEWS RELEASE

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**FOR IMMEDIATE RELEASE  
WEDNESDAY, SEPTEMBER 16, 2009**

**09-086**

**KENAI WOMAN INDICTED BY FEDERAL GRAND JURY FOR BANKRUPTCY FRAUD  
AND FOR MAKING FALSE UNEMPLOYMENT INSURANCE CLAIMS**

Anchorage, Alaska – Acting United States Attorney Kevin Feldis announced that on September 16, 2009, Lela Sandra McGee, of Kenai, Alaska, also known as Lela Sandra Greene, was indicted by a federal grand jury in Anchorage on three counts of mail fraud for engaging in a scheme to fraudulently obtain unemployment insurance benefits, and three counts of bankruptcy fraud, for making false sworn statements in her Chapter 7 bankruptcy petition.

The six-count indictment named McGee, age 59, as the sole defendant.

According to the indictment, McGee had two different social security numbers, one in the name of McGee and one in the name of Greene, and two separate Alaska driver's license, one in the name McGee, and one in the name Greene, that she used in order to engage in a scheme to defraud.

Among other things, the indictment alleges that:

(1) Between on or about January 15, 2004, and on or about September 30, 2006, McGee was employed by two separate employers using the name Greene, and the corresponding social security number, and earned more than \$160,000 in gross wages. First, beginning or about January 15, 2004, McGee used the name Greene and corresponding social security number when she worked as the part-time bookkeeper for an entity that provides services to senior citizens. Second, beginning in November of 2005, McGee used the name Greene and corresponding social security number when she obtained a second full-time job with a separate company.

(2) Beginning in August of 2006, while still employed under the name Greene as the part-time bookkeeper for the entity that provides services to senior citizens, McGee arranged for that entity to pay her additional amounts under the name McGee and that corresponding social security number. McGee was therefore receiving paychecks from this entity under two separate names and social security numbers at the same time.

(3) At various times between February 3, 2004, and June 19, 2006, McGee filed for and received more than \$9,000 in federal and state unemployment insurance benefits from the State of Alaska Department of Labor and Workforce Development, Employment Security Division using the name McGee and corresponding social security number. McGee failed to disclose as part of her Unemployed

Insurance claims that she was employed as stated in paragraph two above and earning income in the name Greene.

(4) On or about May 22, 2006, McGee filed a petition for personal bankruptcy in the United States District Court for the District of Alaska under the name McGee. As part of her bankruptcy petition, McGee was required to list, among other things, all the names she had used in the past eight years, all the social security numbers she had obtained, and her income for the past two years. McGee failed to disclose that she used the name Greene, had a social security number under that name, and had earned income and was employed under that name.

(5) On or about August 28, 2006, an order was entered by the United States Bankruptcy Court for the District of Alaska discharging McGee's obligation to pay approximately \$93,799 in unsecured debt that she owed under the name McGee.

Assistant United States Attorney Kevin Feldis, who presented the case to the grand jury, indicated that the law provides for a maximum total sentence of twenty years in prison, a fine of \$250,000, or both, plus restitution. Under the Federal Sentencing Guidelines, the actual sentence imposed will be based upon the seriousness of the offenses and the prior criminal history, if any, of the defendant.

The Criminal Enforcement Unit of the Office of the United States Bankruptcy Trustee, the State of Alaska Medicaid Fraud Control Unit, the U.S. Department of Labor Office of Inspector General, the Social Security Administration Office of Inspector General, and the Federal Bureau of Investigation coordinated in conducting the investigation leading to the indictment in this case.

An indictment is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.

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