



THE UNITED STATES ATTORNEY'S OFFICE  
DISTRICT *of* KANSAS

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**Department of Justice**

U.S. Attorney's Office

District of Kansas

FOR IMMEDIATE RELEASE

Thursday, September 4, 2014

## **Indictment: Keebler Employees Filed False Reports To Receive Unemployment Benefits**

**KANSAS CITY, KAN.** – Federal indictments were returned Wednesday charging that 16 people who worked for Keebler Company in Kansas City, Kan., fraudulently received unemployment benefits, U.S. Attorney Barry Grissom.

The indictments allege that while working for Keebler each of the defendants received unemployment benefits by submitting false reports to the Kansas Department of Labor.

Defendants, who are charged in separate indictments with one count each of theft of government funds and one count of bank fraud, include the following:

**Angie Raffurty**, 43, Blue Springs, Mo., who is alleged to have fraudulently received \$10,488 in benefits.

**Bobby Grant**, 49, Kansas City, Kan., who is alleged to have fraudulently received \$31,466.

**Darrell Haywood**, 32, Kansas City, Kan., who is alleged to have fraudulently received \$10,564.

**Debbie Gleghorn**, 55, Kansas City, Kan., who is alleged to have fraudulently received \$10,633,

**Durail Bailey**, 36, Kansas City, Kan., who is alleged to have fraudulently received \$12,693.

**Herman Callands, Jr.**, 46, Kansas City, Kan., who is alleged to have fraudulently received \$13,766.

**James Mango**, 50, Kansas City, Mo., who is alleged to have fraudulently received \$17,893

**Julian Emery**, 38, Blue Springs, Mo., who is alleged to have fraudulently received \$15,788.

**Maxine Nelson**, 44, Kansas City, Mo., who is alleged to have fraudulently received \$12,795.

**Randy Laughlin**, 55, Blue Springs, Mo., who is alleged to have fraudulently received \$27,388.

**Rodney Taylor**, 44, Kansas City, Mo., who is alleged to have fraudulently received \$15,598.

**Rodrigo Diacono**, 35, Lenexa, Kan., who is alleged to have fraudulently received \$10,168.

**Tina Cooper**, 48, Kansas City, Mo., who is alleged to have fraudulently received \$18,796.

**Donald Barnett**, 42, Independence, Mo., who is alleged to have fraudulently received \$11,490.

**Edith Clark**, 53, Kansas City, Mo., who is alleged to have fraudulently received \$12,820.

**Kaven Daniels**, 43, Kansas City, Mo., who is alleged to have fraudulently received \$12,633.

If convicted, they face a maximum penalty of 10 years in federal prison and a fine up to \$250,000 on the theft of government funds, and a maximum penalty of 30 years and a fine up to \$1 million on the bank fraud charge. The Kansas Department of Labor, the U.S. Department of Labor Employee and Benefits Security

Administration, the U.S. Department of Labor – Office of Inspector General and the FBI investigated. Assistant U.S. Attorney Chris Oakley is prosecuting.

## OTHER INDICTMENTS

**K. Kevin James**, 57, Lenexa, Kan., and his son, **Charlie M. James**, 35, Desoto, Kan., are charged with wire fraud and other counts.

**K. Kevin James** is charged with 10 counts of bank fraud, eight counts of wire fraud and one count of conspiracy to defraud the United States.

**Charlie M. James** is charged with four counts of wire fraud, one count of conspiracy to defraud the United States, three counts of tax evasion and one count of bankruptcy fraud.

The indictment alleges the crimes were committed while the defendants were owners of KC United, LLC, a holding company for five construction companies that was located in Kansas City, Kan. One of the companies owned by KC United was Miller Paving and Construction.

The indictment alleges that K. Kevin James and others obtained business loans from Bank of Blue Valley by hiding and falsely representing the failing financial condition of KC United. The fraud resulted in a loss to the bank of more than \$877,382. The bank received federal funds from the U.S. Treasury's Troubled Asset Relief Program (TARP). The indictment also alleges the defendants diverted prevailing wage fringe benefit payments for employees for other purposes.

"The Bank of Blue Valley suffered losses on the loans and was unable to repay TARP or their quarterly TARP dividend, and eventually sold the loans at a loss of \$877,000," said Christy Romero, Special Inspector General for Tarp (SIGTARP)."

Upon conviction, the crimes carry the following penalties:

Bank fraud: A maximum penalty of 30 years in federal prison on each count and a fine up to \$1 million.

Wire fraud: A maximum penalty of 20 years on each count and a fine up to \$250,000.

Conspiracy to defraud the United States: A maximum penalty of five years and a fine up to \$250,000.

Tax evasion: A maximum penalty of five years and a fine up to \$250,000.

Bankruptcy fraud: A maximum penalty of five years and a fine up to \$250,000.

The Internal Revenue Service and Special Investigator for the Troubled Asset Relief Program investigated. Assistant U.S. Attorney Jabari Wamble is prosecuting.

**Charles R. Waits**, 53, Lenexa, Kan., is charged with one count of bank fraud. The crime is alleged to have occurred in 2010 in Johnson County, Kan.

The indictment alleges that while Waits was the managing member of a corporation that operated the Kansas City Sports Grill he provided false financial information to the Community America Credit Union in order to obtain \$605,000 in business loans.

The U.S. Secret Service investigated. Assistant U.S. Attorney Chris Oakley is prosecuting.

**Damon Harlin, Jr.**, 35, Kansas City, Kan., is charged with one count of unlawful possession of a firearm following a felony conviction. The crime is alleged to have occurred Aug. 20, 2014, in Kansas City, Kan.

If convicted, he faces a penalty of not less than 15 years in federal prison and a fine up to \$250,000. The Bureau of Alcohol, Tobacco, Firearms and Explosives investigated. Assistant U.S. Attorney Terra Morehead is prosecuting.

**Timothy R. Whittington, Jr.**, 34, Leavenworth, Kan., is charged with one count of unlawful possession of a firearm following a felony conviction. The crime is alleged to have occurred Aug. 16, 2014, in Kansas City,

Kan.

If convicted, he faces a maximum penalty of 10 years in federal prison and a fine up to \$250,000. The Bureau of Alcohol, Tobacco, Firearms and Explosives investigated. Assistant U.S. Attorney Terra Morehead is prosecuting.

**Christopher S. Virgil**, 42, formerly of Leavenworth, Kan., is charged with one count of unlawful possession of a firearm following a felony conviction. The crime is alleged to have occurred April 27, 2012, in Leavenworth, Kan.

If convicted, he faces a maximum penalty of 10 years in federal prison and a fine up to \$250,000. The Bureau of Alcohol, Tobacco, Firearms and Explosives investigated. Assistant U.S. Attorney Terra Morehead is prosecuting.

*In all cases, defendants are presumed innocent until and unless proven guilty. The indictments merely contain allegations of criminal conduct.*

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**Component(s):**  
USAO - Kansas

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