



# Department of Justice

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Southern District of Iowa

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## FORMER CLINTON COMMUNITY SCHOOL DISTRICT ACCOUNTING SUPERVISOR SENTENCED FOR THEFT OF FEDERAL FUNDS

DAVENPORT, IA- On December 7, 2011, Denisa Babcock, age 37, of Camanche, Iowa, was sentenced to 64 months in federal prison, having previously pleaded guilty to theft from a local government agency receiving federal funds, announced United States Attorney Nicholas A. Klinefeldt. United States District Judge Robert W. Pratt also ordered Babcock to serve three years of supervised release following imprisonment, if she is not deported, and pay a \$100 special assessment to the crime victims fund. Additionally, Judge Pratt ordered that Babcock forfeit several items, including bank accounts, vehicles, and real property, and that she pay restitution in the amount of \$1,347,630.94.

From May 2004 to December 2009, Babcock was employed by the Clinton, Iowa, Community School District as the day-to-day supervisor of District accounting functions. Misusing her position, Babcock embezzled and converted to her own use checks and other financial obligations in excess of \$1,000,000, depositing these items into personal bank accounts for her own use. Babcock used as many as 12 different accounts to hide the stolen funds, some under the name of "Clinton Education Excellence," a false entity that did not really exist. Babcock also stole \$49,007.00 of E-rate discount reimbursements due to seven other out of state educational institutions. Babcock used the stolen money to help pay off her home mortgage and

personal student loans, to fund retirement plans, and to purchase vehicles, a boat, real property, travel, and numerous personal items.

The investigation was conducted by the Federal Bureau of Investigation and the Clinton, Iowa, Police Department, and was prosecuted by the United States Attorney's Office for the Southern District of Iowa.