



U. S. Department of Justice

*George E. B. Holding*

*United States Attorney*

*Eastern District of North Carolina*

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## *NEWS RELEASE*

**FOR IMMEDIATE RELEASE:**  
**WEDNESDAY - May 18, 2011**

**REVEREND WORKING AT CHILDREN'S COUNSELING CENTER**  
**PLEADS GUILTY TO FILING FALSE TAX RETURN**

**RALEIGH** - United States Attorney George E.B. Holding announced that in federal court on May 16, 2011, **EARLENE MCKEITHAN BAGGETT**, pled guilty before United States District Judge Terrence W. Boyle to making and subscribing to a false income tax return, in violation of Title 26, United States Code, Section 7206(1).

A Criminal Information was filed on March 31, 2011, charging **BAGGETT**.

During the course of the investigation of health care fraud at Learning Links Educational Network Services Center, Inc., in Fayetteville, North Carolina, and its owner, Sandra Elliott, federal law enforcement learned that **BAGGETT**, also known as Dr. Baggett or Reverend Baggett, was hired by Elliott to serve ostensibly as the medical director for Learning Links. During 2008 and 2009, while working and receiving a large salary from Learning Links, **BAGGETT** continued to receive a salary from AME Zion Church, where she was a minister. She also received approximately \$34,000 a year from the North Carolina Retirement Systems in alleged disability benefits. **BAGGETT** failed to report and pay tax on any

of her church income and much of the money she received from Learning Links. She also represented to the North Carolina Retirement Systems Board in 2008 and 2009 that she had no income. In 2009, **BAGGETT** had an estimated unreported income of \$115,000.

At sentencing, set for the August 15, 2011, term of court, **BAGGETT** faces up to three years' imprisonment followed by up to one year supervised release and a fine of up to \$100,000.

Investigation of this case was conducted by the Internal Revenue Service, Criminal Investigations and the United State Department of Defense Criminal Investigative Service. Assistant United States Attorney William Gilmore represented the government.

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