



Department of Justice

U.S. Attorney's Office
Southern District of Texas

Tim Johnson • United States Attorney

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INDIVIDUALS WHO FRAUDULENTLY OBTAINED ASSISTANCE FROM “OPRAH’S ANGEL NETWORK” AND HABITAT FOR HUMANITY PLEAD GUILTY

(HOUSTON) - Darlene McGruder Poole, 30, of Houston, and Lashona McGruder Victor, 37, of LaPlace La., have pleaded guilty to conspiring to defraud FEMA of more than \$14,000 in connection with Hurricane Katrina, United States Attorney Tim Johnson announced today.

Poole and Victor, who are sisters, pleaded guilty this morning before United States District Judge Ewing Werlein Jr., admitting they submitted fictitious rental receipts and other documents to FEMA claiming to be entitled to rental assistance. Poole had previously purchased a new, fully-furnished home that was financed by “Oprah’s Angel Network,” Habitat for Humanity and the City of Houston. Poole also admitted she made the fraudulent submissions to FEMA while she was employed by Harris County - at times as a probation officer - and after she had received more than \$23,000 in legitimate disaster assistance for being displaced from her home in New Orleans by Katrina.

In August and September 2005, Hurricanes Katrina and Rita made landfall on the Louisiana and Texas Gulf Coast. Under FEMA’s Individuals and Households Program (IHP), FEMA made available an initial rental assistance payment to individuals who were displaced from their homes as a result of Katrina and Rita. Displaced individuals could potentially obtain additional rental assistance payments by submitting a declaration of continuing need for rental assistance. Under FEMA’s IHP, individuals who purchased a home after a disaster ceased to be entitled to rental assistance as they were no longer making rental payments and now maintained a new primary residence.

In light of the devastation caused by Katrina and Rita, the charitable organization “Oprah’s Angel Network,” partnered with Habitat for Humanity to build and furnish homes for approximately 65 families forced to relocate to Houston as a result of the storms. The bulk of

these homes were built on Asheburton Springs Drive in Houston, which was subsequently re-named "Angel Lane." The aim of the Angel Lane Housing Development was to allow individuals who had been displaced by Katrina or Rita to purchase brand new homes under extremely favorable financing terms. Specifically, with the funding provided by Oprah's Angel Network, Habitat would use its expertise to construct and furnish the new homes and would act as an interest-free lender to the purchasers of the homes. Further, the City of Houston would provide purchasers with generous down payments from its Housing and Community Development Department program. All of these charitable efforts combined would enable the selected victims of Katrina and Rita to purchase new homes in Houston at deeply discounted prices.

Both Poole and Victor are set for sentencing before Judge Werlein on Jan. 15, 2010, at 10:30 a.m., at which time they face up to face up to 20 years imprisonment and a \$250,000 fine.

In a similar case earlier this week, Angela Payne aka Angela McKinnies, 38, of Houston, pleaded guilty before United States District Judge Lynn N. Hughes to making false statements to FEMA during an identical fraudulent scheme. Payne also purchased a home on Angel Lane through the same charitable programs and she similarly submitted bogus rental receipts in order to fraudulently obtain nearly \$10,000 in additional disaster assistance from FEMA. Prior to making her fraudulent submissions to FEMA, Payne received more than \$16,000 in legitimate disaster assistance as a result of being displaced from New Orleans by Katrina. She will be sentenced by Judge Hughes on Jan. 4, 2010, at 1:30 p.m., when she faces up to five years imprisonment and a \$250,000 fine.

The investigation for these cases was conducted by the Department of Homeland Security - Office of Inspector General, the Department of Labor - Office of Inspector General and the Federal Protective Service. The cases are being prosecuted by Assistant United States Attorney Jason Varnado.

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