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Department of Justice

U.S. Attorney's Office

Southern District of West Virginia

FOR IMMEDIATE RELEASE

Monday, January 8, 2018

Former Treasurer of Teays Valley Volunteer Fire Department pleads guilty for embezzlement

HUNTINGTON, W.Va. – A Hurricane woman pleaded guilty today for embezzling over \$75,000 from the Teays Valley Volunteer Fire Department, announced United States Attorney Carol Casto. Kathy Sue Gwinn, 52, entered her guilty plea to theft from a program receiving federal funds.

Gwinn formerly served as the Treasurer of the Teays Valley Volunteer Fire Department. As Treasurer, she generated payroll checks for firefighters and signed the payroll checks on a fire department bank account. Gwinn admitted that she volunteered for the fire department, and had no authority to write herself checks, nor was she entitled to wages, salary, or compensation for her role as Treasurer. She further admitted that beginning in October 2014, and continuing through March 2017, she printed and wrote herself unauthorized checks from the fire department's payroll account, noting on the memo line of the checks that the checks were for payroll, overtime, or tax preparation. She admitted that she moved money from one fire department bank account into the bank account primarily used for payroll, and when she transferred those funds, she inflated the amount of the transfer to include enough to cover the unauthorized checks she planned to write to herself. Over the course of her scheme, she embezzled \$75,356.70. As part of her plea agreement, Gwinn has agreed to pay this amount in restitution.

During the period Gwinn embezzled funds, the Teays Valley Volunteer Fire Department received grants from the Federal Emergency Management Agency, an agency of the United States Department of Homeland Security. These grants allowed the fire department to pay firefighters and to purchase and maintain equipment.

Gwinn faces up to 10 years in federal prison when she is sentenced on April 9, 2018.

The Federal Bureau of Investigation, the Internal Revenue Service Criminal Investigation Division, the Office of Inspector General for the U.S. Department of Homeland Security, and the West Virginia Commission on Special Investigations conducted the investigation. Assistant United States Attorney Meredith George Thomas is in charge of the prosecution. The plea hearing was held before United States District Judge Robert C. Chambers.

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