

Image not found or type unknown

Charlemagnes Face New Indictments in \$4.4 Million VIHFA Fraud Case

Federal prosecutors added charges of false claims to Davidson and Sasha Charlemagne's alleged \$4.4 million scheme against the VIHFA. The couple is now accused of fabricating timesheets and inflating costs

Crime / **Published On October 26, 2024 07:08 AM /**

Janeke Simon **October 26, 2024**

Image not found or type unknown



Davidson Charlemagne, left, with legal counsel David J. Cattie, at the V.I. District Court on St. Croix on Thursday, June 20, 2024. By. ERNICE GILBERT, V.I. CONSORTIUM

A new indictment, filed on Tuesday, brought Davidson and Sasha Charlemagne to court on Friday to be arraigned on fresh charges connected to their alleged involvement in a scheme to defraud Virgin Islands Housing Finance Authority of over \$4.4 million.

The Charlemagnes were [arrested in June](#), along with former VIHFA COO Darin Richardson, over a VIHFA contract for storage and management of wood that was shipped to the territory to be used for the reconstruction of commercial and residential buildings following Hurricanes Irma and Maria in 2017.

Davidson Charlemagne, it is alleged, prepared a bid that contained vastly inflated estimates for labor costs. That bid was ultimately allegedly improperly awarded by Mr. Richardson, who is accused of lying to the Housing and Urban Development Office of the Inspector General about his role in the procurement process.

Prosecutors have added charges of making false claims to the existing allegations against the Charlemagnes, who are also accused of conspiring to launder money. The new charge stems from timesheets submitted to VIHFA which “falsely claimed that certain employees had been working at the St. Croix or St. Thomas woodpiles on particular dates when, in fact and in truth, these employees were not present in the Virgin Islands.”

Most of these fraudulent timesheets, prosecutors say, were submitted on behalf of Sasha Charlemagne, who was paid just over \$67,000 in salary as D&S Trucking's warehouse manager despite there being “no record with the Virgin Islands Department of Labor of Sasha Charlemagne ever being an employee of D&S Trucking, nor of her having ever earned a salary from D&S Trucking.” The lack of records for Mrs. Charlemagne, the indictment says, is a violation of local laws.

Additionally, VIDOL is lacking records for 21 other employees hired by Davidson Charlemagne to do work under the terms of the contract with VIHFA. Apart from the Department of Labor having no records of these 21 individuals, “there is no evidence that Charlemagne ever paid the employer portion of payroll taxes for these employees, nor did he ever withhold income taxes for these employees as required by the laws of the Virgin Islands.”

In addition to the charge of making false claims, Davidson Charlemagne is also facing charges of government program fraud and wire fraud for his role in the scheme. Darin Richardson, the former COO of VIHFA, will be tried separately on charges of criminal conflict of interest and making material false statements, after a judge found that there was no evidence of a joint conspiracy.