



Department of Justice

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Frankfort Woman Sentenced to 60 Months for Money Laundering and Filing False Tax Return

*Defendant was laundering hundreds of thousands of dollars she had stolen,
from the Franklin County Board of Education*

FRANKFORT, KY- A Frankfort woman, Lesley Wade, age, was sentenced in federal court on Friday to 60 months in prison, by U.S. District Judge Gregory Van Tatenhove, for money laundering and filing a materially false tax return.

Wade was a long time employee of the Franklin County Board of Education (FCBOE), most recently serving as the FCBOE's Financial Director. In Wade's guilty plea agreement, she admitted that, starting in February 2011 and continuing through about June 25, 2019, she wrote unauthorized checks of FCBOE money to herself, then falsified the necessary FCBOE records and invoices to cover up her crimes.

Wade also served as Treasurer of Leestown Gospel Church in Frankfort, where she essentially had plenary control over its financial management, with little oversight or internal controls. Wade also admitted to periodically using her control over the Church's finances to launder money she had stolen from the FCBOE, using the Church's account before writing checks to herself, attempting to avoid detection and making the checks appear legitimate.

Her theft of funds, which took place over a term of years, resulted in the FCBOE losing a total of \$1,624,593. Further hiding her theft of funds, Wade also admitted that she willfully filed false individual income tax returns, for the years 2011-2018, by intentionally failing to report the income from her fraudulent scheme. The total amount of tax loss is \$315,677.

Wade pleaded guilty in May 2020.

"The defendant's conduct is truly outrageous - she harmed the citizens of Franklin County and abused her position of trust by stealing money from Board of Education and then used her church's bank account to launder some of the stolen money," said Robert M. Duncan, Jr., United States Attorney for the Eastern District of Kentucky. "We remain committed to working with our

federal, state, and local partners to investigate and prosecute embezzlement, including cases involving public employees, and violations of the tax laws.”

“Placed in a position of trust, the defendant methodically stole money from the public and then attempted to cover it up by laundering money through her church,” said Robert James Brown, Jr., Special Agent in Charge, FBI, Louisville Field Office. “The FBI will not stand for officials who steal from the taxpayers they serve and, along with our partners, will continue the significant work of rooting out corruption and fraud.”

“Income derived from any source, including embezzled funds, is subject to income tax,” stated Bryant Jackson, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. “IRS Criminal Investigation is committed to holding accountable individuals who steal and fail to comply with the tax laws.”

Under federal law, Wade must serve 85 percent of her prison sentence. Upon her release, he will be under the supervision of the U.S. Probation Office for three years.

U.S. Attorney Duncan; SAC Brown, and SAC Jackson; jointly announced the sentencing.

The investigation was conducted by the FBI and IRS. The United States was represented by Special Assistant U.S. Attorney James Chapman.

The year 2020 marks the 150th anniversary of the Department of Justice. Learn more about the history of our agency at www.Justice.gov/Celebrating150Years.

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