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Note: Material released September 2014 begins on PDF page 314

Source of document: US General Services Administration
FOIA Requester Service Center (H1C)
1800 F. Street, NW, Room 7308
Washington, DC 20405-0001
Fax: (202) 501-2727
Email: gsa.foia@gsa.gov

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U.S. General Services Administration
Office of Inspector General

October 15, 2014

Re: Freedom of Information Act Request (OIG Tracking Numbers 14-037)

This is the last of the documents responsive to your request dated June 1, 2014, in which you requested “a copy of the GSA OIG Weekly Activity Reports for the time period January 1, 2011 through the present.” In response to a June 12, 2014, e-mail from OIG Senior Counsel Eric Miller, you agreed to narrow your request to weekly summaries for the Office of Investigations during the time period January 1, 2012 to the present.

Enclosed are the 2013 weekly summaries for the GSA Office of Investigations, which we are releasing to you under the FOIA, with certain information withheld under Exemptions 7(A), 6, 7(C), 7(D) and 7 (E) of the FOIA. Exemption 7(A) of the FOIA, 5 U.S.C. §552(b)(7)(A), protects from disclosure records compiled for law enforcement proceedings, the disclosure of which could reasonably be expected to interfere with enforcement proceedings. Information redacted under Exemptions 6 and 7(C) pertains to individuals other than yourself. Release of the information redacted pursuant to Exemption 6 of the FOIA, 5 U.S.C. §522 (b)(6), would constitute a clearly unwarranted invasion to the personal privacy of the persons mentioned in the records. Release of information redacted pursuant to Exemption 7(C) of the FOIA, 5 U.S.C. §522 (b)(7)(C), would constitute an unwarranted invasion of the personal privacy of the persons mentioned in the records. Exemption 7(D) of the FOIA, 5 U.S.C. §(b)(7)(D), was applied because release of the information could reasonably have been expected to disclose the identity of a confidential source, including a State, local, or foreign agency or authority of any private institution which furnish information on a confidential basis. Finally, Exemption 7(E) of the FOIA, 5 U.S.C. §552 (b)(7)(E) permits the withholding of information compiled for law enforcement purposes, the release of which “would disclose techniques and procedures for law enforcement investigations or prosecutions, or would disclose guidelines for law enforcement investigations or prosecutions if such disclosure could reasonably be expected to risk circumvention of the law.”

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirement of the FOIA. See 5 U.S.C. §552© (2006 & Supp. IV (2010)). This response is limited to those records that are subject to the requirement of the

FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not exist.

You have the right to appeal for disclosure of any undisclosed information by writing to the Freedom of Information Act Officer, Office of the Inspector General, General Services Administration, 1800 F Street, NW, Room 5326, Washington, D.C. 20405, within 120 days of your receipt of this letter. The appeal must be in writing and contain a statement or reasons for the appeal. Please enclose copies of your initial request and this response. The envelope and letter should be clearly marked as a "Freedom of Information Act Appeal."

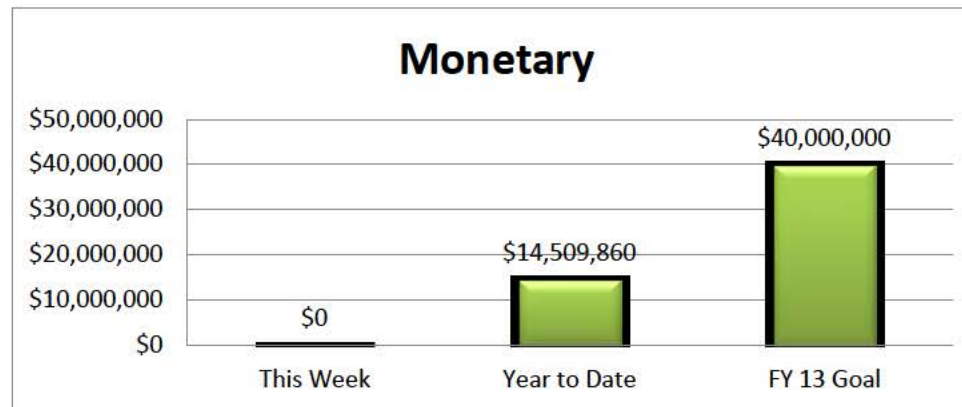
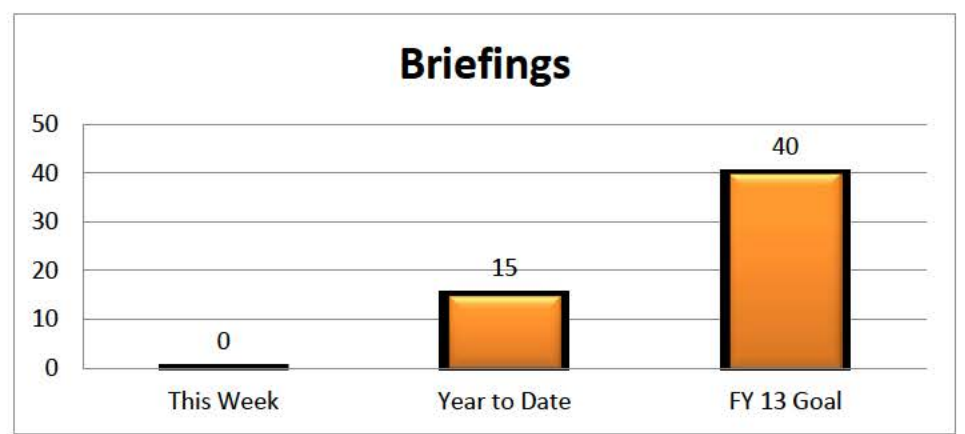
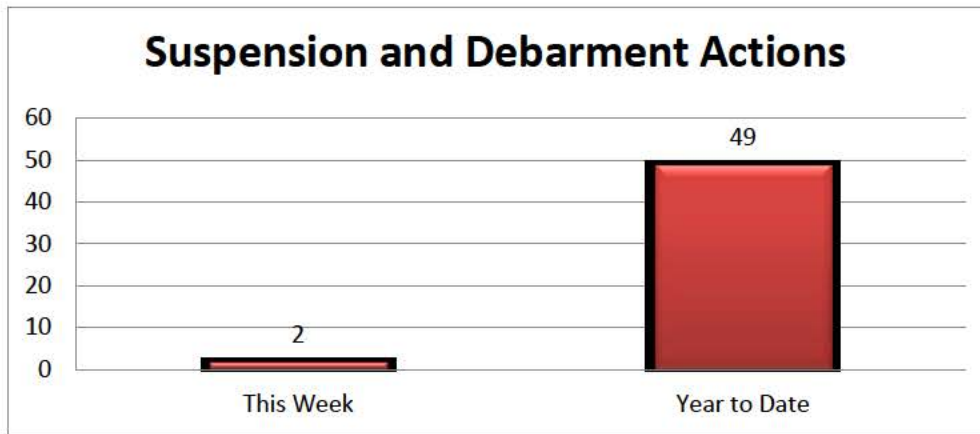
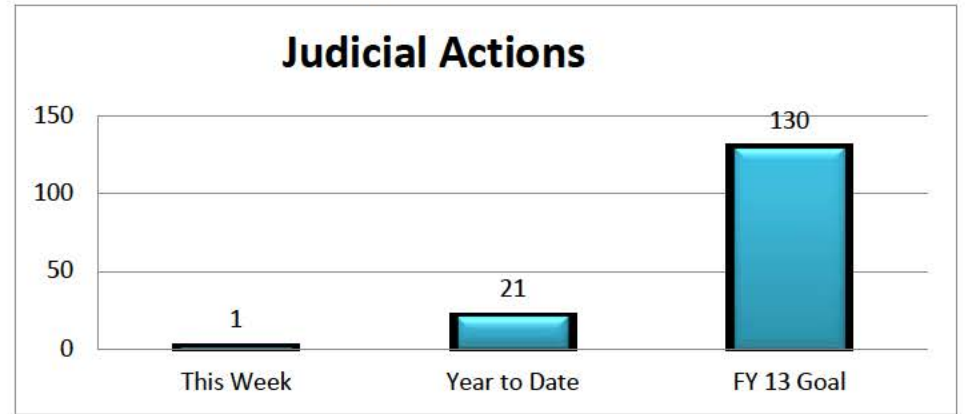
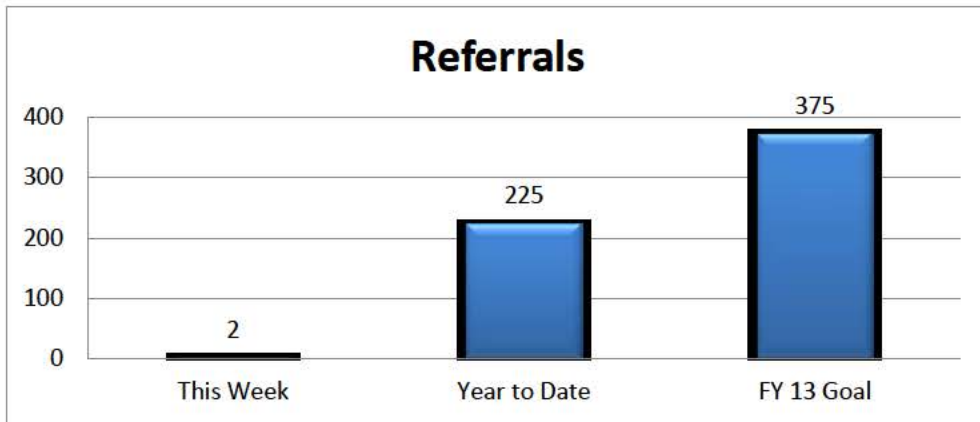
Sincerely,

A handwritten signature in black ink, appearing to read "Richard P. Levi".

Richard P. Levi
Counsel to the Inspector General
(FOIA Officer)

Attachments

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - DECEMBER 28, 2012 - JANUARY 3, 2013





JI Updates

January 4, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On January 8, 2013, SA (b) (6), (b) (7)(C) and Detective (b) (6), (b) (7)(C), ISD, Army, will interview PFC (b) (6), (b) (7)(C), DOD's Alteration Work Group, at the Aberdeen Proving Grounds, in Aberdeen, MD. The interview is regarding his involvement in using fleet cards for personal gain. The case was initiated based upon a proactive review of the Fleet database which showed anomalies in purchases made by GSA vehicles that were leased to DOD.

On January 9, 2013, SAC (b) (6), (b) (7)(C) will be attending the newly formed contract fraud working group being hosted at the Norfolk FBI office. The USAO (Newport News) will be present.

(b) (7)(A)

/I111W2425)

Boston (JI-1)

Nothing Significant to Report

New York (JI-2)

(b) (7)(A)

Z1122060)

(b) (7)(A)

V1122993)

Philadelphia (JI-3)

On January 9, 2013, SA (b) (6), (b) (7)(C) and an NCIS SA will meet with SAUSA (b) (6), (b) (7)(C), Staff Judge Advocate General from the Judge Advocate General Corps, U.S. Navy, Norfolk, VA, to present this case for prosecutorial consideration. (b) (6), (b) (7)(C), LCPL, USMC, admitted to conspiring with other active duty Marines to fraudulently using a FLEET card assigned to a GSA vehicle currently being leased to the Navy. (EDVAWEX Fraud/I1233819)



JI Updates

January 4, 2013

(b) (7)(A)

(11030806)

Atlanta (JI-4)

On January 10, 2013, SA (b) (6), (b) (7)(C) is scheduled to attend the sentencing hearing for (b) (6), (b) (7)(C) at the U.S. District Court, Miami, Florida. This case involves a USMC Recruiter who sold information related to four GSA FLEET credit cards. (b) (6), (b) (7)(C) is one of three co-defendants related to the (b) (6), (b) (7)(C) FLEET card fraud case. (SDFL/FLEET Fraud/I12M3897)

During the week of January 7, 2013, GSA OIG and Army CID (MPFU) SAs will travel to Savannah, GA for Initial appearances in the Southern District of Georgia in relation to the (b) (6), (b) (7)(C) case. The SAs will also conduct additional interviews and investigative activity. This case involves an enlisted Army supply officer and (b) (6), (b) (7)(C) who defrauded the U.S. Army by using the military DODAAC to purchase large quantities of luxury electronics, copper bars and other miscellaneous items from GSA Advantage and having them shipped to their personal residence (SDG/Theft of GOV Property/I13M4421)

Chicago (JI-5)

On December 31, 2012, SA (b) (6), (b) (7)(C) retired after a long federal career which included service as a U.S. Marine, IRS Revenue Specialist, DCIS Special Agent and a GSA OIG Special Agent.

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

(b) (7)(A)

(/11172328)



JI Updates

January 4, 2013

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

From January 7, 2013, to January 18, 2013, SA (b) (6), (b) (7)(C) will attend the Inspector General Undercover Investigations Training Program.

Internal Operations

Hotline

Hotline Contacts – 45

Hotline Referrals – 2

Investigations

Nothing Significant to Report

ARRA

Nothing Significant to Report

JI-B

FAR

Nothing Significant to Report

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Mountain Chief Management Services (Caddell Construction)

Case Number: I0960379

Case Agent: (b) (6), (b)(7)(C), JI-6

On December 20, 2012, Caddell Construction signed a non-prosecution agreement with the U.S. Department of Justice, Criminal Division, to avoid criminal prosecution. The agreement stated that Caddell knowingly committed fraud to obtain over \$1.3 million dollars from the Department of Defense for minority business incentives they were not entitled to receive. Caddell agreed to pay \$2 million dollars to the U.S. Treasury and continue to fully cooperate with the investigation. A civil prosecution against Caddell and criminal prosecutions against individuals, involved in the criminal case, are still ongoing. This case is being handled by Assistant Chief (b) (6), (b)(7)(C) and Trial Attorney (b) (6), (b)(7)(C).

BACKGROUND

Our office received an allegation that undocumented aliens were working on the Zorinsky Federal Building renovation project in Omaha, NE. Caddell was the prime contractor and Tufly Drywall was a subcontractor. It was discovered that Tufly knowingly hired undocumented workers and provided false information to GSA on certified payrolls. During the investigation, it was also discovered that Caddell used Mountain Chief Management Services, an Indian-owned firm, as a vehicle to commit approximately \$1.3 million dollars in federal minority incentive fraud, as well as use them as a pass-through company to help meet subcontracting goals on major GSA contracts.

This matter was jointly investigated with DCIS.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge
General Services Administration
Office of Inspector General

O (b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM:

Case Title: Gallup Organization- Fraud
Case Number: 110W0291
Case Agent: ASAC (b) (6), (b) (7)(C), JI-W

On January 2, 2013, a criminal information was filed in the U.S. District Court, Washington, D.C., charging (b) (6), (b) (7)(C), former Director, Human Capital Division, FEMA, with one count of Title 18, U.S.C., Section 208(a) and 216(a)(2), Conflict of Interest.

The case was prosecuted by Assistant United States Attorney (b) (6), (b) (7)(C), in the District of Columbia.

BACKGROUND:

This case was initiated based on a Qui Tam filed by an ex-employee of Gallup alleging numerous violations involving The Gallup Organization.

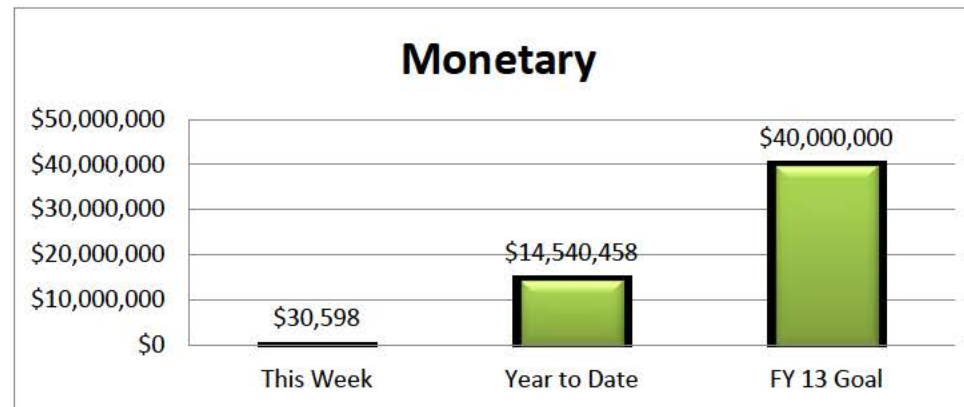
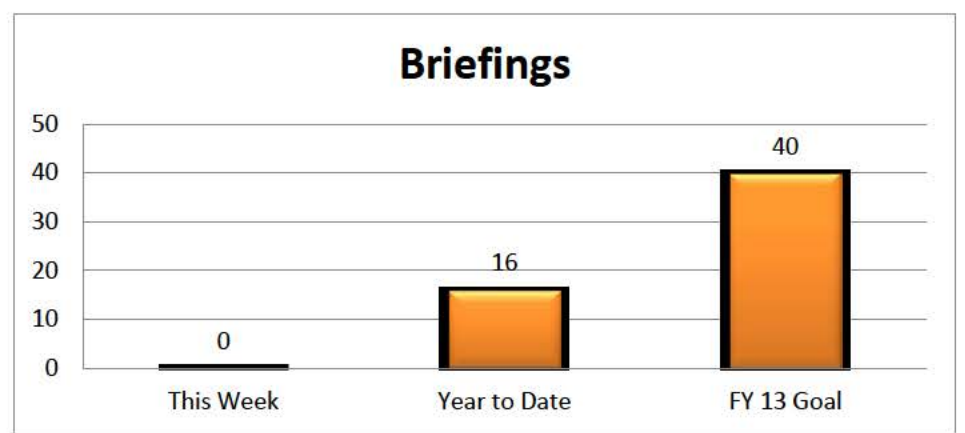
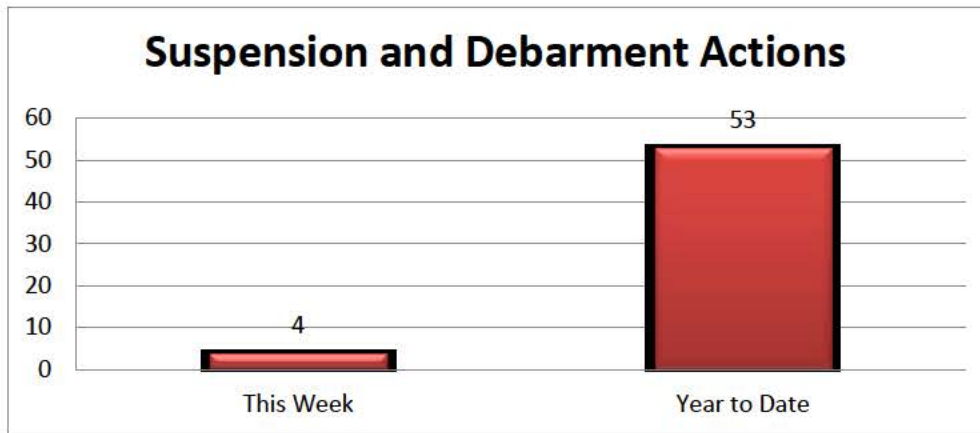
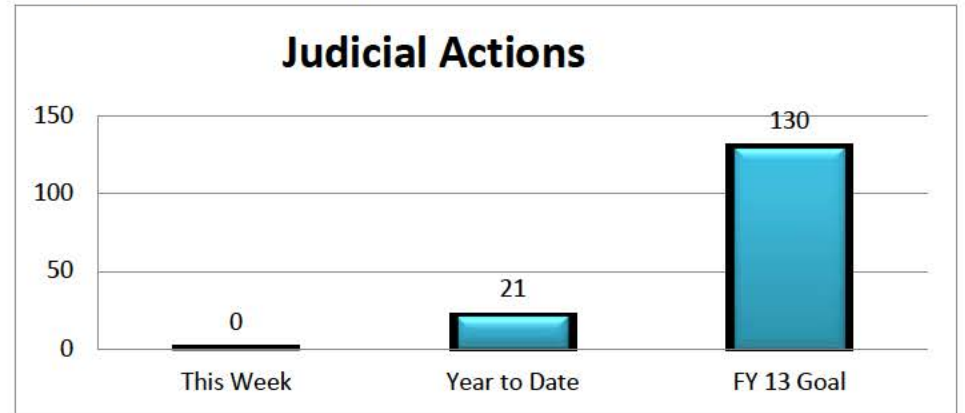
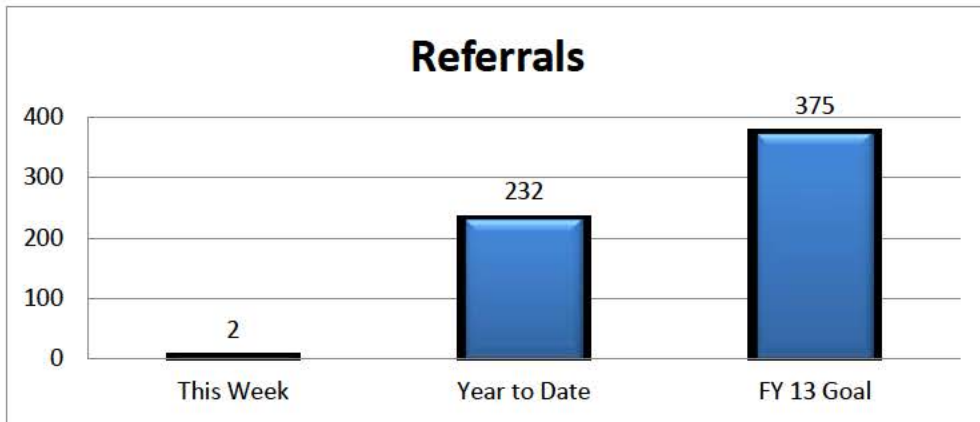
In November 2012, a DOJ complaint was filed in the U.S. District Court, in Washington, D.C., regarding conflict of interest charges against Gallup and former FEMA employee (b) (6), (b) (7)(C). The matter arose from a 2008 FEMA subcontract awarded to Gallup to evaluate the strengths and satisfaction of FEMA's workforce. It was alleged that at the same time that (b) (6), (b) (7)(C) was pushing (b) (6), (b) (7)(C) agency to award work to Gallup, (b) (6), (b) (7)(C) and Gallup were unlawfully discussing (b) (6), (b) (7)(C) future employment with Gallup. In several internal Gallup emails, a Gallup CEO and government division manager discussed their intention to hire (b) (6), (b) (7)(C) if (b) (6), (b) (7)(C) could persuade FEMA to award Gallup the subcontract. An internal Gallup email dated April 25, 2008, stated that if (b) (6), (b) (7)(C) "gets us a big deal at FEMA...i think we should hire (b) (6), (b) (7)(C)

On or about February 5, 2009, Gallup extended a formal, written partnership offer to (b) (6), (b) (7)(C) after (b) (6), (b) (7)(C) helped secure and fund the FEMA contract with Gallup. (b) (6), (b) (7)(C) announced (b) (6), (b) (7)(C) retirement from FEMA a few days later, and falsely certified to FEMA on February 28, 2009 that (b) (6), (b) (7)(C) had no post-government employment. Gallup allegedly post-dated a second employment offer letter in a manner that supported (b) (6), (b) (7)(C) false certification. Gallup ultimately rescinded its partnership offer to (b) (6), (b) (7)(C) in late March 2009, but only after the Gallup government division manager allegedly concluded that hiring (b) (6), (b) (7)(C) could "get in the way of future [FEMA] business," because (b) (6), (b) (7)(C) government co-workers were upset about what had occurred.

(b) (6), (b) (7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b) (7)(C)
Fax (b) (6), (b) (7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JANUARY 4, 2013 - JANUARY 10, 2013





JI Updates

January 11, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On January 15, 2012, (b) (6), (b) (7)(C), the former director of human resources at the Federal Emergency Management Agency (FEMA), is scheduled to plea guilty to a conflict of interest charge in U.S. District Court for the District of Columbia. In November 2012, a DOJ complaint was filed in the U.S. District Court, in Washington, D.C., regarding conflict of interest charges against The Gallup Organization and former FEMA employee (b) (6), (b) (7)(C). The matter arose from a 2008 FEMA subcontract awarded to Gallup to evaluate the strengths and satisfaction of FEMA's workforce. It was alleged that at the same time that (b) (6), (b) (7)(C) was pushing (b) (6), (b) (7)(C) agency to award work to Gallup, (b) (6), (b) (7)(C) and Gallup were unlawfully discussing (b) (6), (b) (7)(C) future employment with Gallup. This case was initiated based on a Qui Tam filed by an ex-employee of Gallup alleging numerous violations by Gallup. A press release will be issued.

On January 16, 2012, SA (b) (6), (b) (7)(C) and Detective (b) (6), (b) (7)(C), ISD, Army, will interview PFC (b) (6), (b) (7)(C), at the Aberdeen Proving Grounds, in Aberdeen, MD. The interview is regarding (b) (6), (b) (7)(C) involvement in using fleet cards for personal gain. The case was initiated based upon a proactive review of the Fleet database which showed anomalies in purchases made by GSA vehicles that were leased to DOD.

Boston (JI-1)

Nothing significant to report

New York (JI-2)

On January 16, 2013, DIG Robert Erickson is scheduled to visit JI-2.

Philadelphia (JI-3)

On January 14, 2013, DIG Robert Erickson is scheduled to visit JI-3.

(b) (7)(A)

11334147)

Atlanta (JI-4)

Nothing significant to report



JI Updates

January 11, 2013

Chicago (JI-5)

On January 17, 2013, SA (b) (6), (b) (7)(C) will conduct a proffer at the USAO in the SDIL with (b) (6), (b) (7)(C), a former Kearney & Co. contractor employee. (b) (6), (b) (7)(C) and (b) (6) coworkers are suspected of submitting fraudulent travel invoices to the GSA and DOD for monetary reimbursement. (SDIL/Wire Fraud/I1354401)

Kansas City (JI-6)

(b) (7)(A)

/I1263462)

(b) (7)(A)

/I1162844)

Denver (JI-8)

(b) (7)(A)

/I09D0653)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

/I1294108)

Auburn (JI-10)

(b) (7)(A)

/I1304542)

Internal Operations

Hotline

Hotline Contacts – 41

Hotline Referrals – 5



JI Updates

January 11, 2013

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

Nothing significant to report

Law Enforcement Sensitive

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) - Bribery
Case Number: T12W4013
Case Agent: ASAC (b) (6), (b)(7)(C), JI-W

On January 9, 2013, in U.S. District Court for the District of Maryland (Baltimore), (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) pled guilty to a one count Information charging (b) (6), (b)(7)(C) with 18 U.S.C. 201, Bribery.

This case is being prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C).

BACKGROUND

This case was initiated from case I10W0106. (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) of Sun Development, paid a cooperating defendant, who was a GSA employee, two bribe payments. The transactions were monitored and recorded by JI-W and FBI Special Agents. The cash bribe payments were in exchange for work to be completed at GSA facilities in Maryland.

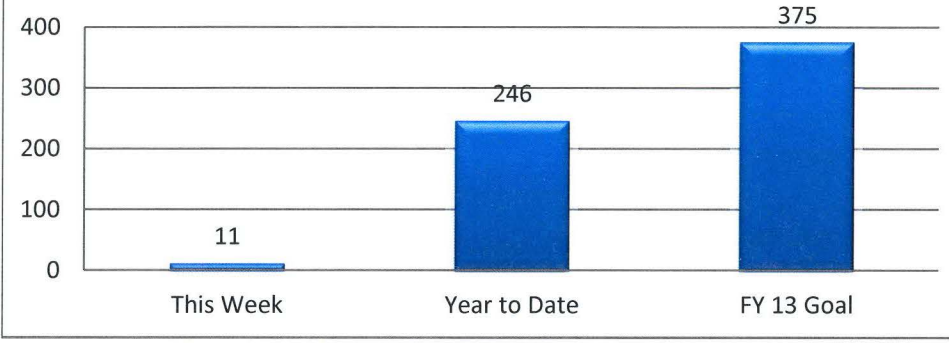
On October 17, 2012, ASAC (b) (6), (b)(7)(C) testified in front of a federal grand jury to the matters concerning the scheme. As a result, U.S. Magistrate Judge (b) (6), (b)(7)(C) issued an arrest warrant for (b) (6), (b)(7)(C) in violation of Title 18, U.S.C., Section 201, Bribery. On October 25, 2012, JI-W OIG agents arrested (b) (6), (b)(7)(C) without incident and transported (b) (6), (b)(7)(C) to the U.S. District Court in the District of Maryland (Greenbelt) for (b) (6), (b)(7)(C) Initial Appearance. On December 20, 2012, (b) (6), (b)(7)(C) signed a plea agreement.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

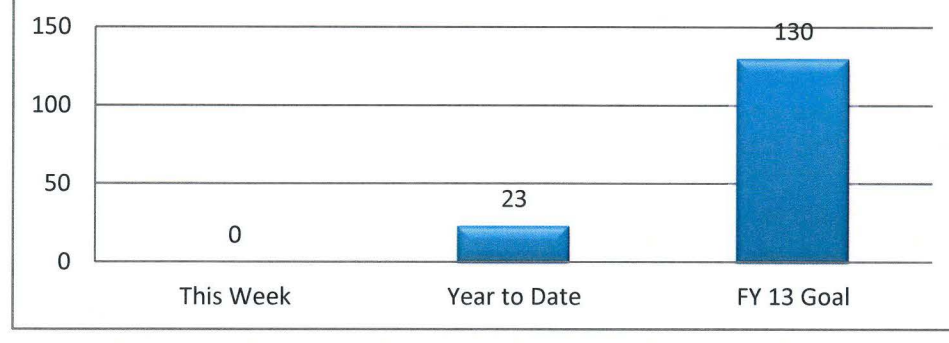
(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JANUARY 12 - JANUARY 18, 2012

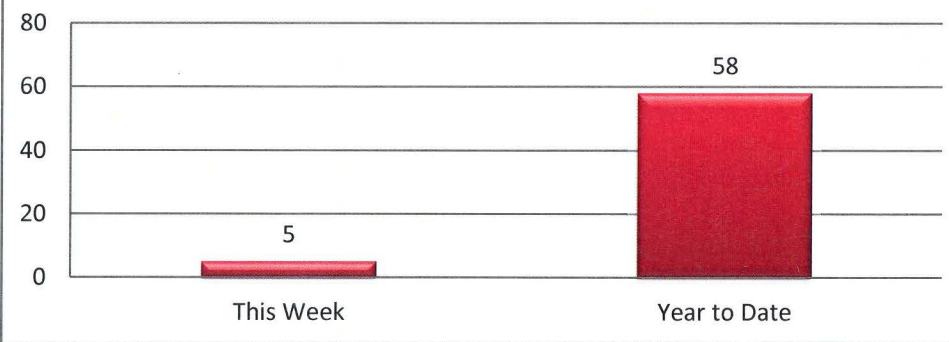
Referrals



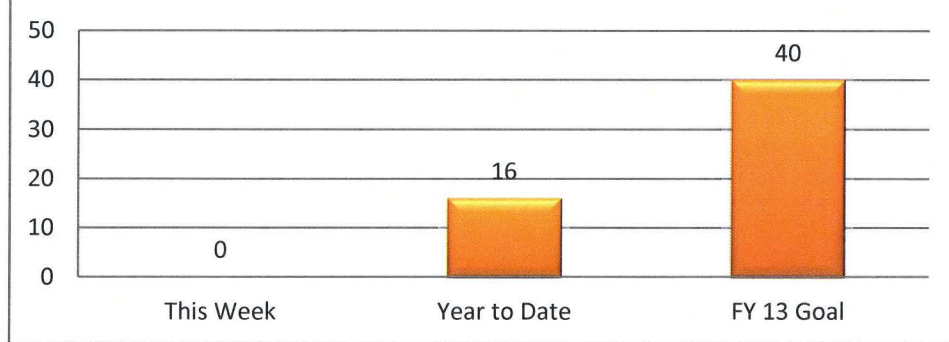
Judicial Actions



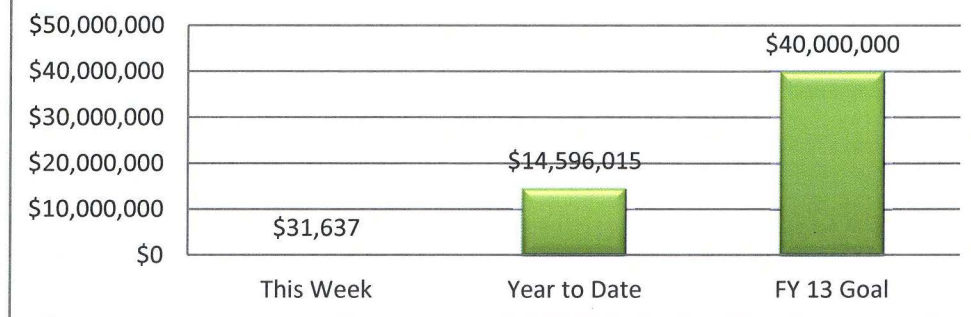
Suspension and Debarment Actions



Briefings



Monetary





JI Updates

January 18, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

112W3070)

(b) (7)(E)

SA [REDACTED] has identified Fort Story personnel using the FLEET card. The (b) (7)(E) is on loan from JI-5. (FLEET card fraud/I13W4519)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

On January 25, 2013, SA [REDACTED] is scheduled to attend the sentencing of (b) (6), (b) (7)(C), former [REDACTED] of Over the Hill Auto Repair Shop at the U.S. District Court, Utica, NY. Previously on June 15, 2012, [REDACTED] pled guilty to an Information charging [REDACTED] with violating 18 USC 287, False Claims. From 2009 until March of 2011, [REDACTED] made and presented claims totaling \$34,000 to the GSA, knowing such claims to be false. These claims sought payment for repairs to GSA vehicles which had not been performed or were unnecessary. (NDNY/False Claims/I1122268)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

On January 23, 2013, SA [REDACTED] will conduct a proffer at the USAO in the SDIL with (b) (6), (b) (7)(C), a former Kearney & Co. contract employee. [REDACTED] and [REDACTED] coworkers are suspected of submitting fraudulent travel invoices to the GSA and DOD relative to an allegation that they have claimed each other's personal residences as lodging for monetary reimbursement. (SDIL/Wire Fraud/I1354401)



JI Updates

January 18, 2013

Kansas City (JI-6)

During the week of January 22, 2013, ASAC (b) (6), (b)(7)(C) will be at the USAO, San Antonio, TX, to conduct interview(s) and prepare for trial. (WDTX/Major Fraud/I040114)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

On January 22, 2012, SA (b) (6), (b)(7)(C) will testify in an evidentiary hearing regarding the guilty plea entered by Staff Sergeant (b) (6), (b)(7)(C) to the charges of theft and conspiracy. The case was initiated based on information from Marathon Watch Company, Ltd regarding the eBay sale of Marathon watches purchased under a GSA MAS contract, GS-14F-0027K. (WDTX/Theft/I1172279)

San Francisco (JI-9)

Acting SAC (b) (6), (b) (7)(C), in conjunction with the USAO San Diego and other participating agencies, will continue witness preparation for the trial of three defendants scheduled to begin on February 20, 2013. The three defendants (two individuals and a corporation) were indicted on charges of conspiracy to commit bribery, bribery, wire fraud and money laundering for activities occurring at Naval Air Station North Island. (SDCA/Bribery/I10L0762)

Auburn (JI-10)

On January 23, 2013, JI-10 SAs will attend Discovery / Jencks Act Training at the United States Attorney's Office for the Western District of Washington (Seattle).

Internal Operations

Hotline

Hotline Contacts – 60

Hotline Referrals – 2

JIB-C

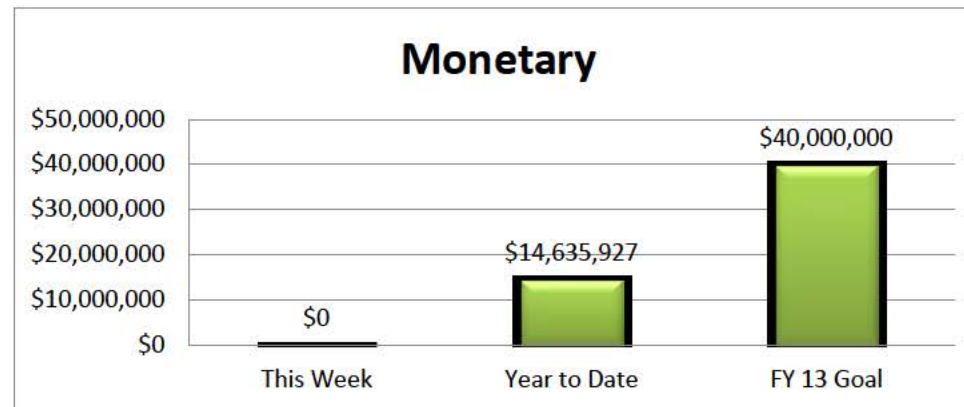
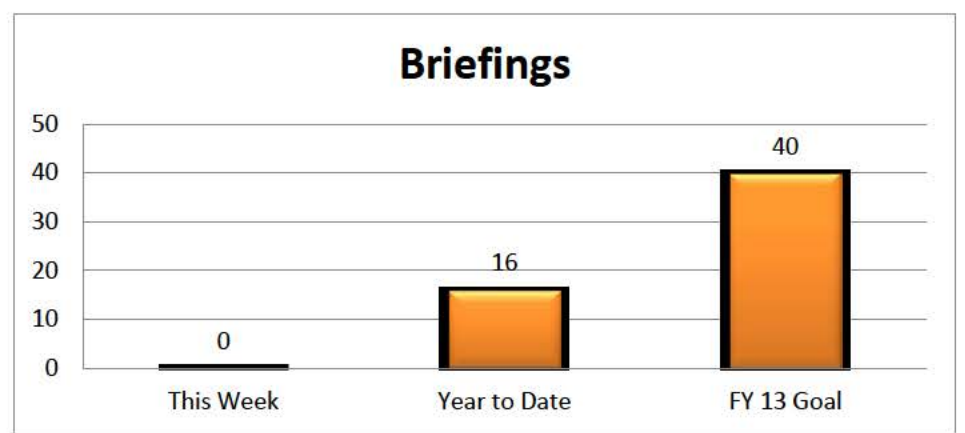
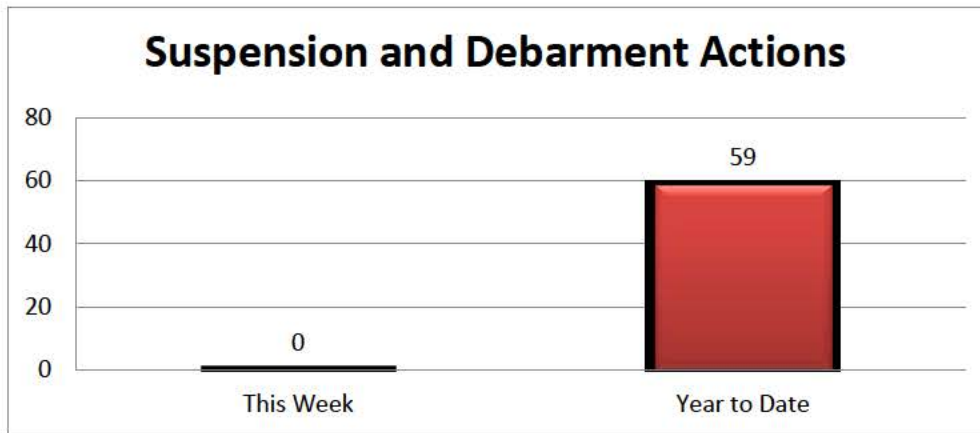
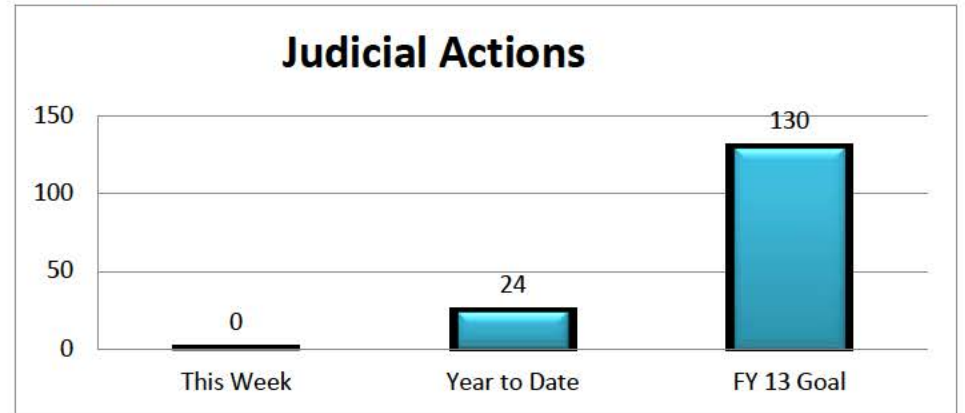
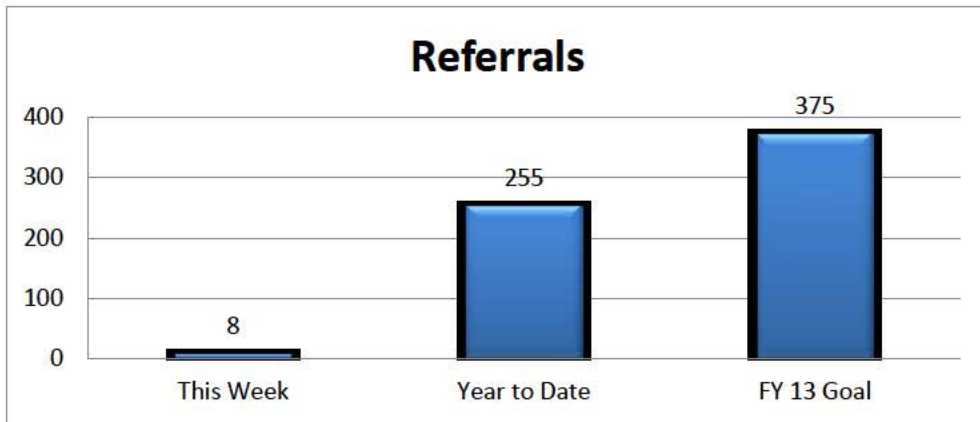
FAR

No new activity to report

Suspension & Debarment

On January 24, 2013, SA (b) (6), (b) (7)(C) will meet with GSA SDO (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) staff to discuss on-going suspension and debarment related matters.

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JANUARY 18, 2013 - JANUARY 24, 2013





JI Updates

January 25, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On January 30, 2013, ASAC (b) (6), (b) (7)(C) will attend an Inter-OIG Round Table meeting hosted by the DOJ OIG to discuss contract fraud and embezzlement cases in the NCR IG community. Representatives from several IGs will be in attendance.

Boston (JI-1)

Nothing significant to report

New York (JI-2)

On January 25, 2013, ASAC (b) (6), (b) (7)(C) will meet with (b) (6), (b) (7)(C), Assistant District Attorney, and (b) (6), (b) (7)(C), Senior Cybercrime Analyst, at the New York County District Attorney's Office to discuss the status of the investigation. Several GSA Region 2 FAS employees received harassing emails from various anonymous email accounts over the course of several months. The NYC DAO accepted the case for prosecution and assigned (b) (6), (b) (7)(C) to assist JI-2 in tracking down the individual(s) responsible. (NYCDAO/Harassment/111223960)

Philadelphia (JI-3)

(b) (7)(A)

/10930072)

On January 31, 2013, SA (b) (6), (b) (7)(C) will attend the sentencing hearing for (b) (6), (b) (7)(C) in U.S. District Court, Harrisburg, PA. (b) (6), (b) (7)(C) previously admitted to the theft and fraudulent use of FLEET cards assigned to GSA vehicles at the Lebanon VA Hospital. This matter is being handled by AUSA (b) (6), (b) (7)(C), USAO MDPA. (MDPA/WEX Fraud/11233413)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report



JI Updates

January 25, 2013

Kansas City (JI-6)

(b) (7)(A)

(11263462)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

On January 22, 2013, SA (b) (6), (b)(7)(C) a reservist in the U.S. Marine Corps, was notified that (b) (6), (b)(7)(C) has been selected for promotion to Colonel (O-6). (b) (6), (b)(7)(C) is currently the commander of the 2nd Battalion 24th Marines based in Chicago, IL.

(b) (7)(A)

(11294108)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 47

Hotline Referrals – 13

Investigations

Nothing significant to report



JI Updates

January 25, 2013

ARRA

Nothing significant to report

JI-B

FAR

Nothing significant to report

Civil Enforcement

On January 31, 2013, Branch Chief (b) (6), (b)(7)(C) SA (b) (6), (b)(7)(C) JC Attorney (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) are meeting with Iron Bow Technologies officials and their attorneys regarding a qui tam alleging TAA violations under their GSA Contract GS-35F-4460G. (USADC/Civil/111H2177)

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: C&H Distributors LLC and Cowin Global U.S.A.

Case Number: 11152003

Case Agent: SA (b) (6), (b) (7)(C), JI-5

On January 18, 2013, C&H Distributors LLC paid the United States a settlement in the amount of \$12,000.

BACKGROUND:

This investigation was initiated upon a complaint that Cowin Global U.S.A. sold carts/containers that were manufactured in China, a non-designated country, per the GSA Multiple Award Schedule Contract. A search of GSA Advantage showed that C&H Distributors LLC had sold products from Cowin Global U.S.A.

During the course of this investigation it was determined that two wire container orders were placed to C&H Distributors LLC, by the Federal Correctional Institution in Loretto, PA. Cowin Global U.S.A. sent two shipments: one in 2009, in the amount of \$2,009.36; and one in 2010, in the amount of \$4,236.74, that consisted of containers that were made in China. C&H Distributors holds the GSA Multiple Award Schedule, and was responsible for the distribution of products from a non-designated country to the Federal Correctional Institution by Cowin Global U.S.A.

On December 18, 2012, C&H Distributors LLC entered into a settlement agreement with the United States Attorney's Office, Northern District of Indiana, and agreed to a settlement in the amount \$12,000.

(b) (6), (b) (7)(C)

Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite 408
230 South Dearborn Street
Chicago, Illinois 60604

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: WEX FRAUD-(b) (6), (b) (7)(C)-USMC RECRUITING STATION MIAMI, FL
Case #: I12M3897
Case Agent: SA (b) (6), (b) (7)(C) JI-4

On January 10, 2013, (b) (6), (b) (7)(C) appeared before the Honorable Ursula Ungaro, U.S. District Judge, SDFL, for a Sentencing Hearing. Judge Ungaro sentenced (b) (6), (b) (7)(C) to 3 years probation, \$27,711.75 restitution, and \$200.00 special assessment.

This case was investigated by GSA OIG and the USSS. This case was prosecuted by AUSA (b) (6), (b) (7)(C), SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a FLEET card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible FLEET fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. The investigation disclosed that four FLEET cards issued to GSA vehicles assigned to a USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified (b) (6), (b) (7)(C) as one subject using the re-encoded cards fraudulently. The loss to the government is approximately \$68,000.00.

On June 15, 2012, based on a federal arrest warrant, GSA OIG special agents arrested (b) (6), (b) (7)(C) without incident in Hialeah, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds.

The investigation also revealed that (b) (6), (b) (7)(C) had obtained and used a re-encoded credit card with information from a FLEET card assigned to the USMC.

On August 9, 2012, based on a federal arrest warrant, GSA OIG and USSS agents arrested (b) (6), (b) (7)(C) without incident in Miami, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds. During the arrest, agents recovered a Green Dot Debit Master Card in (b) (6), (b) (7)(C) possession that was re-encoded with the stolen GSA FLEET account information. (b) (6), (b) (7)(C) was interviewed and then transported to the Federal Detention Center in Miami, Florida.

On September 10, 2012, Information was filed against (b) (6), (b) (7)(C) in the SDFL. The Information charged (b) (6), (b) (7)(C) with one count of Title 18, U.S.C., Section 641, Theft of Government Property/Funds, and one count of Title 18, U.S.C., Section 1029(a)(1), using one or more counterfeit access devices with the intent to defraud.

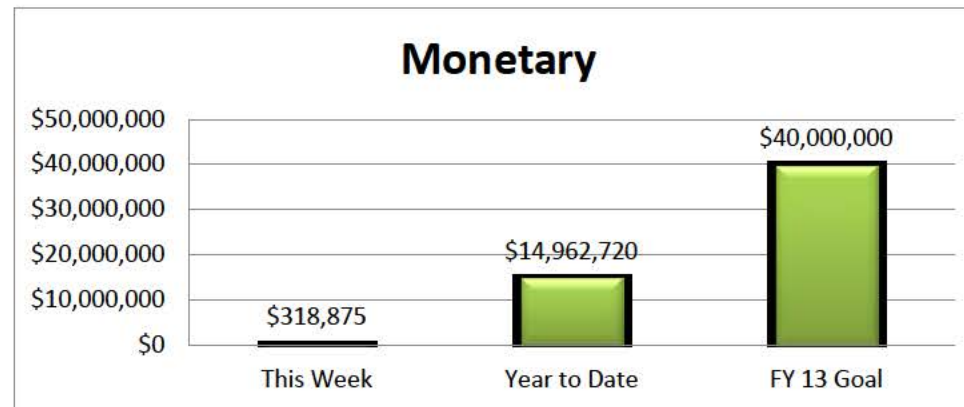
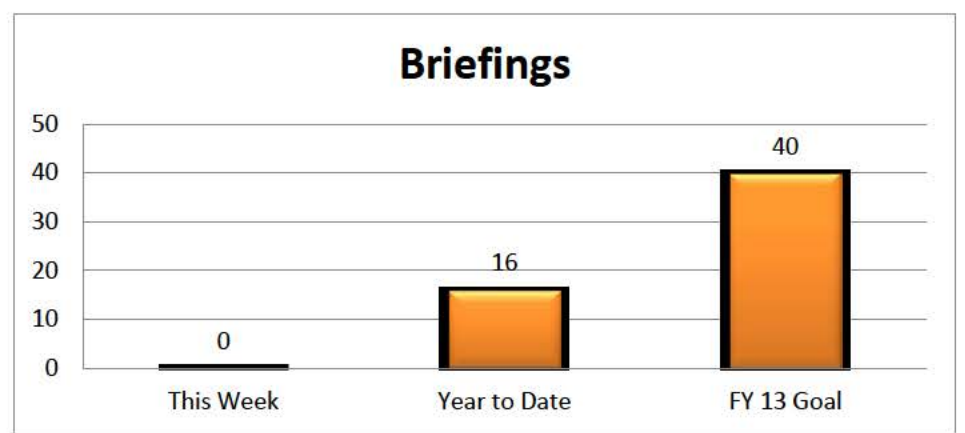
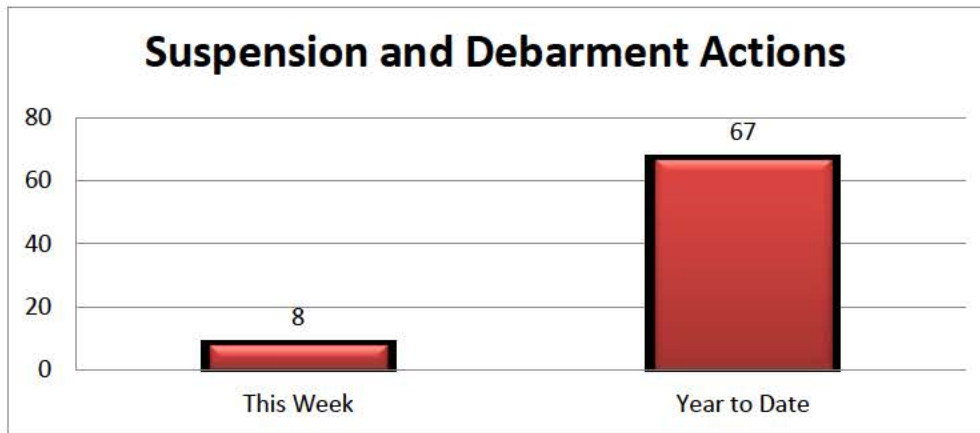
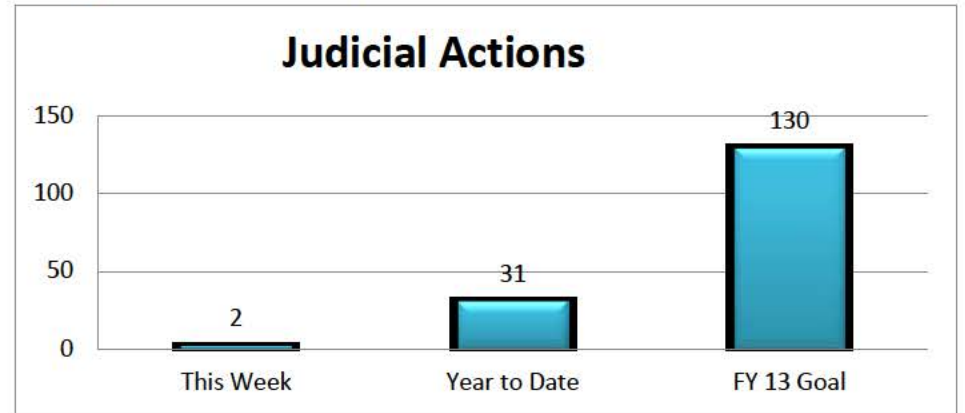
On October 3, 2012, (b) (6), (b) (7)(C) appeared before the Honorable Ursula Ungaro, U.S. District Judge, SDFL, and pled guilty to the Information.

(b) (6), (b) (7)(C)

Special Agent in Charge
GSA/Office of the Inspector General
Atlanta, Georgia

(b) (6), (b) (7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JANUARY 25, 2013 - JANUARY 31, 2013





JI Updates

February 1, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

Nothing significant to report

New York (JI-2)

On February 6, 2013, ASAC [REDACTED] and the investigative team will attend a presentation given by counsel representing JHJ Enterprises, LLC at the USAO DNJ. The purpose of the presentation is to advise the USAO as to why charges should not be filed against JHJ officials for allegedly making false representations as a SDVOB in order to obtain federal and state contracts. (DNJ/False Statements/I1020746)

Philadelphia (JI-3)

On February 6, 2013, JI-3 will assist SA [REDACTED] JI-6, with the execution of a search warrant in Warminster, PA.

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

During the week of February 3, 2013, SA [REDACTED] will attempt to interview [REDACTED] regarding the bribery attempt made to [REDACTED] by [REDACTED]. [REDACTED] was contracted by GSA as a national broker to help facilitate the finding of leased space for CBP. This case involves the possible bribery of a GSA national broker in order to win favoritism on being selected for a leased property. (WDMI/Bribery/I1354437)

(b) (7)(A)

[REDACTED]
/I1263462)

Kansas City (JI-6)

(b) (7)(A)



JI Updates

February 1, 2013

(b) (7)(A)

/11263462)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will recover two New Deal Era artwork pieces from (b) (6), (b)(7)(C), private possessor, who recently offered the artwork for auction on eBay. (b) (6), (b)(7)(C) agreed to cooperate and return the artwork. (I1394777/WPA Artwork/SDCA)

Auburn (JI-10)

On February 7, 2013, JI-10 will host the Western Region Procurement Fraud Working Group meeting. During the meeting, special agents will receive System for Award Management training.

Internal Operations

Hotline

Hotline Contacts – 55

Hotline Referrals – 11

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

Two new disclosures were received from (b) (7)(D) and (b) (7)(D). The disclosures involve false statements regarding labor hours. To date, the Investigations Operations Division has received 103 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: False Claims: Over the Hill Auto Repair
File Number: I1122268
Case Agent: SA (b) (6), (b) (7)(C), JI-2

On January 25, 2013, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Over the Hill Auto Repair (OTH), Calcium, NY, appeared before the Honorable (b) (6), (b) (7)(C) U.S. District Court Judge, Northern District of New York (NDNY), and was sentenced to six months home confinement, five years supervisory release, \$34,000 restitution, and a \$100 special assessment fee. Previously, on June 15, 2012, (b) (6), (b) (7)(C) pled guilty to an Information charging (b) (6), (b) (7)(C) with one count of violating 18 USC 287, False Claims.

This case was investigated by GSA OIG and the Army CID. This case was prosecuted by AUSA (b) (6), (b) (7)(C), USAO NDNY.

BACKGROUND

This investigation was initiated based on information received from the GSA Region 2 Fleet Management Services Division that OTH may have been charging GSA for repair work not performed on vehicles being leased to the Army at Ft. Drum, NY. Through interviews and other investigative techniques, GSA OIG and Army CID Special Agents were able to substantiate the allegations and ultimately obtained a confession from (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) admitted to charging GSA for work not performed as well as performing repairs that were unnecessary.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (2) (b) (6), (b) (7)(C) | F: (b) (6), (b) (7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: MRC-QTR SDVOSB Contract Fraud

Case #: 110-0-0226

Case Agent: (b) (6), (b)(7)(C) -10

On January 8, 2013, (b) (6), (b)(7)(C) was sentenced in the U.S. District Court for the District of Idaho (Boise). (b) (6), (b)(7)(C) was sentenced to two years of probation and fined \$20,000. Chief U.S. District Judge (b) (6), (b)(7)(C) ordered (b) (6), (b)(7)(C) to serve eight months of (b) (6), (b)(7)(C) probation sentence on home detention, perform 80 hours of community service, and forfeit \$150,000. On September 18, 2012, (b) (6), (b)(7)(C) pled guilty to a superseding information that charged (b) (6), (b)(7)(C) with one count of 18 U.S.C. 1343, Wire Fraud. The information charged that (b) (6), (b)(7)(C) devised a scheme to defraud federal agencies by falsely representing that McDonald Roofing and Construction (MRC) was eligible to be awarded contracts under the HUBZone Program; based on these false representations, the government awarded MRC contracts valued at \$218,241.

The case was prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was initiated in response to a complaint from the U.S. Government Accountability Office (GAO). The GAO had received a hotline complaint alleging fraud concerning the service disabled veteran-owned small business (SDVOSB) contracts that were awarded to MCR/QTR Joint Venture. It was alleged that MRC, a company located in Boise, ID, was ineligible to receive set-aside contracts because the daily operations of the company were not controlled by the service disabled veteran majority owner, as they were controlled by (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) of QTR. The GAO's initial investigation supported the allegations of non-veteran company control, and a referral was made to the GSA OIG as MRC/QTR Joint Venture had been awarded a GSA contract under the SDVOSB program.

Information gathered through witness interviews, document reviews, and search warrant operations showed that from 2003 to 2010, (b) (6), (b)(7)(C) made false and fraudulent representations to government agencies in order to unlawfully acquire contracts through the HUBZone program and the SDVOSB program. The investigation also determined that (b) (6), (b)(7)(C) unlawfully acquired property through GSA's Federal Surplus Property Donation Program.

JI-10 worked the investigation with SBA OIG, IRS CI, DOI OIG, USDA OIG, VA OIG, DCIS and Army CID (MPFU).

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent-In-Charge
GSA/Office of Inspector General
Auburn, WA

(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b) (7)(C) – FLEET Card Fraud
Case Number: 112-0-3106
Case Agent: SA (b) (6), (b) (7)(C), JI-10

On December 20, 2012, pursuant to a general court martial in the U.S Army Trial Judiciary Fourth Judicial Circuit, Sergeant (b) (6), (b) (7)(C) was sentenced to the following: reduction in rank to E-1; total forfeiture of pay and allowances; 24 months confinement; and a bad conduct discharge. (b) (6), (b) (7)(C) pled guilty to violating UCMJ Article 121 (Larceny and Wrongful Appropriation); Article 81 (Conspiracy); Article 128 (Assault), Article 134 (Obstruction of Justice); and Article 92 (Failure to obey an order). (b) (6), (b) (7)(C) plea was accepted by Major General (b) (6), (b) (7)(C), Joint Base Lewis-McChord (JBLM) Post Commanding Officer.

The case was prosecuted by Captain (b) (6), (b) (7)(C), Judge Advocate, Trial Counsel, 62nd Medical Brigade, JBLM.

BACKGROUND:

In September 2011, the GSA Fleet Loss Prevention (LPT) team reported the suspected fraudulent use of a FLEET card assigned to the Army, JBLM. With the assistance of the LPT, the investigation revealed suspicious activity associated with additional FLEET cards assigned to the Army. Using real time transaction alerts JI-10 agents were able to capture the subjects of the investigation on video. JI-10 agents were also able to gather video evidence from several gas stations. (b) (6), (b) (7)(C) was ultimately identified as the primary subject of the investigation. (b) (6), (b) (7)(C) was an active duty Army soldier assigned to JBLM, and (b) (6), (b) (7)(C) had access to numerous GSA vehicles and FLEET cards. The investigation determined that (b) (6), (b) (7)(C) stole FLEET cards from vehicles in or around JBLM, and (b) (6), (b) (7)(C) used at least 14 FLEET cards to rack up over \$21,000 in fraudulent charges. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) conducted these fraudulent transactions for their personal benefit; and on numerous occasions, they sold gasoline for cash.

In November 2011, JI-10 agents attempted to interview (b) (6), (b) (7)(C) but (b) (6), (b) (7)(C) refused to provide any information. Even after being confronted by the JI-10 agents, (b) (6), (b) (7)(C) continued to steal FLEET cards and conduct fraudulent transactions. In March 2012, JI-10 agents interviewed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) confessed to illegally using the FLEET cards; (b) (6), (b) (7)(C) agreed to assist with the investigation. From March 2012 through August 2012, (b) (6), (b) (7)(C) made numerous attempts to influence/intimidate (b) (6), (b) (7)(C).

Army CID agents and the case agent interviewed (b) (6), (b) (7)(C) in August 2012; (b) (6), (b) (7)(C) confessed and provided a sworn statement admitting to the fraudulent use of the FLEET cards.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C)

Special Agent-In-Charge
GSA/Office of Inspector General
Auburn, WA

(b) (6), (b) (7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (6), (b) (7)(C) – WEX CARD FRAUD – G43-3463H – Lebanon PA

Case Number: 11233413

Case Agent: (b) (6), (b) (7)(C) JI-3

On January 31, 2013, (b) (6), (b) (7)(C) appeared before U.S. Magistrate Judge Martin C. Carlson, Middle District of Pennsylvania, and was sentenced to six months incarceration, one year supervised release, \$1,187 restitution, and a \$25 special assessment fee. On June 12, 2012, (b) (6), (b) (7)(C) pled guilty to a two-count Superseding Information charging (b) (6), (b) (7)(C) with violating 18 U.S.C. 641, Theft of Government Property.

This case was investigated by GSA OIG, VA OIG and VA Police. The case was prosecuted by AUSA (b) (6), (b) (7)(C), USAO MDPA.

BACKGROUND

On February 8, 2012, JI-3 initiated an investigation after receiving a referral from the GSA Fleet Loss Prevention Office regarding suspicious activity associated with the FLEET card assigned to GSA vehicle G43-3463H, currently being leased by the U.S. Department of Veterans Affairs (VA) in Lebanon, PA. Specifically, the FLEET card was being fraudulently used to purchase gas and general merchandise at various gas stations in and around Lebanon, PA. Through surveillance operations and analysis of gas station surveillance video, (b) (6), (b) (7)(C), a volunteer driver for the VA Hospital located in Lebanon, PA, was identified as the individual suspected of fraudulently using the FLEET card. On February 10, 2012, GSA OIG and VA OIG Special Agents, along with detectives from the VA Police Department, executed a search warrant for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) vehicle. Agents recovered a GSA FLEET card in (b) (6), (b) (7)(C) possession. (b) (6), (b) (7)(C) was subsequently interviewed and confessed to fraudulently using two GSA FLEET cards. The loss to the government is approximately \$1,187.00.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C)

Special Agent in Charge

GSA Office of Inspector General

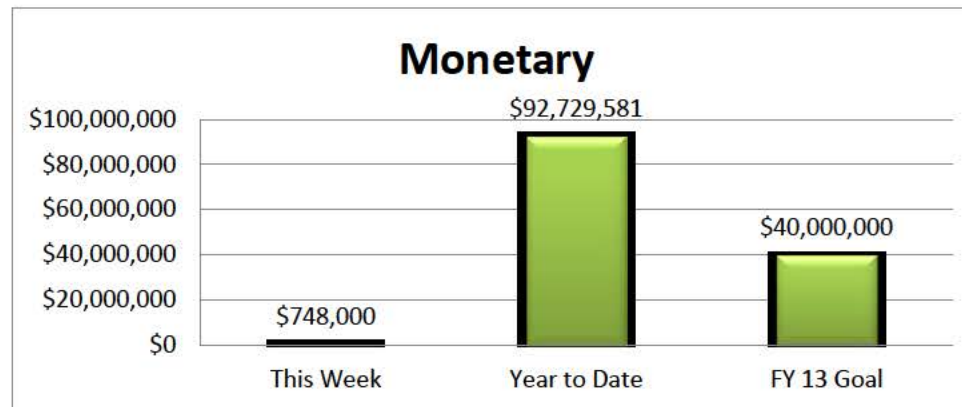
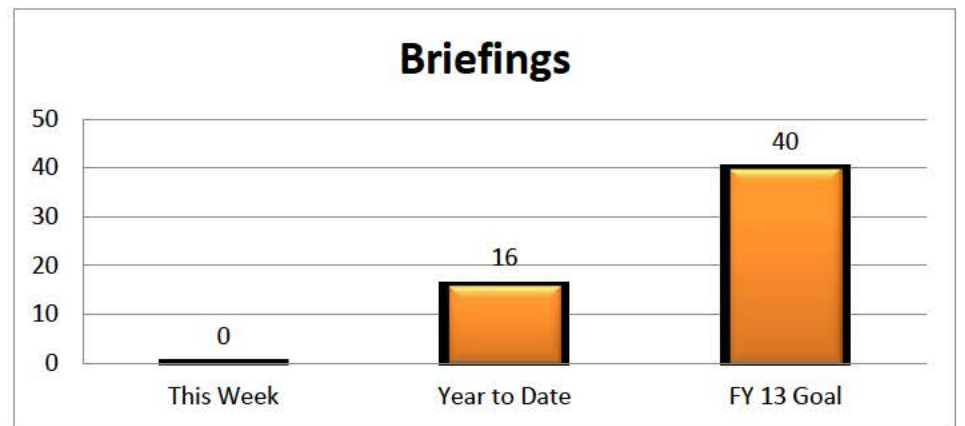
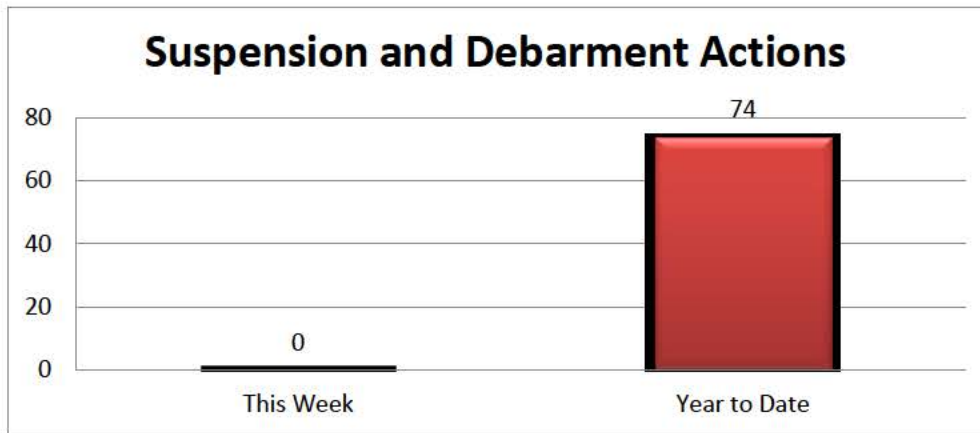
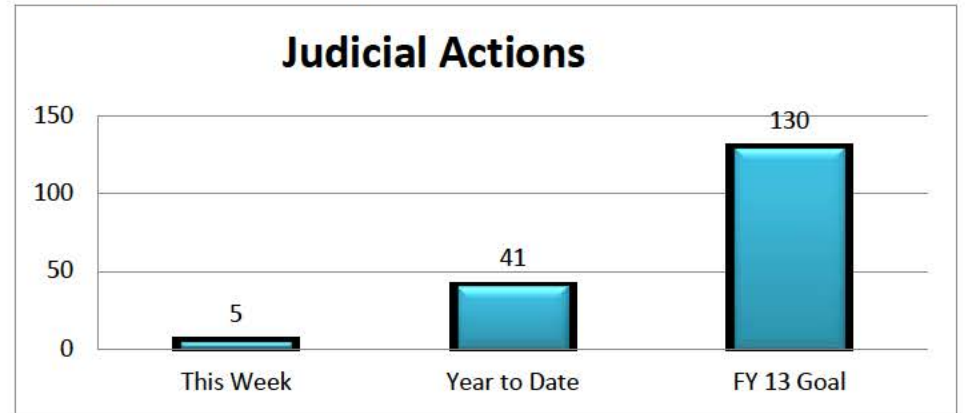
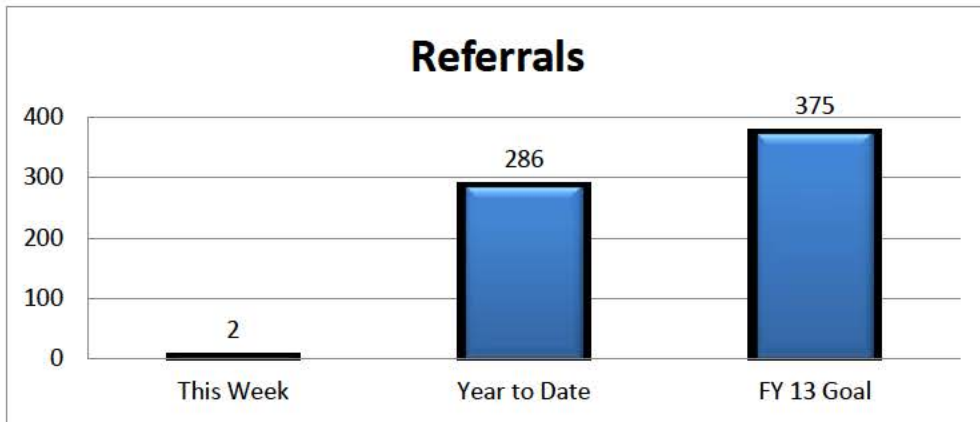
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

600 Arch St., Room 4452

Philadelphia, PA 19106

P: (b) (6), (b) (7)(C) | F: (b) (6), (b) (7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 1, 2013 - FEBRUARY 7, 2013





JI Updates

February 8, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of February 11, 2013, SA (b) (6), (b) (7)(C) will attempt to locate and arrest (b) (6), (b) (7)(C) former Recruiter, United States Marine Corps, for (b) (6), (b) (7)(C) involvement in using fleet cards for personal gain. (EDVA/Fraud/I11W2786)

During the week of February 11, 2013, SA (b) (6), (b) (7)(C) and SA (b) (6), (b) (7)(C), FBI, will conduct consensually recorded conversations between a cooperating defendant and multiple government contracting officials. The SAs will also conduct consensually recorded conversations between the cooperating defendant and (b) (6), (b) (7)(C) attorney, who allegedly participated in destroying and falsifying documents relevant to an IG Subpoena. The investigation originated from a qui tam alleging that Persaud Companies Inc. had fraudulently inflated contracts in order to maximize (b) (6), (b) (7)(C) company's profit. (EDVA/Criminal/I11W2304)

(b) (7)(A)

/I11W2295)

Boston (JI-1)

On February 15, 2013, JI-1 will be conducting firearms training.

New York (JI-2)

(b) (7)(A)

/I1224307)

(b) (7)(A)

Z1223545)

Philadelphia (JI-3)

(b) (7)(A)



JI Updates

February 8, 2013

(b) (7)(A)

(b) (7)(A)
I1030806)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

On February 13, 2013, JI-5 SA (b) (6), (b)(7)(C) JA-5 (b) (6), (b)(7)(C), JC Attorney (b) (6), (b)(7)(C), and the AUSA's office for the District of Columbia, will participate in a conference with Tremco's counsel to discuss potential damages under the false claims act. Tremco, a roofing contractor, holds two GSA MAS contracts, and is under investigation for violation of the false claims act and defective pricing. (WDC/Qui Tam/I11W0797)

Kansas City (JI-6)

(b) (7)(A)

(b) (7)(A)
I1263462)

Denver (JI-8)

(b) (7)(A)

(b) (7)(A)
I109D0387)

Dallas/FT Worth (JI-7)

(b) (7)(A)

(b) (7)(A)
I11374396)

San Francisco (JI-9)

During the week of February 11, 2013, SA (b) (6), (b)(7)(C) and the FBI will interview a GSA contracting officer and additional GSA employees concerning a conflict of interest allegation involving retired GSA manager (b) (6), (b)(7)(C), presently employed with GSA contractor (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) GSA issued laptop and zoom tablet are pending analysis by SA (b) (6), (b)(7)(C) JI-3. (NDCA/conflict of interest/Z1394600)



JI Updates

February 8, 2013

During the week of February 11, 2013, Special Agent in Charge (b) (6), (b)(7)(C) will report to JI-9 from the DOI OIG.

Auburn (JI-10)

(b) (7)(A)

Fraud/I1203609)

(WDWA/FLEET Card

Internal Operations

Hotline

Hotline Contacts – 47

Hotline Referrals – 6

ARRA

(b) (7)(A)

/I11W2425)

(b) (7)(A)

/I12L3175)

(b) (7)(A)

/I1020550)

JI-B

No new disclosures were received. To date, the Investigations Operations Division has received 103 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Num: I0930072

Case Agent: SA (b) (6), (b)(7)(C), JI-3

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (b) (6), (b)(7)(C)

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) Debarment
Case Number: I1253368
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On January 31, 2013, (b) (6), (b)(7)(C) was debarred by the Suspension and Debarment Office, Office of Acquisition Integrity, GSA. The debarment period will run through July 15, 2015.

BACKGROUND:

On July 16, 2012, Suspension and Debarment Office, Office of Acquisition Integrity, GSA issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation is warranted based upon the filing of an Information charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation. According to the Information, beginning on or about January 1999, and continuing until on or about July 30, 2008, Defendant (b) (6), (b)(7)(C) did knowingly and willfully conspire, confederate and agree to commit bribery concerning programs receiving federal funds.

On August 6, 2009, a six (6) count Information was filed in the U.S. District Court for the Northern District of Ohio, Eastern Division, as criminal case number 09-CR-342, charging (b) (6), (b)(7)(C) and another individual with 18 USC 371 Conspiracy to Commit Bribery Concerning Programs Receiving Federal Funds, 18 USC 666(a)(1)(B) Bribery Concerning Programs Receiving Federal Funds, 18 USC 1001 False Statements, and 26 USC 7206 Filing False Income Tax Returns.

On September 9, 2009, (b) (6), (b)(7)(C) pleaded guilty to counts 1-6 of the Information.

On January 31, 2011, U.S. District Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) for a total term of 108 months, a \$600.00 Special Assessment, and restitution in the amount of \$728,000.

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite 408
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) Debarment
Case Number: I1253356
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On January 31, 2013, (b) (6), (b)(7)(C) was debarred by the Suspension and Debarment Office, Office of Acquisition Integrity, GSA. The debarment period will run through September 26, 2015.

BACKGROUND:

On September 27, 2012, Suspension and Debarment Office, Office of Acquisition Integrity, GSA issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation is warranted based upon the filing of an Information charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation. According to the Information, from in or about December 1, 2002, to on or about December 31, 2008, (b) (6), (b)(7)(C) did corruptly give, offer and agree to give anything of value to a Parma School Board member with the intent to influence and reward in connection with any business.

On August 13, 2009, a 2 count Information was filed in the U.S. District Court for the Northern District of Ohio, Eastern Division, as criminal case number 09-CR-364, charging (b) (6), (b)(7)(C) with 18 USC 666(a)(1)(2) Bribery Concerning Programs Receiving Federal Funds, and 18 USC 1341, in violation of 18 USC 1349 Conspiracy to Commit Mail Fraud.

On August 31, 2009, Defendant (b) (6), (b)(7)(C) was arraigned and pleaded guilty on all counts.

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite 408
230 South Dearborn Street
Chicago, Illinois 60604

(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) Debarment
Case Number: I1253502
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On January 10, 2013, (b) (6), (b)(7)(C) was debarred by the Suspension and Debarment Office, Office of Acquisition Integrity, GSA. The debarment period will run through September 5, 2015.

BACKGROUND

On September 6, 2012, Suspension and Debarment Office, Office of Acquisition Integrity, GSA issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation was warranted based upon the plea of guilty to one count of conspiring to solicit a bribe, in violation of 18 USC 371, (b) (6), (b)(7)(C) made on April 30, 2010. (b) (6), (b)(7)(C) a longtime associate of former Illinois Governor (b) (6), (b) (7)(C), conspired with (b) (6), (b) (7)(C) and others to corruptly solicit and demand political contributions.

(b) (6), (b)(7)(C) was sentenced to twenty-four months in prison and one-year supervised release. (b) (6), (b)(7)(C) was ordered to pay a criminal monetary penalty of \$7,500 and an assessment fee of \$100.

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite 408
230 South Dearborn Street
Chicago, Illinois 60604

(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: Qui-Tam / Corning Incorporated
Case #: 11232093
Case Agent: SA (b) (6), (b)(7)(C)

On February 7, 2013, Corning Incorporated reached a \$5,650,000 settlement with the United States to resolve False Claims Act claims in a whistleblower suit. The suit, filed in October 2010, in the U.S. District Court for the District of Columbia, alleges Corning from 2001 through December 2009, failed to provide the GSA with price discounts provided to private customers and caused the United States to pay more than it should have for Corning products.

The GSA contract (GS-07F-5756R) was awarded to Corning in April 2005 to sell laboratory research products to federal government entities through the GSA Multiple Award Schedule program. Corning was paid \$12,670,000 under the contract, of which Corning agreed to pay \$5,650,000 to settle this investigation and allegations filed in the qui tam suit.

This investigation was conducted by GSA OIG under the direction of Trial Attorney (b) (6), (b)(7)(C), DOJ Civil Division.

BACKGROUND

This investigation was initiated based on allegations that in contract negotiations and over the course of the contract, Corning knowingly failed to meet its contractual obligations to provide GSA with current, accurate and complete information about its commercial sales practices, including discounts offered to other customers; and that Corning knowingly made false statements to GSA about its sales practices and discounts. The investigation determined Corning knowingly failed to comply with the price reduction clause of its GSA contract by failing to disclose to GSA discounts Corning gave to its commercial customers when they were higher than the discounts that Corning had disclosed to GSA, and by failing to pass those discounts on to government customers. As such, the United States accepted lower discounts and ultimately paid far more than it should have for Corning products.

The suit was filed under the qui tam, or whistleblower, provisions of the False Claims Act by (b) (6), (b)(7)(C), a former account manager at Corning.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: Qui Tam: World Wide Technology, Inc
Case Number: I11H2177
Case Agent: ASAC (b) (6), (b)(7)(C), SA (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C),
Intern, JIB-C

On February 7, 2013, World Wide Technology, Inc (WWT) entered into a settlement agreement with the United States Government and agreed to pay \$735,000 for the sale of products under their GSA MAS Contract GS-35F4194D that were not in compliance with the Trade Agreements Act.

The case is being prosecuted by AUSA (b) (6), (b)(7)(C), DC.

BACKGROUND

On August 18, 2010, a qui tam suit was filed in U.S. District Court for the District of Columbia alleging WWT sold products to government customers that originated in countries not designated by the Trade Agreements Act. WWT had contracts with GSA, U.S. Army, NASA and the National Institute of Health.

Investigation revealed that WWT violated the TAA and the terms of its contracts by making sales from March 2009 to August 2010 of certain products in countries not designated by the TAA. These sales stemmed from a data entry error by WWT's GSA compliance contractor in March 2009 which subsequently propagated into the database WWT utilized to track its compliance with the TAA. Specifically, in preparing WWT's electronic submission to GSA's web-based procurement tool, the compliance contractor incorrectly entered the country of origin code for products originating in China (CN), a TAA non-designated country. Instead of entering CN, he used the country of origin code for products originating in Canada (CA), a TAA designated country.

For information regarding this Significant Item, please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent

Civil Enforcement Section (JIB-C)

GSA Office of Inspector General

New York Office (b) (6), (b)(7)(C)

Washington DC Office (b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: WEX Fraud, Veteran Affairs, Lyons, NJ

Case #: 11224213

Case Agent: SA (b) (6), (b)(7)(C)

On February 7, 2013, (b) (6), (b)(7)(C), Mail Clerk, U.S. Department of Veteran Affairs, Lyons, NJ, was arrested without incident pursuant to an Arrest Warrant / Criminal Complaint issued by the Somerset County Prosecutors Office. The complaint charges (b) (6), (b)(7)(C) with violating New Jersey Code of Criminal Justice Statutes 2C:30-2A, Official Misconduct (second degree crime); 2C:30-7(A), Pattern of Official Misconduct (third degree crime); and 2C:20-4A, Theft by Deception (third degree crime). A second degree crime carries a potential penalty of 5-10 years while a third degree crime may result in 3-5 years if convicted. (b) (6), (b)(7)(C) was transported to the Somerset County Jail, Somerset, NJ, pending (b) (6), (b)(7)(C) initial appearance and subsequent bail hearing.

This was a joint investigation with VA OIG and assistance provided by detectives from the Somerset County Prosecutor's Office, Special Investigations Unit. This case is being prosecuted by Assistant Prosecutor (b) (6), (b)(7)(C), Somerset County Prosecutor's Office, Somerville, NJ.

BACKGROUND

In July of 2012, GSA Fleet Loss Prevention Team reported the suspected fraudulent use of two FLEET cards assigned to warehouse operations at the Lyons Campus of the VA New Jersey Health Care System, Lyons, NJ. A joint investigation with GSA OIG and VA OIG between June and November of 2012 substantiated the fraudulent activity and revealed (b) (6), (b)(7)(C) had used the FLEET cards for personal use, resulting in a loss to the government of approximately \$6,937 as of November 14, 2012.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

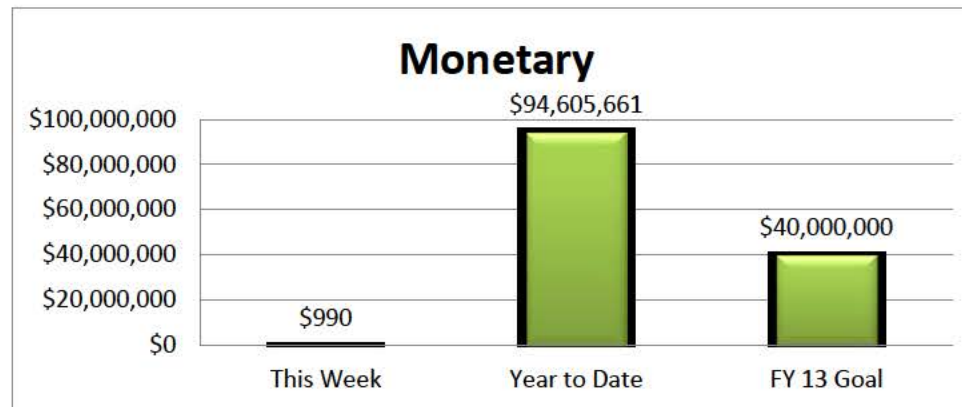
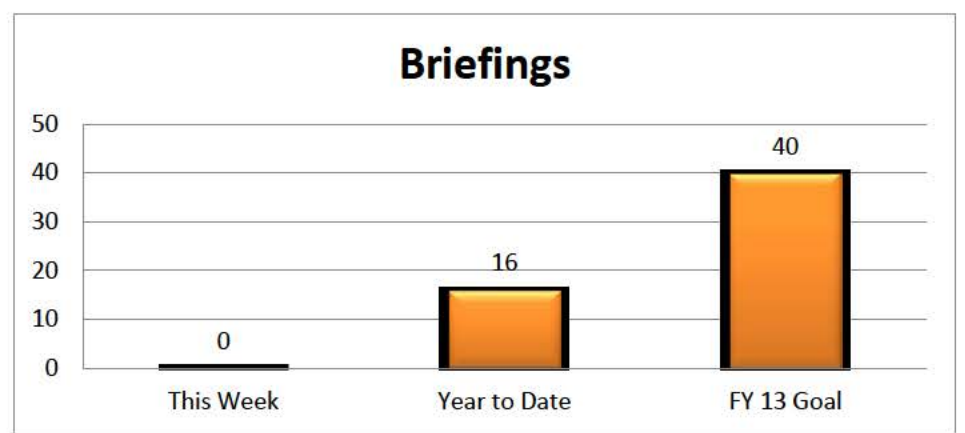
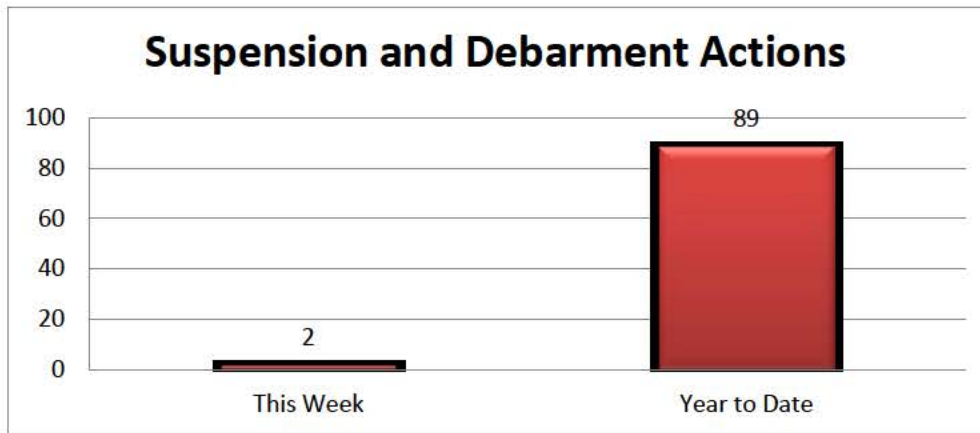
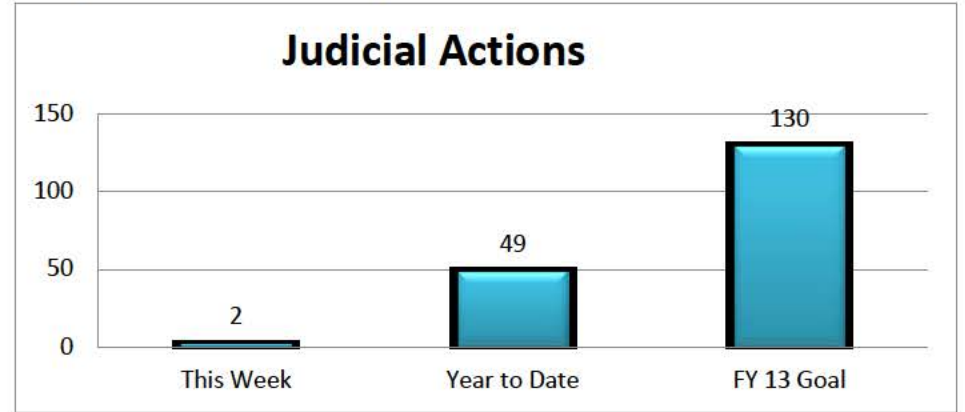
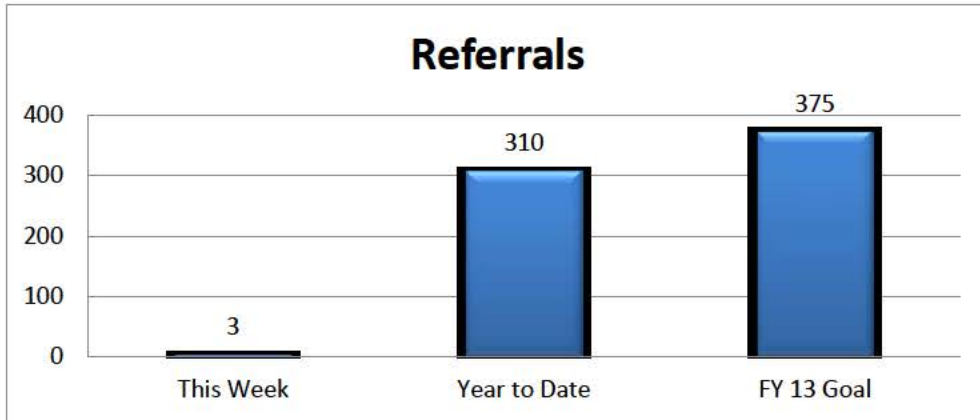
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

600 Arch St., Room 4452

Philadelphia, PA 19106

P: (b) (6), (b)(7)(C) | F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 8, 2013 - FEBRUARY 14, 2013





JI Updates

February 15, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of February 18, 2013, SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C), FBI, will attempt to consensually monitor a conversation between a cooperating defendant and (b) (6), (b)(7)(C), Attorney, Seeger, PC. (b) (6), (b)(7)(C) participated in fabricating and destroying documents in response to an IG subpoena. The cooperating defendant will also attempt to consensually monitor conversations with two GSA contracting officials. The investigation originated from a qui-tam alleging (b) (6), (b)(7)(C) had fraudulently inflated contracts in order to maximize company profits. In August 2012, a federal search warrant was executed at Persaud Companies, Inc. (EDVA/Criminal/I11W2304)

(b) (7)(A)

/I11W2295)

Boston (JI-1)

(b) (7)(A)

/I1010856)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

/I1263462)

Atlanta (JI-4)

(b) (7)(A)



JI Updates

February 15, 2013

(b) (7)(A)

/11142172)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

During the week of February 18, 2013, ASAC (b) (6), (b)(7)(C) will be TDY in San Antonio, TX, to assist with trial preparation and to participate in a pretrial hearing. (WDTX/Major Fraud/I040114)

(b) (7)(A)

/11263462)

Denver (JI-8)

On February 20, 2013, SA (b) (6), (b)(7)(C) along with SAs from VA OIG, SBA OIG and Army CID, will meet with the USAO, Civil Division, to discuss fraud surrounding an SDVOSB construction company involved with military contracts. (DCO/False Claims/I12D3257)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

The trial of (b) (6), (b)(7)(C), former (b) (6), (b)(7)(C) of L and N Industrial, a former GSA contractor, (b) (6), (b)(7)(C) of Centerline Industrial, Inc. and Centerline Industrial, a former GSA contractor, begins on February 20. (b) (6), (b)(7)(C) and Centerline were indicted in August 2012 with numerous counts including bribery, conspiracy and wire fraud resulting from a large scale corruption scheme at the U.S. Navy Fleet Readiness Center, North Island, San Diego, CA, involving GSA and Navy contractors, nine individuals have already pleaded guilty to similar charges in the scheme. (SDCA/bribery/I10L0762)

Auburn (JI-10)

Nothing significant to report

Hotline

Hotline Contacts – 57

Hotline Referrals – 2

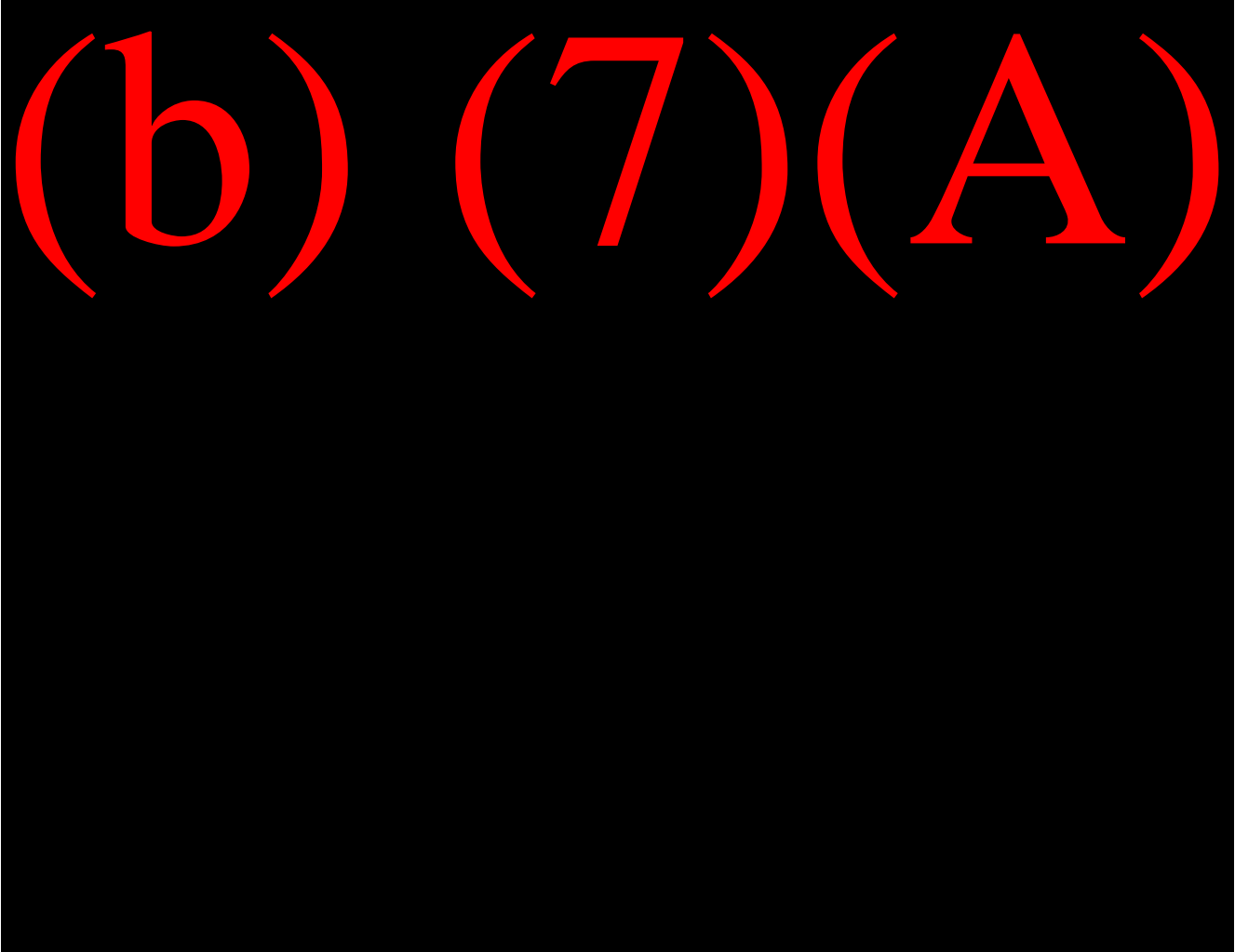
FAR

One new disclosure was received from (b) (7)(D). The disclosure involves a price reduction matter. To date, the Investigations Operations Division has received 104 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case #: 112H3570
Case Agent: ASAC (b) (6), (b)(7)(C)



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

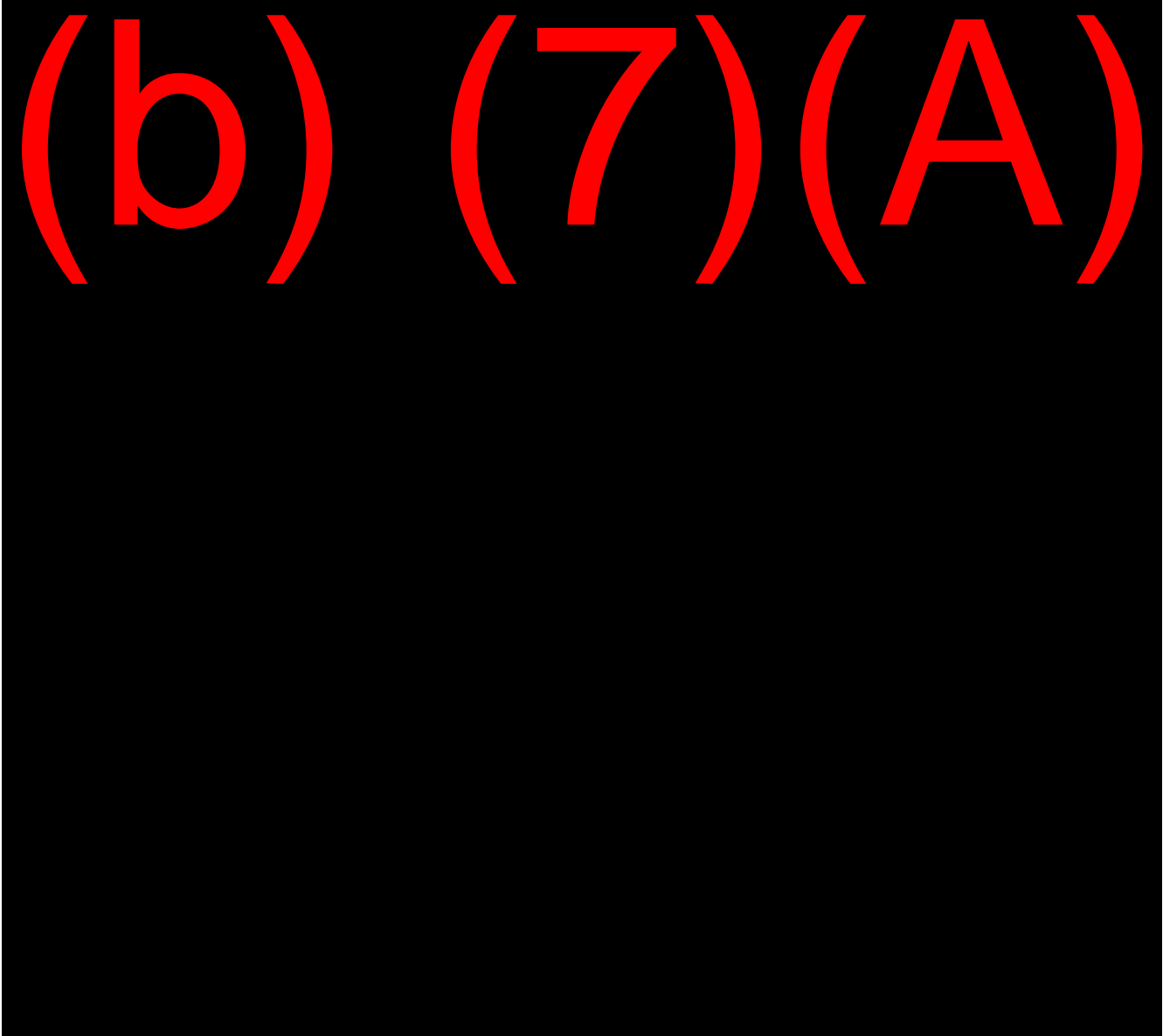
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (7)(A)

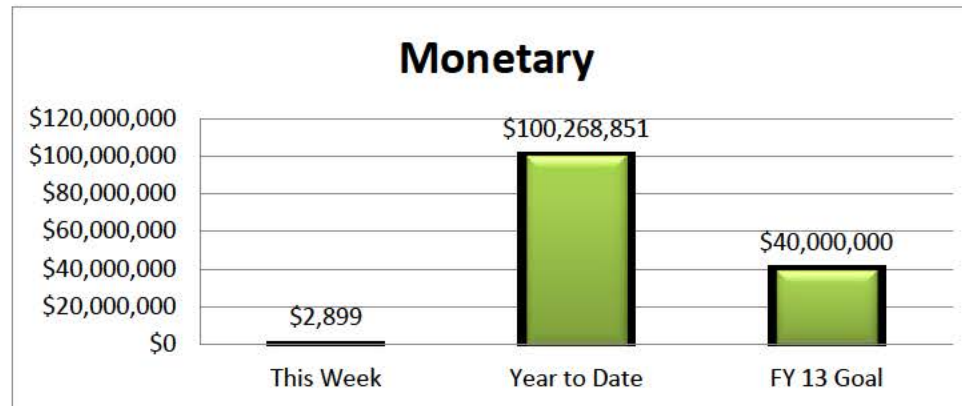
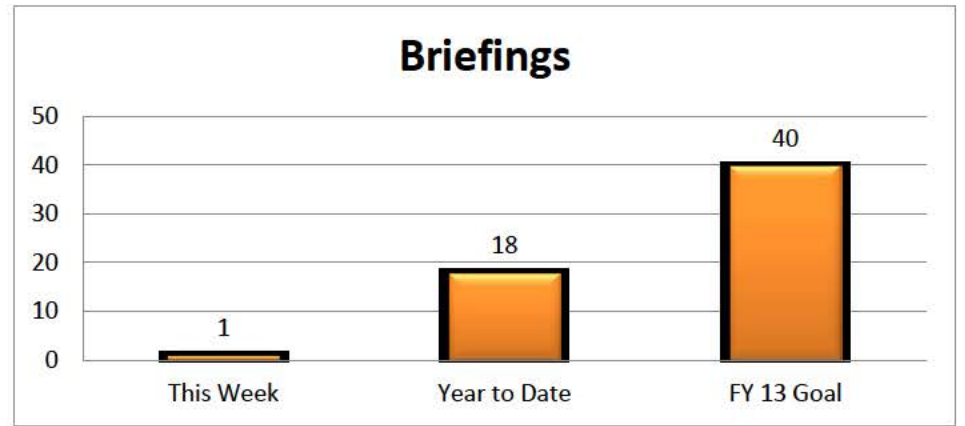
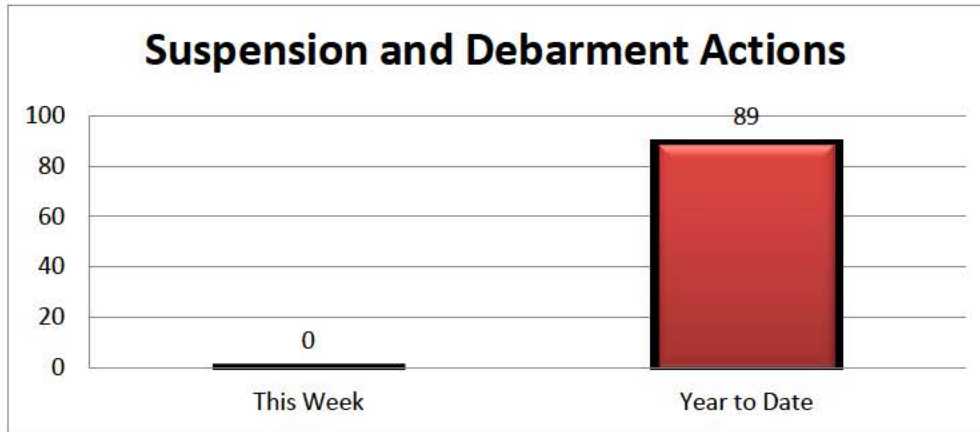
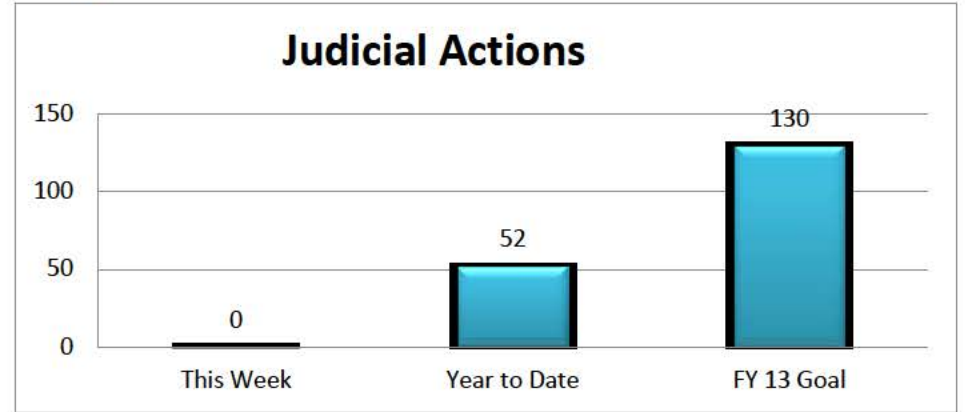
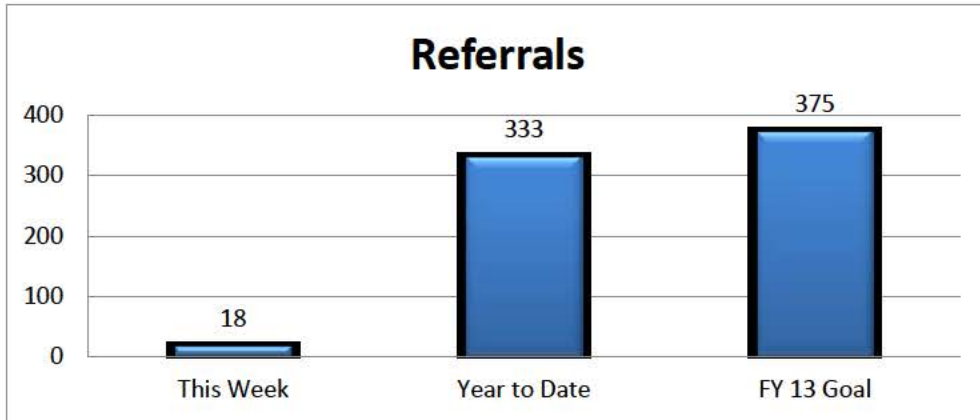
Case No: 110-0-0790

Case Agent: SA (b) (6), (b)(7)(C), JI-10



(b) (6), (b)(7)(C)
Special Agent-In-Charge
GSA/Office of Inspector General
Auburn, WA
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 15, 2013 - FEBRUARY 21, 2013





JI Updates

February 22, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of February 25, 2013, SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C), FBI, will attempt to consensually monitor a conversation between a cooperating defendant and a GSA contracting official who is possibly steering contracts. The investigation originated from a qui tam alleging (b) (6), (b)(7)(C) had fraudulently inflated contracts in order to maximize company profits. In August 2012, a federal search warrant was executed at Persaud Companies, Inc. (EDVA/Criminal/I11W2304)

Boston (JI-1)

(b) (7)(A)

/I1010592)

New York (JI-2)

(b) (7)(A)

/I1223818)

On February 27, 2013, SA (b) (6), (b)(7)(C) will meet with AUSA (b) (6), (b)(7)(C), USAO EDVA, to present this case for civil prosecution. This investigation was initiated based on an SOI report provided by JA-2, which disclosed ICF Z-Tech, Inc. overcharged HHS approximately \$2,564,863 by using incorrect labor rates on three task orders awarded under ICF's GSA MAS contract. (EDVA/False Claims/I1324634)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report



JI Updates

February 22, 2013

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

February 25, 2013 through February 26, 2013, SA (b) (6), (b)(7)(C) will be meeting with Main Justice trial attorneys in Kansas City for trial preparation with case witnesses, pursuant to an upcoming criminal trial that is scheduled for April 2013. This case involves a \$1.3 million major fraud scheme involving a minority contractor and DOD's Indian Incentive Program. (Main Justice/Major Fraud/I0960379)

On February 27, 2013, SA (b) (6), (b)(7)(C) will be attending a plea hearing. It is anticipated that (b) (6), (b)(7)(C) former (b) (6), (b)(7)(C) Titan Office Products, will plead guilty to GSA contract fraud and federal unemployment fraud. After (b) (6), (b)(7)(C) stole money, though his GSA contract by failing to fill orders, (b) (6), (b)(7)(C) proceeded to commit unemployment fraud against the federal government. (WDMO/Theft/I0861049)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

/I1292047)

During the week of February 25, 2013, SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will begin pre-trial preparation with (b) (6), (b)(7)(C), AUSA in Los Angeles, CA, in anticipation of the trial of (b) (6), (b)(7)(C) accused of bribery and witness tampering. (DNV/Bribery/I1090908)

Auburn (JI-10)

(b) (7)(A)

/I1203367)



JI Updates

February 22, 2013

Internal Operations

Hotline

Hotline Contacts – 64

Hotline Referrals – 9

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

(111W2425)

(b) (7)(A)

(11020550)

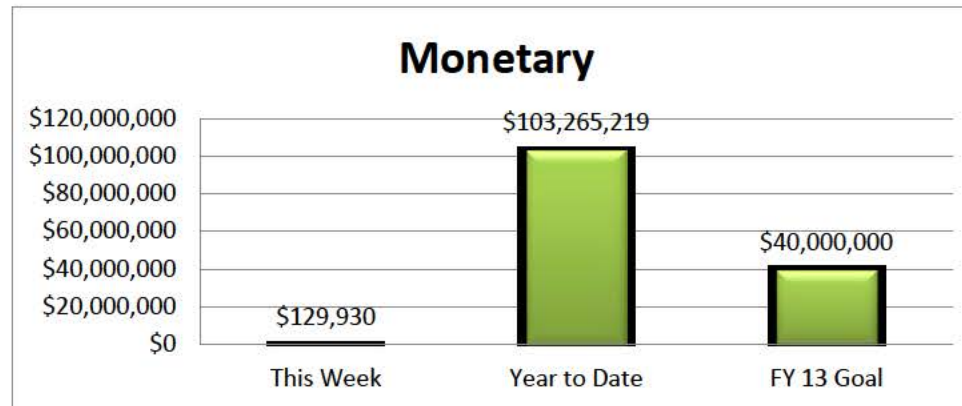
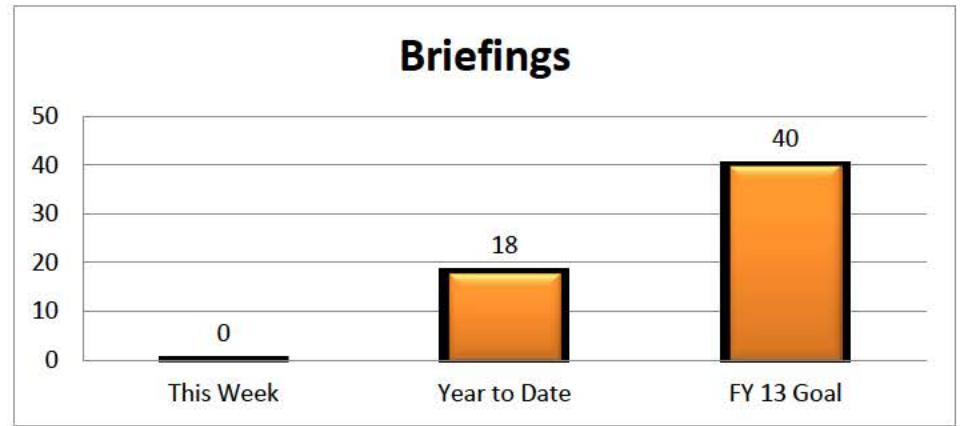
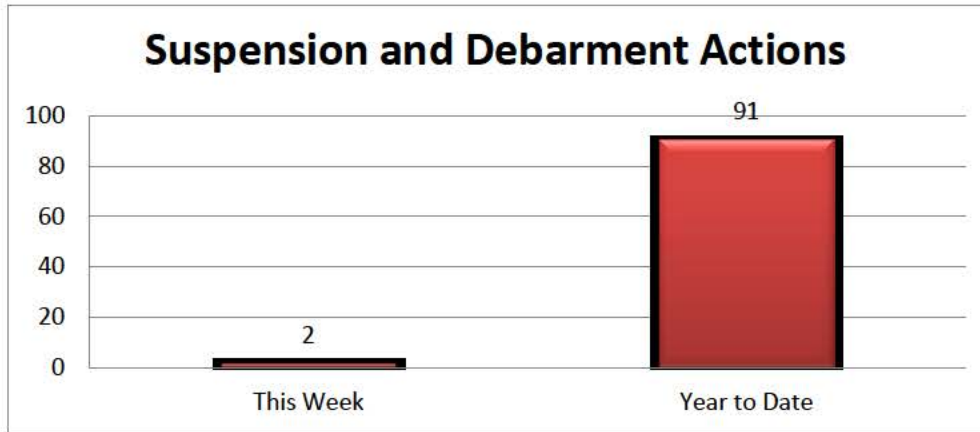
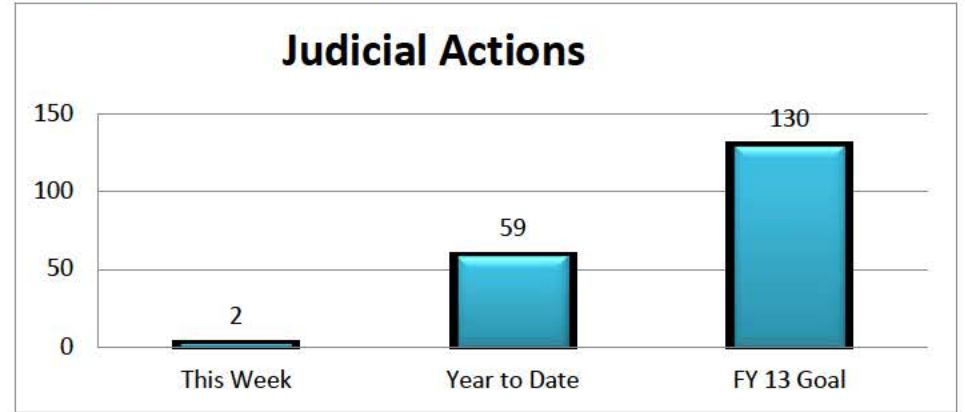
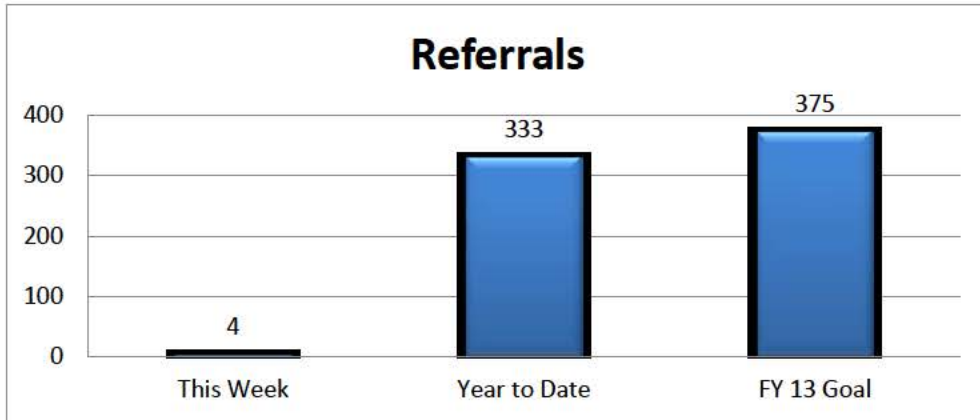
JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 104 disclosures.

On February 28, 2013, Branch Chief (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) are meeting with (b) (7)(D) (b) (7)(D) officials and their attorneys to discuss two on-going FAR disclosures. One involves price reduction issues and the other inadvertent administrative fees charged to the government under their GSA Contract (b) (7)(D). (DOJ Commercial Litigation/Civil/112H3809 and 112H3946)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 22, 2013 - FEBRUARY 28, 2013





JI Updates

March 1, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On March 1, 2013, ASAC (b) (6), (b)(7)(C) will formally notify an individual who is in possession of a rocking chair that is property of the White House. The chair was known to be in the White House during the Franklin D. Roosevelt era. The individual attempted to sell the rocking chair at an auction house in Atlanta, GA. ASAC (b) (6), (b)(7)(C) will be coordinating with the White House Counsel's Office during the process. (DC/Recovery/I13W4932)

During the week of March 1, 2013, SA (b) (6), (b)(7)(C) SAC (b) (6), (b)(7)(C) and Army CID, will be meeting with a potential source to identify Army personnel who have been using the FLEET card assigned to government vehicle G63-2293B for personal gain. To date, approximately 26 vehicles have been captured by a pole camera getting gas via the FLEET card. (EDVA/Conspiracy/I13W4519)

(b) (7)(A)

/I11W2295)

Boston (JI-1)

(b) (7)(A)

/I1010856)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report



JI Updates

March 1, 2013

Chicago (JI-5)

During the week of March 4, 2013, SA [REDACTED] will attempt to interview [REDACTED] regarding the bribery attempt made to [REDACTED] by [REDACTED]. [REDACTED] was contracted by GSA as a national broker to help facilitate the finding of leased space for CBP. This case involves the possible bribery of a GSA national broker in order to win favoritism on being selected for a leased property. (WDMI/Bribery/I11354437)

On March 5, 2013, SA [REDACTED] and SA [REDACTED] FBI, will brief AUSA [REDACTED], CDIL, regarding false claims made by the City of Hillsboro, IL related to the Federal Surplus Property Program (FSPP). The City of Hillsboro allowed both city employees and private residents access to the FSPP for the purpose of purchasing items for personal use. (CDIL/False Claims/I1050561)

Kansas City (JI-6)

On March 7, 2013, Acting Administrator Dan Tangherlini will be visiting Kansas City and will be meeting briefly with the OIG.

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

[REDACTED]
[REDACTED] (V1192917)

[REDACTED]
[REDACTED] (11294108)

During the week of March 4, 2013, SA [REDACTED] and SA [REDACTED] continue trial prep and the investigation of possible retaliation against a federal witness and his/her family. (DNV/Bribery/I1090908)

Auburn (JI-10)

Nothing significant to report



JI Updates

March 1, 2013

Internal Operations

Hotline

Hotline Contacts – 56

Hotline Referrals – 5

Investigations

Nothing significant to report

ARRA

Nothing significant to report

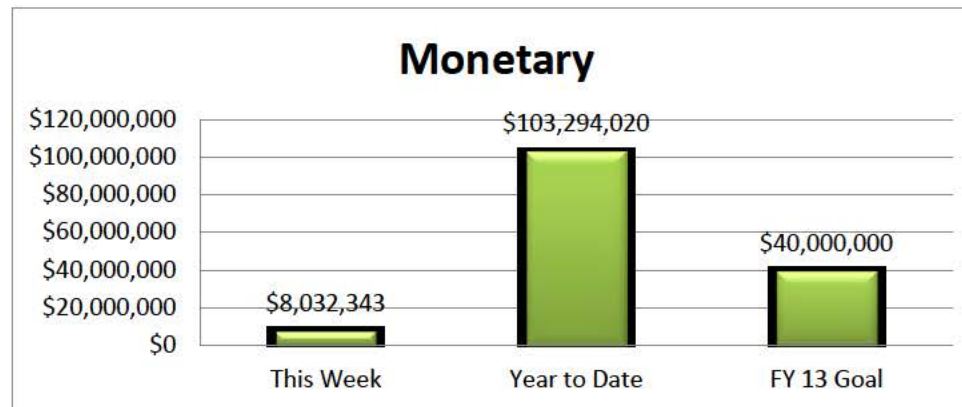
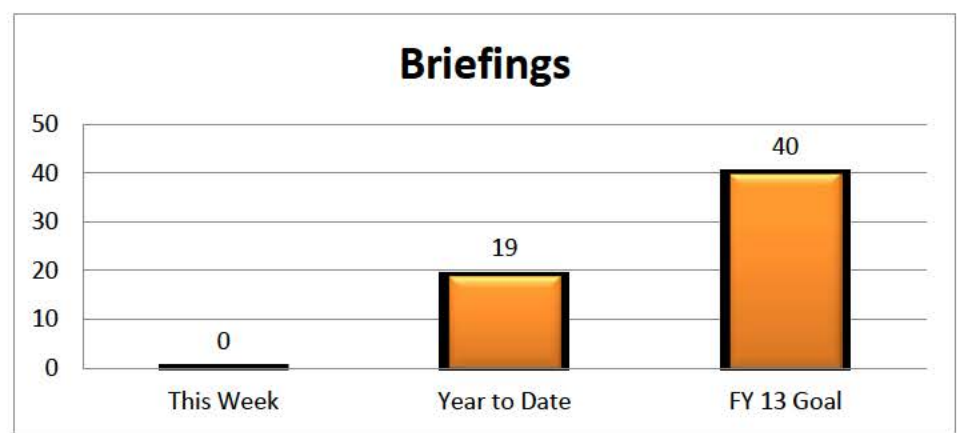
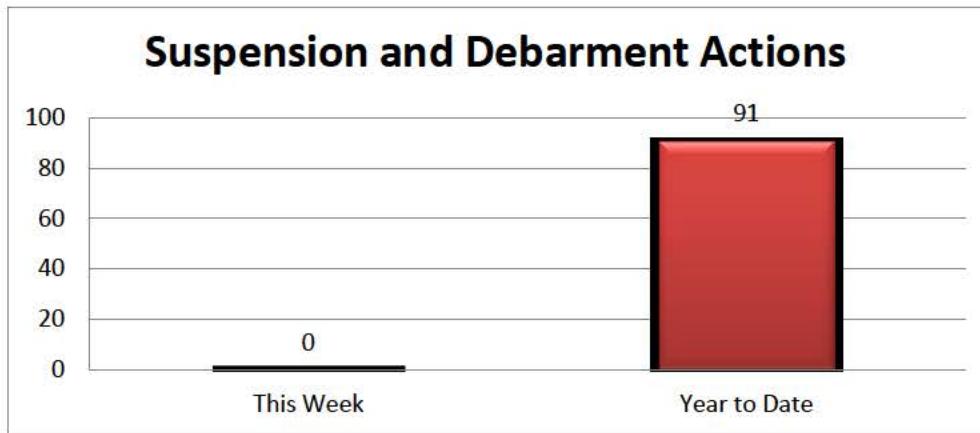
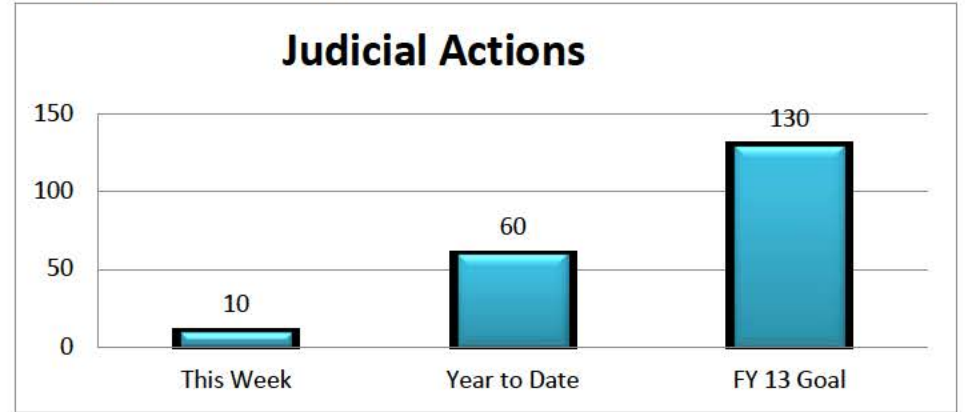
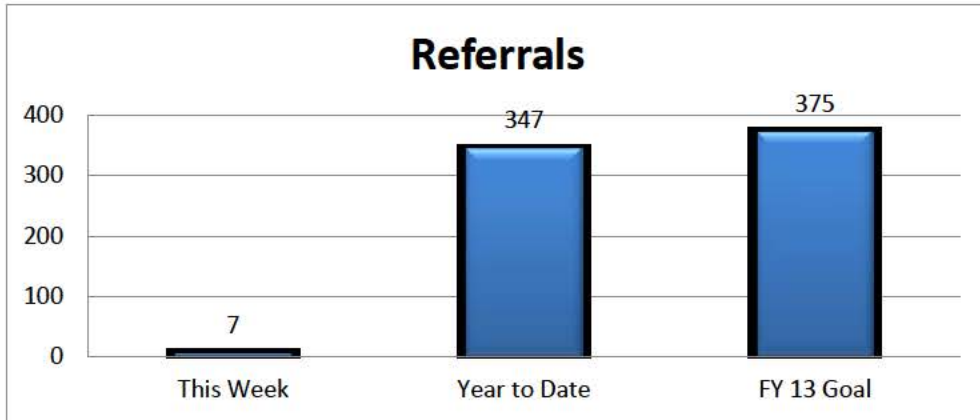
JI-B

FAR

One new disclosure was received from (b) (7)(D). The disclosure involves unqualified workers. To date, the Investigations Operations Division has received 105 disclosures.

Law Enforcement Sensitive

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 1, 2013 - MARCH 7, 2013





JI Updates

March 8, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of March 11, 2013, SA (b) (6), (b)(7)(C) plans to swear out a search warrant in the Eastern District of Virginia for an email account belonging to (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was indicted in 2010 on numerous counts related to a counterfeit Cisco conspiracy (b) (6), (b)(7)(C) was involved in, but (b) (6), (b)(7)(C) fled the United States and is believed to be in China. Recently, (b) (6), (b)(7)(C) sent threatening emails to a government witness concerning her testimony at trial. (EDVA/Criminal/I10W0751)

On March 21, 2013, (b) (6), (b)(7)(C) is scheduled to be sentenced on bribery charges in U.S. District Court, in Baltimore, MD. (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) Sun Development, paid a cooperating defendant, who was a GSA employee, two bribe payments. The transactions were monitored and recorded by JI-W and FBI Special Agents. The cash bribe payments were in exchange for work to be completed at GSA facilities in Maryland. (DMD/Criminal/I12W4013)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)



I1132891)

From March 11, 2013 to March 22, 2013, SA (b) (6), (b)(7)(C) will be a class facilitator for the Basic Non-Criminal Investigator Training Program at the Inspector General Academy, FLETC.

Atlanta (JI-4)

During the week of March 11, 2013, SA (b) (6), (b)(7)(C) will submit an arrest warrant affidavit to (b) (6), (b)(7)(C) Assistant Statewide Prosecutor, Attorney General Office of Statewide Prosecution (AGOSP), Florida, for (b) (6), (b)(7)(C). GSA's Loss Prevention Team referred suspicious transactions on several FLEET cards assigned to the Miami Job Corps Center (MJCC), Miami, Florida to GSA OIG. Subsequent surveillance and investigative work revealed that (b) (6), (b)(7)(C)



JI Updates

March 8, 2013

Director of Social Development and Safety, MJCC, was using multiple FLEET cards to fuel personal vehicles. (AGOSP/FLEET Fraud/I12M2772) [REDACTED]

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

SA [REDACTED] will transfer to JI-8 starting on March 11, 2013.

Dallas/FT Worth (JI-7)

[REDACTED] (b) (7)(A)

[REDACTED] (I1374673)

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

[REDACTED] (b) (7)(A)

[REDACTED] (I1203046)

HQ

Hotline

Hotline Contacts - 36

Referrals - 6

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 105 disclosures.

On March 13, 2013, a meeting will be held with [REDACTED] (b) (7)(D) Officials and their Attorney's to discuss their initial disclosure. (Civil offense/I12H4354)

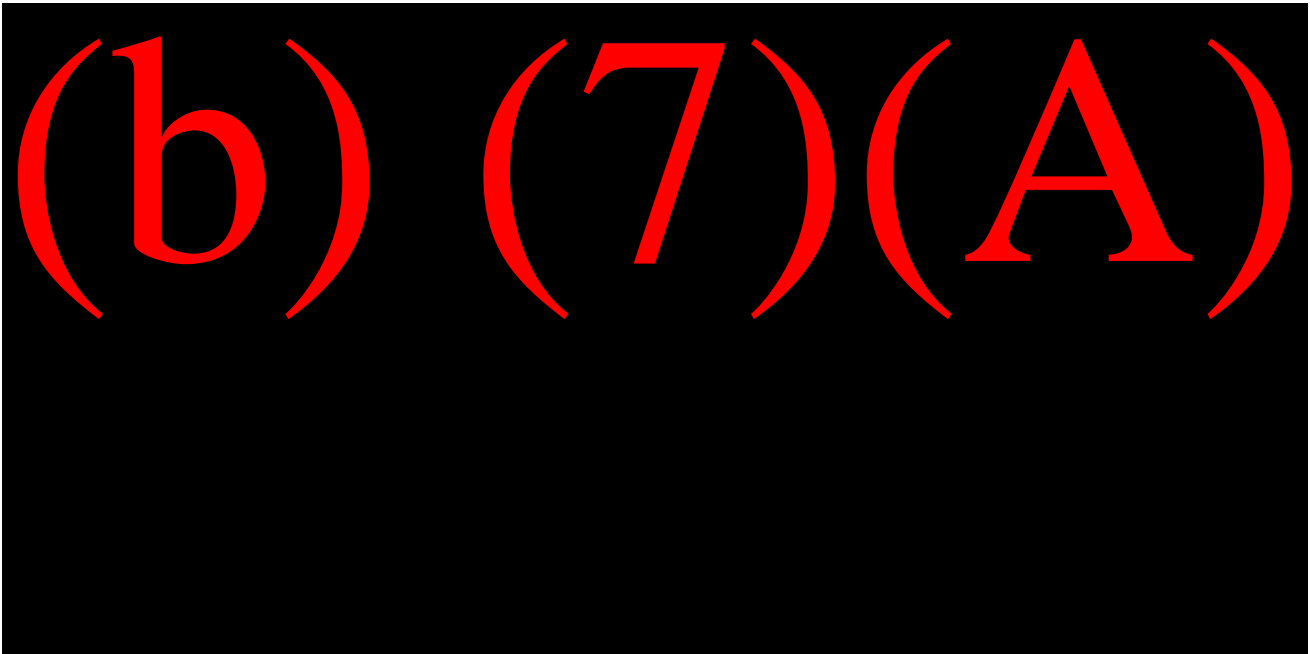
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (7)(A) . – FLEET Card Fraud

Case Number: 11203609

Case Agent: SA (b) (6), (b) (7)(C), JI-10



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C)

Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA

(b) (6), (b) (7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: WPA Painting "Near Coney Island" by Isami Doi
Case #: I1324674
Case Agent: SA (b) (6), (b)(7)(C)

On March 5, 2013, JI-2 recovered the Works Progress Administration (WPA) woodcut print, *Near Coney Island*, by Isami Doi, from an individual attempting to sell the artwork on eBay. The artwork was returned to the care and custody of the U.S. Government and will be cataloged and conserved by the GSA Fine Arts Program Office (FAP) while they locate a suitable place for public display. FAP has not yet determined an estimated value of the painting.

BACKGROUND:

On February 26, 2013, GSA OIG was notified by the GSA FAP that the aforementioned WPA artwork was listed for sale on the eBay website by a seller located somewhere in Brooklyn, NY. The eBay listing included a photograph of the artwork's WPA label, in which GSA FAP determined was enough to assert title.

After multiple attempts to contact the seller telephonically and through email were unsuccessful, JI-2 agents made contact with seller at his residence in Brooklyn, NY. The seller explained that the artwork had been in his family for over 50 years and he recently took possession of it upon (b) (6), (b)(7)(C) passing. After JI-2 agents explained GSA's WPA artwork recovery program, the seller surrendered the artwork without incident. The seller did not have a preference as to where the artwork should be displayed but recommended somewhere in Hawaii, the artist's home state.

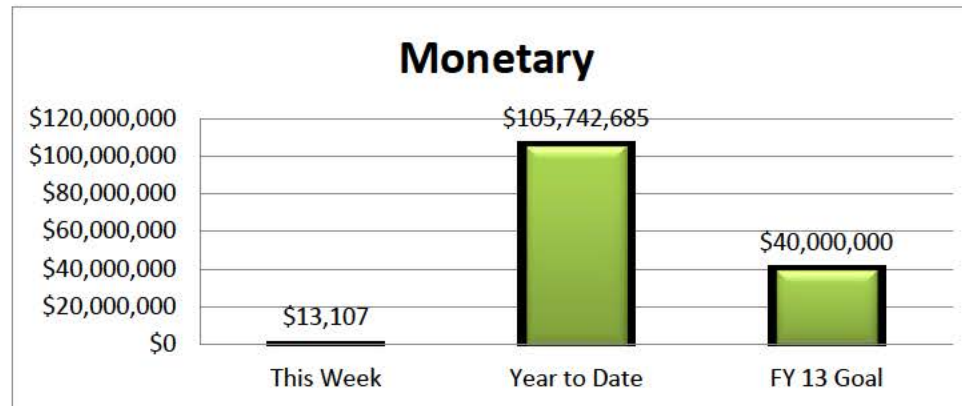
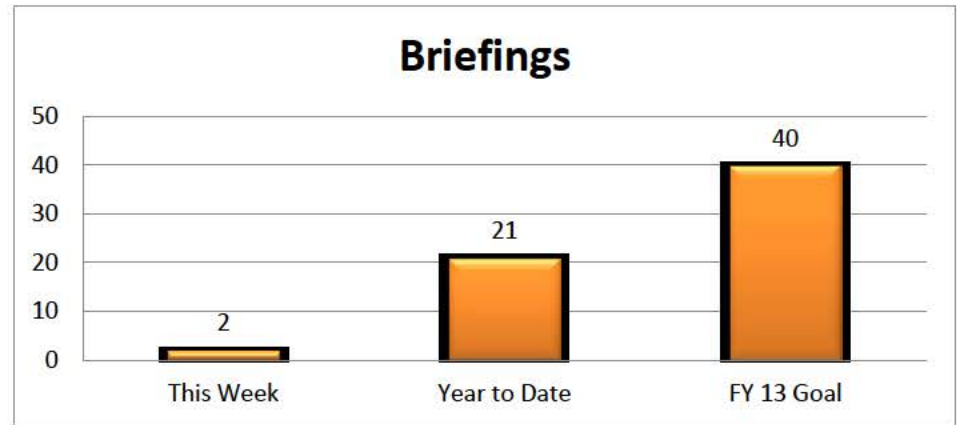
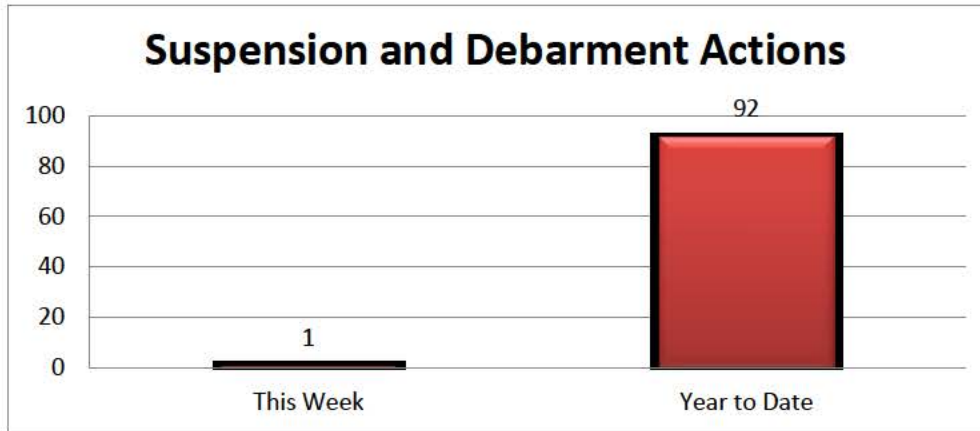
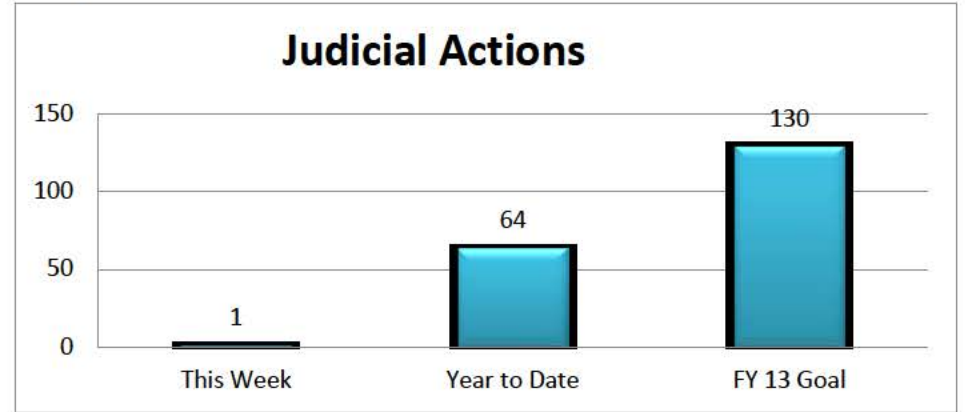
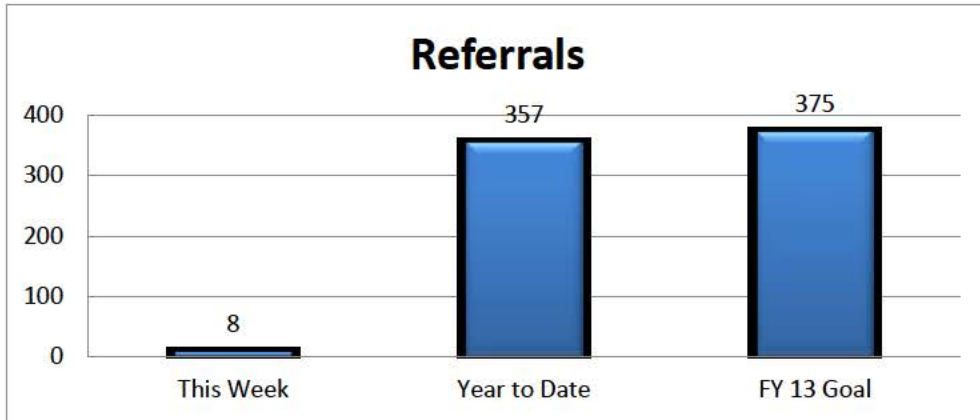
For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).



(b) (6), (b)(7)(C)

Special Agent in Charge
GSA Office of Inspector General
600 Arch St., Room 4452
Philadelphia, PA 19106

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 8, 2013 - MARCH 14, 2013





JI Updates

March 15, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On March 21, 2013, (b) (6), (b)(7)(C) will be sentenced on bribery charges in U.S. District Court in the District of Maryland. (b) (6), (b)(7)(C) Sun Development, made two bribe payments to a GSA employee who was a cooperating defendant. The transactions were monitored and recorded by JI-W and FBI Special Agents. The bribe payments were in exchange for contract work at GSA facilities in Maryland. (DMD/Criminal/I12W4013)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

On March 18, 2013, SA (b) (6), (b)(7)(C) will present two cases to the USAO DMD for prosecutorial consideration. The first case involves allegations that Norseman Inc. falsely represented itself as a women-owned business in order to obtain government contracts, when in fact the company does not meet the requirements of being women-owned. The second case involves allegations that a Knight Protective Services Inc. employee obstructed a federal audit when (b) (6), (b)(7)(C) submitted alleged fraudulent documents (security guard sign-in sheets) to JA-2 during a pre-award audit of Knight's GSA MAS contract. (DMD/False Statements/I1030523 & Z1132190)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

March 20, 2013, through March 22, 2013, ASAC (b) (6), (b)(7)(C) will be assisting AUSA (b) (6), (b)(7)(C) and SAUSA (b) (6), (b)(7)(C), USAO, WDTX, with trial preparation. Trial will begin on April 1, 2013 and is expected to last two weeks. (WDTX/Major Fraud/I040114)

March 18, 2013 through March 19, 2013, SA (b) (6), (b)(7)(C) will be travelling to St. Louis to attend a plea hearing. It is anticipated that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) CJMS, will plead guilty on behalf of (b) (6), (b)(7)(C) company for SDVOSB fraud. (EDMO/Major Fraud/I1160742)



JI Updates

March 15, 2013

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 56

Hotline Referrals – 9

Investigations

On March 20, 2013, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will interview former FAS Commissioner (b) (6), (b)(7)(C) concerning the 2010 FAS Awards Ceremony. Currently, (b) (6), (b)(7)(C) is a Senior Advisor in the Office of the Administrator.

ARRA

(b) (7)(A)

/11020550)

JI-B

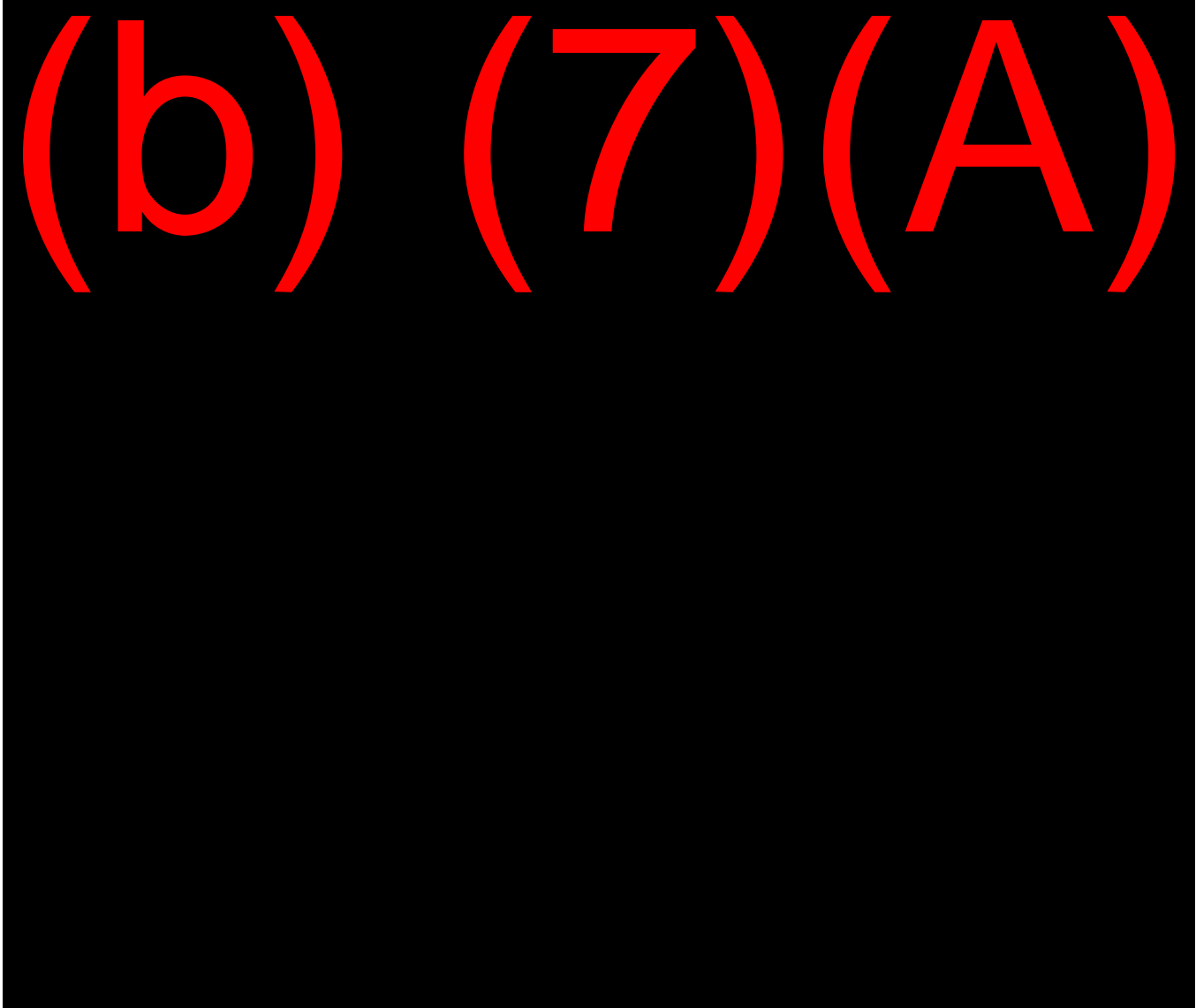
FAR

One new disclosure was received from (b) (7)(D). The disclosure involves the Trade Agreements Act. To date, the Investigations Operations Division has received 106 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case #: 10800042
Case Agent: (b) (6), (b)(7)(C), JI-10



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent-In-Charge
GSA/Office of Inspector General
Auburn, WA

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: MDA - WEX FRAUD
Case #: 112W3862
Case Agent: (b) (6), (b)(7)(C), JI-W

On March 5, 2013, in U.S. District Court in the Eastern District of Virginia (Alexandria), (b) (6), (b)(7)(C) was arraigned before Magistrate Judge (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was charged in violation of 18 USC 641, Theft of Government Property.

This case is being prosecuted by SAUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was initiated after a proactive search of WEXonline showed a suspicious trend occurring on the fleet credit card assigned to government vehicle G42 3340A. The search revealed that G42 3340A was purchasing premium unleaded fuel and had inconsistent odometer readings. (b) (6), (b)(7)(C) worked at the Missile Defense Agency as a contract employee with Tetra Tech.

On February 8, 2013, SA (b) (6), (b)(7)(C) served (b) (6), (b)(7)(C) with a court summons at (b) (6), (b)(7)(C) Washington, D.C. residence.

For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Number: I0970654
Case Title: THEFT - (b) (6), (b) (7)(C); J-LU LIMITED COMPANY
Case Agent: SA (b) (6), (b) (7)(C)

On February 14, 2013, (b) (6), (b) (7)(C) was sentenced by Circuit Court Judge (b) (6), (b) (7)(C), Ninth Circuit West, Arkansas, to three years probation, \$1,470 in fines and assessments, and restitution to the victims. The restitution amount was sealed and not available as of March 14, 2013. On December 19, 2012, (b) (6), (b) (7)(C) appeared before Circuit Court Judge (b) (6), (b) (7)(C) and entered a plea of guilty to the felony charge of theft, Arkansas Code Annotated (A.C.A.), 5-36-103. The case was prosecuted by Prosecuting Attorneys (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C).

BACKGROUND:

On June 2, 2009, Greater Southwest Region Investigations Office (JI-7), received information from the Arkansas Attorney General's Office, regarding an individual who was selling scrap FEMA mobile homes as livable units. It was determined that (b) (6), (b) (7)(C) purchased a total of 15 mobile homes in three separate GSA auction sales. (b) (6), (b) (7)(C) told the complainant the mobile homes could be utilized as housing.

According to the GSA Auctions website, and the SF-97s (Certificate to Obtain Title to a Vehicle), these mobile homes were not to be used for housing. GSA records show (b) (6), (b) (7)(C) signed a buyer's certification after each of the three sales indicating the mobile homes would not be used for housing. The buyer's certification indicated (b) (6), (b) (7)(C) was supposed to inform subsequent buyers the mobile homes were not to be used as housing and was required to provide buyers with the accompanying documentation.

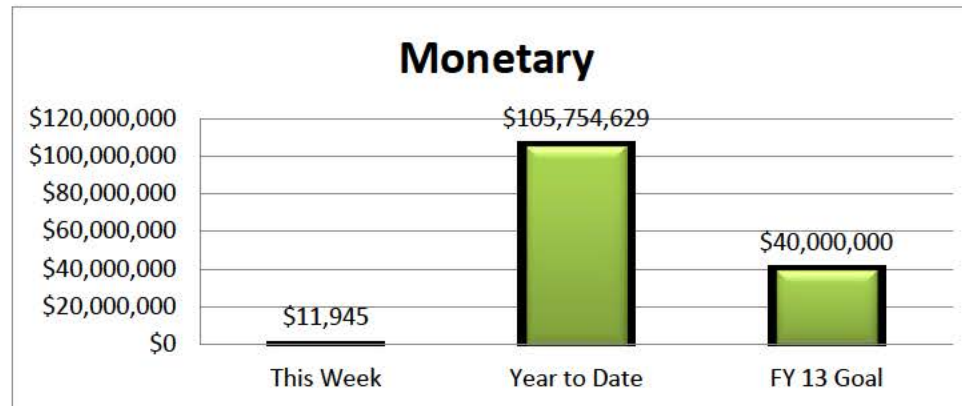
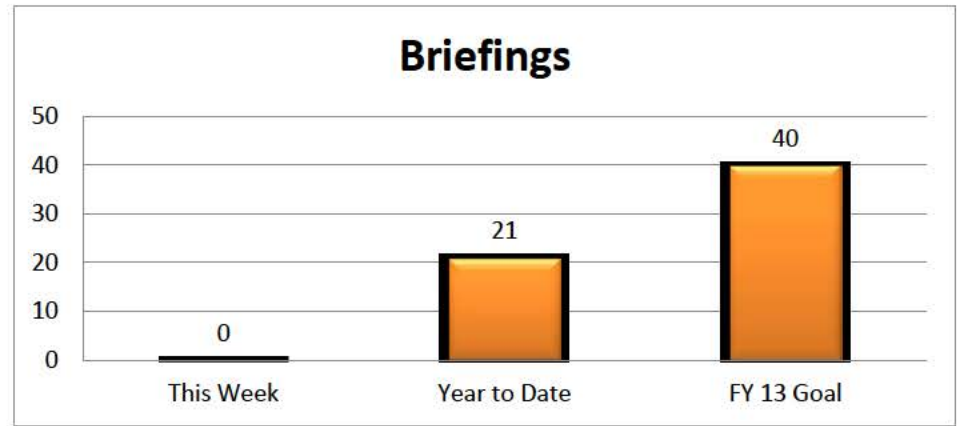
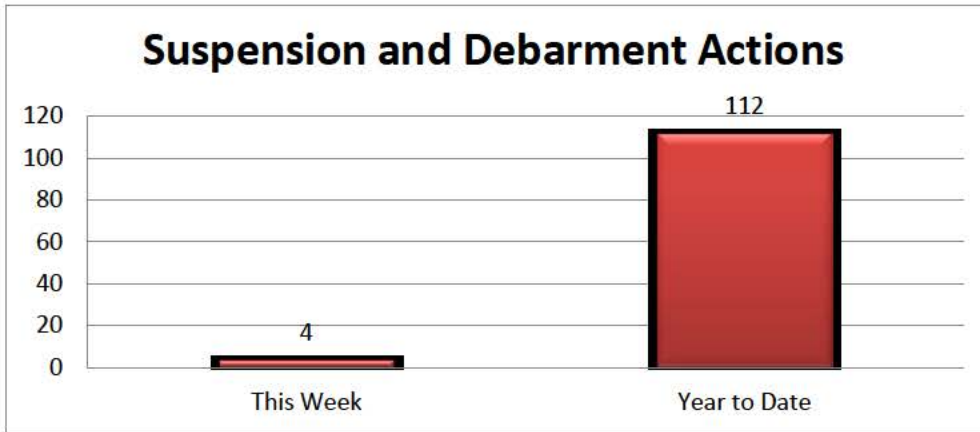
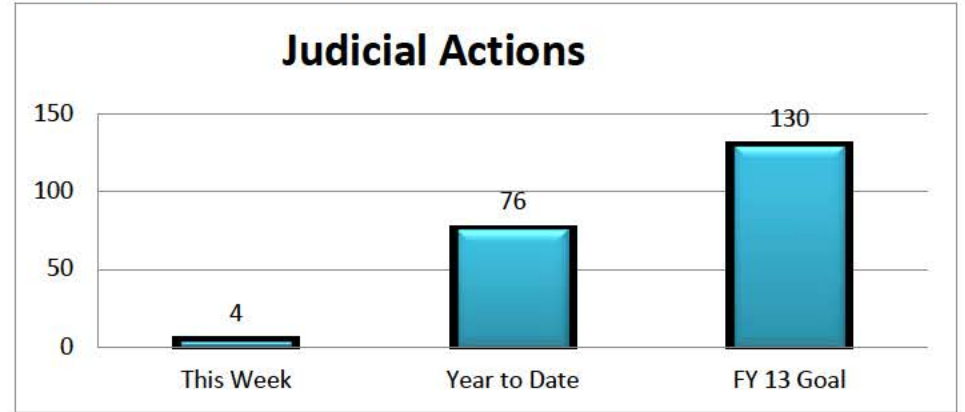
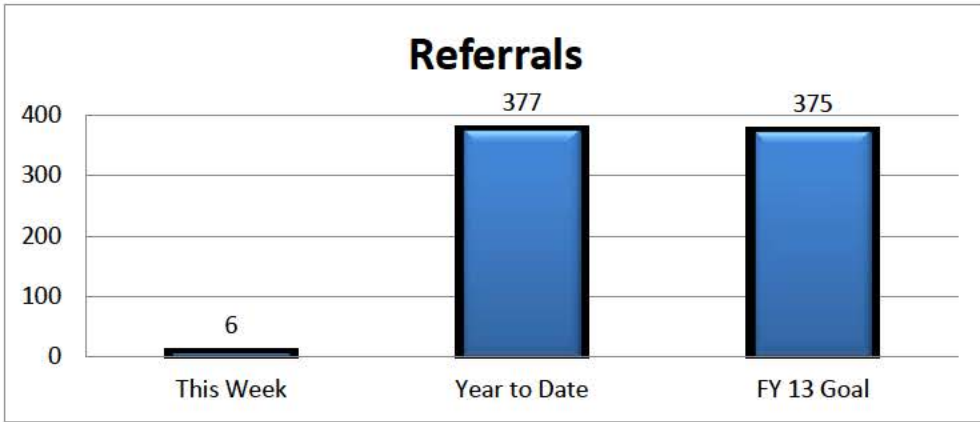
Witness statements indicated (b) (6), (b) (7)(C) never disclosed the fact the mobile homes were not to be lived in, nor did (b) (6), (b) (7)(C) provide them with required disclosure documents or the respective SF-97. Six of the twelve units sold involved interstate transactions.

On August 16, 2011, an arrest warrant for (b) (6), (b) (7)(C), manager, J-LU COMPANY, Texarkana, TX, was issued by the Ninth Judicial District West, AR, for six counts of violating A.C.A. 5-36-103, Theft of Property. Upon notification, (b) (6), (b) (7)(C) turned (b) (6), (b) (7)(C) in to the Ashdown Police Department, Ashdown, AR.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room 10A34
Fort Worth, TX 76102
(b) (6), (b) (7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 15, 2013 - MARCH 21, 2013





JI Updates

March 22, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

113W3886)

Boston (JI-1)

On March 21, 2013, SAs [REDACTED] and (b) (6), (b)(7)(C) will be TDY to Washington, D.C. to assist JI-W on a search warrant.

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

During the week of March 25, 2013, ASAC [REDACTED] will be assisting AUSAs with trial preparation, in addition to assisting with preparation of 720 items of evidence. Trial will begin on April 1, 2013 and is expected to last two weeks. This case involves the creation of a straw company which fraudulently obtained approximately \$6 million from Air Force task orders, which were administered by GSA. (WDTX/Major Fraud/I040114)

(b) (7)(A)

/I1162844)



JI Updates

March 22, 2013

Denver (JI-8)

(b) (7)(A)

(113D4360)

Dallas/FT Worth (JI-7)

(b) (7)(A)

(11374673)

San Francisco (JI-9)

(b) (7)(A)

(11292909)

Auburn (JI-10)

(b) (7)(A)

(10800042)

Internal Operations

Hotline

Hotline Contacts – 64

Hotline Referrals – 6

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures received this week. To date, the Investigations Operations Division has received 106 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Num: 11132891

Case Agent: SA (b) (6), (b)(7)(C), JI-3

(b) (7) (A)

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM:

Case Title: QUI-TAM; US EX REL. PERSAUD COMPANIES, INC.
Case Number: I11W2304
Case Agent: SA (b) (6), (b)(7)(C), JI-W

On March 14, 2013, in United States District Court in the Eastern District of Virginia (Alexandria), (b) (6), (b)(7)(C), Persaud Companies Inc., pled guilty to Title 18 U.S.C. 1519, Destruction, alteration, or falsification of records in a Federal investigation, and Title 18 U.S.C. Section 1344, Bank Fraud.

The case is being prosecuted by AUSA's (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), in the Eastern District of Virginia (Alexandria).

BACKGROUND:

This investigation was predicated upon information received from a Qui-Tam filed through the Department of Justice, that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Persaud Companies Inc. (PCI) would discover the Independent Government Estimate (IGE) for sole source 8(a) contacts and then fraudulently inflate PCI's job cost estimate to closely match that budget in order to maximize company profits. (b) (6), (b)(7)(C) then submitted the inflated job cost estimate to Government Contracting Officers.

On or about February 2, 2012, (b) (6), (b)(7)(C) was served an Inspector General Subpoena for documents related to the investigation. (b) (6), (b)(7)(C) responded to the subpoena on or about March 2, 2012.

In July 2012, a confidential source (CS) provided information that (b) (6), (b)(7)(C) instructed the CS and a PCI employee (E1) to destroy, create and fabricate documents and to provide the fabricated documents to GSA-OIG in response to the Inspector General Subpoena. On July 19, 2012, the case was accepted by the United States Attorney's Office for criminal prosecution.

During the course of the investigation, it was discovered that (b) (6), (b)(7)(C) fraudulently obtained a bank loan from the Bank of Georgetown. In order to receive the loan, PCI was required to post collateral in the form of invoices billed to the government, prior to them being paid. (b) (6), (b)(7)(C) instructed the CS and a second (E2) to inflate the invoice amounts for the loan application and in some cases create contract numbers for contacts that did not exist. PCI was able to fraudulently obtain approximately \$1.6 million dollars.

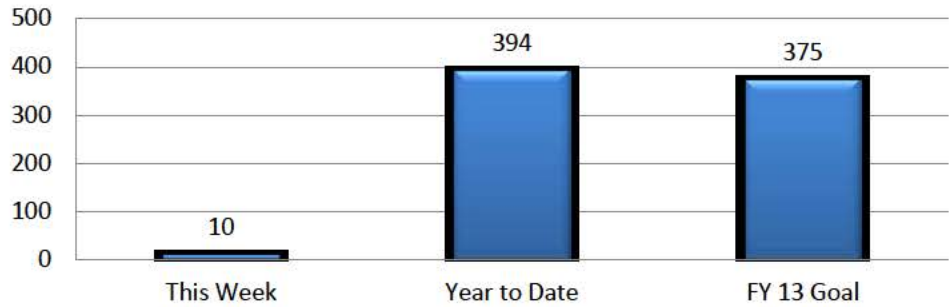
This was a joint investigation with the FBI.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

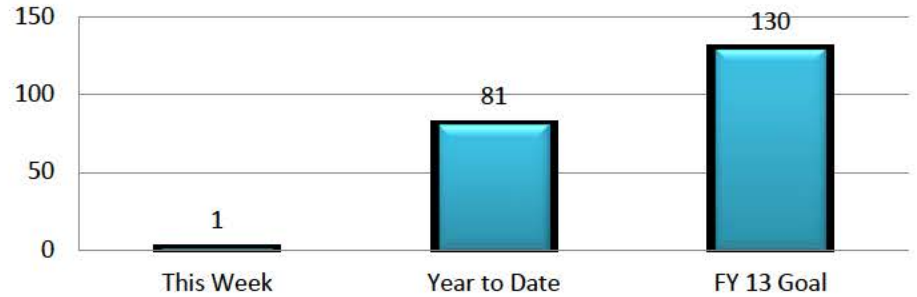
(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 22, 2013 - MARCH 28, 2013

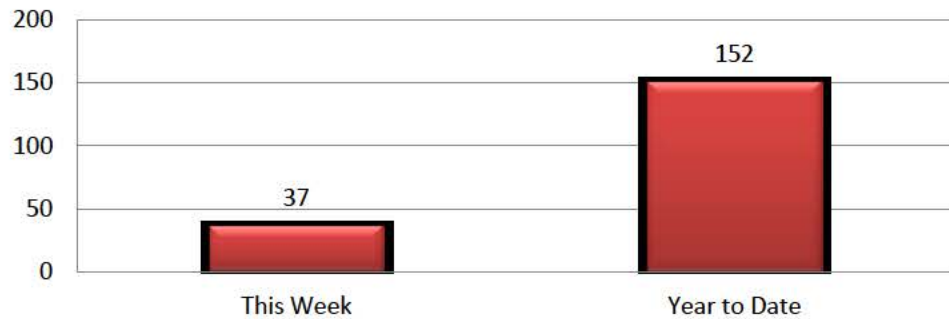
Referrals



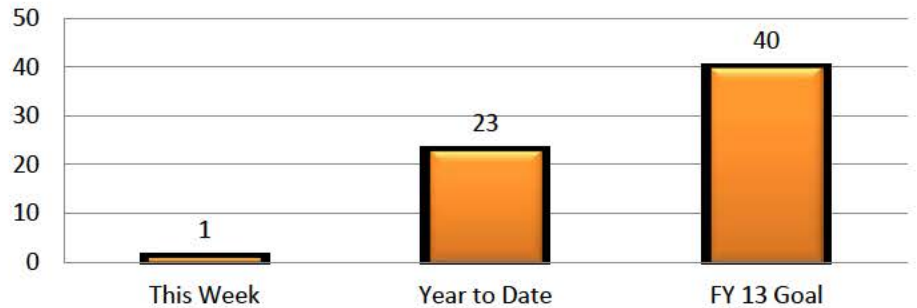
Judicial Actions



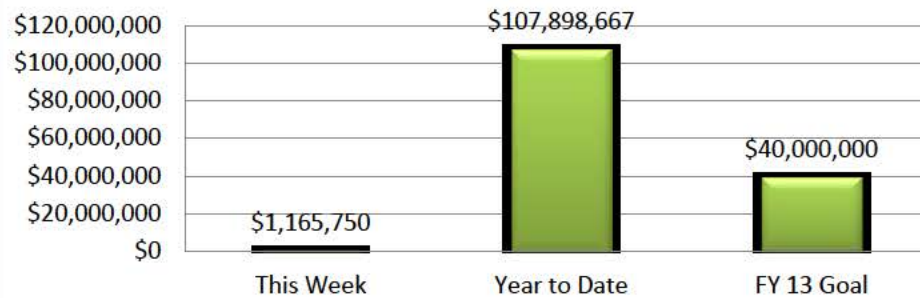
Suspension and Debarment Actions



Briefings



Monetary





JI Updates

March 29, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/112W3013)

During the week of April 1, 2013, AUSA (b) (6), (b)(7)(C) will send (b) (6), (b)(7)(C) attorney a plea agreement to review. (b) (6), (b)(7)(C) allegedly stole trade secrets from (b) (6), (b)(7)(C) former employer, Platinum Solutions (also D/B/A SRA International), by accessing the email boxes of employees at Platinum Solutions and viewing emails related to their clients and potential contracts. (EDVA/Criminal/I11W2908)

On April 2, 2013, in U.S. District Court in the Eastern District of Virginia, (b) (6), (b)(7)(C) will plead guilty to 18 USC 641, before Magistrate Judge (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was a contract employee at the Missile Defense Agency and was using a FLEET card for (b) (6), (b)(7)(C) personal use. The approximate fraud loss is \$2,287. (EDVA/Theft/I12W3862)

On April 2, 2013, in U.S. District Court, in the District of Maryland, (b) (6), (b)(7)(C) will be sentenced on bribery charges. (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) of Sun Development, paid a cooperating defendant, who was a GSA employee, two bribe payments. The transactions were monitored and recorded by JI-W and FBI special agents. The cash bribe payments were in exchange for work to be completed at GSA facilities in Maryland. (MD/Criminal/I12W4013)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

During the week of April 1, 2013, SAC (b) (6), (b)(7)(C) will report to headquarters to assist with a JI internal review in preparation for an upcoming CIGIE Peer Review.

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

During the week of April 1, 2013, SAC (b) (6), (b)(7)(C) will report to headquarters to assist with a JI internal review in preparation for an upcoming CIGIE Peer Review.



JI Updates

March 29, 2013

Kansas City (JI-6)

During the week of April 1, 2013, ASAC (b) (6), (b) (7)(C) will be participating in a trial in the Western District of Texas. This case involves the creation of a straw company which fraudulently obtained approximately \$6 million from Air Force task orders, which were administered by GSA. (WDTX/Major Fraud/I040114)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

During the week of April 1, 2013, SAC (b) (6), (b) (7)(C) will report to headquarters to assist with a JI internal review in preparation for an upcoming CIGIE Peer Review.

Internal Operations

Hotline

Hotline Contacts – 45

Hotline Referrals – 4

JI-B

FAR

Two new disclosures were received by the Investigations Operations Division. (b) (7)(D) disclosed invoicing discrepancies resulting in overpayments by the government under its GSA Contract (b) (7)(D). (DOJ Commercial Litigation/Civil/I13H4713)

(b) (7)(D)'s disclosure involves (b) (7)(D), which was acquired by (b) (7)(D) in 2010. The disclosure relates to a possible fee arrangement between three of (b) (7)(D)'s 1st-tier subcontractors under three different task orders. (DOJ Commercial Litigation/Civil/I13H4718)

To date, we have received 108 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case Num: 11233970
Case Agent: SA (b) (6), (b)(7)(C), JI-3

(b) (7) (A)

BACKGROUND

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (7)(C), (b) (6) (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) Debarment
Case Number: I1253452
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On March 25, 2013, (b) (6), (b)(7)(C) was debarred by the Suspension and Debarment Office, Office of Acquisition Integrity, GSA. The debarment period will run through February 23, 2014.

BACKGROUND

On August 24, 2012, Suspension and Debarment Office, Office of Acquisition Integrity, GSA issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation was warranted based upon the plea of guilty to one count of wire fraud, in violation of 18 USC 1343, by (b) (6), (b)(7)(C) on May 14, 2010. (b) (6), (b)(7)(C) a longtime associate of former Illinois Governor (b) (6), (b)(7)(C), conspired with (b) (6), (b)(7)(C) and others to corruptly solicit and demand political contributions.

(b) (6), (b)(7)(C) was sentenced to ten days in prison and a 24-month supervised release. (b) (6), (b)(7)(C) was ordered to pay a criminal monetary penalty of \$1,000 and an assessment fee of \$100.

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite 408
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: GSA purchased Marathon watches sold on eBay – Fort Bliss, TX

Case Number: I1172279

Case Agent: SA (b) (6), (b)(7)(C)

On March 20, 2013, Sergeant First Class (SFC) (b) (6), (b)(7)(C) appeared before U.S. District Judge (b) (6), (b)(7)(C) Western District of Texas, El Paso, Texas and was sentenced for violating 18 USC 641, Theft of Government Property. (b) (6), (b)(7)(C) was sentenced to probation for 5 years, \$11,217.59 in restitution, and a \$100.00 special assessment. The case is being prosecuted by AUSA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C), Western District of Texas. This is a joint investigation with Army CID.

BACKGROUND

On January 4, 2011, (b) (6), (b)(7)(C), assistant to the vice-president, Marathon Watch Company (MWC), notified JI-7 a Marathon CSAR 300m chronograph men's wrist watch was currently being sold on eBay. (b) (6), (b)(7)(C) stated the watch advertised on eBay displayed the serial number (s/n) 1162 and the s/n was part of a shipment of 85 watches to Fort Bliss, TX. The watches were purchased through GSA MAS Contract No. GS-14F-0027K with MWC. GSA was billed \$111,078 for the eighty-five watches and subsequently billed an Army unit at Fort Bliss, TX, for \$1,515.89 per watch for a total of \$128,850.65.

On January 20, 2011, JI-7 conducted an undercover operation resulting in a controlled purchase of one Marathon Watch, s/n 1160, from (b) (6), (b)(7)(C). On February 19, 2011, a controlled purchase was made of one Marathon Watch, Serial Number 1186, from eBay seller identified as (b) (6), (b)(7)(C) via an eBay auction. The eBay user profile and PayPal account were verified as belonging to SFC (b) (6), (b)(7)(C). The watch, s/n 1186, was confirmed to be part of the order placed by Staff Sergeant (SSgt) (b) (6), (b)(7)(C) on November 25, 2010.

On July 6, 2011, SSgt (b) (6), (b)(7)(C) admitted (b) (6), (b)(7)(C) had lied during a previous interview regarding knowledge regarding the Marathon watches. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was approached by SSgt (b) (6), (b)(7)(C) who instructed (b) (6), (b)(7)(C) on how to place the order in the Army Property Book Unit Enhanced Supply System. (b) (6), (b)(7)(C) explained how to subsequently alter the information in the system to conceal the nature of the items ordered and prevent the unit command from learning of the orders. (b) (6), (b)(7)(C) stated upon receipt of the shipment (b) (6), (b)(7)(C) met with First Sergeant (1Sgt) (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and provided them approximately half of the watch shipment. (b) (6), (b)(7)(C) also provided three or four Marathon watches to 1Sgt (b) (6), (b)(7)(C). JI-7 has identified 175 Marathon watches that were fraudulently ordered, which resulted in an approximate loss to the Government of \$265,000.00.

On October 19, 2011, SSgt (b) (6), (b)(7)(C), SSgt (b) (6), (b)(7)(C), 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) were indicted for violating 18 USC 371, Conspiracy and 18 USC 641, Theft of Government Property.

On June 18, 2012, 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641.

On June 20, 2012, SFC (b) (6), (b)(7)(C) was indicted for violating 18 USC 371 and 18 USC 641.

On August 1, 2012, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 641.

On October 24, 2012, SSgt (b) (6), (b)(7)(C) and SFC (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641. Additionally, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 371.

On December 19, 2012, 1Sgt (b) (6), (b)(7)(C) was sentenced for violating 18 USC 641 and ordered to pay \$3,032 in restitution, a \$500.00 fine, and \$100.00 special assessment.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room 10A34
Fort Worth, TX 76102

(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Mountain Chief Management Services

Case Number: I0960379

Case Agent: (b) (6), (b)(7)(C), JI-6

On March 25, 2013, Caddell Construction agreed to pay civil settlement of \$1,150,000 to the U.S. Department of Justice, Civil Division, in connection with the investigation of Mountain Chief Management Services. The criminal investigation is still ongoing. This case is being adjudicated by Assistant Chief (b) (6), (b)(7)(C) and Trial Attorney (b) (6), (b)(7)(C).

BACKGROUND

Tufly Drywall, subcontractor to Caddell Construction, was prosecuted for hiring illegal immigrants on a GSA federal renovation project in Omaha, Nebraska. During that investigation, it was discovered that Caddell participated in a fraudulent scheme involving minority business fraud. Caddell used Mountain Chief Management Services, an Indian-owned firm, as a vehicle to commit approximately \$1.3 million dollars in fraud, as well as use them as a pass-through company to help Caddell meet subcontracting goals. Caddell purported they were using Mountain Chief on military projects in order to received incentive payments from the Department of Defense. On December 20, 2012, Caddell agreed to pay \$2 million dollars as part of a criminal non-prosecution agreement with DOJ. This matter was jointly investigated with DCIS.

For information regarding this Significant Item please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

Office of the Inspector General

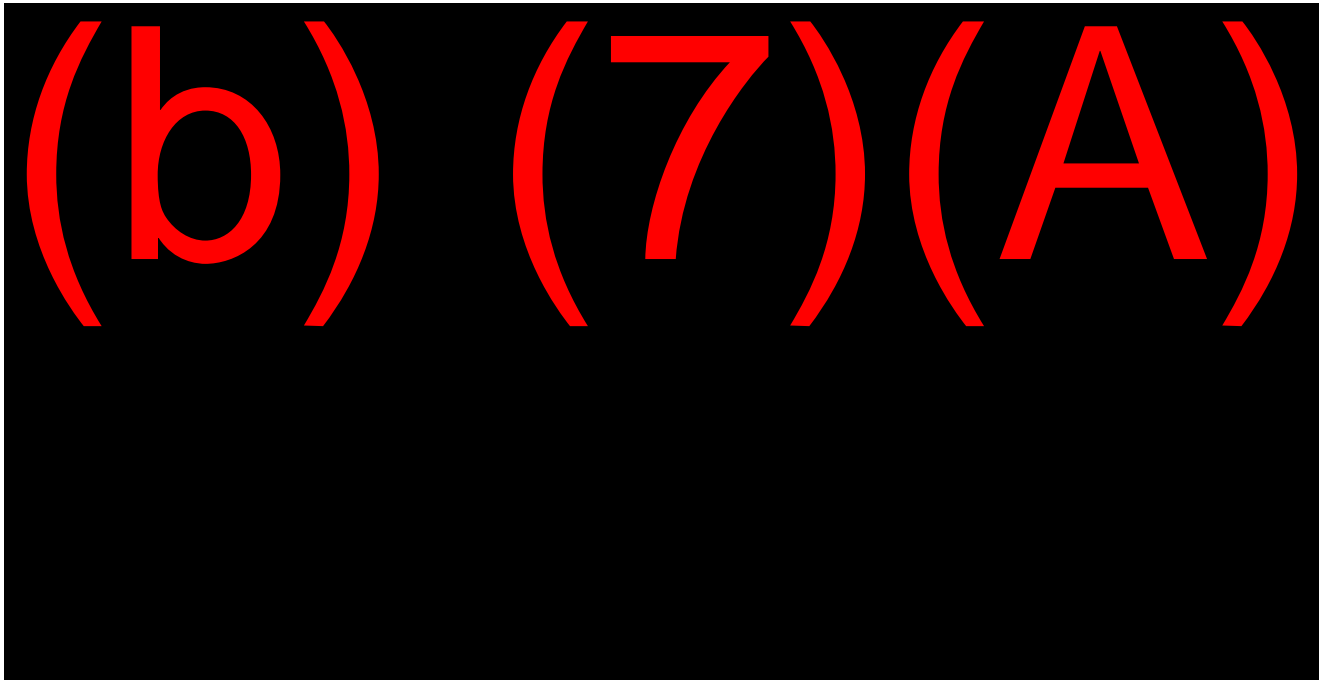
General Services Administration

(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
File No.: 11243197
Case Agent: SA (b) (6), (b)(7)(C) (JI-4)



For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 29, 2013 - APRIL 4, 2013

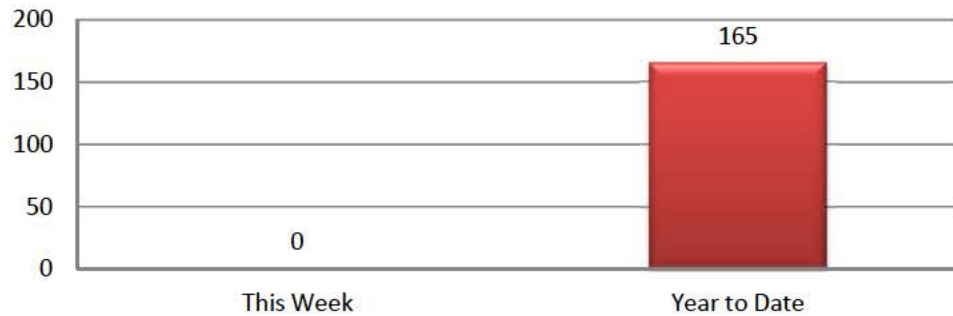
Referrals



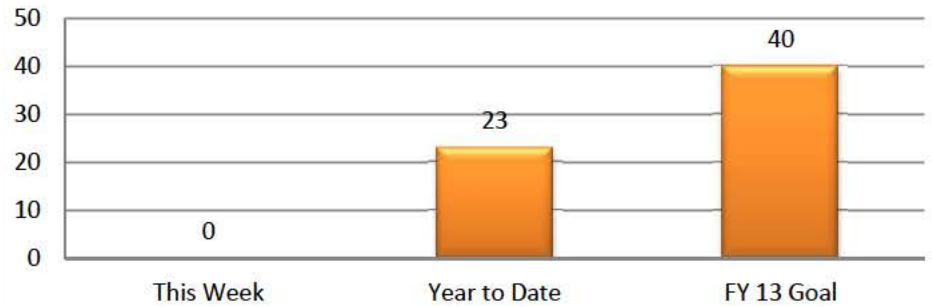
Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

April 5, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

11132891)

Atlanta (JI-4)

On April 8, 2013, (b) (6), (b)(7)(C) will appear before Judge (b) (6), (b)(7)(C), SDGA, for a change of plea hearing in order to enter a guilty plea. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) conspired to place unauthorized purchases for over \$150,000 of various products on GSA Advantage using a U.S Army DODAC. (b) (6), (b)(7)(C) facilitated the fraud through (b) (6), (b)(7)(C) position as a Unit Supply Sergeant in the U.S. Army, Fort Stewart, GA. (SDGA/Fraud/I13M4421)

During the week of April 8, 2013, SA (b) (6), (b)(7)(C) will travel to Orlando, FL to assist the FBI and Army CID (MFPU) in an ongoing joint fraud investigation. (b) (6), (b)(7)(C), former Chief Warrant Officer, U.S. Army, placed unauthorized purchases on GSA Advantage utilizing a U.S. Army DODAC for over \$10 million in fraud. (b) (6), (b)(7)(C) has pled guilty and is cooperating with the ongoing investigation of other conspirators identified during the investigation. (MDFL/Fraud/I12M3099)

(b) (7)(A)

/I1142172)



JI Updates

April 5, 2013

Chicago (JI-5)

During the week of April 8, 2013, SA [REDACTED] and SA [REDACTED] FBI, will meet with AUSA [REDACTED] (b) (6), (b)(7)(C) CDIL, regarding false claims made by the City of Hillsboro, IL related to the Federal Surplus Property Program. The City of Hillsboro allowed both city employees and private resident's access to the surplus program for the purpose of purchasing items for personal use. (CDIL/False Claims/I1050561)

Kansas City (JI-6)

During the week of April 8, 2013, ASAC [REDACTED] (b) (6), (b)(7)(C) will be continuing [REDACTED] participation in a trial against EDI. This case involves the creation of a straw company which fraudulently obtained approximately \$6 million from Air Force task orders, which were administered by GSA. (WDTX/Major Fraud/I040114)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 34

Hotline Referrals – 2

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures received. To date, the Investigations Operations Division has received 108 disclosures.

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C)

Case Number: I1253384

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On March 28, 2013, (b) (6), (b)(7)(C) was debarred by the GSA Suspension and Debarment Office, Office of Acquisition Integrity. The debarment period will run through December 19, 2015.

BACKGROUND:

On December 26, 2012, GSA Suspension and Debarment Office, Office of Acquisition Integrity issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation is warranted based upon the filing of an Information charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation. According to the Information (b) (6), (b)(7)(C) provided discount home improvements and materials to a public official, and in return, the public official assisted (b) (6), (b)(7)(C) friend with a tourist visa application.

(b) (6), (b)(7)(C) pleaded guilty to Hobbs Act Conspiracy, and was sentenced to two years of probation.

(b) (6), (b)(7)(C)

Special Agent In Charge

U.S. General Services Administration

Office of Inspector General

Great Lakes Regional Investigations Office

Suite 408

230 South Dearborn Street

Chicago, Illinois 60604

(b) (6), (b)(7)(C)

@gsaig.gov

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) and C. Edwards Landscape
Case Number: I1253385
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On January 31, 2013, (b) (6), (b)(7)(C) and C. Edwards Landscape were debarred by the GSA Suspension and Debarment Office, Office of Acquisition Integrity. The debarment period will run through January 13, 2016.

BACKGROUND:

On February 4, 2013, GSA Suspension and Debarment Office, Office of Acquisition Integrity issued a proposal for debarment to (b) (6), (b)(7)(C) and C. Edwards Landscape pursuant to the Federal Acquisition Regulations. The recommendation is warranted based upon the filing of an Information that alleged that (b) (6), (b)(7)(C) helped individuals funnel money in exchange for business contracts for (b) (6), (b)(7)(C) landscape company.

(b) (6), (b)(7)(C) pleaded guilty to Bribery Concerning Federal Funds, Hobbs Act, Mail Fraud, and Honest Services Fraud. (b) (6), (b)(7)(C) was sentenced to eight months of electronic monitoring.

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite 408
230 South Dearborn Street
Chicago, Illinois 60604

(b) (6), (b)(7)(C)
[@gsaig.gov](mailto:(b) (6), (b)(7)(C)@gsaig.gov)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: GSA purchased Marathon watches sold on eBay – Fort Bliss, TX

Case Number: I1172279

Case Agent: SA (b) (6), (b)(7)(C)

On March 21, 2013, Staff Sergeant (SSgt) (b) (6), (b)(7)(C) appeared before U.S. District Judge (b) (6), (b)(7)(C) Western District of Texas, El Paso, Texas and was sentenced for violating 18 USC 641, Theft of Government Property and 18 USC 371, Conspiracy. (b) (6), (b)(7)(C) was sentenced to probation for 5 years, \$22,435 in restitution, 6 months confinement to a half - way house and a \$200.00 special assessment.

On March 27, 2013, SSgt (b) (6), (b)(7)(C) appeared before Judge (b) (6), (b)(7)(C) and was sentenced for violating 18 USC 641, Theft of Government Property. (b) (6), (b)(7)(C) was sentenced to probation for 5 years, \$22,435 in restitution, 6 months house arrest, and a \$100.00 special assessment.

The case is being prosecuted by AUSA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C), Western District of Texas and is a joint investigation with Army CID.

BACKGROUND

On January 4, 2011, (b) (6), (b)(7)(C), assistant to the vice-president, Marathon Watch Company (MWC), notified JI-7 a Marathon CSAR 300m chronograph men's wrist watch was currently being sold on eBay. (b) (6), (b)(7)(C) stated the watch advertised on eBay displayed the serial number (s/n) 1162 and the s/n was part of a shipment of 85 watches to Fort Bliss, TX. The watches were purchased through GSA MAS Contract No. GS-14F-0027K with MWC. GSA was billed \$111,078 for the eighty-five watches and subsequently billed an Army unit at Fort Bliss, TX, for \$1,515.89 per watch for a total of \$128,850.65.

On January 20, 2011, JI-7 conducted an undercover operation resulting in a controlled purchase of one Marathon Watch, s/n 1160, from (b) (6), (b)(7)(C). On February 19, 2011, a controlled purchase was made of one Marathon Watch, Serial Number 1186, from eBay seller identified as (b) (6), (b)(7)(C) via an eBay auction. The eBay user profile and PayPal account were verified as belonging to Sergeant First Class (SFC) (b) (6), (b)(7)(C). The watch, s/n 1186, was confirmed to be part of the order placed by SSgt (b) (6), (b)(7)(C) on November 25, 2010.

On July 6, 2011, SSgt (b) (6), (b)(7)(C) admitted (b) (6), (b)(7)(C) had lied during a previous interview regarding knowledge regarding the Marathon watches. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was approached by SSgt (b) (6), (b)(7)(C) who instructed (b) (6), (b)(7)(C) on how to place the order in the Army Property Book Unit Enhanced Supply System. (b) (6), (b)(7)(C) explained how to subsequently alter the information in the system to conceal the nature of the items ordered and prevent the unit command from learning of the orders. (b) (6), (b)(7)(C) stated upon receipt of the shipment (b) (6), (b)(7)(C) met with First Sergeant (1Sgt) (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and provided them approximately half of the watch shipment. (b) (6), (b)(7)(C) also provided three or four Marathon watches to 1Sgt (b) (6), (b)(7)(C). JI-7 has identified 175 Marathon watches that were fraudulently ordered, which resulted in an approximate loss to the Government of \$265,000.00.

On October 19, 2011, SSgt (b) (6), (b)(7)(C) SSgt (b) (6), (b)(7)(C) 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) were indicted for violating 18 USC 371, Conspiracy and 18 USC 641, Theft of Government Property.

On June 18, 2012, 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641.

On June 20, 2012, SFC (b) (6), (b)(7)(C) was indicted for violating 18 USC 371 and 18 USC 641.

On August 1, 2012, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 641.

On October 24, 2012, SSgt (b) (6), (b)(7)(C) and SFC (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641. Additionally, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 371.

On December 19, 2012, 1Sgt (b) (6), (b)(7)(C) was sentenced for violating 18 USC 641 and ordered to pay \$3,032 in restitution, a \$500.00 fine, and \$100.00 special assessment.

On March 20, 2013, SFC (b) (6), (b)(7)(C) was sentenced for violating 18 USC 641 to probation for 5 years, \$11,217.59 in restitution, and a \$100.00 special assessment.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room 10A34
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: MDA - WEX FRAUD
Case #: 112W3862
Case Agent: (b) (6), (b)(7)(C), JI-W

On April 2, 2013, in the U.S. District Court for the Eastern District of Virginia (Alexandria), before Magistrate Judge (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) pled guilty to 18 USC 641, Theft of Government Property. (b) (6), (b)(7)(C) was sentenced to one year supervised release and ordered pay \$2,287.71 in restitution. (b) (6), (b)(7)(C) was a contract employee at the Missile Defense Agency and was using a WEX CC for (b) (6), (b)(7)(C) personal use.

This case was prosecuted by SAUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was initiated after a proactive search of WEXonline showed a suspicious trend occurring on the fleet credit card assigned to government vehicle G42 3340A. The search revealed that G42 3340A was purchasing premium unleaded fuel and had inconsistent odometer readings. (b) (6), (b)(7)(C) worked at the Missile Defense Agency as a contract employee with Tetra Tech.

On March 5, 2013, in U.S. District Court in the Eastern District of Virginia (Alexandria), (b) (6), (b)(7)(C) was arraigned before Magistrate Judge (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was charged in violation of 18 USC 641, Theft of Government Property.

For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Assistant Special Agent in Charge
US General Services Administration
Office of Inspector General
National Capital Regional Investigations Office
(b) (6), (b)(7)(C) - Desk
(b) (6), (b)(7)(C) - Mobile
202-252-0042 – Fax

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) - Bribery
Case Number: T12W4013
Case Agent: ASAC (b) (6), (b)(7)(C), JI-W

On April 2, 2013, in U.S. District Court in the District of Maryland (Baltimore), Judge (b) (6), (b)(7)(C), sentenced (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) of Sun Development, to 10 months incarceration, 1 year supervised release, and pay a \$100 court assessment fee.

This case is being prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C).

BACKGROUND

This case was initiated from case I10W0106. (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) of Sun Development, paid a cooperating defendant, who was a GSA employee, two bribe payments. The cash bribe payments were in exchange for work to be completed at GSA facilities in Maryland. The transactions were monitored and recorded by JI-W and FBI Special Agents.

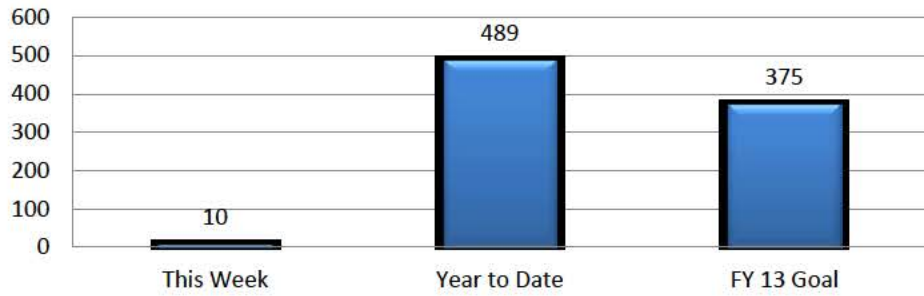
On October 17, 2012, ASAC (b) (6), (b)(7)(C) testified in front of a federal grand jury to the matters concerning the scheme. As a result, U.S. Magistrate Judge (b) (6), (b)(7)(C) issued an arrest warrant for (b) (6), (b)(7)(C) in violation of 18 U.S.C. 201, Bribery. On October 25, 2012, JI-W OIG agents arrested (b) (6), (b)(7)(C) without incident and transported (b) (6), (b)(7)(C) to the U.S. District Court in the District of Maryland (Greenbelt) for (b) (6), (b)(7)(C) Initial Appearance. On December 20, 2012, (b) (6), (b)(7)(C) signed a plea agreement. On January 9, 2013, in U.S. District Court for the District of Maryland (Baltimore), (b) (6), (b)(7)(C) pled guilty to a one count Information charging (b) (6), (b)(7)(C) with 18 U.S.C. 201, Bribery.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

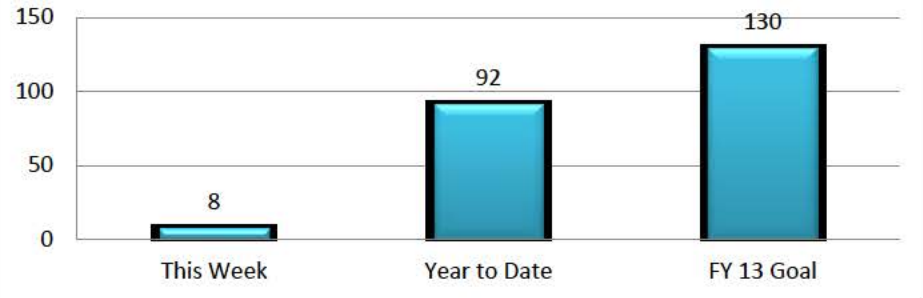
(b) (6), (b)(7)(C)
Assistant Special Agent in Charge
(b) (6), (b)(7)(C) office
202-252-0042 fax

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 5, 2013 - APRIL 12, 2013

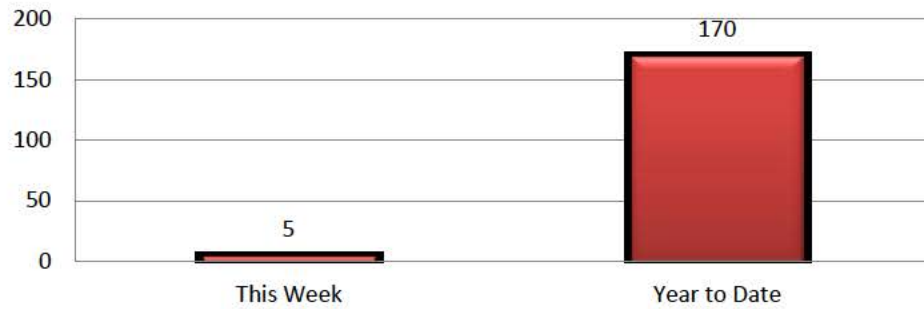
Referrals



Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

April 12, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/11W3350)

(b) (7)(A)

/11W2708)

Boston (JI-1)

(b) (7)(A)

/11313964)

(b) (7)(A)

/1213767)

New York (JI-2)

(b) (7)(A)

/11224307)



JI Updates

April 12, 2013

Philadelphia (JI-3)

(b) (7)(A)

/10930072)

On April 17, 2013, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will be guest speakers at the regional Defense Contract Audit Agency semiannual conference in Philadelphia, PA. SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will be presenting on various computer forensics topics and best practices for handling data collection.

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

During the week of April 15, 2013, ASAC (b) (6), (b)(7)(C) will continue to participate in a trial against EDI. Trial was originally scheduled for two weeks, but is now expected to last a month. This case involves the creation of a straw company which fraudulently obtained approximately \$6 million dollars from Air Force task orders, which were administered by GSA. (WDTX/Major Fraud/I040114)

(b) (7)(A)

/11162844)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report



JI Updates

April 12, 2013

Auburn (JI-10)

On April 17, 2013, SA [REDACTED] will present a fraud awareness briefing to GSA Region 10 purchase card holders and approving officials.

Internal Operations

Hotline

Hotline Contacts – 42

Hotline Referrals – 3

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 108 disclosures.

Civil Enforcement

On April 16, 2013, Branch Chief [REDACTED] and SA [REDACTED] are meeting with [REDACTED] officials to discuss an on-going FAR disclosure investigation. (DOJ Commercial Litigation/Civil/106H2148)

On April 17, 2013, Branch Chief [REDACTED] and SA [REDACTED] are meeting with [REDACTED] officials to discuss an on-going FAR disclosure investigation. (DOJ Commercial Litigation/Civil/113H4515)

On April 17, 2013, Branch Chief [REDACTED] and SA [REDACTED] are meeting with [REDACTED] #3 to discuss an on-going FAR disclosure investigation. (DOJ Commercial Litigation/Civil/113H4675)

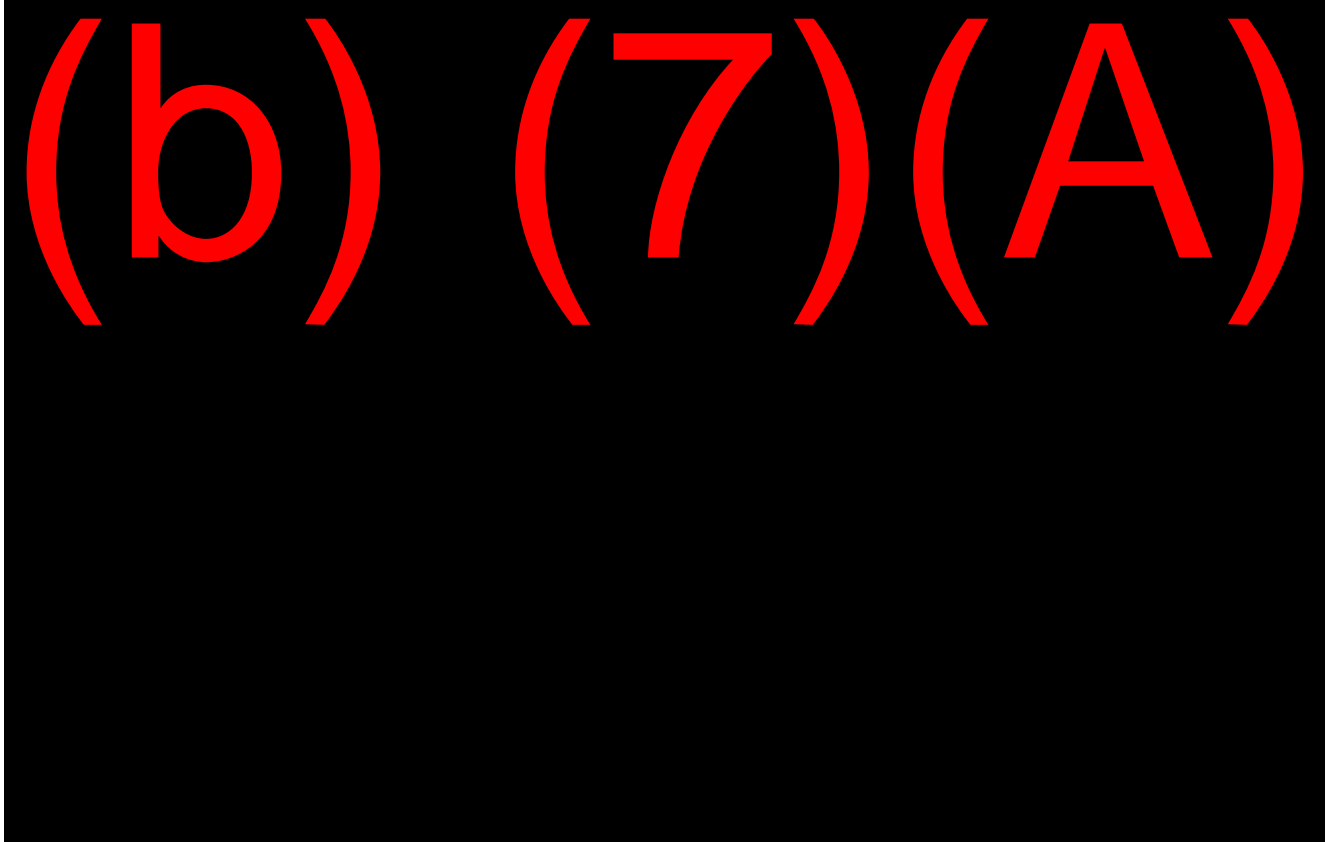
INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Num: 11132891

Case Agent: SA (b) (6), (b)(7)(C), JI-3



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: GSA purchased Marathon watches sold on eBay – Fort Bliss, TX

Case Number: I1172279

Case Agent: SA (b) (6), (b)(7)(C)

On April 4, 2013, First Sergeant (1Sgt) (b) (6), (b)(7)(C) appeared before U.S. District Judge (b) (6), (b)(7)(C) WDTX, El Paso, Texas and was sentenced for violating 18 USC 641, Theft of Government Property. (b) (6), (b)(7)(C) was sentenced to 6 months imprisonment, 36 months supervised release, \$56,088 in restitution, and a \$100.00 special assessment. The case is being prosecuted by AUSA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C), WDTX and is a joint investigation with Army CID.

BACKGROUND

On January 4, 2011, (b) (6), (b)(7)(C), assistant to the vice-president, Marathon Watch Company (MWC), notified JI-7 a Marathon CSAR 300m chronograph men's wrist watch was currently being sold on eBay. (b) (6), (b)(7)(C) stated the watch advertised on eBay displayed the serial number (s/n) 1162 and the s/n was part of a shipment of 85 watches to Fort Bliss, TX. The watches were purchased through GSA MAS Contract No. GS-14F-0027K with MWC. GSA was billed \$111,078 for the eighty-five watches and subsequently billed an Army unit at Fort Bliss, TX, for \$1,515.89 per watch for a total of \$128,850.65.

On January 20, 2011, JI-7 conducted an undercover operation resulting in a controlled purchase of one Marathon Watch, s/n 1160, from (b) (6), (b)(7)(C). On February 19, 2011, a controlled purchase was made of one Marathon Watch, Serial Number 1186, from eBay seller identified as (b) (6), (b)(7)(C) via an eBay auction. The eBay user profile and PayPal account were verified as belonging to Sergeant First Class (SFC) (b) (6), (b)(7)(C). The watch, s/n 1186, was confirmed to be part of the order placed by SSgt (b) (6), (b)(7)(C) on November 25, 2010.

On July 6, 2011, SSgt (b) (6), (b)(7)(C) admitted (b) (6), (b)(7)(C) had lied during a previous interview regarding (b) (6), (b)(7)(C) knowledge regarding the Marathon watches. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was approached by SSgt (b) (6), (b)(7)(C), who instructed (b) (6), (b)(7)(C) on how to place the order in the Army Property Book Unit Enhanced Supply System. (b) (6), (b)(7)(C) explained how to subsequently alter the information in the system to conceal the nature of the items ordered and prevent the unit command from learning of the orders. (b) (6), (b)(7)(C) stated upon receipt of the shipment (b) (6), (b)(7)(C) met with (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and provided them approximately half of the watch shipment. (b) (6), (b)(7)(C) also provided three or four Marathon watches to 1Sgt (b) (6), (b)(7)(C). JI-7 has identified 175 Marathon watches that were fraudulently ordered, which resulted in an approximate loss to the Government of \$265,000.00.

On October 19, 2011, SSgt (b) (6), (b)(7)(C), SSgt (b) (6), (b)(7)(C), 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) were indicted for violating 18 USC 371, Conspiracy and 18 USC 641, Theft of Government Property.

On June 18, 2012, 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641.

On June 20, 2012, SFC (b) (6), (b)(7)(C) was indicted for violating 18 USC 371 and 18 USC 641.

On August 1, 2012, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 641.

On October 24, 2012, SSgt (b) (6), (b)(7)(C) and SFC (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641. Additionally, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 371.

On December 19, 2012, 1Sgt (b) (6), (b)(7)(C) was sentenced for violating 18 USC 641 and ordered to pay \$3,032 in restitution, a \$500.00 fine, and \$100.00 special assessment.

On March 20, 2013, SFC (b) (6), (b)(7)(C) was sentenced for violating 18 USC 641 to probation for 5 years, \$11,217.59 in restitution, and a \$100.00 special assessment.

On March 21, 2013, SSgt (b) (6), (b)(7)(C) was sentenced for violating 18 USC 641 and 18 USC 371, Conspiracy. (b) (6), (b)(7)(C) was sentenced to probation for 5 years, \$22,435 in restitution, 6 months confinement to a half - way house and a \$200.00 special assessment.

On March 27, 2013, SSgt (b) (6), (b)(7)(C) was sentenced to probation for 5 years, \$22,435 in restitution, 6 months house arrest, and a \$100.00 special assessment.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room 10A34
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM:

Case Title: Gallup Organization- Fraud
Case Number: I10W0291
Case Agent: ASAC (b) (6), (b)(7)(C), JI-W

On April 9, 2013, in U.S. District Court, in Washington, D.C., the Honorable Judge (b) (6), (b)(7)(C), sentenced (b) (6), (b)(7)(C), former Director, Human Capital Division, FEMA, to 24 months probation, 250 hours of community service, and ordered (b) (6), (b)(7)(C) to pay a \$40,000 fine and a \$100 court assessment fee.

The case was prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C), in the District of Columbia.

BACKGROUND:

This case was initiated based on a Qui Tam filed by an ex-employee of Gallup alleging numerous violations involving The Gallup Organization.

In November 2012, a DOJ complaint was filed in the U.S. District Court, in Washington, D.C., regarding conflict of interest charges against Gallup and former FEMA employee (b) (6), (b)(7)(C). The matter arose from a 2008 FEMA subcontract awarded to Gallup to evaluate the strengths and satisfaction of FEMA's workforce. It was alleged that at the same time that (b) (6), (b)(7)(C) was pushing (b) (6), (b)(7)(C) agency to award work to Gallup, (b) (6), (b)(7)(C) and Gallup were unlawfully discussing (b) (6), (b)(7)(C) future employment with Gallup. In several internal Gallup emails, a Gallup CEO and government division manager discussed their intention to hire (b) (6), (b)(7)(C) if (b) (6), (b)(7)(C) could persuade FEMA to award Gallup the subcontract. An internal Gallup email dated April 25, 2008, stated that if (b) (6), (b)(7)(C) "gets us a big deal at FEMA...i think we should hire (b) (6), (b)(7)(C)." .

On or about February 5, 2009, Gallup extended a formal, written partnership offer to (b) (6), (b)(7)(C) after (b) (6), (b)(7)(C) helped secure and fund the FEMA contract with Gallup. (b) (6), (b)(7)(C) announced (b) (6), (b)(7)(C) retirement from FEMA a few days later, and falsely certified to FEMA on February 28, 2009 that (b) (6), (b)(7)(C) had no post-government employment. Gallup allegedly post-dated a second employment offer letter in a manner that supported (b) (6), (b)(7)(C)'s false certification. Gallup ultimately rescinded its partnership offer to (b) (6), (b)(7)(C) in late March 2009, but only after the Gallup government division manager allegedly concluded that hiring (b) (6), (b)(7)(C) could "get in the way of future [FEMA] business," because (b) (6), (b)(7)(C)'s government co-workers were upset about what had occurred.

On January 2, 2013, a criminal information was filed in the U.S. District Court, in Washington, D.C., charging (b) (6), (b)(7)(C), former Director, Human Capital Division, FEMA, with one count of Title 18, U.S.C., Section 208(a) and 216(a)(2), Conflict of Interest.

This was a joint investigation with the FBI and DHS OIG.

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Direct Line (b) (6), (b)(7)(C) /Fax (202) 252-0042

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Num: 11132891

Case Agent: SA (b) (6), (b)(7)(C), JI-3

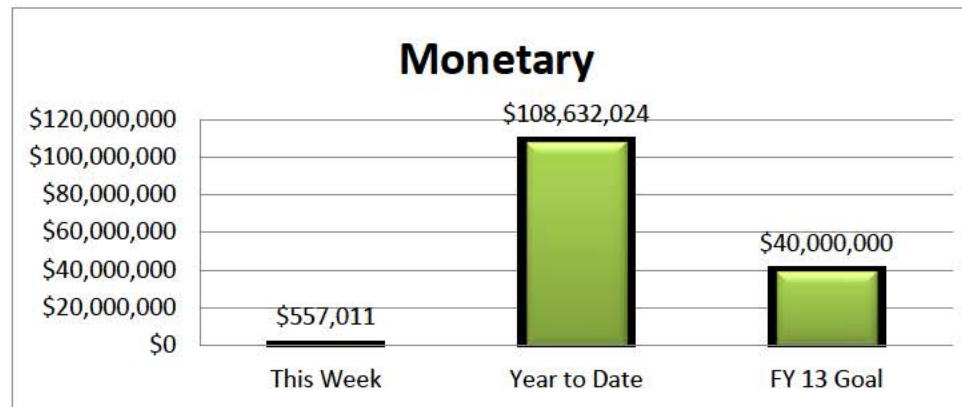
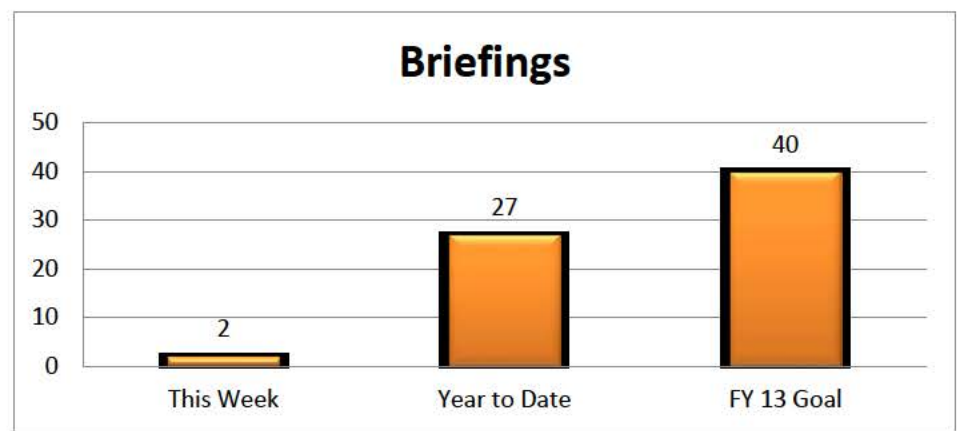
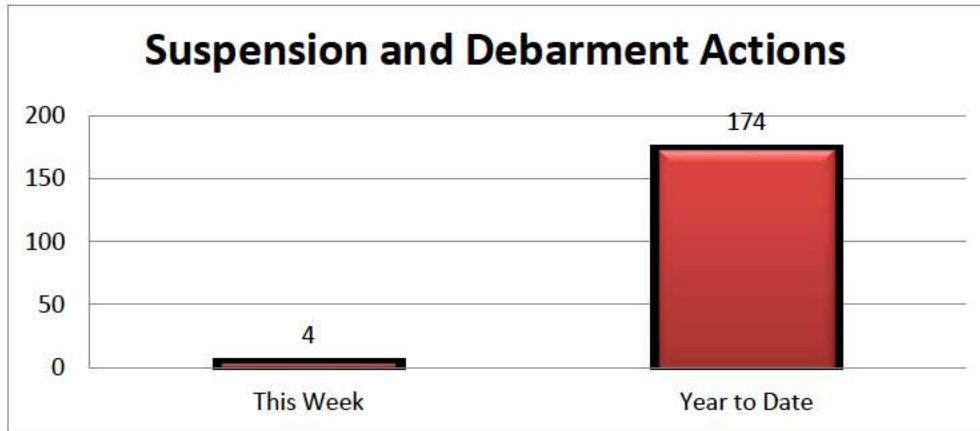
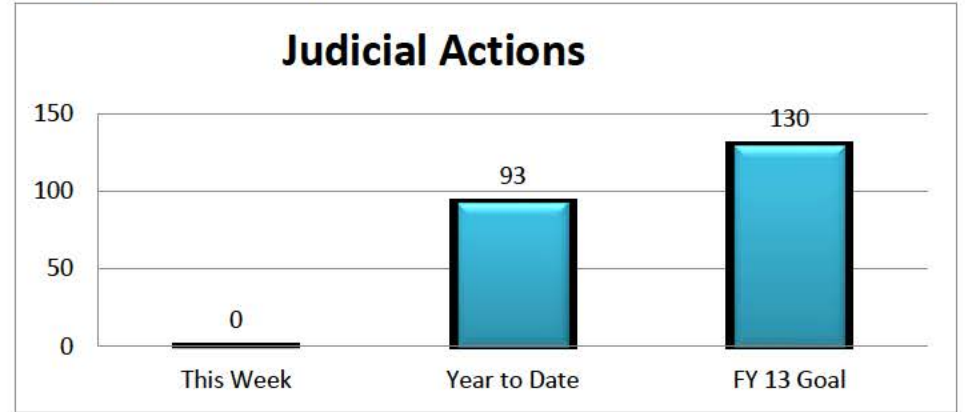
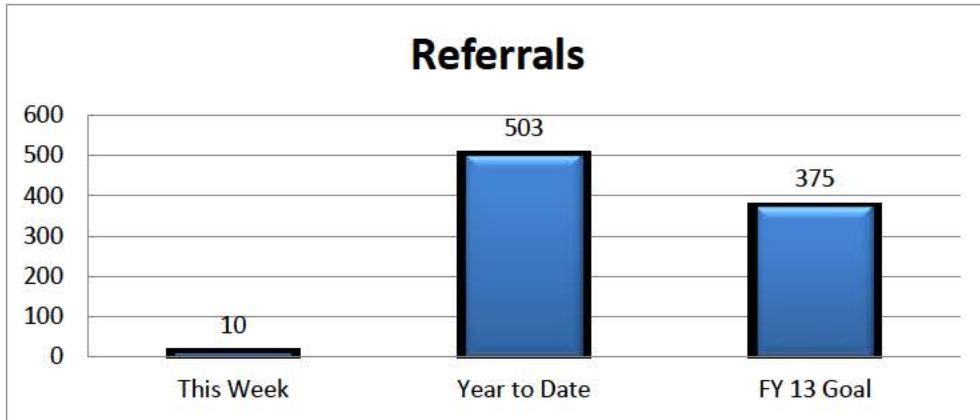
(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 12, 2013 - APRIL 18, 2013





JI Updates

April 19, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of April 22, 2013, JI-W SAs will arrest (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C). A criminal complaint was filed in U.S. District Court for the District of Maryland charging (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) with four counts of Theft of Government Property, 18 USC 641. This case is being prosecuted by AUSA (b) (6), (b)(7)(C). (MD/Criminal/I13W4638)

Boston (JI-1)

During the week of April 22, 2013, JI-1 SAs will continue to assist the JTTF in their investigation of the recent attack during the Boston marathon on April 15, 2013.

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

On April 22, 2013, SAIC will enter into a settlement agreement with the federal government to resolve alleged violations of the False Claims Act. SAIC has agreed to pay \$5.75 million related to a Blanket Purchase Agreement (BPA) contract awarded to SAIC by GSA in 2006. GSA was misled by SAIC and others to believe that the BPA was issued through an official agreement with another federal agency. The investigation determined that the federal agency was not a federal agency but an entity affiliated with a New Mexico state institution. (MDFL, DOJ/Qui Tam/False Claims/I0940681)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

During the week of April 22, 2013, ASAC (b) (6), (b)(7)(C) will be continuing (b) (6), (b)(7)(C) participation in a trial against EDI. This case involves the creation of a straw company which fraudulently obtained approximately \$6 million from Air Force task orders, which were administered by GSA. (WDTX/Major Fraud/I040114)

(b) (7)(A)

/I1162844)



JI Updates

April 19, 2013

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 40

Hotline Referrals – 6

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 108 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C); GSA ADVANTAGE FRAUD - SAVANNAH, GA
Case #: I13M4421
Case Agent: SA (b) (6), (b)(7)(C), JI-4

On April 8, 2013, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) entered a guilty plea in the SDGA for one count each of Title 18 USC 371, Conspiracy.

This case is being investigated by GSA OIG and Army CID MFPU. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), SDGA.

BACKGROUND

This investigation was predicated on information received from a GSA Employee who reported the suspicious delivery of items ordered on GSA Advantage to the residence of an Army Corporal in Savannah, Georgia.

The GSA OIG and Army CID MFPU conducted an investigation into possible Theft of Government Property related to items ordered on GSA Advantage using DODAAC W91WQW in Savannah, Georgia. The investigation revealed that (b) (6), (b)(7)(C), an Army Unit Supply Specialist with an account on GSA Advantage and authority to make purchases for (b) (6), (b)(7)(C) unit using DODAAC W91WQW, ordered approximately \$154,160.20 of items and had them shipped to (b) (6), (b)(7)(C) residence. The investigation also revealed that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), pawned and sold several of the items, including cameras, computers, power tools, and copper pipes. GSA OIG and Army MFPU conducted interviews and surveillance operations that disclosed three locations where (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were storing items ordered using DODAAC W91WQW.

On November 2, 2012, GSA OIG and Army CID MFPU executed multiple federal search warrants in the Savannah, Georgia area. During the searches, agents recovered stolen government property at all locations which was determined to have been ordered through GSA Advantage by (b) (6), (b)(7)(C) using DODAAC W91WQW.

On December 6, 2012, a Grand Jury in the SDGA returned an Indictment against (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C). The Indictment charged (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) with one count of Title 18 USC 641, Theft of Government Property, one count of Title 18 USC 371, Conspiracy, and one count of Title 18 USC 2, Aiding and Abetting.

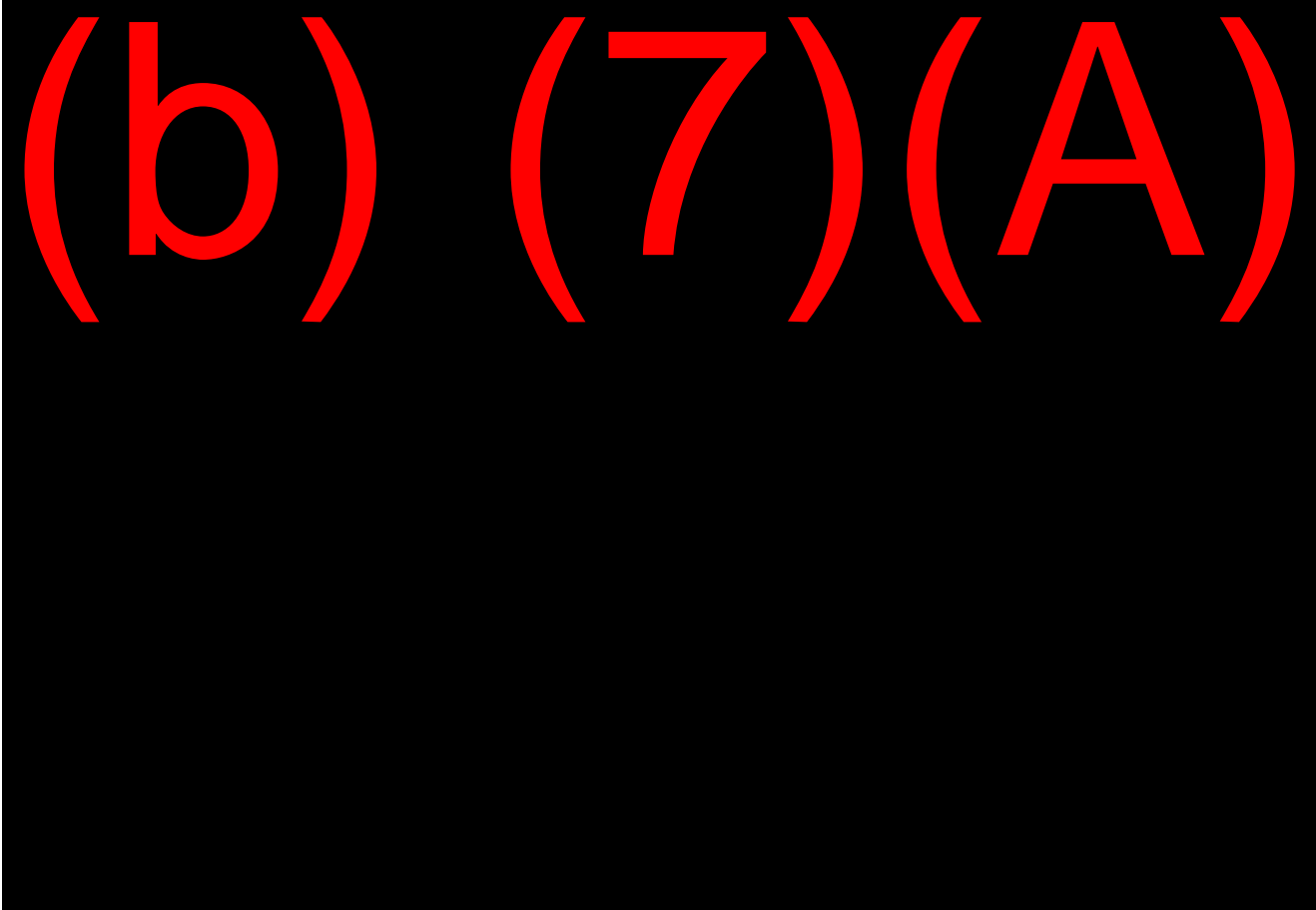
For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

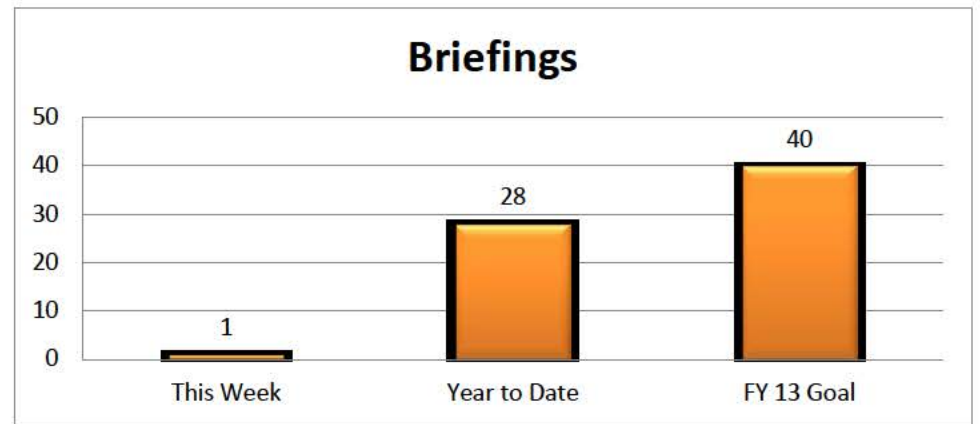
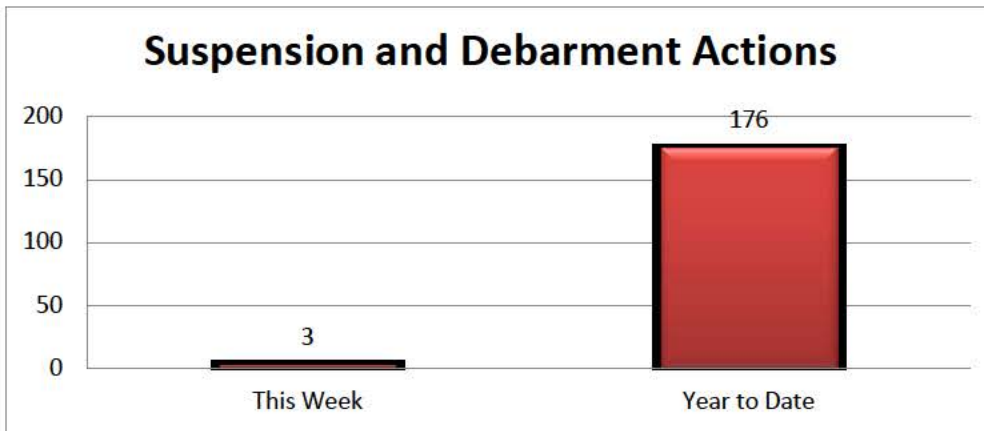
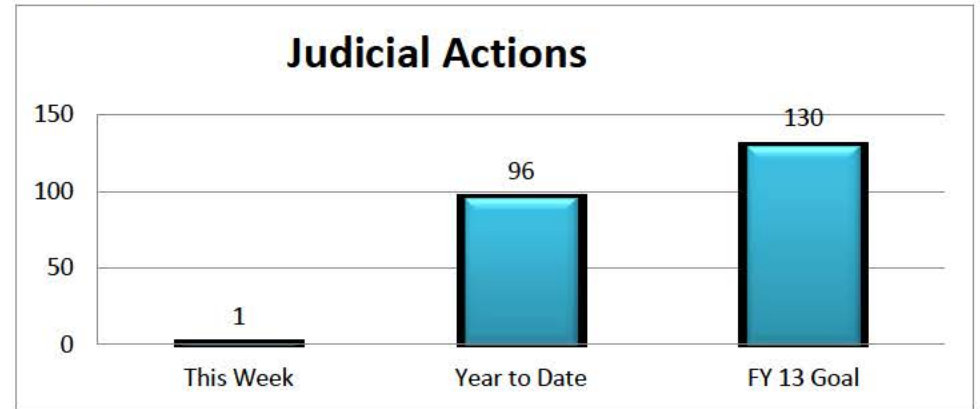
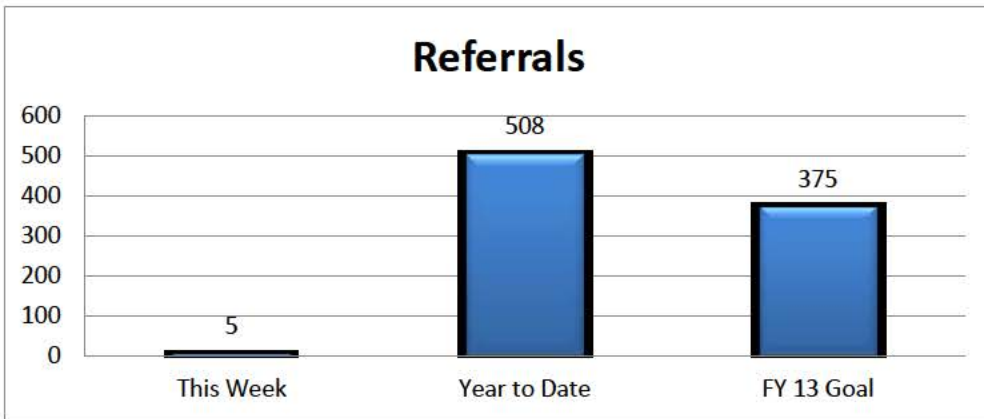
Case Title: (b) (7)(A)
Case Num: 10930072
Case Agent: SA (b) (6), (b)(7)(C), JI-3



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 19, 2013 - APRIL 25, 2013





JI Updates

April 26, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

111W2425)

(b) (7)(A)

/111W2295)

During the week of April 29, 2013, the "Roosevelt Rocking Chair" will be delivered to the White House and returned to the White House Collection. The chair will be picked up from the possessors on April 26, 2013. JI-W worked with the possessor, the White House Counsel's Office and the White House Curator's Office to arrange for the return of the chair which has been missing from the White House since 1961. (DC/Civil/113W4672)

On May 3, 2013, (b) (6), (b)(7)(C), Alteration Work Group, DOD, will be arraigned in the U.S. District Court of Maryland for violating 18 USC 641, Theft of Government Property. The approximate fraud loss is approximately \$9,656. (MD/Criminal/112W3820)

(b) (7)(A)

110W0941)

Boston (JI-1)

On May 2, 2013, SA (b) (6), (b)(7)(C) will present an investigation for prosecution to the USAO, District of Vermont. The investigation to be presented was predicated based upon information received by the GSA Contracting Officer alleging The Reid Group, LLC is a "pass thru" company and not a SDVOSB as they purport. (DVT/Fraud/11213212)

New York (JI-2)

Nothing significant to report



JI Updates

April 26, 2013

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 27

Hotline Referrals – 4

Investigations

Nothing significant to report

JI-B

FAR

One new disclosure was received from (b) (7)(D). The disclosure involves state and local taxes. To date, the Investigations Operations Division has received 109 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 113H4675
Case Agent: Branch Chief (b) (6), (b)(7)(C), SA (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C)
(b) (6), (b)(7)(C) Investigative Intern, JIB-C

(b) (7)(D) reimburses GSA in the amount of \$459,213.74 in connection with excessive billing under (b) (7)(D) Schedule Contract (b) (7)(D).

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a criminal violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

On February 20, 2013, (b) (7)(D) disclosed to government officials that they may have overbilled the government under their GSA Contract (b) (7)(D)

[REDACTED]

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC

(b) (6), (b)(7)(C)
Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Fleet Card Fraud - (b) (6), (b)(7)(C)
Case #: I13W4638
Case Agent: SA (b) (6), (b)(7)(C) – JI-W

On April 22, 2013, JI-W OIG Agents arrested (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) at their residence, in Lexington, Park, MD. Incident to arrest, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were transported to U.S. District Court in the District of Maryland (Greenbelt) for their Initial Appearances. On April 16, 2013, in the U.S. District Court for the District of Maryland, U.S. Magistrate Judge (b) (6), (b)(7)(C) issued arrest warrants for (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) in violation of Title 18, USC Section 641, Theft of Government Property.

This case is being prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C), Southern District of Maryland (Greenbelt).

BACKGROUND

The case was initiated after SA (b) (6), (b)(7)(C) was contacted by (b) (6), (b)(7)(C), GSA Loss Prevention, regarding possible fraud involving Fleet credit card, (CC) G63 1730H. The aforementioned vehicle is assigned to the Patuxent Naval Air Station, Lexington Park, MD. According to GSA Loss Prevention, the Fleet CC was making numerous multiple same day purchases of gasoline throughout Southern Maryland.

SA (b) (6), (b)(7)(C) obtained numerous surveillance photos from service stations and conducted several interviews that lead to the identification of (b) (6), (b)(7)(C) a contractor at the Patuxent Naval Air Station. (b) (6), (b)(7)(C) was a radar technician, employed by BAE Systems. After a review of WEXonline, SA (b) (6), (b)(7)(C) discovered the Fleet CC was used on 128 separate occasions without authorization.

SA (b) (6), (b)(7)(C) interviewed (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) acknowledged using the Fleet CC to fuel (b) (6), (b)(7)(C) personal vehicle at multiple gas stations located throughout St. Mary's County, MD. (b) (6), (b)(7)(C) also stated (b) (6), (b)(7)(C) gave the Fleet CC to (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), and that (b) (6), (b)(7)(C) was selling gas purchased with the Fleet CC.

SA (b) (6), (b)(7)(C) also interviewed (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) acknowledged (b) (6), (b)(7)(C) was selling fuel purchased with the Fleet CC. (b) (6), (b)(7)(C) stated (b) (6), (b)(7)(C) was given the Fleet CC by (b) (6), (b)(7)(C) (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) sold gas purchased on the Fleet CC throughout St. Mary's County, Prince George's County and Anne Arundel County, in Maryland. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was selling gas to help out (b) (6), (b)(7)(C) because (b) (6), (b)(7)(C) was in financial trouble.

The estimated fraud total loss to the government is approximately \$8,575.

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 26, 2013 - MAY 2, 2013

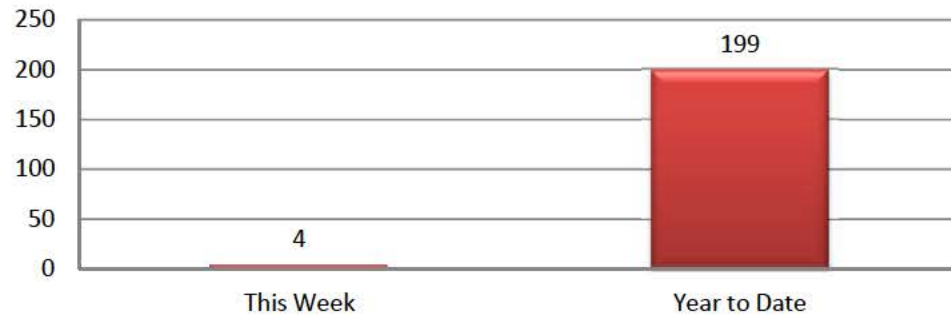
Referrals



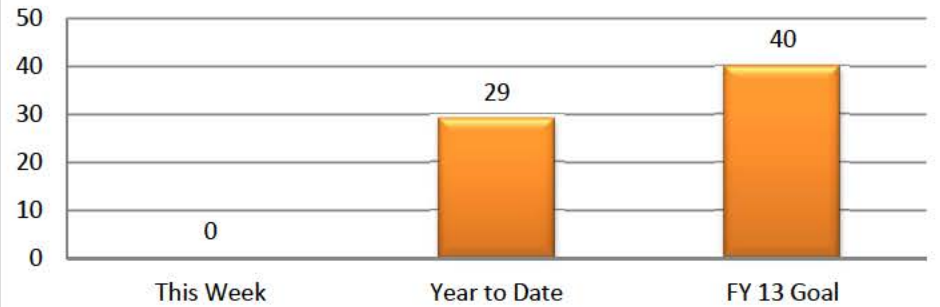
Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

May 3, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On May 3, 2013, (b) (6), (b)(7)(C), Alteration Work Group, DOD, will be arraigned in the U.S. District Court of Maryland in violation of 18 USC 641, Theft of Government Property.

(b) (6), (b)(7)(C) was misusing a FLEET card for (b) (6) own personal gain. The approximate fraud loss is \$9,656. (MD/Fleet/I12W3820)

During the week of May 6, 2013, SA (b) (6), (b)(7)(C) plans to swear out and execute a search warrant for emails associated with GSA contractor AllCarrier Worldwide Services, Inc. AllCarrier, owned by (b) (6), (b)(7)(C), is believed to be purchasing counterfeit Cisco equipment from a supplier in Hong Kong, through at least two shell companies, and selling that counterfeit equipment to the government and other buyers. (EDVA/Criminal/I13W44992)

On May 8, 2013, (b) (6), (b)(7)(C), Edgewood Chemical Biological Command, Aberdeen Proving Grounds, Maryland, will be arraigned in District Court for Hartford County, Maryland, for credit card theft. (b) (6), (b)(7)(C) was misusing a FLEET card for (b) (6) own personal gain. The approximate fraud loss is \$2,200. (MD/Fleet/I13W4468)

Boston (JI-1)

(b) (7)(A)

/I1010856)

New York (JI-2)

On May 3, 2013, SA (b) (6), (b)(7)(C) will attend the arraignment for (b) (6), (b)(7)(C), Mail Clerk, VA, Lyons, NJ at the Somerset County Superior Court. On February 8, 2013, (b) (6), (b)(7)(C) was arrested without incident for fraudulently using a FLEET card to refuel (b) (6) personal vehicle. (DNJ/Fleet/I1224213)

(b) (7)(A)

/I1224307)



JI Updates

May 3, 2013

Philadelphia (JI-3)

On May 3, 2013, SA (b) (6), (b) (7)(C) will provide two training sessions at the Association of Government Accountants Philadelphia Chapter Annual Professional Development Conference. SA (b) (6), (b) (7)(C) will be presenting an Introductory Digital Forensics course.

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

(b) (7)(A)

(b) (7)(A) (11253603)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 32

Hotline Referrals – 4

Investigations

Nothing significant to report



JI Updates

May 3, 2013

ARRA

On May 7, 2013, SA (b) (6), (b) (7)(C) is scheduled to swear out a search warrant in the District of Maryland to search 20 Platinum One Contracting, Inc. hard drives from Platinum servers. Platinum sold the hard drives to a private computer company. The private computer company voluntarily gave the hard drives to SA (b) (6), (b) (7)(C) pursuant to the investigation. This investigation was opened based on allegations that Platinum fraudulently obtained multiple 8(a) set-aside ARRA contracts and was operating as a pass-through for a SBA 8(a) graduated company, Capitol Contractors, Inc. (DMD/False Statements/I1130723)

(b) (7)(A)



110W0941)

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 109 disclosures.

Civil Enforcement

On May 8 and May 10th, 2013, Samsung employees will be deposed in response to CIDs issued to Samsung for interrogatories and documents. This qui tam investigation involves non-TAA compliant Samsung products sold to the government. (DOJ Commercial Litigation/Civil/I12W3109)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C), et al.

Case Number: 1040114

Case Agent: ASAC (b) (6), (b)(7)(C), JI-6

On April 25, 2013, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C), were convicted by a federal jury, U.S. District Court, Western District of Texas, San Antonio, TX, with one count of violating 18 USC § 371, Conspiracy To Defraud the United States, twelve counts of violating 18 USC § 1343, Wire Fraud, and three counts of violating 18 USC § 1031 and 2, Major Fraud against the United States. Sentencing is scheduled for June 28, 2013. The case was prosecuted by AUSA (b) (6), (b)(7)(C) and Special AUSA (b) (6), (b)(7)(C), Air Force (AF). It was also jointly investigated with AFOSI.

BACKGROUND

Our office initiated this investigation in May 2004, based on an OIG audit of GSA, Federal Technology Service (FTS), Client Support Centers, for information technology orders placed by FTS on behalf of the Air Force Medical Support Agency (AFMSA), Brooks City-Base, San Antonio. The audit noted that all the FTS prime contractors were utilizing the same installation subcontractor, Ark Systems, Inc. (Ark). At that time, AFMSA was tasked with installing network cable in AF hospitals and utilized FTS contractors.

Karta Technologies, Inc. (Karta) held an FTS contract and was hired by AFMSA to evaluate and determine the best contractor for the network cable installation for each of the AF hospitals. (b) (6), (b)(7)(C) was a program manager at Karta and oversaw the project. Subsequently, (b) (6), (b)(7)(C) developed a scheme to create a pass-through company, Enterprise and Deployment, LLC. (E&D), and inserted (b) (6), (b)(7)(C) company into the AFMSA procurement process.

E&D consisted of (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), former commander of AFMSA and at that time was business development manager, Karta, and (b) (6), (b)(7)(C) who at that time was vice president, Government Systems, Ark.

Using inside knowledge and (b) (6), (b)(7)(C) influence as a representative of the AFMSA, E&D obtained teaming agreements with the FTS and AF prime contractors who had schedule contracts for the AFMSA task orders. Through this scheme, E&D acted as a first-tier subcontractor, but added no value and made substantial profits for simply acting as a pass-through between the prime contractors and Ark, the second-tier installation subcontractor. From July 2002 through 2008, E&D obtained approximately \$33.5 million in subcontracts, and were able to enrich themselves by over \$6.4 million dollars.

On November 2, 2011, a 17-count indictment was returned by the Grand Jury, U.S. District Court, Western District of Texas, San Antonio, TX, charging the (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) with one count of Conspiracy To Defraud the United States, twelve counts of Wire Fraud, and four counts of Major Fraud against the United States. Arrest warrants were approved by U.S. Magistrate Judge (b) (6), (b)(7)(C) and were issued by the Court.

On November 3, 2011, (b) (6), (b)(7)(C) was arrested at (b) (6), (b)(7)(C) residence by ASAC (b) (6), (b)(7)(C) with the assistance of AFOSI. On November 21, 2011, the (b) (6), (b)(7)(C) turned themselves into the U.S. Marshals.

For information regarding this Significant Item please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

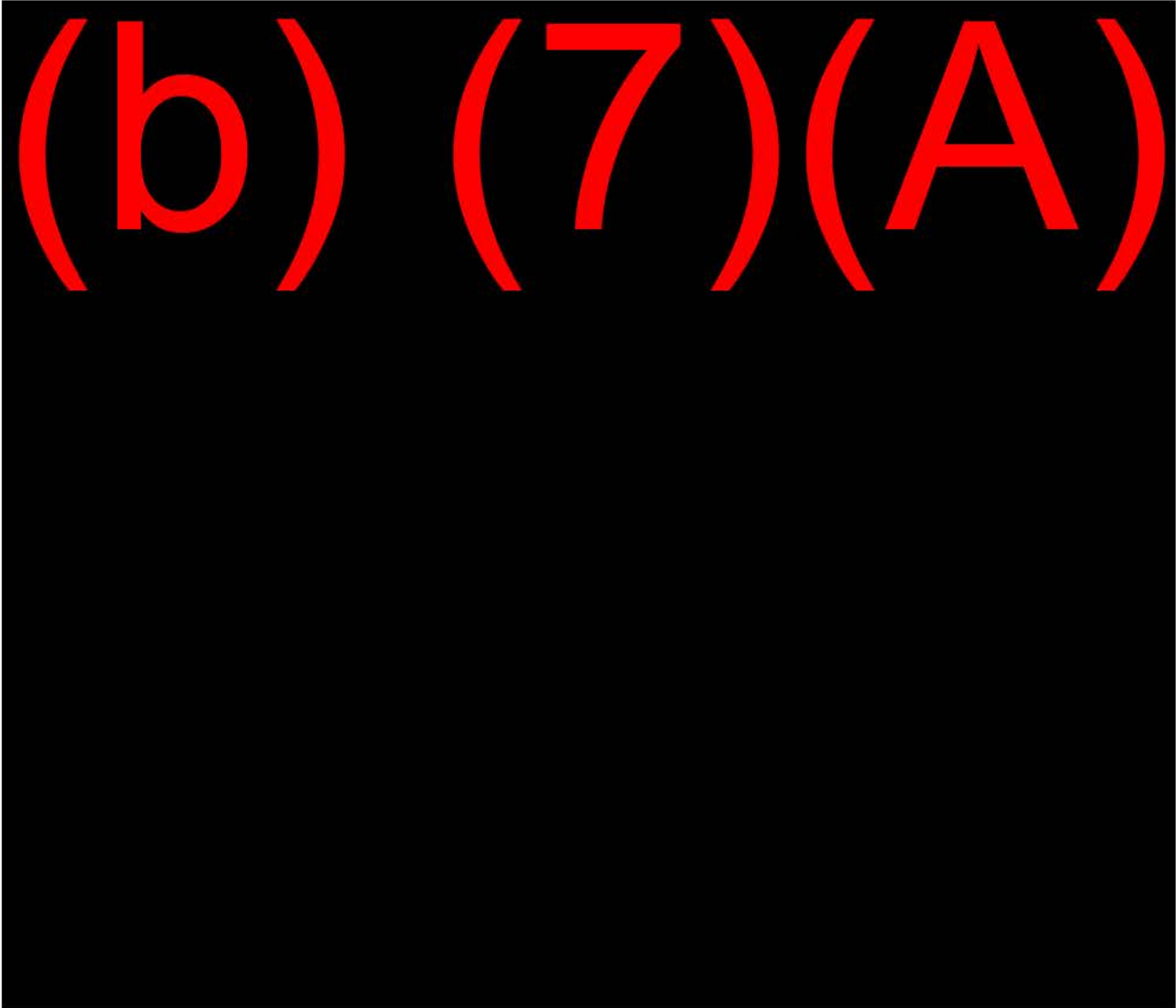
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Phone (b) (6), (b)(7)(C)

Significant Item

Case Number: I1292047

Case Title (b) (7)(A)

Case Agent: (b) (6), (b)(7)(C)



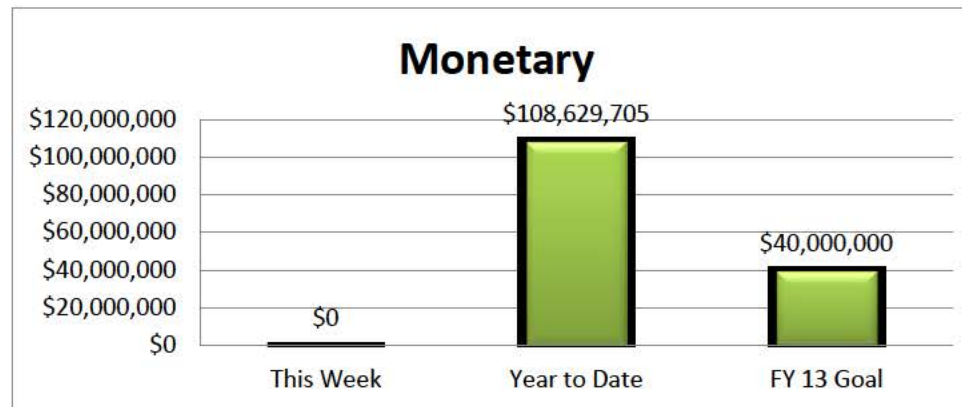
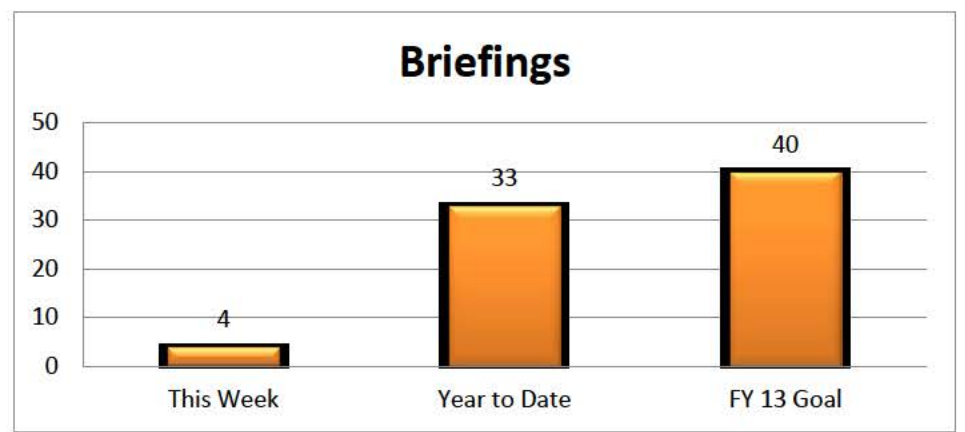
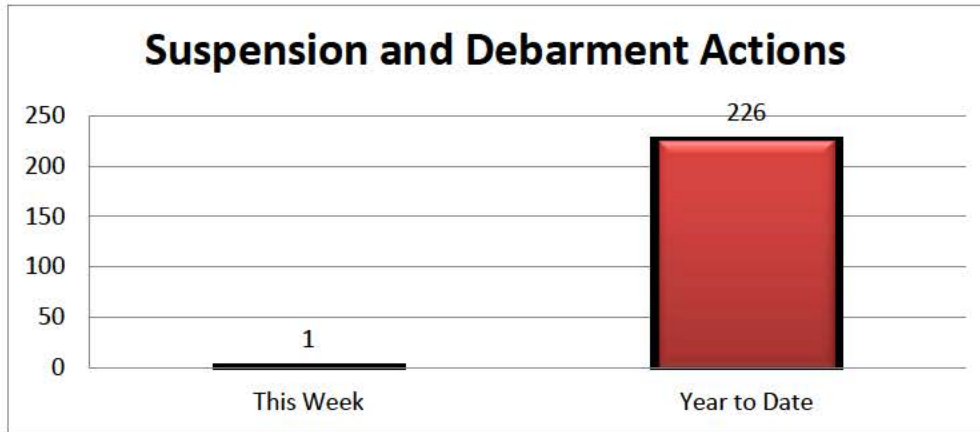
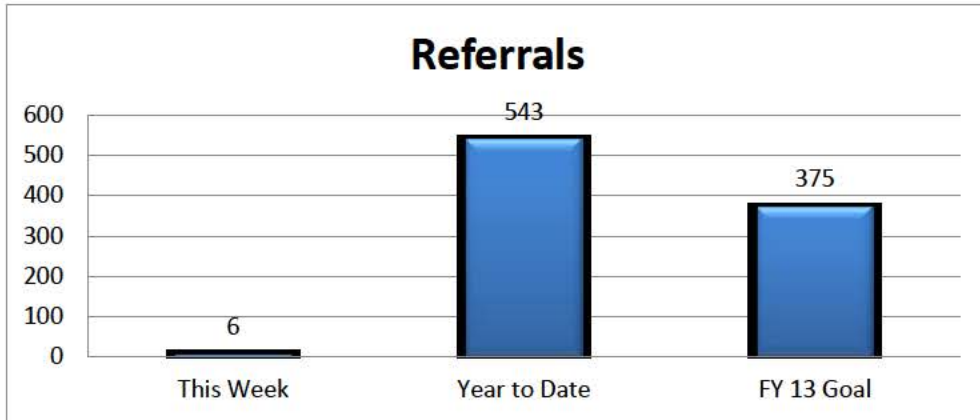
(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of Inspector General JI-9
450 Golden Gate Avenue, Suite 7-5262
San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MAY 3, 2013 - MAY 9, 2013





JI Updates

May 10, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On May 14, 2013, SA (b) (6), (b)(7)(C), SA (b) (6), (b)(7)(C), FBI, and AUSA (b) (6), (b)(7)(C) will have a proffer session with (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Persaud Companies Inc. (b) (6), (b)(7)(C) will discuss (b) (6), (b)(7)(C), Attorney, Seeger, PC, participation in fabricating and destroying documents in response to a GSA Inspector General Subpoena. (EDVA/Criminal/I11W2304)

Boston (JI-1)

(b) (7)(A)

(b) (6), (b)(7)(C) I1313964)

On May 14, 2013, SA (b) (6), (b)(7)(C) will present an investigation for prosecution to the USAO, District of Massachusetts. The investigation involves allegations that a GSA vendor, ScrubaDub Car Wash, Natick, MA is overcharging GSA customers. (DMA/Fraud/I1314772)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

(b) (6), (b)(7)(C) /V070013)

Atlanta (JI-4)

On May 14, 2013, GSA OIG SAs from the Fort Lauderdale office will participate in a multi-agency operation under an HHS OIG Mutual Assistance Request. GSA OIG in conjunction with participating law enforcement agencies will execute three search warrants and 40 arrest warrants in South Florida related to Medicare fraud investigations.

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report



JI Updates

May 10, 2013

Denver (JI-8)

(b) (7)(A)

/I09D0387)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 34

Hotline Referrals – 2

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

One new disclosure received from (b) (7)(D). The disclosure involves contract pricing discrepancies resulting in overpayments by the government under their GSA contract (b) (7)(D) (b) (7)(D) (DOJ Commercial Litigation/Civil/I13H4796)

To date, the Investigations Operations Division has received 110 disclosures.



JI Updates

May 10, 2013

Civil Enforcement

On May 13, 2013, Branch Chief (b) (6), (b)(7)(C) and the assigned AUSA will meet with Tumbleweed/Axway officials and their attorneys to discuss Tumbleweed/Axway's counteroffer to settle the qui tam. (DMD/Civil/I09W0521)

On May 14, 2013, Branch Chief (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) are meeting with (b) (7)(D) officials to discuss an on-going FAR disclosure investigation. The disclosure relates to a possible fee arrangement among three of their 1st tier subcontractors under three different task orders issued under GSA Contract (b) (7)(D). (DOJ Commercial Litigation/Civil/I13H4718)

Suspension and Debarments

On May 15, 2013, Branch Chief (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will meet with newly appointed GSA SDO (b) (6), (b)(7)(C) to discuss on-going suspension and debarment matters.

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Number: I11W2786

Case Title: USMC Recruiting Center - WEX Fraud

Case Agent: (b) (6), (b)(7)(C)

On May 1, 2013, the USMS, Gulf Coast Regional Fugitive Task Force (GCRFTF), arrested (b) (6), (b)(7)(C), former Staff Sergeant, USMC, without incident in Plantersville, MS. Incident to arrest, (b) (6), (b)(7)(C) was transported to the U.S. District Court for the Northern District of Mississippi for (b) (6), (b)(7)(C) Initial Appearance.

This case is being prosecuted in the Eastern District of Virginia (Alexandria) by Special Assistant United States Attorney (b) (6), (b)(7)(C) .

Background

This case was initiated based on information developed under a proactive investigation (V000008) concerning the misuse of fleet credit cards. A review of the fleet database disclosed anomalies associated with several fleet credit cards assigned to the USMC Recruiting Center in Frederick, MD. (b) (6), (b)(7)(C) was assigned to the USMC Recruiting Center in Manassas, VA.

SA (b) (6), (b)(7)(C) obtained numerous surveillance photos from service stations and conducted several interviews that lead to the identification of (b) (6), (b)(7)(C). SA (b) (6), (b)(7)(C) interviewed (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) acknowledged using the Fleet CC assigned to the recruiting center to fuel (b) (6), (b)(7)(C) personal vehicle at multiple service stations throughout Northern Virginia (NOVA). The approximate fraud loss is \$6,958.

During the course of the investigation, (b) (6), (b)(7)(C) was discharged from the USMC and moved out of the NOVA area. SA (b) (6), (b)(7)(C) was able to establish a possible current address for (b) (6), (b)(7)(C) in Mississippi. As a result, SA (b) (6), (b)(7)(C) contacted the GCRFTF and requested assistance in the apprehension of (b) (6), (b)(7)(C).

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

National Capital Regional Office (JI-W)

Direct Line (b) (6), (b)(7)(C)

Fax (202) 252-0042

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) – Computer Intrusion

Case Number: 111W2908

Case Agent: SA (b) (6), (b)(7)(C)

On May 3, 2013, in the U.S. District Court for the Eastern District of Virginia, a jury convicted (b) (6), (b)(7)(C) of twelve felony counts and two misdemeanor counts of unauthorized access to a protected computer in violation of 18 U.S.C. § 1030(a)(2). (b) (6), (b)(7)(C) is scheduled to be sentenced on July 19, 2013.

The prosecution was the culmination of a joint investigation by the FBI and GSA OIG. It was prosecuted in the Eastern District of Virginia by AUSA (b) (6), (b)(7)(C) and SAUSA (b) (6), (b)(7)(C).

BACKGROUND

From approximately December 2010 through September 2011, (b) (6), (b)(7)(C), formerly employed by Platinum Solutions (which was acquired by SRA International before (b) (6), (b)(7)(C) left the company), unlawfully used a system administrator email account to access SRA's email and voicemail systems. (b) (6), (b)(7)(C) used that access to listen to voicemails and read thousands of sensitive company emails from high level executives at SRA. (b) (6), (b)(7)(C) is believed to have used information (b) (6), (b)(7)(C) gained to help negotiate (b) (6), (b)(7)(C) severance package from SRA, and to obtain procurement sensitive information and trade secrets from SRA.

When (b) (6), (b)(7)(C) left SRA on December 15, 2010, (b) (6), (b)(7)(C) provided verbal and written assurances to officials of SRA that (b) (6), (b)(7)(C) would not access its systems after (b) (6), (b)(7)(C) departure, and even urged them to shut down (b) (6), (b)(7)(C) existing accounts. That same day, however, (b) (6), (b)(7)(C) began logging into SRA's email systems using a secret administrative account which (b) (6), (b)(7)(C) learned about during (b) (6), (b)(7)(C) work for SRA. (b) (6), (b)(7)(C) immediately began downloading hundreds of proprietary documents using this administrative account.

Shortly after resigning, (b) (6), (b)(7)(C) joined another government contractor, Buchanan & Edwards, which directly competes with SRA for government contracts. Both companies hold GSA Schedule 70 Multiple Award Schedule contracts and compete for some of the same task orders under those contracts. At Buchanan, (b) (6), (b)(7)(C) worked as "Director of Law Enforcement" and prepared bids for government contracts on law enforcement projects. In that position, (b) (6), (b)(7)(C) undercut SRA's bid on a government contract by approximately \$100,000, while downloading SRA's documents on the same contract. Although (b) (6), (b)(7)(C) attempt to win the bid failed, (b) (6), (b)(7)(C) continued to sift through thousands of valuable documents stored on SRA computers.

From December 15, 2010 until September 2, 2011, (b) (6), (b)(7)(C) accessed SRA's computer system more than 79,000 times.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General

National Capital Regional Office (JI-W)

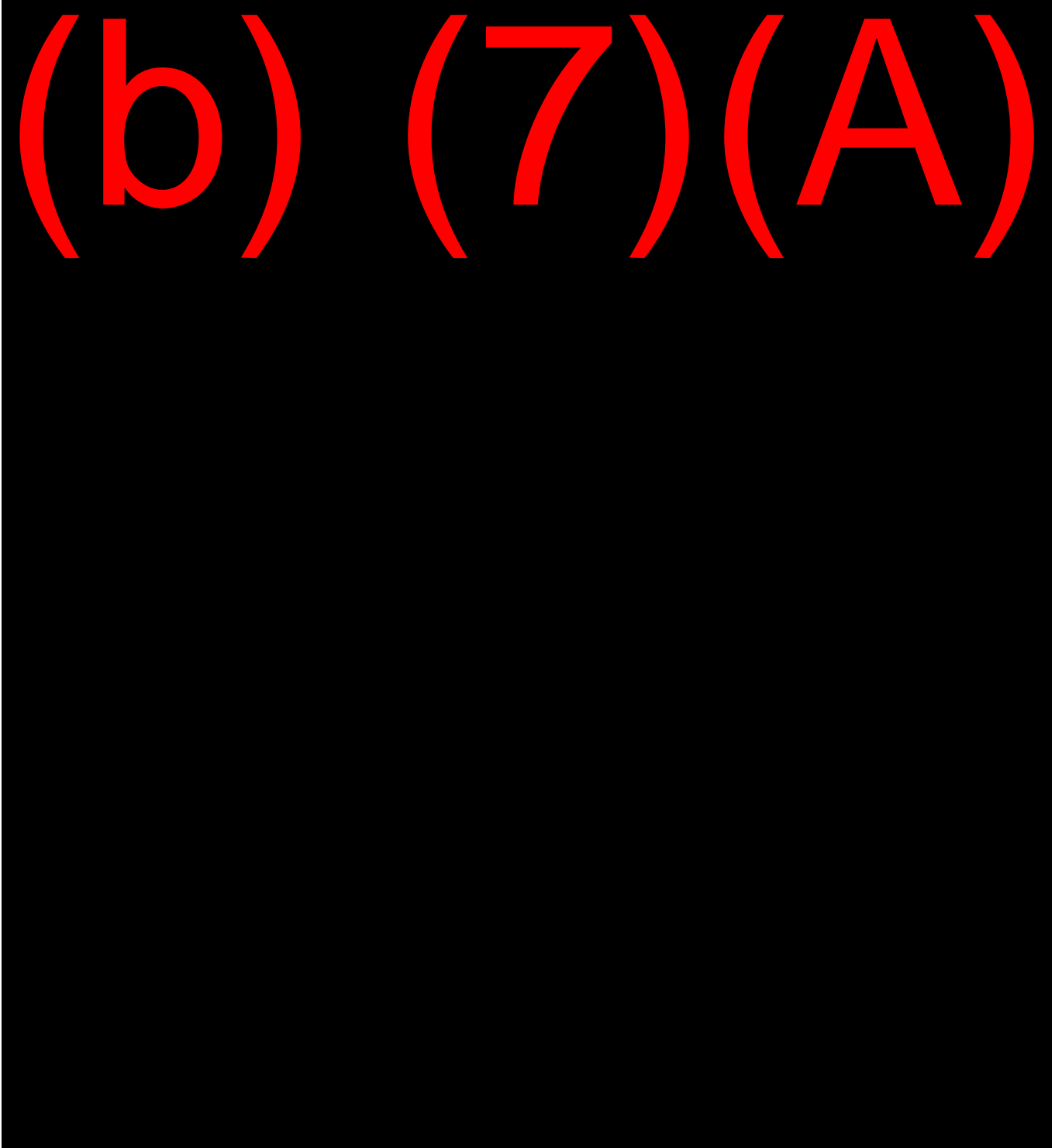
Direct Line (b) (6), (b)(7)(C)

Fax (202) 252-0042

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case Number: 10960697
Case Agent: ASAC (b) (6), (b)(7)(C), JI-6



For information regarding this Significant Item, please contact Special Agent in Charge [REDACTED] at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Phone (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C)
Case Number: I1253381
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On April 25, 2013, (b) (6), (b)(7)(C) was debarred by the GSA Suspension and Debarment and Contract Remedies Division. The debarment period will run through January 2, 2016.

BACKGROUND:

On January 2, 2013, the GSA Suspension and Debarment and Contract Remedies Division issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation was warranted based upon the filing of an Information charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation. According to the information (b) (6), (b)(7)(C) provided free masonry work to a public official, and in return, the public official assisted (b) (6), (b)(7)(C) relative with teaching jobs.

(b) (6), (b)(7)(C) pled guilty to Hobbs Act Conspiracy, and was sentenced to three years of probation.

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604

(b) (6), (b)(7)(C)
@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) and Salva Stone Design

Case Number: I1253384

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On April 25, 2013, Salva Stone Design was debarred by the GSA Suspension and Debarment and Contract Remedies Division. The debarment period will run through December 19, 2015.

BACKGROUND:

On December 20, 2012, the GSA Suspension and Debarment and Contract Remedies Division issued a proposal for debarment to Salva Stone Design pursuant to the Federal Acquisition Regulations. The recommendation was warranted based upon the filing of an Information charging (b) (6), (b)(7)(C), the (b) (6), (b)(7)(C) of Salva Stone Design in connection with the Cuyahoga County public corruption investigation. According to the Information Salva Stone Design provided discount home improvements and materials to a public official, and in return, the public official assisted (b) (6), (b)(7)(C) friend with a tourist visa application.

(b) (6), (b)(7)(C) pled guilty to Hobbs Act Conspiracy, and was sentenced to two-years of probation.
(b) (6), (b)(7)(C) was previously debarred on March 28, 2013.

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604

(b) (6), (b)(7)(C)
@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) and Mont Granite, Inc
Case Number: I1253382
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On April 25, 2013, (b) (6), (b)(7)(C) and Mont Granite, Inc, were debarred by the GSA Suspension and Debarment and Contract Remedies Division. The debarment period will run through December 19, 2015.

BACKGROUND:

On December 20, 2012, the GSA Suspension and Debarment and Contract Remedies Division issued a proposal for debarment to (b) (6), (b)(7)(C) and Mont Granite, Inc, pursuant to the Federal Acquisition Regulations. The recommendations were warranted based upon the filing of an Information that alleged in 2005 and 2006, Mont Granite provided free material to Salva Stone Design to install for a public official. Mont Granite did not bill or receive payment from Salva Stone Design for the material, and Stone Design did not bill or receive payment from the public official for the material or installation, in return for lower property valuation for the commercial real estate.

(b) (6), (b)(7)(C) pled guilty to Hobbs Act Conspiracy and (b)(6) was sentenced to six months of incarceration, three years of supervised release, a 10,000 fine, and \$5,839 in restitution.

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604

(b) (6), (b)(7)(C)
@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C)

Case Number: I1253996

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On April 25, 2013, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were debarred by the GSA Suspension and Debarment and Contract Remedies Division. The debarment period will run through January 23, 2016.

BACKGROUND:

On January 24, 2013, the GSA Office of Acquisition Integrity issued a proposal for debarment to (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendations were warranted based upon the filing of an Information that charged (b) (6), (b)(7)(C) with participating in nine bribery schemes, one fraud scheme, and filing false tax returns; charges (b) (6), (b)(7)(C) with six bribery schemes, obstruction of justice, and filing false tax returns; and charges (b) (6), (b)(7)(C) with participating in one bribery scheme. According to the Information, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) participated in schemes in both Cuyahoga County and in the Parma City School District.

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604

(b) (6), (b)(7)(C)
@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C)

Case Number: I1253385

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On April 25, 2013, (b) (6), (b)(7)(C) was debarred by the GSA Suspension and Debarment and Contract Remedies Division. The debarment period will run through January 9, 2016.

BACKGROUND:

On January 10, 2013, the GSA Suspension and Debarment and Contract Remedies Division issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation was warranted based upon the filing of an Information that alleged that (b) (6), (b)(7)(C) a Cuyahoga government employee issued business contracts in exchange for money.

(b) (6), (b)(7)(C) pled guilty to Conspiracy to Commit Bribery Concerning Programs Receiving Federal Funds and Honest Services Fraud. (b) (6), (b)(7)(C) was sentenced to imprisonment for a year, and ordered to pay restitution.

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604

(b) (6), (b)(7)(C)

@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C)

Case Number: I1253863

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On April 25, 2013, (b) (6), (b)(7)(C) was debarred by the GSA Suspension and Debarment and Contract Remedies Division. The debarment period will run through January 13, 2016.

BACKGROUND:

On January 14, 2013, the GSA Suspension and Debarment and Contract Remedies Division issued a proposal for debarment to (b) (6), (b)(7)(C) pursuant to the Federal Acquisition Regulations. The recommendation was warranted based upon the filing of an Indictment charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation. According to the Indictment, (b) (6), (b)(7)(C) a Common Pleas Court Judge for Cuyahoga County, used (b) (6), (b)(7)(C) official position to enrich (b) (6), (b)(7)(C) by soliciting and accepting gifts, payments, and other things of value in exchange for favorable official action.

(b) (6), (b)(7)(C) was found guilty and sentenced to sixty-three months, and ordered to pay restitution.

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604

(b) (6), (b)(7)(C)

@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C)

Case Number: I1253861

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On April 25, 2013, (b) (6), (b)(7)(C) and Terry Building, Limited were debarred by the GSA Suspension and Debarment and Contract Remedies Division. The debarment period will run through January 9, 2016.

BACKGROUND:

On January 10, 2013, the GSA Suspension and Debarment and Contract Remedies Division issued a proposal for debarment to (b) (6), (b)(7)(C) and Terry Building, Limited pursuant to the Federal Acquisition Regulations. The recommendations were warranted based upon the filing of an Information that alleged that (b) (6), (b)(7)(C) did corruptly give, offer, and agree to give anything of value, that is, approximately \$20,000, to a public official (not named or charged in this Information), with intent to influence and reward the public official, an agent of Strongsville City Council for business opportunities. The public official was also an employee and agent of the Cuyahoga County Coroner's Office.

On September 3, 2010, (b) (6), (b)(7)(C) pled guilty to violation of 18 U.S.C. §§ 666(a)(2) Bribery Concerning Programs Receiving Federal Funds. On October 24, 2011, (b) (6), (b)(7)(C) was sentenced to one day, and ordered to pay \$20,000 in restitution.

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604

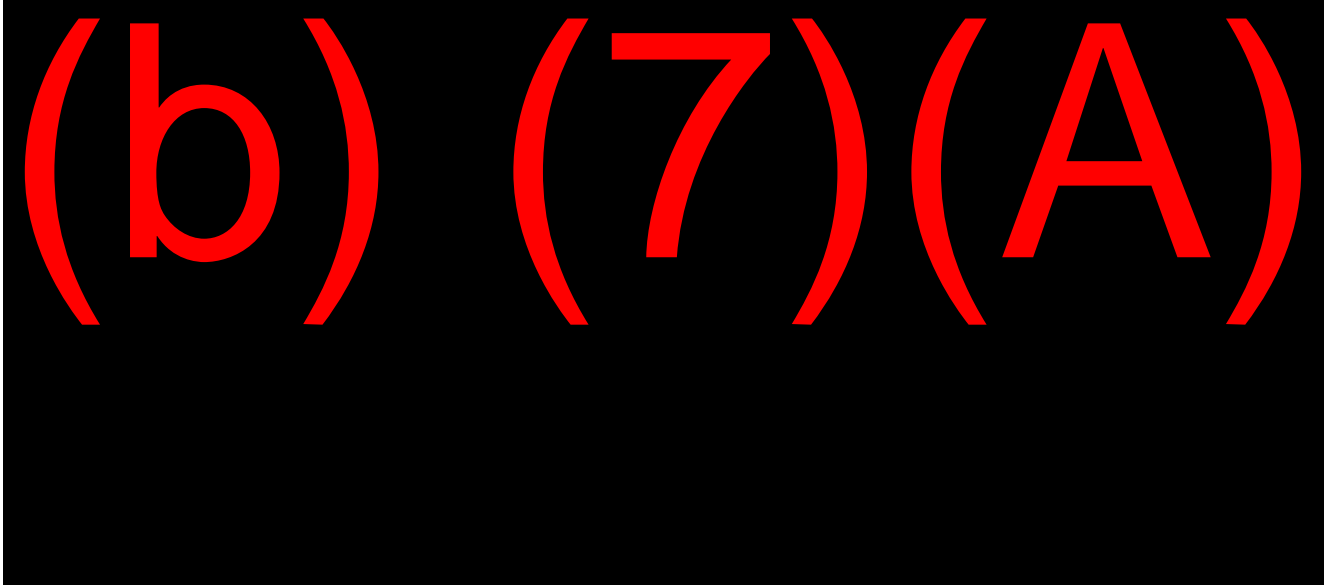
(b) (6), (b)(7)(C)

@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

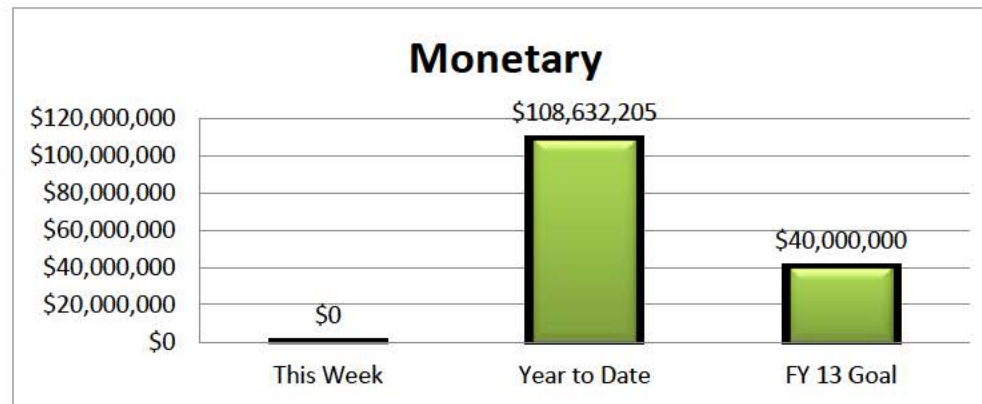
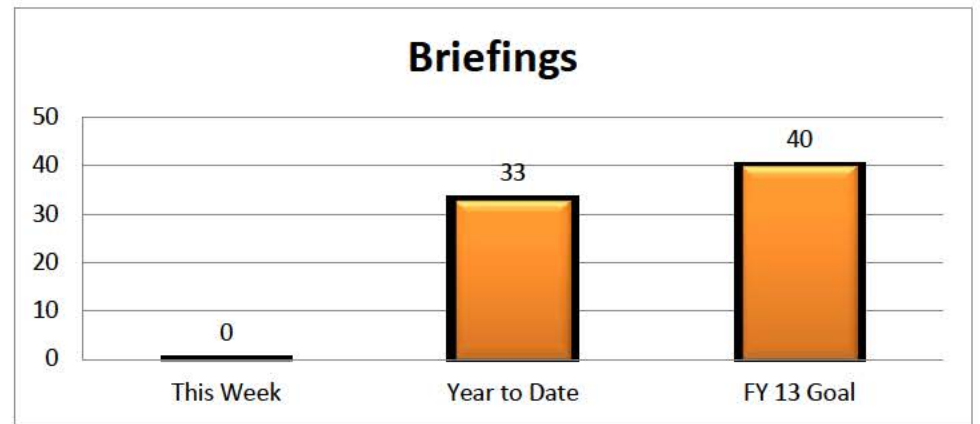
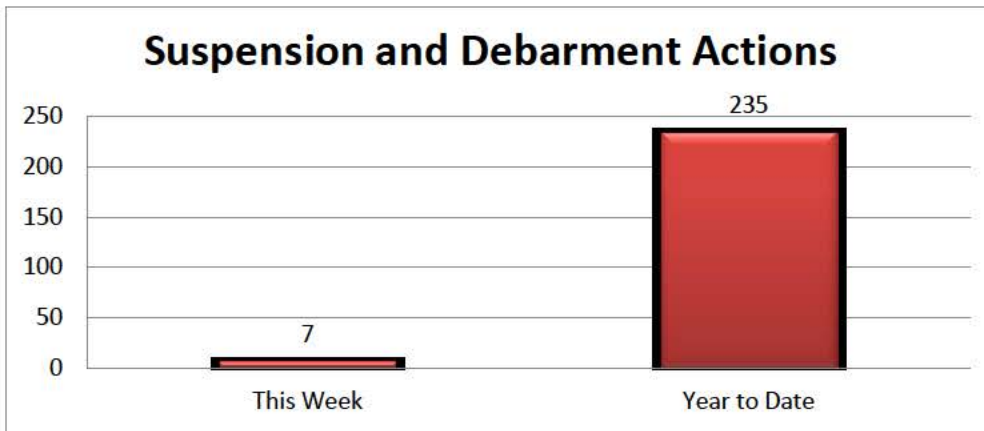
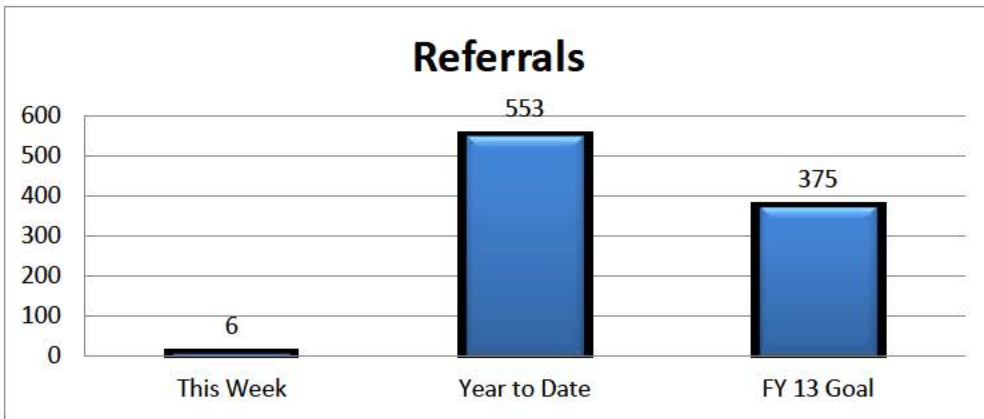
SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case #: 11253603
Case Agent: SA (b) (6), (b)(7)(C), JI-5



(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street, Suite 408
Chicago, Illinois 60604
(b) (6), (b)(7)(C) @gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MAY 10, 2013 - MAY 16, 2013





JI Updates

May 17, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

Nothing significant to report

New York (JI-2)

During the week of May 20, 2013, JI-2 and JI-3 will be hosting defensive tactics training in Pennsauken, NJ, which will be attended by SAs from JI-I, JI-B and JI-1. The following topics will be covered; Use of Force, Victim Witness, Flying Armed, CPR/AED, Intermediate Weapons, Defensive/Control Tactics, FPS Radio Procedures, Callyo, Cell Phone Tracking, Entry/Active Shooter Drills and Vehicle Stops/Approaches.

Philadelphia (JI-3)

(b) (7)(A)

/11132891)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

/11162844)

Denver (JI-8)

Nothing significant to report



JI Updates

May 17, 2013

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

On May 20, 2013, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and Centerline Industrial, Inc. will be sentenced in U.S. District Court, SDCA, by District Court Judge (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and Centerline were found guilty of multiple counts of bribery, conspiracy, wire fraud, and money laundering by a jury in San Diego, CA, on March 4, 2013, following a two week trial. (SDCA/bribery/110L0762)

Auburn (JI-10)

(b) (7)(A)

(11203367)

Internal Operations

Hotline

Hotline Contacts – 31

Hotline Referrals – 2

Investigations

During the week of May 20, 2013, representatives from SBA OIG will initiate the JI Peer Review.

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 110 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Number: 11234105

Case Agent: (b) (6), (b)(7)(C) - JI-3

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room 4452
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Number: I12W3820

Case Title: DOD - WEX Fraud

Case Agent: SA (b) (6), (b)(7)(C)

On May 13, 2013, in U.S. District Court in the District of Maryland (Baltimore), (b) (6), (b)(7)(C) pled guilty before the Honorable District Judge (b) (6), (b)(7)(C) in violation of 18 USC 641, Theft of Government Property.

This case is being prosecuted by Special Assistant United States Attorney (b) (6), (b)(7)(C).

Background

This case was initiated based on information developed under a proactive investigation (V000008) concerning the misuse of Fleet credit cards. A review of the Fleet database disclosed anomalies associated with a Fleet credit card assigned to the Pentagon's Alteration Work Group (AWG). (b) (6), (b)(7)(C) was an HVAC Mechanic for the AWG.

SA (b) (6), (b)(7)(C) obtained numerous surveillance photos from service stations, which lead to the identification of (b) (6), (b)(7)(C). SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) interviewed (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) admitted to using a Fleet credit card assigned to the AWG to fuel (b) (6), (b)(7)(C) personal vehicle at multiple service stations throughout the Washington, D.C. Metropolitan area. The approximate fraud loss is \$9,656.81.

On April 25, 2013, a Criminal Information was filed in U.S. District Court charging (b) (6), (b)(7)(C) with violation 18 USC 641.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) and Lazer Realty
Case Number: 11050056
Case Agent: SA (b) (6), (b)(7)(C), JI-5

On May 14, 2013, (b) (6), (b)(7)(C) and Lazer Realty were debarred by the GSA Suspension and Debarment Division. The debarment period will run through March 19, 2016.

BACKGROUND:

On May 4, 2011, a fact based debarment referral was issued to the GSA Suspension and Debarment Division for (b) (6), (b)(7)(C) and Lazer Realty pursuant to the Federal Acquisition Regulations. The recommendation was based upon facts uncovered during the course of a GSA OIG investigation, involving the allegation that a lease was awarded to (b) (6), (b)(7)(C), Lazer Realty Group, to the exclusion of other potential offerors, by a GSA Contracting Officer with whom (b) (6), (b)(7)(C) had a personal relationship.

During the course of this investigation, through interviews and documents obtained, it was determined (b) (6), (b)(7)(C) entered into a lease with GSA on a property that (b) (6), (b)(7)(C) neither owned, nor had control of via a valid Purchase Agreement. A review of the contract file identified that (b) (6), (b)(7)(C) certified on GSA Forms 1364 and 3518 that (b) (6), (b)(7)(C) was the (b) (6), (b)(7)(C) /agent of the property.

An interview was conducted with (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) reported (b) (6), (b)(7)(C) was having problems obtaining financing and (b) (6), (b)(7)(C) worked out an agreement with a third party to purchase the building, but failed to notify GSA of the partnership. (b) (6), (b)(7)(C) admitted that when (b) (6), (b)(7)(C) entered into the lease with GSA on January 2009, (b) (6), (b)(7)(C) didn't own the building, nor have a valid purchase agreement on file with the (b) (6), (b)(7)(C). The case was declined criminally and civilly.

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
230 South Dearborn Street
Chicago, Illinois 60604

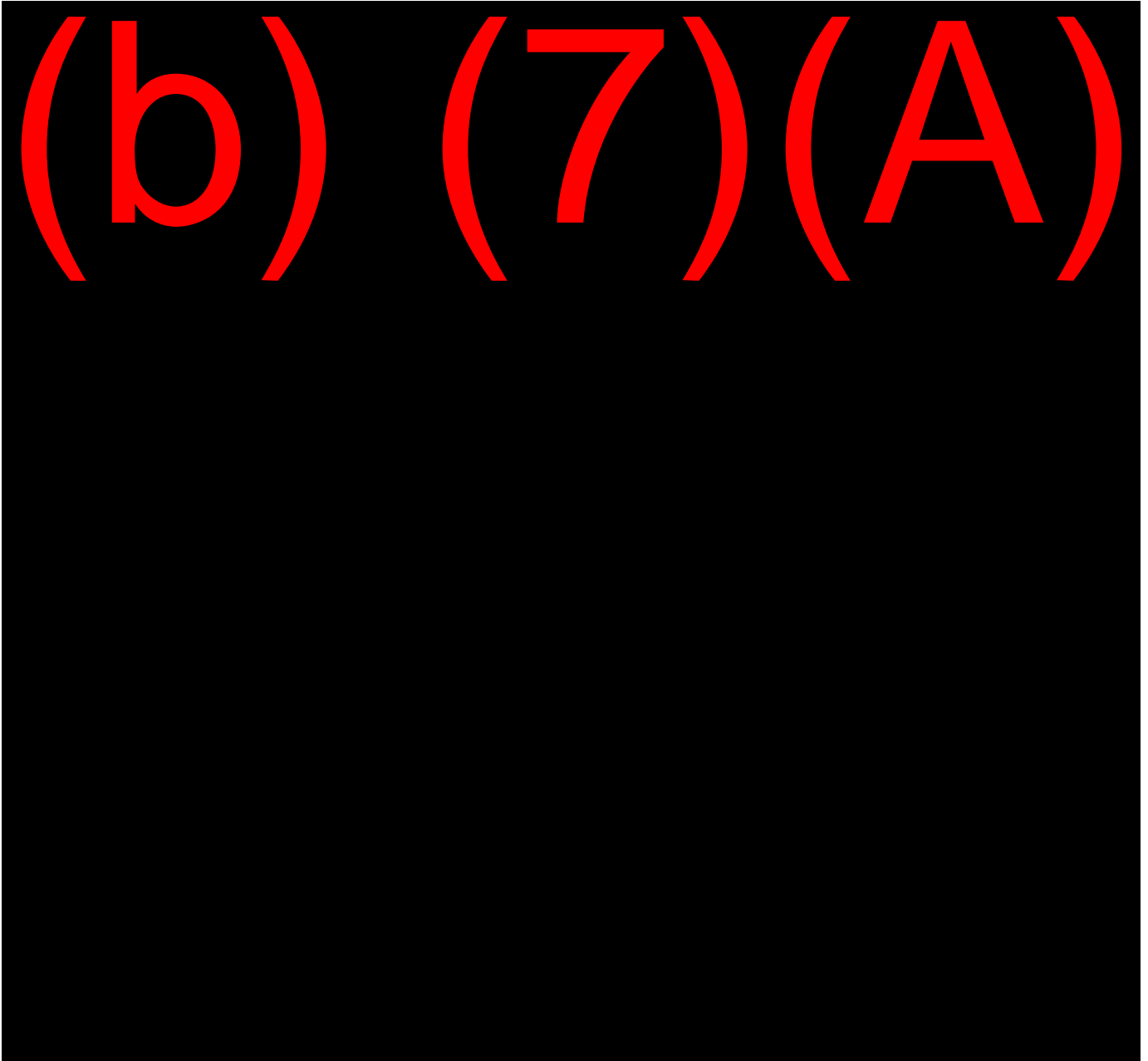
(b) (6), (b)(7)(C) [@gsaig.gov](mailto:(b) (6), (b)(7)(C)@gsaig.gov)

Significant Item

Case Number: I1292047

Case Title: (b) (7)(A)

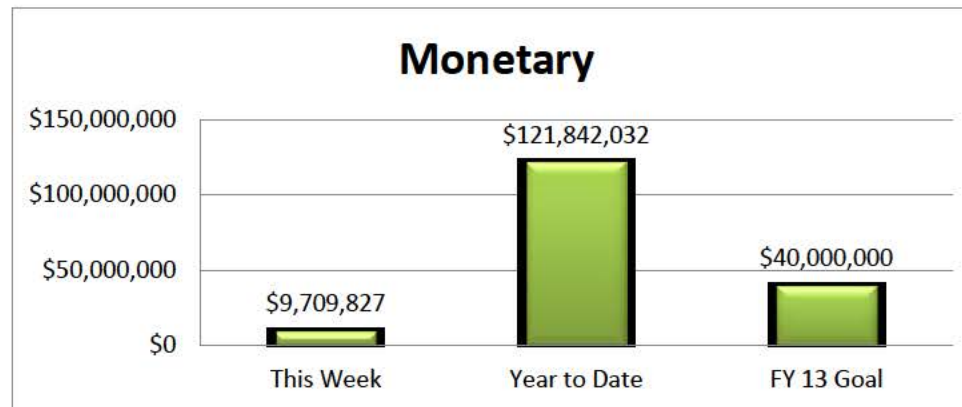
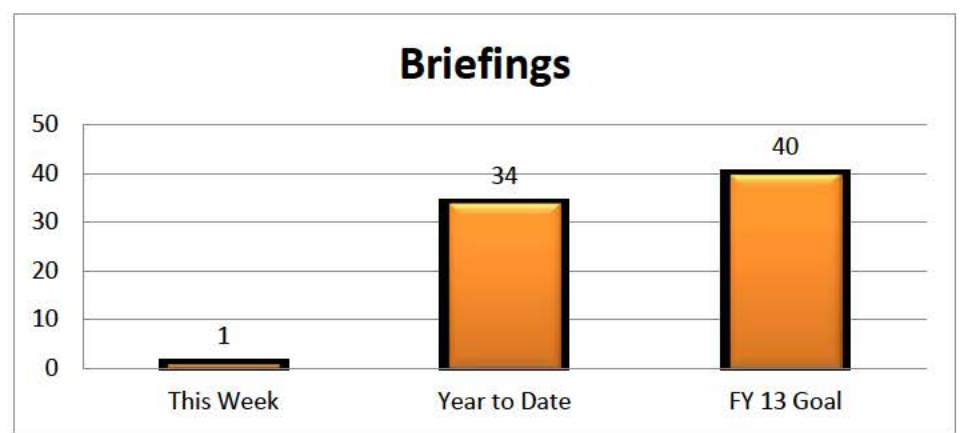
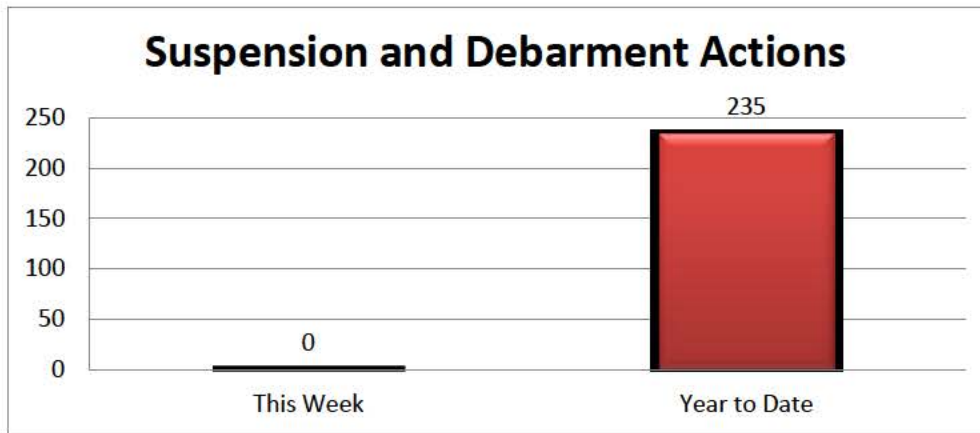
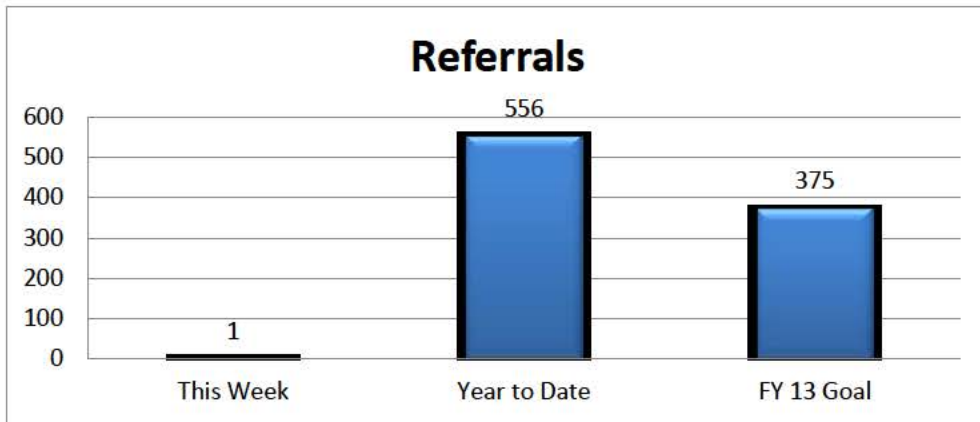
Case Agent: (b) (6), (b)(7)(C)



(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of Inspector General JI-9
450 Golden Gate Avenue, Suite 7-5262
San Francisco, CA 94102
Phone (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MAY 17, 2013 - MAY 23, 2013





JI Updates

May 24, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

During the week of May 28, 2013, SA [REDACTED] will present a criminal case to the District Attorney's Office, regarding allegations that a GSA vendor, Scrub a Dub, Roslindale, MA is overcharging GSA FLEET cards. (DMA/Fraud/11314772)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

On May 28th, 2013, SA [REDACTED] is scheduled to attend a Sentencing Hearing in the MDFL for (b) (6), (b)(7)(C). This is part of an ongoing joint investigation with the FBI and Army CID MPFU. [REDACTED] Chief Warrant Officer, U.S. Army, placed unauthorized purchases on GSA Advantage utilizing a Department of Defense Activity Address Code totaling over \$10 million and having the items shipped to [REDACTED] personal residence and selling the items for personal gain. (MDFL/Fraud/112M3099)

Chicago (JI-5)

(b) (7)(A)

[REDACTED]
[REDACTED] 11253603)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report



JI Updates

May 24, 2013

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 36

Hotline Referrals – 5

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 110 disclosures.

Law Enforcement Sensitive

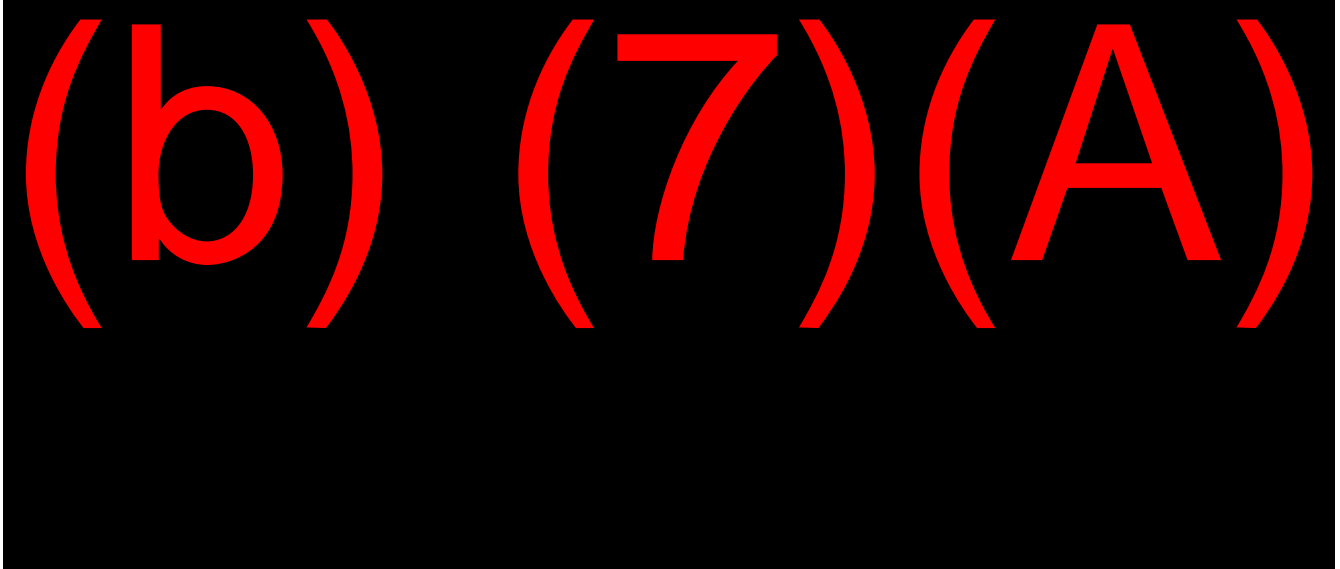
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Number: 11374673

Case Agent: (b) (6), (b)(7)(C)



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room 10A34
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C), CW2, U.S. ARMY - ORLANDO, FLORIDA
Case #: 112M3099
Case Agent: SA (b) (6), (b)(7)(C) JI-4

On May 14, 2013, the U.S. Attorney's Office, MDFL filed a Criminal Complaint against (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), charging them with one Count of 18 U.S.C. § 371 Conspiracy. On May 16, 2013, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) self-surrendered to U.S. Marshalls in the MDFL and an Initial Appearance was held by the Honorable (b) (6), (b)(7)(C), United States Magistrate Judge, MDFL. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were released on an unsecured \$15,000.00 bond and a preliminary hearing was set for May 24, 2013.

This is a joint investigation by GSA OIG, FBI, JTTF and Army CID MPFU. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), MDFL.

BACKGROUND

This investigation was predicated from an audit conducted by the Army's 79th Sustainment Support Command, California, in September 2011. The audit revealed a number of unauthorized purchases from the GSA Advantage System utilizing the Army's DoDAAC number. A review of delivery receipts and the GSA Advantage customer information system, order history, disclosed that goods were shipped to various addresses controlled by (b) (6), (b)(7)(C). Review of the GSA Advantage customer information database also revealed that (b) (6), (b)(7)(C) fraudulently obtained over \$10.5 million in goods.

On January 2012, (b) (6), (b)(7)(C) began cooperating with law enforcement and admitted to fraudulently purchasing goods on the GSA Advantage website and reselling the items since approximately August 2010. (b) (6), (b)(7)(C) arranged for the stolen items to be shipped directly from the vendors to (b) (6), (b)(7)(C) residence. Upon receiving the merchandise, (b) (6), (b)(7)(C) would sell the items at local swap meets, flea markets, or through free online classified advertisements posted on Craigslist.

Sometime during the month of December, 2010, (b) (6), (b)(7)(C) was contacted by (b) (6), (b)(7)(C) regarding power tools that (b) (6), (b)(7)(C) had listed for sale on Craigslist. Soon after, (b) (6), (b)(7)(C) met (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) who were interested in purchasing fraudulently obtained products from GSA Advantage. (b) (6), (b)(7)(C) sold the (b) (6), (b)(7)(C) computer related items and power tools that (b) (6), (b)(7)(C) obtained from the GSA Advantage website.

After the fraudulent scheme was uncovered in 2011, the GSA OIG, FBI and the USAO MDFL coordinated undercover purchases and controlled deliveries of products requested by the (b) (6), (b)(7)(C) from GSA Advantage.

On June 4, 2012, the MDFL filed an Information against (b) (6), (b)(7)(C) charging (b) (6), (b)(7)(C) with one Count of 18 U.S.C. § 641 Theft of Government Property. On June 5, 2012, a plea agreement was filed in the MDFL where (b) (6), (b)(7)(C) agreed to enter a plea of guilty to Count 1 of the Information.

(b) (6), (b)(7)(C)

Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia

INTERNAL DISTRIBUTION ONLY

Significant Item

Case Number: I13W4468

Case Title: Aberdeen Proving Ground - WEX Fraud

Case Agent: (b) (6), (b)(7)(C)

On May 21, 2013, the Harford County Sheriff's Office, MD, arrested (b) (6), (b)(7)(C), Army, without incident at Aberdeen Proving Ground (APG).

This case is being prosecuted by the Harford County State's Attorney's Office in Maryland.

Background

This case was initiated based on information developed under a proactive investigation (V000008) concerning the misuse of fleet credit cards. A review of the fleet database disclosed anomalies associated with a fleet credit card assigned to the Aberdeen Proving Ground (APG) in Maryland. (b) (6), (b)(7)(C) was assigned to the APG.

SA (b) (6), (b)(7)(C) obtained numerous surveillance photos from service stations which led to the identification of (b) (6), (b)(7)(C). On February 28, 2013, (b) (6), (b)(7)(C) was interviewed by SA (b) (6), (b)(7)(C) at the Cambria County Prison, in Ebensburg, PA. During the interview (b) (6), (b)(7)(C) admitted to (b) (6), (b)(7)(C) involvement in using fleet credit cards for personal gain. (b) (6), (b)(7)(C) was being incarcerated at the Cambria County Prison on unrelated charges.

On March 8, 2013, SA (b) (6), (b)(7)(C) submitted an arrest affidavit in Harford County, MD stating that probable cause exists to arrest (b) (6), (b)(7)(C) in violation of the Annotated Code of Maryland, section 8-204, credit card theft.

The approximate fraud loss is \$2,381.65.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

National Capital Regional Office (JI-W)

Direct Line (b) (6), (b)(7)(C)

Fax (202) 252-0042

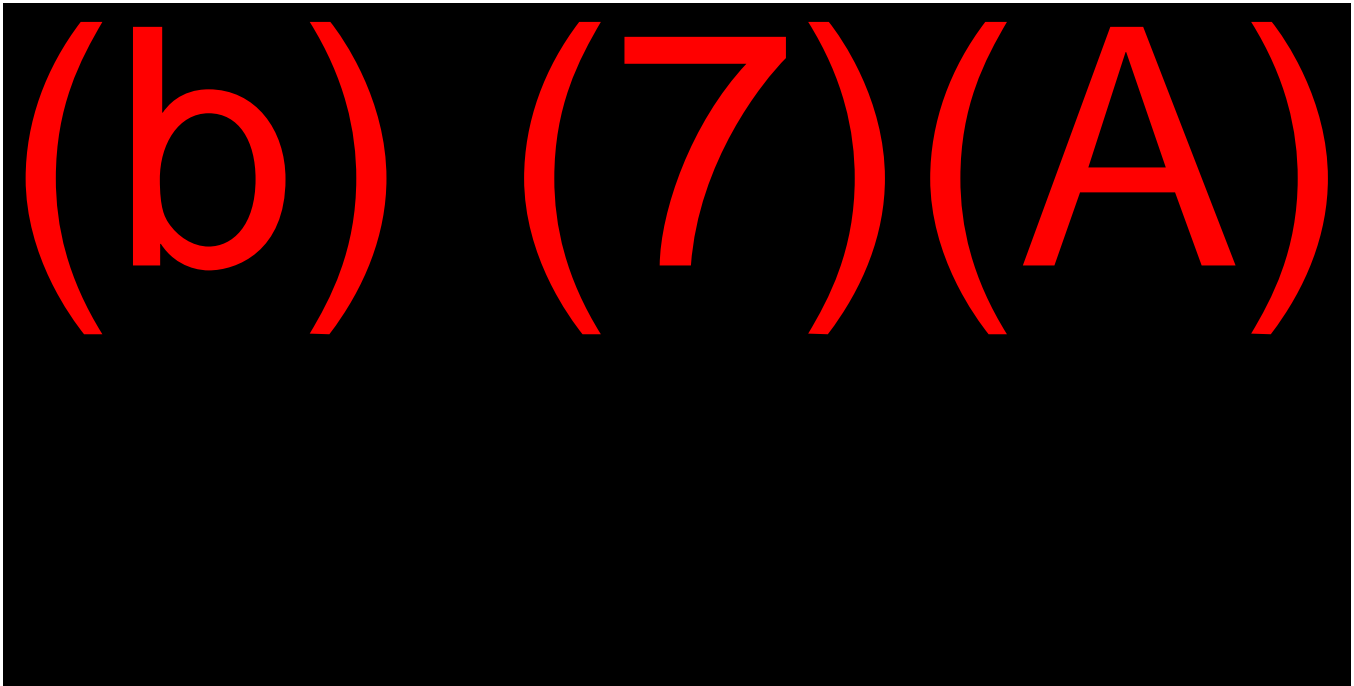
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Number: 11374673

Case Agent: (b) (6), (b)(7)(C)



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent In Charge

(b) (6), (b)(7)(C)

Special Agent In Charge

U.S. General Services Administration

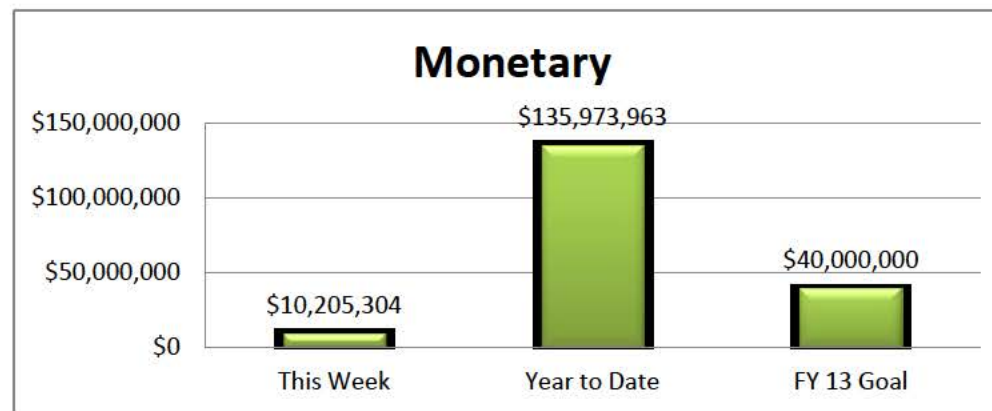
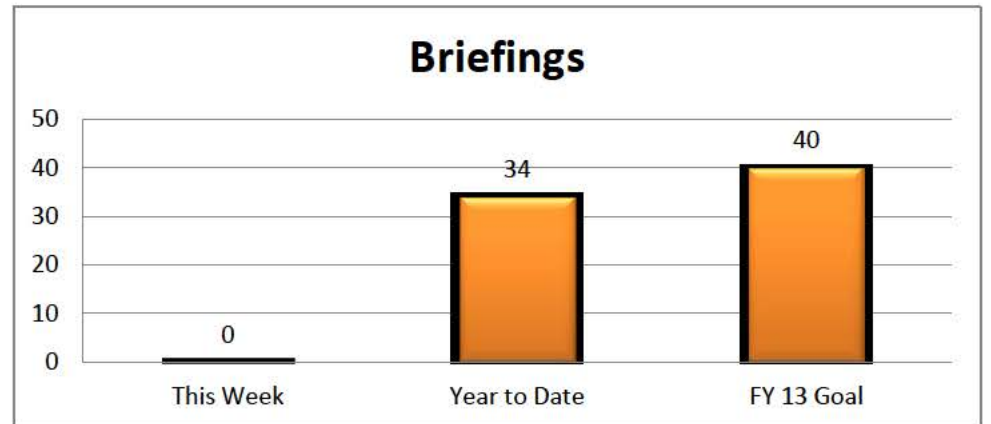
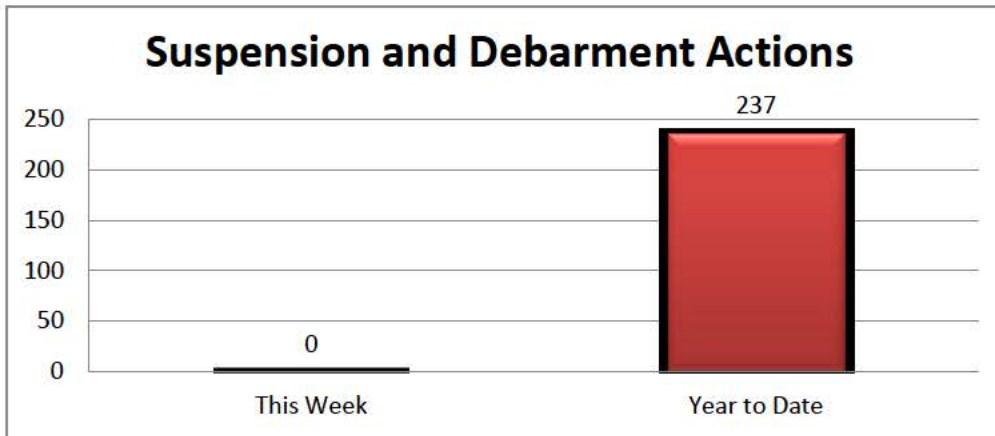
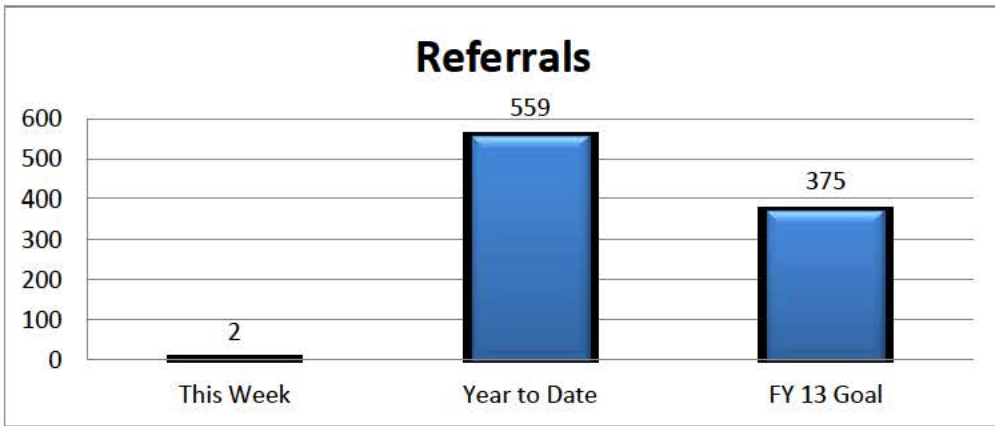
Office of the Inspector General

819 Taylor St. Room 10A34

Fort Worth, TX 76102

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MAY 24, 2013 - MAY 30, 2013





JI Updates

May 31, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/I11W2708)

(b) (7)(A)

/I11W2295)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

On June 4, 2013, SA [REDACTED] is scheduled to make a presentation to the United States Attorney's Office for the Northern District of Ohio regarding criminal charges against Special Masking's former employee, for fraudulent supplier letters to GSA for price increases under several of their Blanket Purchase Agreement contracts. (NDOH/False Claims/I1050724)

(b) (7)(A)

/I0950665)

(b) (7)(A)

/I1253603)



JI Updates

May 31, 2013

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 28

Hotline Referrals – 4

ARRA

Nothing significant to report

JI-B

FAR

Two new disclosures were received by the Investigations Operations Division. To date, we have received 112 disclosures.

(b) (7)(A)

/113H4815)

(b) (7)(D) disclosed the sale of non-TAA compliant products to the government under GSA Contract (b) (7)(D); BPA No. (b) (7)(D). (DOJ Commercial Litigation/Civil/113H4816)

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On May 20, 2013, (b) (6), (b)(7)(C), the (b) (6), (b)(7)(C) and president of Poway, CA defense contractor L&N Industrial Tool & Supply Inc.; (b) (6), (b)(7)(C), the (b) (6), (b)(7)(C) and operator of Poway defense contractor Centerline Industrial Inc.; and Centerline were sentenced by US District Court Judge (b) (6), (b)(7)(C) Southern District of California. (b) (6), (b)(7)(C) was sentenced to 36 months in prison to be followed by 36 months supervised release, a \$200 mandatory assessment and \$759,937 in restitution. (b) (6), (b)(7)(C) was sentenced to 36 months in prison to be followed by 36 months supervised release, a \$500 mandatory assessment and \$300,000 in restitution. Centerline, Inc. was sentenced to five years probation, a \$500 mandatory assessment and \$1,809,257 restitution/forfeiture.

The U.S. Attorney's Office in the Southern District of California is prosecuting this case.

Background

This is a joint investigation with the FBI, DCIS, NCIS, and IRS-CI. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations it received alleging the existence of a long-running bribery scheme at the Naval Air Station North Island. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government. Five other US Government employees and four DoD/GSA Contractors previously pleaded guilty and have been sentenced in the scheme.

(b) (6), (b)(7)(C) and Centerline were indicted on the charges on August 9, 2012. (b) (6), (b)(7)(C) and Centerline were convicted by a jury following a two week trial in the U.S. District Court for the Southern District of California on March 4, 2013. (b) (6), (b)(7)(C) and Centerline were convicted of multiple counts of committing bribery and conspiring with U.S. Navy officials to commit bribery, wire fraud, and money laundering at the Naval Air Station North Island in Coronado, CA.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite 7-5262

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C), CW2, U.S. ARMY - ORLANDO, FLORIDA
Case #: 112M3099
Case Agent: SA (b) (6), (b)(7)(C) JI-4

On May 28, 2013, (b) (6), (b)(7)(C), was sentenced for violating 18 U.S.C. § 641 Theft of Government Property in the MDFL. The Honorable (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to imprisonment for 30 months followed by supervised release for a term of 3 years including 120 hours of community service and ordered to pay \$10,205,304.05 in restitution.

This is a joint investigation by GSA OIG, FBI, JTTF and Army CID MPFU. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), MDFL.

BACKGROUND

This investigation was predicated from an audit conducted by the Army's 79th Sustainment Support Command, California, in September 2011. The audit revealed a number of unauthorized purchases from the GSA Advantage System utilizing the Army's DoDAAC number. A review of delivery receipts and the GSA Advantage customer information system, order history, disclosed that goods were shipped to various addresses controlled by (b) (6), (b)(7)(C). Review of the GSA Advantage customer information database also revealed that (b) (6), (b)(7)(C) fraudulently obtained over \$10.5 million in goods.

On January 2012, (b) (6), (b)(7)(C) began cooperating with law enforcement and admitted to fraudulently purchasing goods on the GSA Advantage website and reselling the items since approximately August 2010. (b) (6), (b)(7)(C) arranged for the stolen items to be shipped directly from the vendors to (b) (6), (b)(7)(C) residence. Upon receiving the merchandise, (b) (6), (b)(7)(C) would sell the items at local swap meets, flea markets, or through free online classified advertisements posted on Craigslist.

Sometime during the month of December, 2010, (b) (6), (b)(7)(C) was contacted by (b) (6), (b)(7)(C) regarding power tools that (b) (6), (b)(7)(C) had listed for sale on Craigslist. Soon after, (b) (6), (b)(7)(C) met (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) who were interested in purchasing fraudulently obtained products from GSA Advantage. (b) (6), (b)(7)(C) sold the (b) (6), (b)(7)(C) computer related items and power tools that (b) (6), (b)(7)(C) obtained from the GSA Advantage website.

After the fraudulent scheme was uncovered in 2011, the GSA OIG, FBI and the USAO MDFL coordinated undercover purchases and controlled deliveries of products requested by the (b) (6), (b)(7)(C) from GSA Advantage.

On June 4, 2012, the MDFL filed an Information against (b) (6), (b)(7)(C) charging (b) (6), (b)(7)(C) with one Count of 18 U.S.C. § 641 Theft of Government Property. On June 5, 2012, a plea agreement was filed in the MDFL where (b) (6), (b)(7)(C) agreed to enter a plea of guilty to Count 1 of the Information.

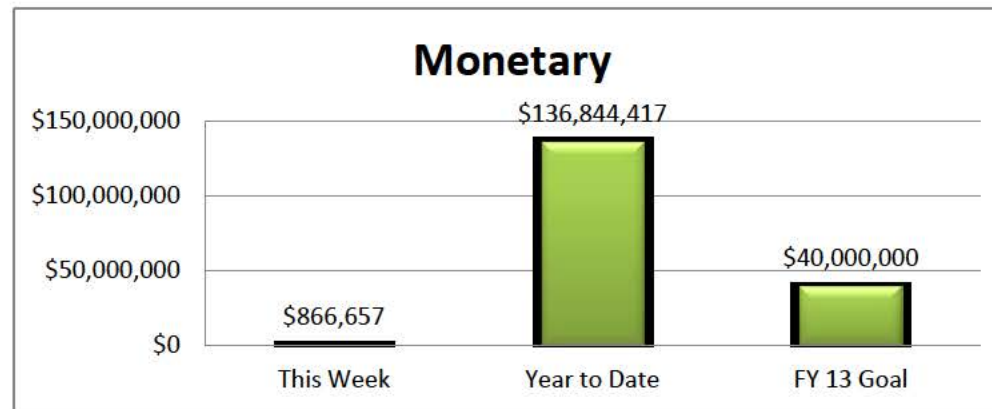
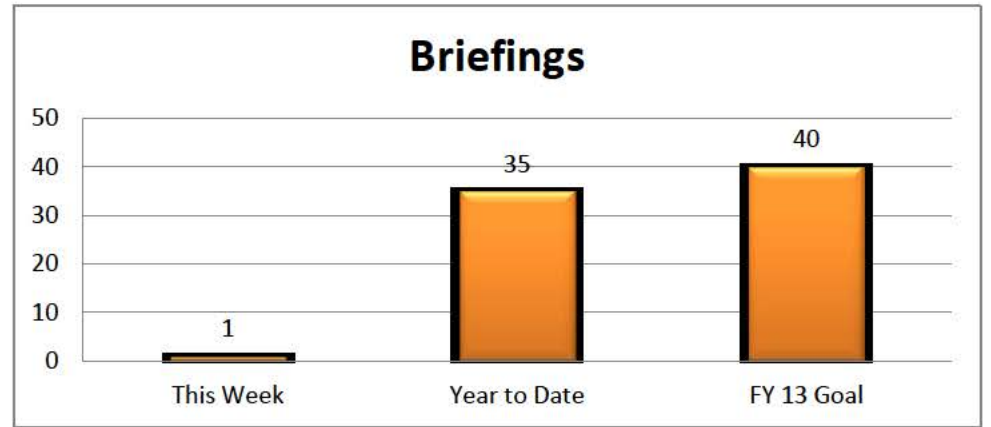
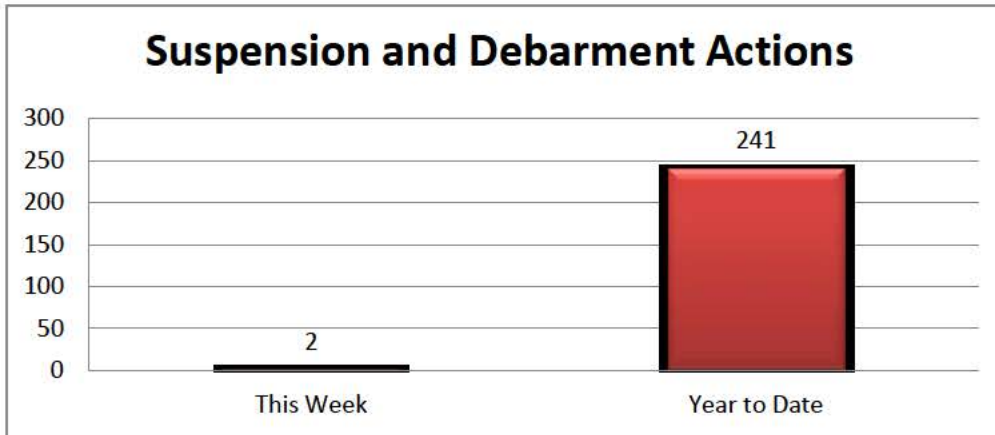
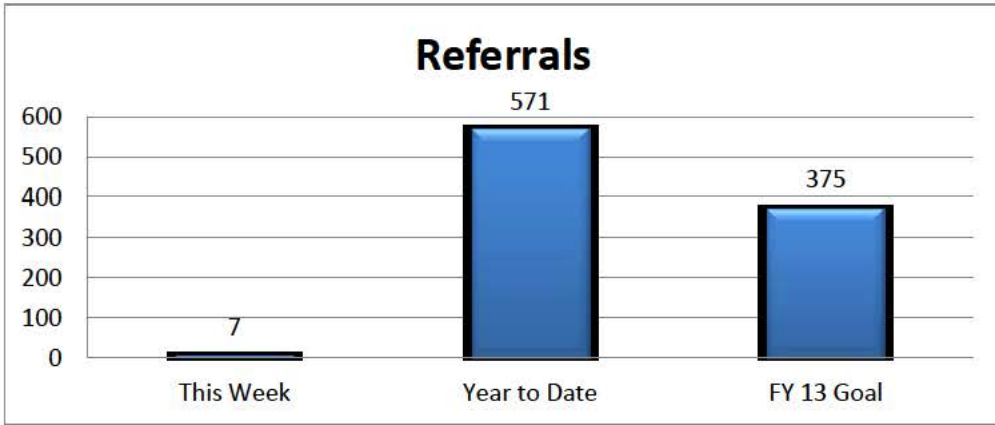
On May 14, 2013, a Criminal Complaint was filed in the MDFL against (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), charging them with one Count of 18 U.S.C. § 371 Conspiracy. On May 16, 2013, H. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) self-surrendered to U.S. Marshalls in the MDFL.

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of the Inspector General
Atlanta, Georgia

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MAY 31, 2013 - JUNE 6, 2013





JI Updates

June 7, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

During the week of June 10, 2013, JI-4 will conduct investigative training (firearms/defensive tactics) in Atlanta, Georgia.

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report



JI Updates

June 7, 2013

Auburn (JI-10)

(b) (7)(A)

/11203046)

Internal Operations

Hotline

Hotline Contacts – 39

Hotline Referrals – 3

Investigations

Nothing significant to report

ARRA

On June 7, 2013, SA (b) (6), (b)(7)(C) and the assigned AUSA will conduct a deposition of (b) (6), (b)(7)(C), CPA, at the USAO DNJ. The deposition will focus on allegations that Office Dimensions Inc. made false representations in GSA administered on-line certification databases, CCR and ORCA, in order to obtain SDVOSB set-aside contracts. Additionally, the deposition will focus on the validity of financial documents provided by Office Dimensions to the investigative team during this investigation. Several set-aside contracts were awarded by the VA through Office Dimension's GSA Multiple Award Schedule and were ARRA funded. (DNJ/False Statements/11122906)

JI-B

FAR

One new disclosure was received from (b) (7)(D) d/b/a (b) (7)(D) (b) (7)(D). The disclosure relates to allegations of improper gift giving by several (b) (7)(D) employees to a VA employee. (b) (7)(D) performed work at the VA under multiple GSA contracts. (DOJ Commercial Litigation/113H4827)

To date, the Investigations Operations Division has received 113 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 112H4363
Case Agent: Branch Chief (b) (6), (b)(7)(C), Special Agent (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) Investigation Intern, JIB-C

(b) (7)(D) issues back wages to employees (both (b) (7)(D) and contract) totalling \$865,157 due to (b) (7)(D) failure to provide Service Contract Act minimum wages and/or fringe benefits for services performed by these employees under (b) (7)(D) GSA Schedule Contract (b) (7)(D).

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a criminal violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

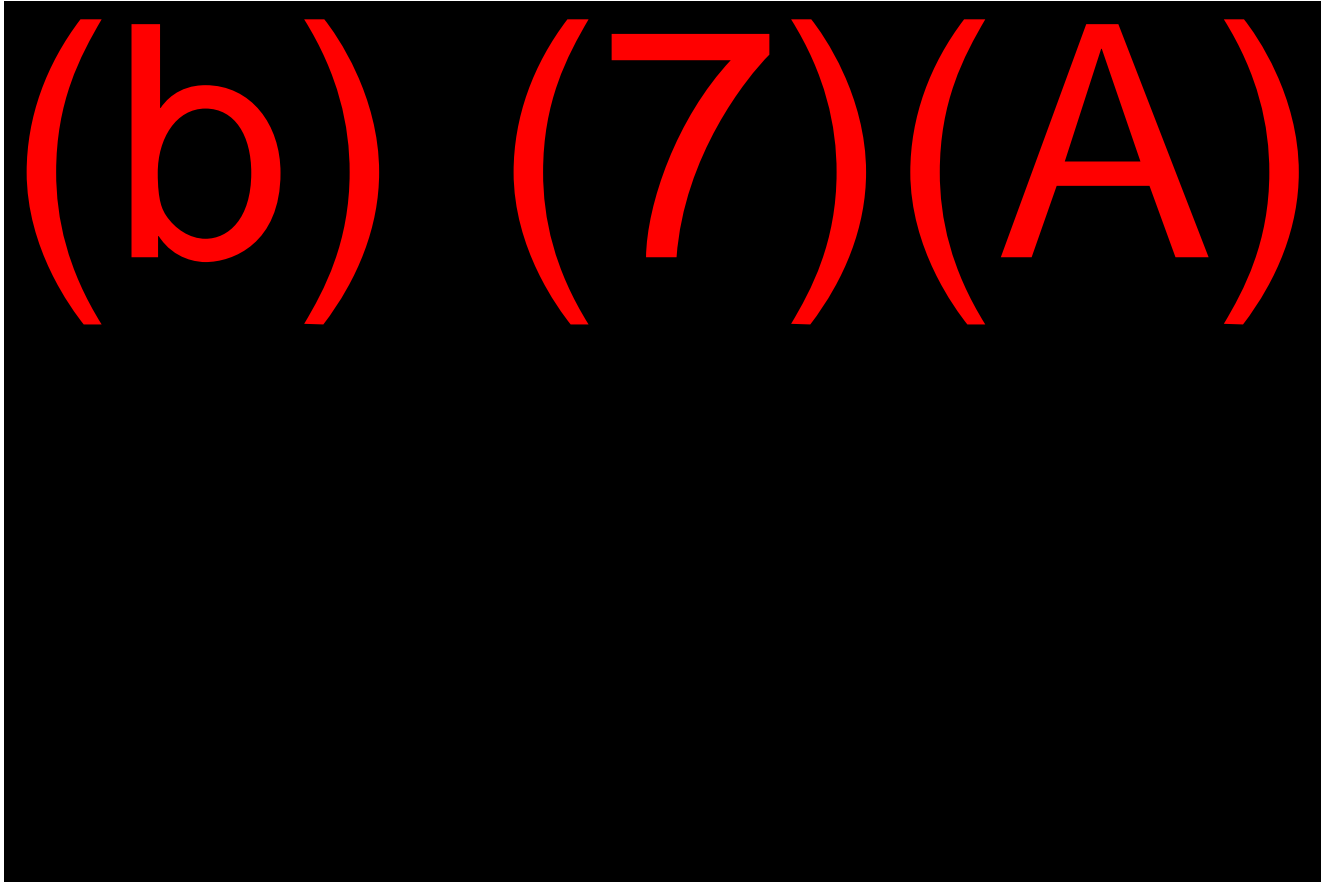
Please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) for additional information.

(b) (6), (b)(7)(C)
Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
Washington, DC Office (b) (6), (b)(7)(C)
New York Office (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case #: 11203367
Case Agent: (b) (6), (b)(7)(C), JI-10



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA
(b) (6), (b)(7)(C)

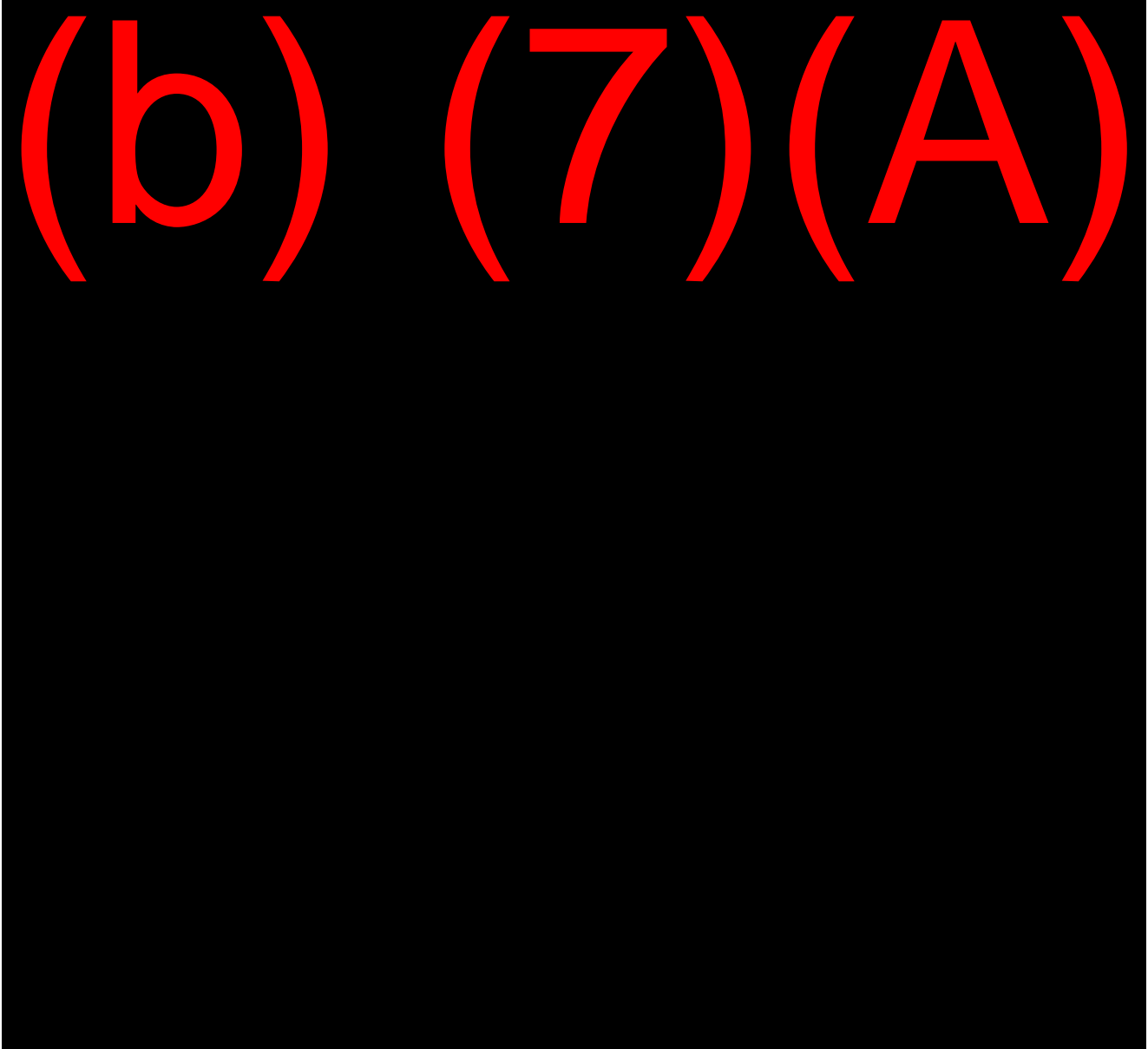
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (7)(A)

Case No: 11203046

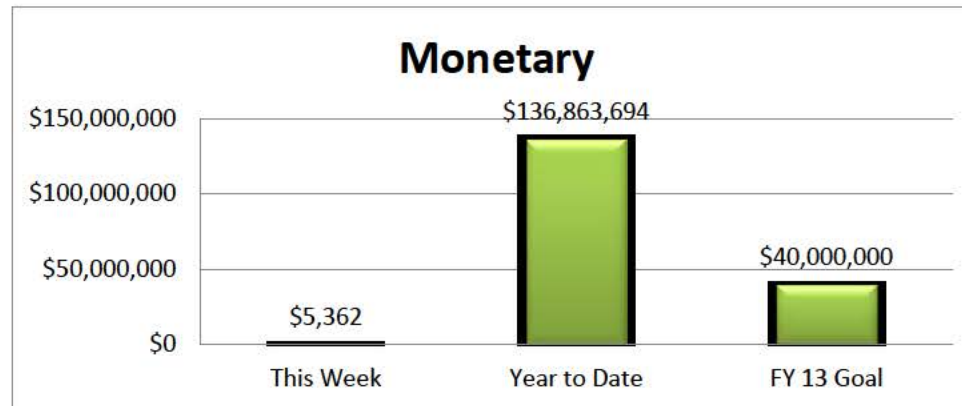
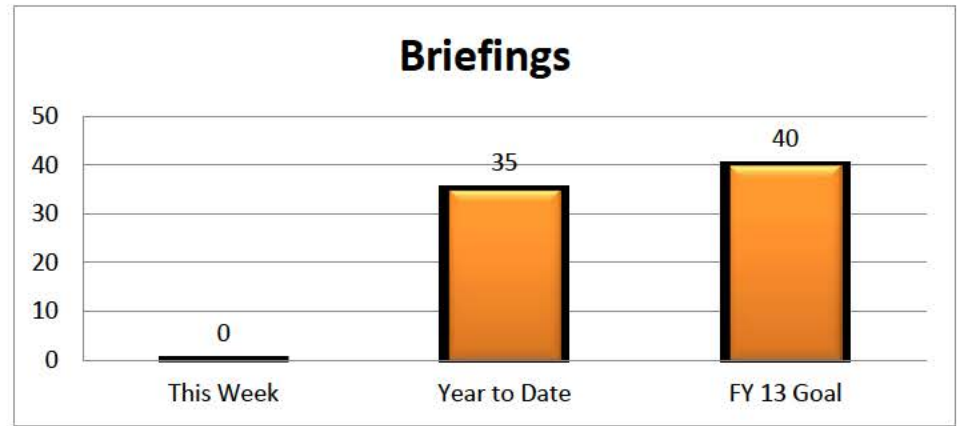
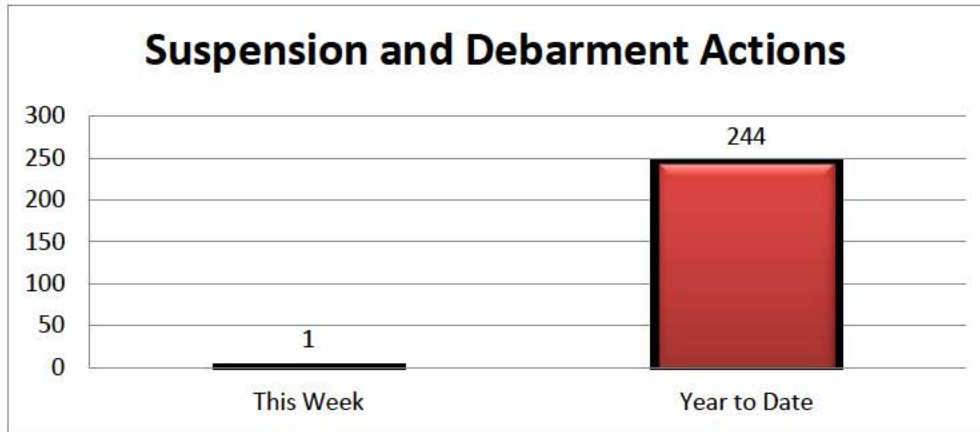
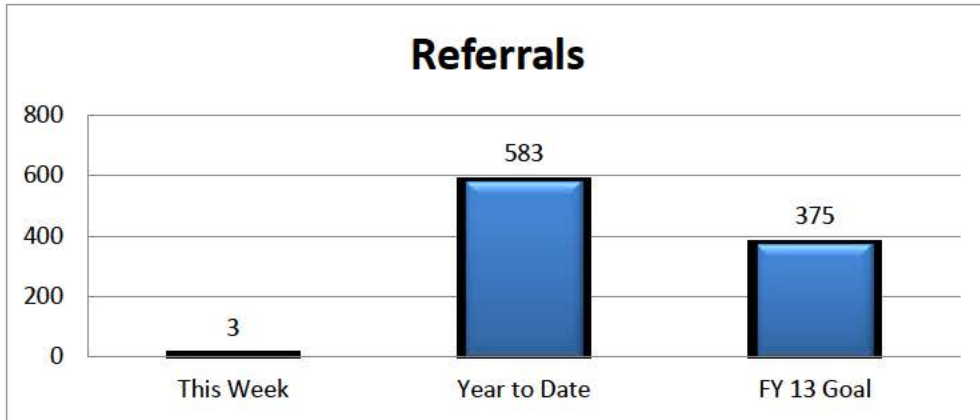
Case Agent: SA (b) (6), (b)(7)(C), JI-10



(b) (6), (b)(7)(C)
Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 7, 2013 - JUNE 13, 2013





JI Updates

June 14, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

I11W2708)

(b) (7)(A)

/I13W3886)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

On June 14, 2013, SA (b) (6), (b)(7)(C) will attend the arraignment status conference for (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) Mail Clerk, VA, Lyons, NJ at the Somerset County Superior Court. On February 8, 2013, (b) (6), (b)(7)(C) was arrested without incident for fraudulently using a FLEET card to refuel (b) (6), (b)(7)(C) personal vehicle. (DNJ/Fleet/1224213)

Philadelphia (JI-3)

(b) (7)(A)

I1132891)

On June 18, 2013, (b) (6), (b)(7)(C), President, Platinum One Contracting, Inc., is scheduled to plead guilty in U.S. District Court, Baltimore, MD, to a one count Information charging (b) (6), (b)(7)(C) with violating 15 U.S.C. 645(a), False Statement to the Small Business Administration. This investigation revealed Platinum One was created as a fraudulent 8(a) disadvantaged minority owned business and (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Capitol Contractors, Inc., Capitol Heights, MD, controlled Platinum One. Pursuant to the scheme, (b) (6), (b)(7)(C) submitted false documents to SBA in order to gain 8(a) status and obtain 8(a) set-aside contracts with GSA, DOD, and other agencies. (DMD/False Statements/I1130723)

Atlanta (JI-4)

During the week of June 17, 2013, JPF and JI-4 will conduct a final walk through of the new JI-4 Fort Lauderdale office and coordinate the move into the new office space.



JI Updates

June 14, 2013

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 40

Hotline Referrals – 5

ARRA

Nothing significant to report

JI-B

FAR

One new disclosure was received from (b) (7)(D) (formerly known as) (b) (7)(D). The disclosure involves inaccurate CSP data and unreported price reductions.

To date, the Investigations Operations Division has received 114 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Title: G61 12851, NAVAL AIR FACILITY, EL CENTRO, CA

File Number: I12L3044

Case Agent: (b) (6), (b)(7)(C)

On February 3, 2013, the US Department of the Navy (USN), Office of the General Counsel, debarred (b) (6), (b)(7)(C), former Engineering Technician for the Naval Facilities Engineering Command at the Naval Air Base in El Centro, CA, from government contracting and from directly or indirectly receiving the benefits of federal assistance programs. The debarment period will run from the date of the proposed debarment, October 25, 2012 and will terminate October 24, 2015.

Background

On July 26, 2012, GSA OIG recommended the SDO consider debarring (b) (6), (b)(7)(C) based on an OIG investigation that revealed (b) (6) misused the GSA Wright Express (WEX) credit card assigned to a US Government Vehicle in (b) (6) unit at the Naval Air Base by purchasing \$3,169.66 in fuel for (b) (6) personal vehicles between July 2011 and April 2012. (b) (6), (b)(7)(C) admitted to the wrongdoing and pled guilty to Title 18 United States Code 641 Theft of Government Funds. (b) (6) was sentenced to pay \$3,169.66 in restitution to GSA, serve 6 months' formal probation, and pay \$600 in fines. At the time of sentencing, (b) (6), (b)(7)(C) presented payment to the Clerk of the Court to satisfy all financial obligations.

On October 3, 2012, SDO advised that the US Department of Navy requested to be named as Lead Agency in this action with which GSA OIG concurred. On October 25, 2012, USN SDO issued a Notice of Debarment to (b) (6), (b)(7)(C) proposing that the debarment is effective immediately.

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C)@gsaig.gov.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Fleet Card Fraud - (b) (6), (b)(7)(C)
Case #: I13W4638
Case Agent: SA (b) (6), (b)(7)(C) – JI-W

On June 12, 2013, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), appeared before the Honorable (b) (6), (b)(7)(C) in the U.S. District Court for the District of Maryland (Greenbelt). Both (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) entered guilty pleas to two out of four charged counts in violation of Title 18 USC, Section 641, Theft of Government Property. Judge (b) (6), (b)(7)(C) ordered pre-sentencing investigations on both and set sentencing for August 21, 2013. This case is being prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C), Southern District of Maryland (Greenbelt).

BACKGROUND

The case was initiated after SA (b) (6), (b)(7)(C) was contacted by (b) (6), (b)(7)(C), GSA Loss Prevention, regarding possible fraud involving Fleet credit card, (CC) G63 1730H. The aforementioned vehicle is assigned to the Patuxent Naval Air Station, Lexington Park, MD. According to GSA Loss Prevention, the Fleet CC was making numerous multiple same day purchases of gasoline throughout Southern Maryland.

SA (b) (6), (b)(7)(C) obtained numerous surveillance photos from service stations and conducted several interviews that lead to the identification of (b) (6), (b)(7)(C), a contractor at the Patuxent Naval Air Station. (b) (6), (b)(7)(C) was a radar technician, employed by BAE Systems. After a review of WEXonline, SA (b) (6), (b)(7)(C) discovered the Fleet CC was used on 128 separate occasions without authorization.

SA (b) (6), (b)(7)(C) interviewed (b) (6), (b)(7)(C) acknowledged using the Fleet CC to fuel (b) (6), (b)(7)(C) personal vehicle at multiple gas stations located throughout St. Mary's County, MD. (b) (6), (b)(7)(C) also stated (b) (6), (b)(7)(C) gave the Fleet CC to (b) (6), (b)(7)(C), and that (b) (6), (b)(7)(C) was selling gas purchased with the Fleet CC.

SA (b) (6), (b)(7)(C) also interviewed (b) (6), (b)(7)(C) acknowledged (b) (6), (b)(7)(C) was selling fuel purchased with the Fleet CC. (b) (6), (b)(7)(C) stated (b) (6), (b)(7)(C) was given the Fleet CC by (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) sold gas purchased on the Fleet CC throughout St. Mary's County, Prince George's County and Anne Arundel County, in Maryland. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was selling gas to help out (b) (6), (b)(7)(C) because (b) (6), (b)(7)(C) was in financial trouble.

On April 22, 2013, JI-W OIG Agents arrested (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) residence, in Lexington, Park, MD. Incident to arrest, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were transported to U.S. District Court in the District of Maryland (Greenbelt) for (b) (6), (b)(7)(C) initial appearances. On April 16, 2013, in the U.S. District Court for the District of Maryland, U.S. Magistrate Judge (b) (6), (b)(7)(C) issued arrest warrants for (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) in violation of Title 18, USC Section 641, Theft of Government Property.

The estimated fraud total loss to the government is approximately \$8,575.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Assistant Special Agent in Charge
US General Services Administration
Office of Inspector General
National Capital Regional Investigations Office

(b) (6), (b)(7)(C) Desk

(b) (6), (b)(7)(C) - Mobile

202-252-0042 - Fax



JI Updates

June 21, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On June 21, 2013, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Persaud Companies Inc. (PCI), will be sentenced in U.S. District Court in the Eastern District of Virginia, Alexandria. (b) (6), (b)(7)(C) previously plead guilty to a two count criminal information in violation of bank fraud and falsification of records in a federal investigation. The investigation was predicated upon information received from a Qui-Tam filed through DOJ, stating (b) (6), (b)(7)(C) would discover the Independent Government Estimate for sole source 8(a) contacts and then fraudulently inflate PCI's job cost estimate to closely match that budget in order to maximize company profits. (b) (6), (b)(7)(C) then submitted inflated job cost estimates to government contracting officers. (EDVA/Fraud/111W2304)

On June 21, 2013, SAs (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C) will be meeting with AUSA (b) (6), (b)(7)(C), at the USAO in Greenbelt, MD, to discuss the remaining five individuals associated with JI-W's larger bribery case (b) (6), (b)(7)(C). The five individuals were contractors who provided cash payments to GSA employees in return for work at GSA facilities. (DMD/Bribery).

(b) (7)(A)

Boston (JI-1)

On June 27, 2013, (b) (6), (b)(7)(C), (b) (6), (b) (6), B&J Multi Service and (b) (6), (b)(7)(C), (b) (6), (b) (6), B&J, are scheduled to be sentenced. Previously, both (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) pled guilty to Title 18 USC 371, Conspiracy to Commit Wire Fraud. This investigation was initiated on December 10, 2009, based on a referral from the United States GAO. The investigation disclosed that both (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) submitted statements to the SBA and other government agencies, including GSA, falsely representing that it was a minority and service-disabled veteran owned business in order to obtain federal government contract awards that were set aside for or preferentially awarded to disadvantaged minority and service disabled veteran owned and operated businesses.

New York (JI-2)

On June 27, 2013, ASAC (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will attend the Federal Law Enforcement Forum sponsored by the USAO SDNY in White Plains, NY.

Philadelphia (JI-3)

(b) (7)(A)



JI Updates

June 21, 2013

(b) (7)(A)

/11132891)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

(b) (7)(A)

/11253305)

Kansas City (JI-6)

On June 28, 2013, ASAC (b) (6), (b)(7)(C) will be attending the sentencing of (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C), who were convicted by a federal jury, U.S. District Court, Western District of Texas, San Antonio, TX, on April 25, 2013. The (b) (6), (b)(7)(C) along with (b) (6), (b)(7)(C) created a sham company which fraudulently obtained approximately \$6 million dollars from Air Force task orders, which were administered by GSA. (WDTX/Major Fraud/I040114)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report



JI Updates

June 21, 2013

Internal Operations

Hotline

Hotline Contacts – 43

Hotline Referrals – 3

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

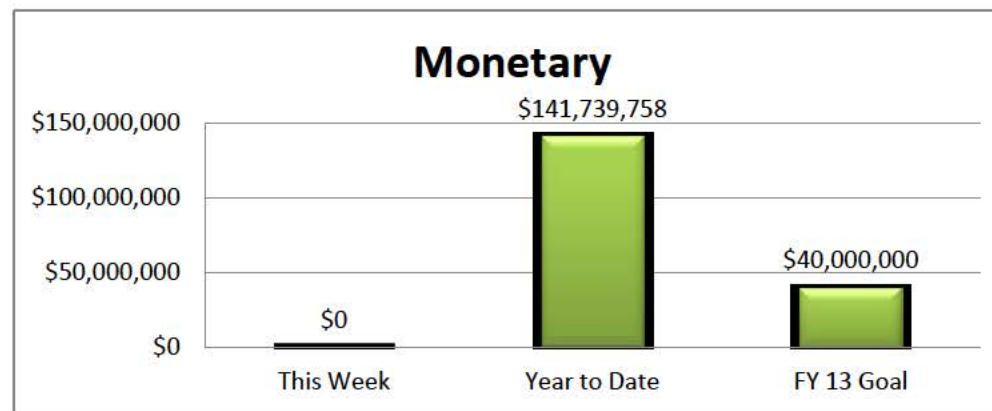
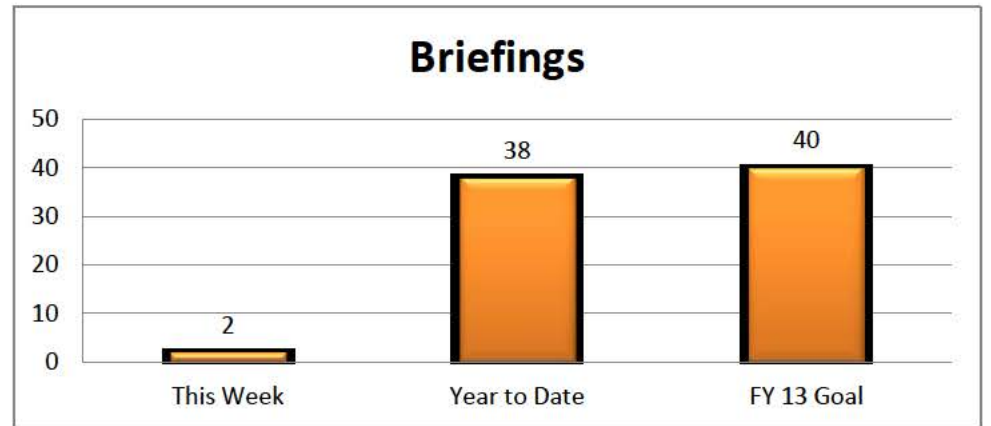
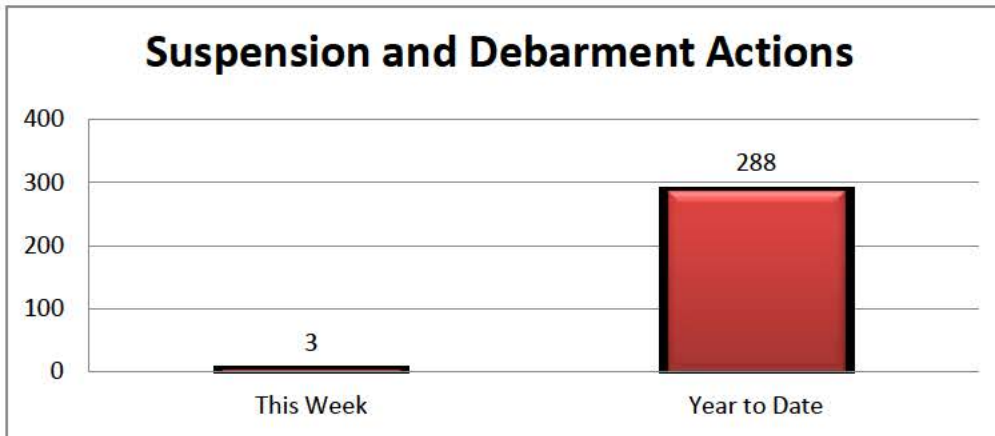
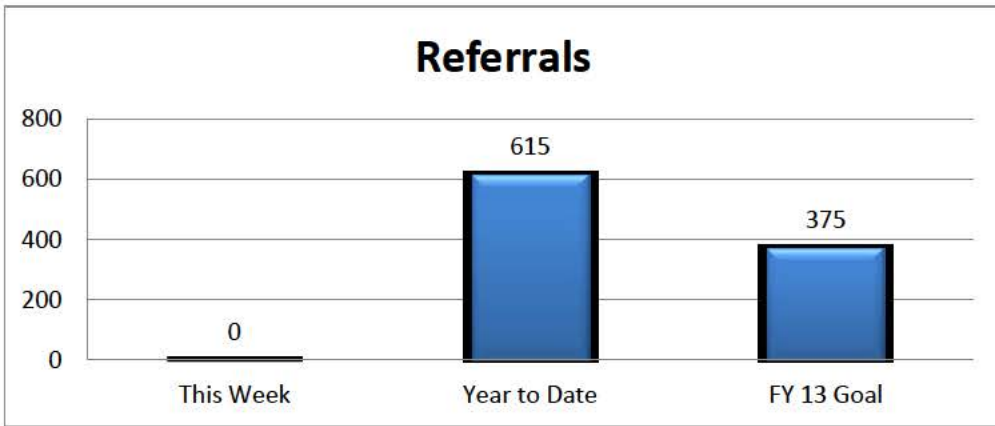
FAR

No new disclosures received by the Investigations Operations Division. To date, we have received 93 disclosures.

Law Enforcement

ifiv

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 21, 2013 - JUNE 27, 2013





JI Updates

June 28, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

(b) (7)(A) //110W0941)

(b) (7)(A)

//111W2295)

(b) (7)(A)

//112W3013)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

//11334831)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report



JI Updates

June 28, 2013

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 34

Hotline Referrals – 3

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

One new disclosure was received from (b) (7)(D). The disclosure involves potential violations of the price reduction clause.

To date, the Investigations Operations Division has received 115 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: QUI-TAM; US EX REL. PERSAUD COMPANIES, INC.

Case Number: I11W2304

Case Agent: SA (b) (6), (b)(7)(C), JI-W

On June 21, 2013, in U.S. District Court for the Eastern District of Virginia (Alexandria), the Honorable Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) Persaud Companies Inc., to two years incarceration, three years supervised release, ordered to pay restitution in the amount of \$720,000, and pay a \$100 special assessment.

The case was prosecuted by AUSA's (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), in the Eastern District of Virginia (Alexandria).

BACKGROUND:

This investigation was predicated upon information received from a Qui-Tam, filed through the Department of Justice, that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Persaud Companies Inc. (PCI) would discover the Independent Government Estimate (IGE) for sole source 8(a) contacts and then fraudulently inflate PCI's job cost estimates to closely match that budget in order to maximize company profits. (b) (6), (b)(7)(C) then submitted the inflated job cost estimate to Government Contracting Officers.

On or about February 2, 2012, (b) (6), (b)(7)(C) was served an Inspector General (IG) Subpoena for documents related to the investigation. (b) (6), (b)(7)(C) responded to the subpoena on or about March 2, 2012. In July 2012, a confidential source (CS) provided information that (b) (6), (b)(7)(C) instructed the CS and a PCI employee to destroy, create and fabricate documents, and to provide the fabricated documents to GSA-OIG in response to the IG Subpoena.

During the course of the investigation, it was discovered that (b) (6), (b)(7)(C) fraudulently obtained a bank loan from the Bank of Georgetown. In order to receive the loan, PCI was required to post collateral in the form of invoices billed to the government, prior to them being paid. (b) (6), (b)(7)(C) instructed the CS and a second PCI employee to inflate the invoice amounts for the loan application and in some cases create contract numbers for contacts that did not exist. PCI then fraudulently obtained a line of credit for approximately \$1.6 million dollars.

On March 14, 2013, in U.S. District Court in the Eastern District of Virginia, (b) (6), (b)(7)(C) pled guilty to Title 18 U.S.C. 1519, Destruction, alteration, or falsification of records in a Federal investigation, and Title 18 U.S.C. Section 1344, Bank Fraud.

This was a joint investigation with the FBI. JC Attorney (b) (6), (b)(7)(C), GSA OIG, also worked closely with JIW on this investigation.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: WEX CARD FRAUD - G41-5205F, G43-1947D, G43-3716D NEWPORT NEWS VA
File Number: 11233819

Case Agent: (b) (6), (b)(7)(C) JI-3

On June 17, 2013, Lance Corporal (b) (6), (b)(7)(C), U.S. Marine Corp, 2nd Battalion 5th Marines, Camp Pendleton, CA was charged during a Uniform Code of Military Justice (UCMJ) Article 32 hearing (i.e. preliminary hearing) with violating UCMJ Article 121, Larceny and Wrongful Appropriation. The total amount of the theft charged was \$2,201.34. The case was referred for Special Court Martial with a tentative trial date set for July 30, 2013. Plea negotiations are on-going.

BACKGROUND

On April 24, 2012, JI-3 initiated an investigation after receiving a referral from the GSA Fleet Management Loss Prevention Team regarding a suspicious trend occurring with FLEET cards assigned to G41-5205F, G43-1947D and G43-3716F. Specifically, the FLEET cards may have been fraudulently used to purchase fuel at various gas stations in West Virginia and Newport News, VA. A review of these purchases revealed that a significant number of purchases were for unleaded plus and super unleaded gasoline. (b) (6), (b)(7)(C) was initially identified as a person of interest as (b) (6), (b)(7)(C) had access to the FLEET cards. Analysis of surveillance videos obtained from various gas stations in Virginia and West Virginia confirmed (b) (6), (b)(7)(C) was the individual responsible. During the course of the investigation, (b) (6), (b)(7)(C) was transferred from Company B, Fleet Anti-Terrorism Security Team (FAST) Company, Yorktown, VA to the 2nd Battalion 5^h Marines, Camp Pendleton, CA. As such, a lead was sent to JI-9 requesting assistance with the interview of (b) (6), (b)(7)(C). During the interview with JI-9 agents, (b) (6), (b)(7)(C) admitted to fraudulently using the aforementioned FLEET cards and provided a detailed written statement.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room (b) (6), (b)(7)(C)
Philadelphia, PA 19106
P (b) (6), (b)(7)(C) | F: (215)861-3560

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: WEX Fraud, Veteran Affairs, Lyons, NJ

Case #: 11224213

Case Agent: SA (b) (6), (b)(7)(C)

On June 21, 2013, (b) (6), (b)(7)(C), Mail Clerk, U.S. Department of Veteran Affairs, Lyons, NJ, appeared before Honorable Judge (b) (6), (b)(7)(C), New Jersey State Superior Court, Somerset County, Somerset, NJ, and pled guilty to one count of the New Jersey Code of Criminal Justice Statute 2C:20-4A, Theft by Deception (third degree crime). A third degree crime may result in 5 years incarceration and a \$25,000 fine. Sentencing is scheduled for August 9, 2013.

This case is being prosecuted by the Somerset County Prosecutor's Office, Somerville, NJ.

BACKGROUND

In July of 2012, GSA Fleet Loss Prevention Team reported the suspected fraudulent use of two FLEET cards assigned to warehouse operations at the Lyons Campus of the VA New Jersey Health Care System, Lyons, NJ. A joint investigation with GSA OIG and VA OIG between June and November of 2012 substantiated the fraudulent activity and revealed (b) (6), (b)(7)(C) had used the FLEET cards for personal use, resulting in a loss to the government of approximately \$6,937 as of November 14, 2012.

On February 7, 2013, (b) (6), (b)(7)(C) was arrested without incident pursuant to an Arrest Warrant/ Criminal Complaint issued by the Somerset County Prosecutors Office, Somerset, NJ. On April 4, 2013, (b) (6), (b)(7)(C) was indicted by a Somerset County Superior Court Grand Jury on one count each of the New Jersey Code of Criminal Justice Statutes: 2C:30-2A, Official Misconduct (second degree crime); 2C:30-7(A), Pattern of Official Misconduct (third degree crime); and 2C:20-4A, Theft by Deception (third degree crime).

This was a joint investigation with VA OIG and assistance was provided by detectives from the Somerset County Prosecutor's Office, Special Investigations Unit.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room (b) (6), (b)(7)(C)
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Fort Bliss WEX card fraud - G43-3744L G42-3397L

Case Number: I1273342

Case Agent: SA (b) (6), (b)(7)(C)

On May 23, 2013, Private First Class (PFC) (b) (6), (b)(7)(C) pled guilty during a Special Court Martial to violating UCMJ Article 81, Conspiracy, UCMJ Article 121, Larceny, and UCMJ Article 134, Stolen Property. The Court Martial was presided over by Lieutenant Colonel (LTC) (b) (6), (b)(7)(C) Fort Bliss, TX. (b) (6), (b)(7)(C) was sentenced to 7 months confinement, reduction to the rank of E-1, forfeiture of \$8,400.00 in pay, and will receive a Bad Conduct Discharge from the Army.

BACKGROUND

On 29 November, 2011, our office received information from (b) (6), (b)(7)(C), Fleet Management Loss Prevention Team, regarding the possible fraudulent use of a FLEET card for GOV G43-3774L. The GOV was assigned to 93d Military Police Battalion, Fort Bliss, TX. Subsequently, our office received additional data regarding the possible fraudulent use of the FLEET card for GOV G42-3397L. This GOV was assigned to 2/1 Armored Division, Biggs Army Air Field, TX. The questionable transactions for both FLEET cards included numerous back to back fuel transactions and incorrect odometer entries.

Based on interviews, our office identified PFC (b) (6), (b)(7)(C) and PFC (b) (6), (b)(7)(C) as potentially responsible for the fraud. While conducting surveillance of (b) (6), (b)(7)(C) POV, real time transaction alerts were received related to the use of the FLEET Card for G42-3397L. Our office went to the gas station identified in the alerts and apprehended (b) (6), (b)(7)(C) utilizing the FLEET card to purchase gas for (b) (6), (b)(7)(C) POV.

On January 12, 2012, (b) (6), (b)(7)(C) confessed to (b) (6), (b)(7)(C) fraudulent use of FLEET cards assigned to both GOVs. Additionally, (b) (6), (b)(7)(C) implicated (b) (6), (b)(7)(C) in the use of the FLEET card assigned to G43-3774L. (b) (6), (b)(7)(C) total fraudulent charges for both cards totaled approximately \$10,843. (b) (6), (b)(7)(C) interviewed and confessed to (b) (6), (b)(7)(C) fraudulent use of the FLEET card for G43-3774L. Additionally, (b) (6), (b)(7)(C) implicated (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) fraudulent use of both FLEET cards. The total fraudulent charges made by (b) (6), (b)(7)(C) were approximately \$408.

On November 3, 2012, (b) (6), (b)(7)(C) received an Article 15 from LTC (b) (6), (b)(7)(C), 173d Airborne Brigade Combat Team for violating Art 121 UCMJ, Larceny. (b) (6), (b)(7)(C) was reduced to E-2, forfeited \$1,672.00 in pay, and received 45 days of extra duty.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) and Zavarella Brothers Construction Debarment

Case Number: I1253381

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On June 20, 2013, (b) (6), (b)(7)(C) and Zavarella Brothers Construction were debarred by the GSA Suspension and Debarment Division. The debarment period will run through January 2, 2016.

BACKGROUND:

The debarment was based upon the filing of an Information charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation. According to the Information (b) (6), (b)(7)(C) and Zavarella Brothers Construction provided free masonry work to a public official, and in return, the public official assisted (b) (6), (b)(7)(C) relative with two teaching Jobs. (b) (6), (b)(7)(C) pleaded guilty to Hobbs Act Conspiracy, and was sentenced to three years of probation.

(b) (6), (b)(7)(C)

Special Agent In Charge
GSA/Office of Inspector General
Great Lakes Regional Investigations Office
Suit (b) (6), (b)(7)(C)
Dearborn Street
Chicago, Illinois 60604

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) , (b) (6), (b)(7)(C) , (b) (6), (b)(7)(C)
(b) (6), (b)(7)(C) Debarment
Case Number: I1253997
Case Agent: SA (b) (6), (b)(7)(C) JI-5

On June 20, 2013, (b) (6), (b)(7)(C) by the GSA Suspension and Debarment Division. The debarment period will run through March 13, 2016.

BACKGROUND:

The debarment was based upon the filing of an Information charging (b) (6), (b)(7)(C) , (b) (6), (b)(7)(C) in connection with Cuyahoga County public corruption investigation. All of the below individuals pled guilty and have been sentenced:

(b) (6), (b)(7) the former treasurer of the MHCS, was charged with one count of conspiracy to commit theft concerning programs receiving federal funds, one count of conspiracy to commit mail fraud, fifteen counts of bribery concerning programs receiving federal funds, and one count of obstruction of justice. On June 7, 2011, (b) (6), (b)(7)(C) was sentenced to the Bureau of Prisons for seven years, and ordered to pay restitution in the amount of \$209,952.50.

(b) (6), (b)(7)(C) , the former director of building and grounds for the MHCS, was charged with one count of conspiracy to commit theft concerning programs receiving federal funds, and one count of bribery concerning programs receiving federal funds. On March 7, 2011, (b) (6), (b)(7)(C) was sentenced to the Bureau of Prisons for a term of eighteen months and ordered to pay restitution in the amount of \$67,902.50.

(b) (6), (b)(7)(C) the former business manager of the MHCS, was charged with one count of misprison of a felony and one count of making a false statement to the Federal Bureau of Investigation. On December 15, 2010, (b) (6), (b)(7)(C) was sentenced to six months and ordered to pay restitution in the amount of \$42,528.50.

(b) (6), (b)(7)(C) , the sole (b) (6), (b)(7)(C) of Landscape Design Associates, located in the greater Cleveland, Ohio area, was charged with one count of bribery concerning programs receiving federal funds. On March 7, 2011, (b) (6), (b)(7)(C) was sentenced to probation and ordered to pay restitution in the amount of \$36,502.50.

(b) (6), (b)(7)(C) , the (b) (6), (b)(7)(C) of Imperial Heating and Cooling, located in Solon, Ohio, was charged with three counts of bribery concerning programs receiving federal funds. On April 26, 2011, (b) (6), (b)(7)(C) was sentenced to probation and ordered to pay restitution in the amount of \$40,352.50. Imperial Heating and Cooling has an active Central Contractor Registration as maintained by the GSA.

(b) (6), (b)(7)(C) , a principal of Gemma Development Company, located in Solon, Ohio was charged with one count of bribery concerning programs receiving federal funds. On December 14, 2010, (b) (6), (b)(7)(C) was sentenced to probation and ordered to pay restitution in the amount of \$40,502.50.

(b) (6), (b)(7)(C) , a principal of Gemma Development Company, located in Solon, Ohio, was charged with one count of bribery concerning programs receiving federal funds. On

December 14, 2010, (b) (6), (b)(7)(C) was sentenced to probation and ordered to pay restitution in the amount of \$36,752.50.

(b) (6), (b)(7)(C), a principal of Gemma Development Company, located in Solon, Ohio, was charged with one count of bribery concerning programs receiving federal funds. On December 14, 2010, (b) (6), (b)(7)(C) was sentenced to probation and ordered to pay restitution in the amount of \$36,752.50.

(b) (6), (b)(7)(C)
Special Agent In Charge
GSA/Office of Inspector General
Great Lakes Regional Investigations Office
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C)

Debarment

Case Number: 11253998

Case Agent: SA (b) (6), (b)(7)(C) JI-5

On June 20, 2013, (b) (6), (b)(7)(C)

ere debarred by the GSA Suspension and Debarment Division. The debarment period will run through March 24, 2016.

BACKGROUND:

The debarment was based upon the filing of a thirty-one count Indictment charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation.

On October 27, 2010, (b) (6), (b)(7)(C), a former Local 55 Business Manager, changed plea to guilty. pleaded guilty to Conspiracy, Hobbs Act, and Embezzlement. On January 28, 2011, (b) (6), (b)(7)(C) was sentenced to twenty-seven months to be served at the U.S. Penitentiary in Bruceon Mills, WV.

On November 4, 2010, a supplemental Informational was filed on (b) (6), (b)(7)(C). pleaded guilty to Conspiracy to Commit Bribery Concerning Programs Receiving Federal funds, Hobbs Act Conspiracy, and Conspiracy to Commit Wire Fraud. On July 20, 2011, was sentenced to thirty-seven months to be served at the Federal Correctional Institution in Morgantown, WV.

On March 9, 2012, (b) (6), (b)(7)(C), former elected County Commissioner, was found guilty on thirty-six counts including RICO Conspiracy, Bribery, Mail Fraud, and Honest Services Fraud.

On March 9, 2012, (b) (6), (b)(7)(C), former Auditor's office employee, was found guilty on ten counts including RICO Conspiracy, Bribery, Mail Fraud, and Honest Services Fraud.

On May 4, 2012 (b) (6), (b)(7)(C), former Auditor's office employee, was sentenced to five years of probation after pleaded guilty to Conspiracy to Commit Mail Fraud and Honest Services Mail Fraud, and False Statement to Law Enforcement.

For information regarding the Significant Items listed above, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent In Charge
GSA/Office of Inspector General
Great Lakes Regional Investigations Office
Suite
230 South Dearborn Street
Chicago, Illinois 60604

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Platinum One Contracting Inc - Alleged False Statements

Case Num: I1130723

Case Agent: SA (b) (6), (b)(7)(C), JI-3

On June 24, 2013, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Capitol Contractors Inc., and (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), Capitol Contractors Inc., Capitol Heights, MD, self-surrendered and were each arraigned before U.S. Magistrate Judge (b) (6), (b)(7)(C), District of Maryland, on one count of 18 U.S.C. § 371, Conspiracy; six counts of 18 U.S.C. § 1343, Wire Fraud; two counts of 26 U.S.C. § 7206(1), Making and Subscribing a False Return; and two counts of 26 U.S.C. § 7206(2), Aiding and Assisting in the Preparation of False Tax Return. Both (b) (6), (b)(7)(C) were released on (b) (6), (b)(7)(C) own recognizance.

This case is being prosecuted by AUSA (b) (6), (b)(7)(C), DMD, and Trial Attorney (b) (6), (b)(7)(C) DOJ Tax Division.

BACKGROUND

This case was initiated on December 22, 2010, based on information provided by the GSA OIG Office of Forensic Auditing, Evaluation & Analysis (JE). Previously, in April 2010, the Government Accountability Office (GAO) completed an investigation of the Small Business Administration's 8(a) program, in which they identified 14 companies that may have engaged in fraudulent activity in order to gain certification in the 8(a) program. JE researched the 14 contractors and identified one of these companies, Platinum One, as having several contracts with GSA, some of which were ARRA funded and others that were 8(a) set-asides. This investigation disclosed that Platinum One was created as a fraudulent 8(a) disadvantaged minority owned business and (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Capitol Contractors, Inc., Capitol Heights, MD, controlled Platinum One. Pursuant to the scheme, Platinum One submitted false documents to SBA in order to gain 8(a) status and obtained over \$50 million in 8(a) set-aside contracts with GSA, DOD, and other agencies. Additionally, the investigation determined that (b) (6), (b)(7)(C), filed false tax returns in connection with the 8(a) scheme.

This is a joint investigation with the SBA OIG, DCIS and IRS CID.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

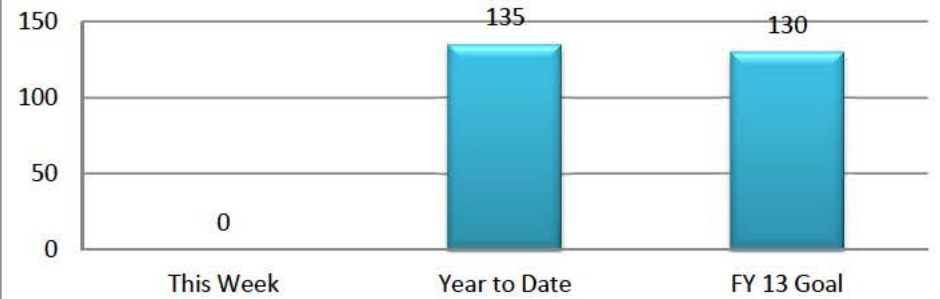
(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room (b) (6), (b)(7)(C)
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 28, 2013 - JULY 4, 2013

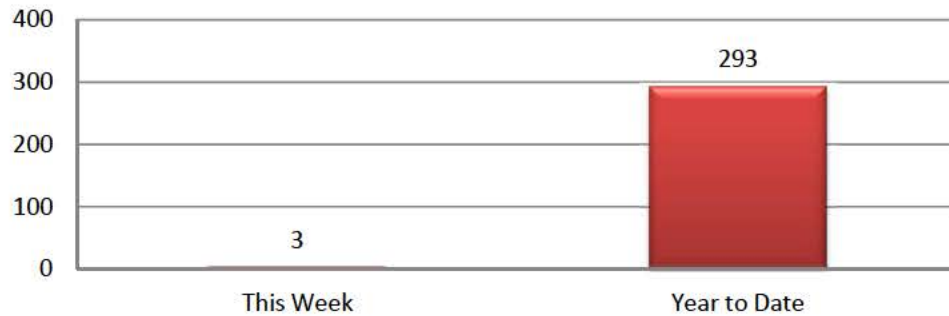
Referrals



Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

July 5, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On July 8, 2013, the remaining five individuals associated with JI-W's bribery case (1070065) will be indicted. The five individuals were contractors who provided cash payments to GSA employees in return for work at GSA facilities. (DMD/Bribery)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)



11030806)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Please see ARRA below.

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report



JI Updates

July 5, 2013

Dallas/FT Worth (JI-7)

On July 8, 2013, SA (b) (6), (b)(7)(C) will testify in a UCMJ Article 32 hearing pertaining to PFC (b) (6), (b)(7)(C) involvement in the fraudulent use of FLEET cards. Our office was notified of the purchase of unleaded fuel by diesel powered GOVs assigned to the Fort Bliss Transportation Motor Pool. (FBSJA/Theft/I1374617)

San Francisco (JI-9)

(b) (7)(A)

/I1294108)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 24

Hotline Referrals – 5

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

/I1354676)

JI-B

FAR

One disclosure was received from (b) (7)(D) regarding potential violations of the Price Reductions Clause under their GSA Contract (b) (7)(D)

To date, the Investigations Operations Division has received 115 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A) - Alleged False Statements

Case Num: I1132891

Case Agent: SA (b) (6), (b)(7)(C) JI-3

(b) (7)(A)

(b) (7)(A)

BACKGROUND

(b) (7)(A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room (b) (6), (b)(7)(C)
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Number: I1010156

Case Title: B&J Multi Service Corporation/J&W Company

Case Agent: (b) (6), (b)(7)(C)

On June 27, 2013, (b) (6), (b)(7)(C) President, B&J Multi Service Corporation (B&J), and (b) (6), (b)(7)(C), Vice President, B&J Multi Service, were sentenced by Magistrate Judge (b) (6), (b)(7)(C), United States District Court (USDC), District of Massachusetts. (b) (6), (b)(7)(C) was sentenced to six months home detention, two years' probation, \$38,000 in asset forfeiture, 200 hours of community service, and a special assessment of \$100. (b) (6), (b)(7)(C) was sentenced to a year and a day imprisonment, two years' supervised release, \$399,000 in asset forfeiture, and a special assessment of \$100.

BACKGROUND:

This investigation was initiated on December 10, 2009, based upon a referral from the U.S. Government Accountability Office and it confirmed allegations that (b) (6), (b)(7)(C), President, B&J Multi Service Corporation and (b) (6), (b)(7)(C) Vice President, B&J Multi Service Corporation, submitted statements to the SBA and other government agencies, including GSA, falsely representing that B&J Multi Service Corporation was a disadvantaged minority and/or service-disabled veteran-owned business, in order to obtain federal government contracts set aside for, or preferentially awarded to, such entities.

This is a joint investigation being worked by GSA OIG, VA OIG, SBA OIG, Army CID, and DOL OIG. This case was prosecuted by AUSA (b) (6), (b)(7)(C), and AUSA (b) (6), (b)(7)(C), United States Attorney's Office/DMA.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
General Services Administration
Office of Inspector General
New England Regional Investigations Office
Office: (b) (6), (b)(7)(C)
Fax: (617) 565-6798

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C), Blaze Construction and Blaze Building Debarment

Case Number: I1253383

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On July 1, 2013, (b) (6), (b) (7) Blaze Construction and Blaze Building were debarred by the GSA Suspension and Debarment Division. The debarment period will run through August 15, 2015.

BACKGROUND:

The debarment was based upon the filing of an Information charging (b) (6), (b)(7)(C) in connection with the Cuyahoga County public corruption investigation. According to the Information, (b) (6), (b)(7)(C) was the Vice-President of Blaze Construction, and President and majority shareholder of Blaze Building. Their operations affected interstate commerce. (b) (6), (b)(7)(C) was charged with Conspiracy to Commit Bribery Concerning Programs Receiving Federal Funds. (b) (6), (b)(7)(C) regularly provided things of value to Public Officials and others in exchange for performing official acts and promising to perform official acts to benefit (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) interests. On May 7, 2010, (b) (6), (b)(7)(C) entered a plea of guilty. On January 28, 2013, (b) (6), (b)(7)(C) was sentenced to the Bureau of Prisons for three years, and ordered to pay a fine in the amount of \$250,000, and \$24,000 in restitution.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C), direct dial.

(b) (6), (b)(7)(C)

Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C) @gsaig.gov

Significant Item

Case Number: I0990577

Case Title: (b) (7)(A)

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)

Background

(b) (7)(A)

This item is authorized for agency dissemination. If you have any questions, please contact
Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C) 415-603-9734

Significant Item

Case Number: I13L4662

Case Title: GSA Supply Management Center for Supply Acquisitions

FAS/Office of Supply Operations, GS-14F-61634 aka EF61634

Case Agent: (b) (6), (b)(7)(C)

On June 11, 2013 JI-9 was notified by the Director, GSA, Office of Supply Operations (QSD) that based on a review of the excess history (value of excess disposals) for calendar items for years 2011 and 2012 (actual disposal value), and for FY 2013 (projected disposal value), FAS calculated a potential cost-avoidance benefit to the taxpayer of \$56,843. This estimate is based upon a projected 86% improvement factor over previous performance. FAS would lower its ordering of calendars based on past history, thereby lowering the cost of the disposal of excess calendars.

Background

On November 28, 2012, JI-9 conducted a fraud awareness and integrity briefing for GSA Global Supply, Sacramento, CA. During the briefing, JI-9 was made aware that GSA was disposing of a considerable amount of excess calendars annually. Based upon this information, Ji-9 requested a five year data report of the annual purchase of and excess disposal of calendars from GSA Supply Management Center for Supply Acquisitions FAS/Office of Supply Operations. Upon receipt and analysis of the information provided, it was determined that GSA exceeded more than \$340,000 worth of calendars during the past five years.

The response from GSA Global Supply in summary explained that GSA Global Supply tracks the purchases and excesses annually and attempts to reduce the excesses by annually reducing the amount of the upcoming year by 5-15% percent based upon the amount of excess from the previous year. Additionally, the calendar orders were made on an annual basis, usually with orders for the upcoming year placed in June or July.

GSA Global Supply advised that based upon the referral from GSAIG and a review of current procedures used to attempt to reduce excesses, GSA Global Supply will be implementing a 30% reduction in the purchase amounts and will conduct a split acquisition with 75% of the order being placed in June/July and the remaining 25% being placed in November. This adjustment is being made in an attempt to reduce the current trend of excessive over purchasing of calendars that are not used and end up being excessed at the end of the calendar year. GSA Global Supply calculated a potential cost-avoidance benefit to the taxpayer of \$56,843 based upon a projected 86% improvement factor over previous performance.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) , TRUSTED AGENT, QUI TAM

Case #: 10940681

Case Agent: SAC (b) (6), (b)(7)(C) JI-4

On July 3, 2013, DOJ announced that Science Applications International Corporation (SAIC) has agreed to pay \$5.75 million to settle allegations that it violated the False Claims Act related to a contract awarded to SAIC by GSA in 2006. The contract was a blanket purchase agreement (BPA) for SAIC to provide engineering and consulting services related to the study and evaluation of new products and emerging technologies for various Department of Defense (DOD) agencies that resulted in 19 task orders from 2006 through 2009.

This is a joint investigation by GSA OIG, DCIS, Army CID MPFU, and AFOSI. AUSA (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) Middle District of Florida, and Trial Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) , Commercial Litigation Branch, DOJ Civil, coordinated the civil actions.

BACKGROUND

In June 2009, GSA OIG received reports of contract irregularities related to a BPA awarded to SAIC in 2006. DOD staff at the Coalition for Irregular Warfare Center, Nellis AFB, raised questions with GSA regarding billing under the SAIC BPA. While attempting to resolve the billing questions, GSA and DOD began to question the role of (b) (6), (b)(7)(C) , Director of Trusted Agent (TAgent). GSA established an MOU with (b) (6), (b)(7)(C) as the Director of TAgent to act as the independent agency administrator of the BPA with the understanding that TAgent was an independent U.S government agency under DOD and that (b) (6), (b)(7)(C) served as the Director.

The investigation determined that (b) (6), (b)(7)(C) was not an independent U.S. government agency and (b) (6), (b)(7)(C) was a retired Air Force Lt. (b) (6), (b)(7)(C) employed by a state institution in New Mexico, not a U.S. government employee. The investigation revealed that (b) (6), (b)(7)(C) misled GSA staff before the award of the BPA and during the administration of the BPA task orders with regard to TAgent and (b) (6), (b)(7)(C) employment status. In addition, the investigation identified communications and relationships between (b) (6), (b)(7)(C) and SAIC personnel before and after the award of the BPA to SAIC that indicated SAIC personnel were aware of (b) (6), (b)(7)(C) employment status and inability to serve as an independent authority for a federal contract.

SAIC and (b) (6), (b)(7)(C) subsequently entered into settlement negotiations with DOJ that continue with (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

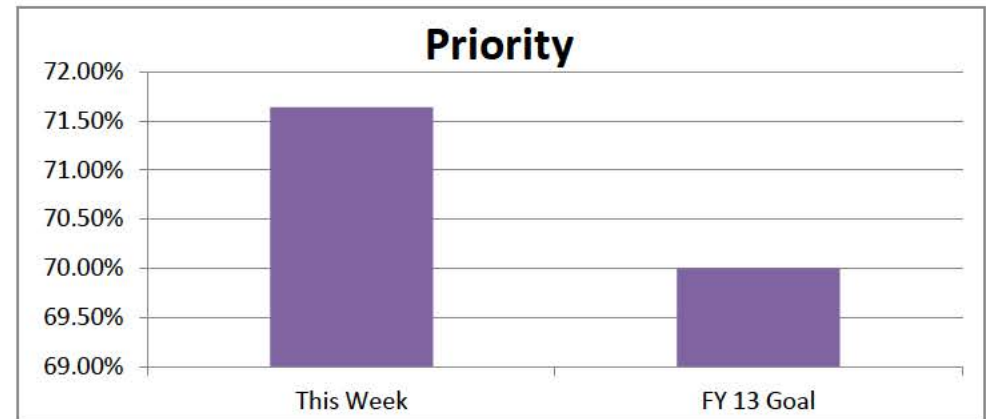
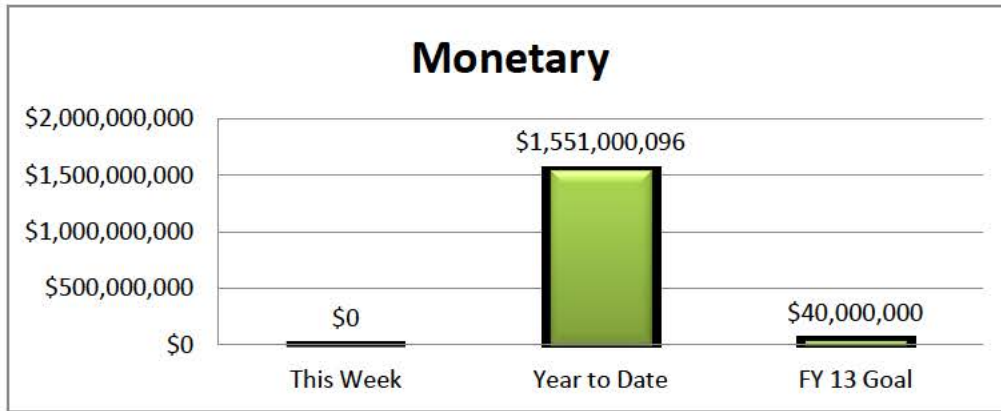
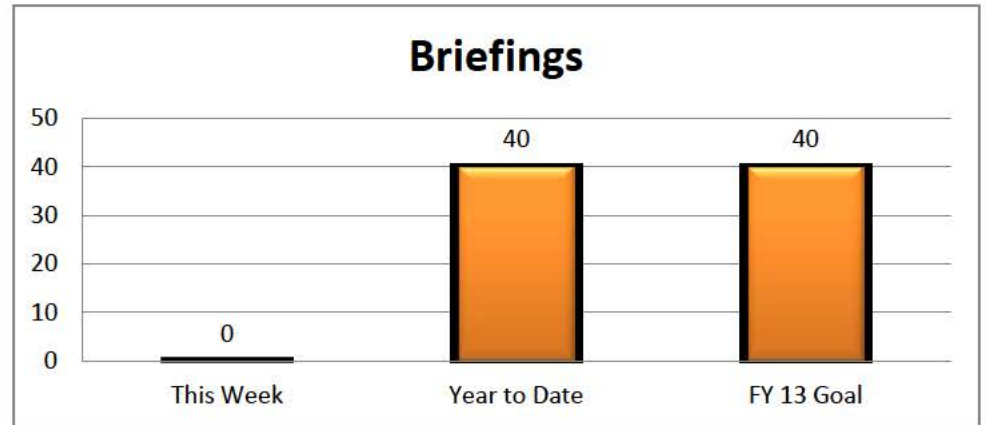
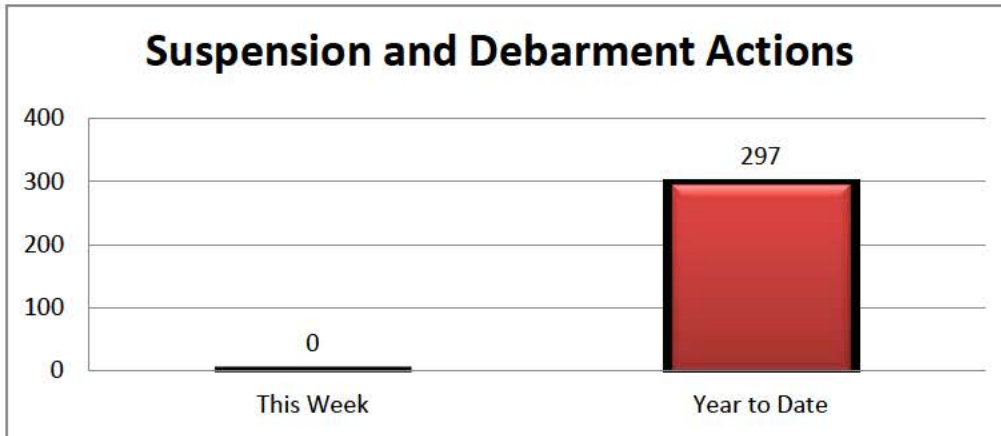
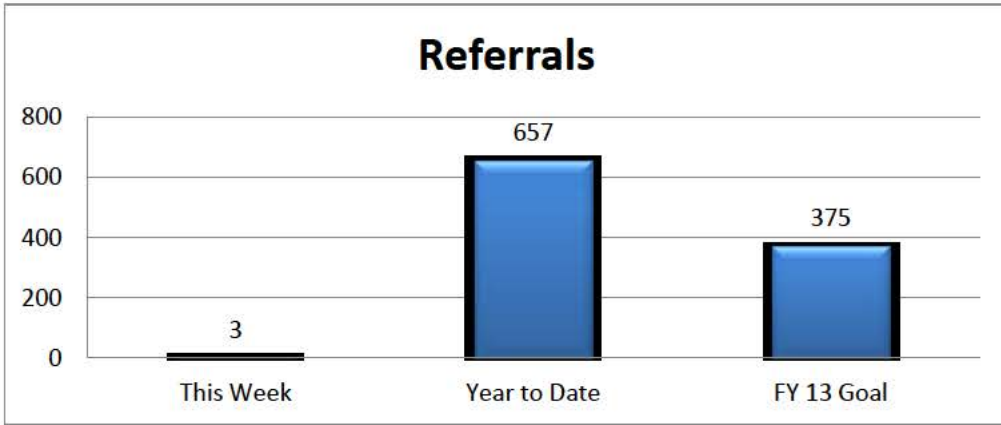
GSA/Office of the Inspector General

Southeast Regional Investigations Office

Atlanta, Georgia

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 28, 2013 - JULY 4, 2013





JI Updates

July 12, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On July 19, 2013, (b) (6), (b)(7)(C) will be sentenced before Judge (b) (6), (b)(7)(C) in the Eastern District of Virginia. On May 3, 2013, (b) (6), (b)(7)(C) was convicted of twelve felony counts and two misdemeanor counts of unauthorized access to a protected computer in violation of 18 U.S.C. § 1030(a)(2). (EDVA/Fraud/I11W2908)

Boston (JI-1)

On July 19, 2013, SA (b) (6), (b)(7)(C) will meet with SSA OIG RAC (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) office in Manchester, NH, to discuss case development regarding joint GSA OIG and SSA OIG interests.

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

/11334831)

(b) (7)(A)

1224214)

Atlanta (JI-4)

(b) (7)(A)

142172)

Chicago (JI-5)

Please see ARRA below.



JI Updates

July 12, 2013

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

(b) (7)(A)

10800042)

Internal Operations

Hotline

Hotline Contacts – 54

Hotline Referrals – 7

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

11354676)

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 115 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: S&L Industries
Case Number: I09D0127
Case Agent: SA (b) (6), (b)(7)(C), JI-6

On May 2, 2013, S&L Industries, Cowley, WY, signed a settlement agreement for \$105,000 to resolve defective pricing issues with respect to four GSA sole source 8(a) negotiated contracts awarded to S&L. Between January 2006 and June 2009, S&L failed to disclose current, accurate and complete cost and pricing information to GSA on four federal building renovation projects in Wyoming. This case was worked with assistance from AUSA (b) (6), (b)(7)(C), District of Wyoming, (b) (6), (b)(7)(C) Attorney (JC) and (b) (6), (b)(7)(C) Auditor (JA-6).

BACKGROUND

This investigation was opened on October 27, 2008, after JI-6 was notified by a GSA contracting officer that S&L was not paying wage rates as indicated at the time of contract negotiations. JA-6 found that S&L overstated and/or misclassified costs of materials, equipment, labor, bonding, builder's risk insurance, and profit, resulting in harm totaling \$253,110. S&L argued that the dollar amounts contained in the bids were only estimates and were not considered cost and pricing data.

Based upon S&L's disclosures, the requirements set forth in the solicitation, and information maintained in the contract file, it was apparent that S&L and contracting officers understood the bids were to represent a current, accurate and complete representation of S&L's anticipated costs and negotiated profit on the contract at the time of award.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Phone (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Number: I1293576

Case Title: (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), et al. unauthorized access to CCR/Attempted Grant Fraud

Case Agent: (b) (6), (b)(7)(C)

On July 8, 2013, the Reporting Agent was notified by the General Services Administration Office of Government wide Policy Suspension & Debarment Division that (b) (6), (b)(7)(C) was debarred from government contracting on June 18, 2013. The debarment will remain in effect until April 29, 2016. (b) (6), (b)(7)(C) was debarred due to attempt to illegally secure more than \$85,000 in US Treasury Department grant funds designated for a nonprofit organization identified as Alternative Structures International by manipulating the Central Contractor Registry database to move the funds to a bank account under control.

Background

On October 31, 2011, the US Department of Treasury Community Development Financial Institutions (CDFI) notified the Office of the Inspector General, US Department of the Treasury (DOT OIG) via memorandum that a company identified as Alternative Structures International (ASI), a nonprofit organization located in Waianae, Hawaii, had been selected to receive a CDFI Fund program award in the amount of \$85,498. CDFI was established by the Riegle Community Development and Regulatory Improvement Act of 1994 to promote economic revitalization in low-income communities. This award was based on an application submitted in December 2010 by former ASI employee (b) (6), (b)(7)(C). ASI's board of directors was not aware of this application and upon notification of the award and subsequent review, ASI notified Treasury CDFI that it would decline the award due to the fact it could not meet the requirements of the award.

On or about October 21, 2011 ASI received notification that the company's profile and banking information had been changed in the Central Contractor Registry (CCR). ASI immediately contacted CCR and changed the information back. ASI, as well as the US Treasury Department did not incur any monetary loss. Subsequent investigation revealed (b) (6), (b)(7)(C) drafted correspondence and provided it to the US Department of Treasury CDFI program in order to make them believe that (b) (6), (b)(7)(C) was a representative of ASI. (b) (6), (b)(7)(C) asserted that (b) (6), (b)(7)(C) had been authorized to accept the CDFI award and had the authority to change line items in the grant award. Even after being informed by ASI that they (ASI) could not accept the award, (b) (6), (b)(7)(C) continued to communicate with CDFI in an effort to obtain the grant money. (b) (6), (b)(7)(C) then accessed ASI's CCR account without ASI's permission using counterfeit documents (b) (6), (b)(7)(C) drafted and submitted to CCR. After gaining access to the CCR, (b) (6), (b)(7)(C) changed ASI's company profile information and attempted to change the banking information in order to route the CDFI grant money to a bank account (b) (6), (b)(7)(C) had established. (b) (6), (b)(7)(C) was interviewed and admitted to attempting to obtain the award.

On October 29, 2012, the United States Attorney's Office, Hawaii, declined to prosecute (b) (6), (b)(7)(C). If you have any questions regarding this item, please contact Special Agent in Charge (b) (6), (b)(7)(C) (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

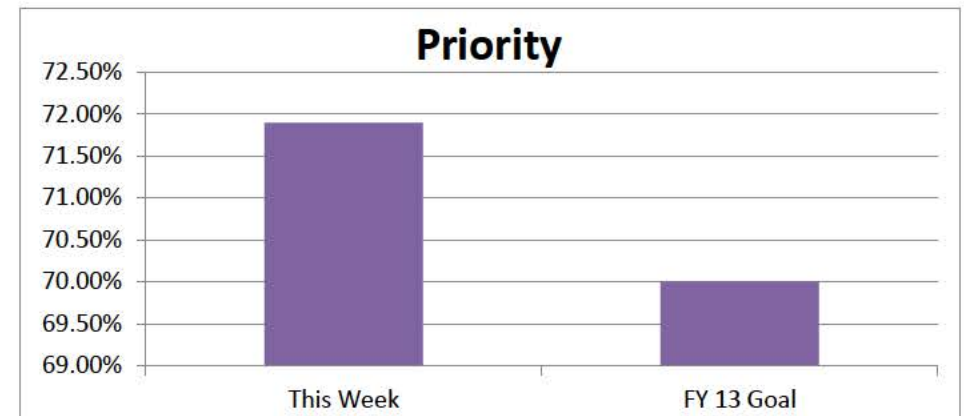
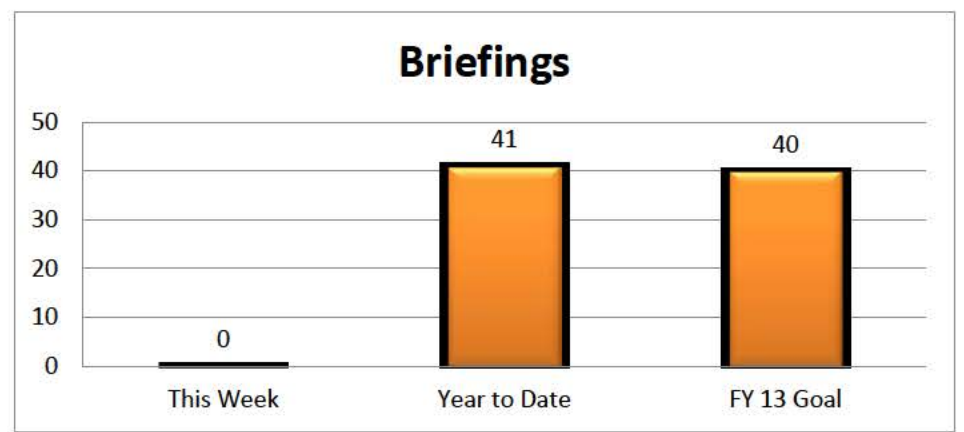
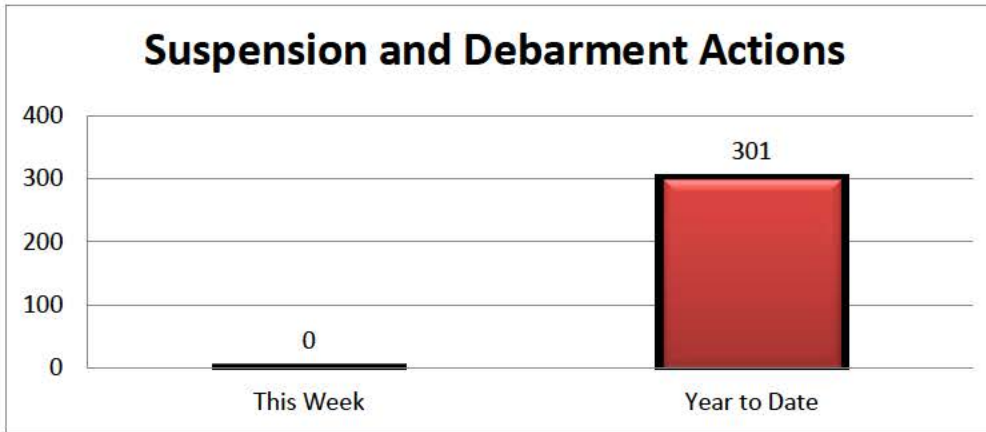
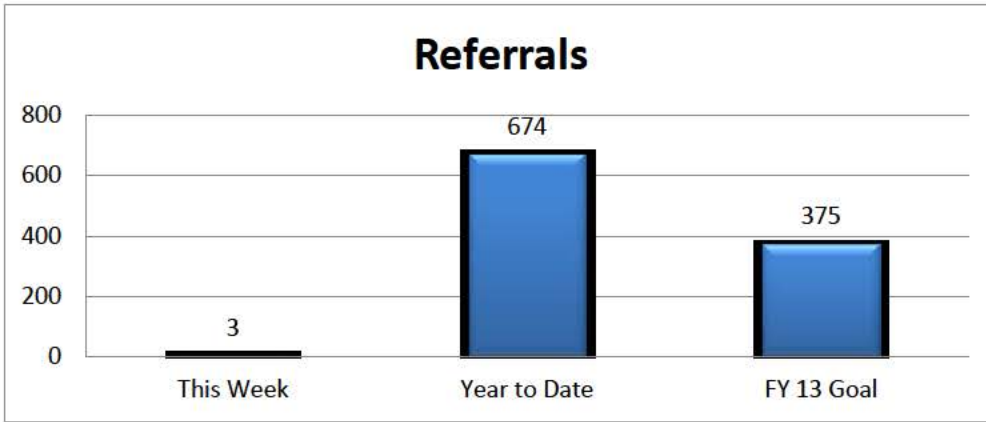
GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite 7-5262

PO Box 36095

San Francisco, CA 94102

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - July 12, 2013 - JULY 18, 2013





JI Updates

July 19, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On July 22, 2013, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) are scheduled to testify in Maryland District Court, at the trial for (b) (6), (b)(7)(C), Sergeant, U.S. Marine Corps, regarding (b) (6), (b)(7)(C) fraudulent use of a FLEET card. The case is being prosecuted by the Baltimore County District Attorney's Office. (Baltimore County, MD/Fleet/I13W4638)

Boston (JI-1)

(b) (7)(A)

I1010592)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

I1132891)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Beginning July 22, 2013, SA (b) (6), (b)(7)(C) will be testifying in a Federal trial in Montgomery, AL, regarding (b) (6), (b)(7)(C), former employee of Caddell Construction, and (b) (6), (b)(7)(C) Mountain Chief Management Services. This investigation involved a major fraud scheme of \$1.3 million utilizing Federal Mentor Protégé and Indian Incentive programs. (Main Justice/Major Fraud/I0960379)



JI Updates

July 19, 2013

(b) (7)(A)

/11263377)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 51

Hotline Referrals – 3

ARRA

During the week of July 22, 2013, SA Steely will meet with a DOL OIG Special Agent who received an allegation that an ARRA funded GSA contractor working at the Margaret Chase Smith Federal Building, Bangor, ME is falsifying certified payroll records.

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 115 disclosures.

Civil Enforcement

On July 23, 2013, Branch Chief (b) (6), (b) (7)(C) is meeting with (b) (7)(D) Inc. officials to discuss an on-going FAR disclosure investigation. The disclosure relates to potential misconduct by (b) (7)(D) employees, sub-contractors and independent contractors who may have submitted fraudulent travel voucher claims under GSA Contract (b) (7)(D) Task Orders (b) (7)(D) and (b) (7)(D) (DOJ Commercial Litigation/Civil/(b) (7)(D))



JI Updates

July 19, 2013

On July 23, 2013, Branch Chief (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) are meeting with (b) (7)(D) officials to discuss an on-going FAR disclosure investigation. (b) (7)(D) indicated they discovered that some items sold to the government under their GSA Contract (b) (7)(D) (under BPA No. (b) (7)(D)) were produced outside of the U.S. in countries prohibited by the TAA. (DOJ Commercial Litigation/Civil (b) (7)(D))

On July 25, 2013, (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) are meeting with (b) (7)(D) officials to discuss an on-going FAR disclosure investigation. The disclosure relates to possible violations of the Price Reduction Clause under (b) (7)(D) GSA contract (b) (7)(D) and (b) (7)(D) (DOJ Commercial Litigation/Civil (b) (7)(D))

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: The Gallup Organization
Case Number: I10W0551 & I10W0291
Case Agent: ASAC (b) (6), (b)(7)(C), JI-4

On July 12, 2013, in Washington, D.C., The Gallup Organization entered into a settlement agreement with the United States in the amount of \$10,500,000 to settle allegations that it improperly inflated contract prices and engaged in Prohibited Employment Negotiations with a FEMA Official.

The case was prosecuted by Trial Attorney (b) (6), (b)(7)(C) and Assistant United States Attorney (b) (6), (b)(7)(C), in the District of Columbia.

BACKGROUND:

This case was initiated based on a Qui Tam filed by an ex-employee of Gallup alleging numerous violations involving The Gallup Organization.

In November 2012, a DOJ complaint was filed in the U.S. District Court, in Washington, D.C., regarding conflict of interest charges against Gallup and former FEMA employee (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was the former Director, Human Capital Division, at FEMA. The matter arose from a 2008 FEMA subcontract awarded to Gallup to evaluate the strengths and satisfaction of FEMA's workforce. It was alleged that at the same time that (b) (6), (b)(7)(C) was pushing (b) (6), (b)(7)(C) agency to award work to Gallup, (b) (6), (b)(7)(C) and Gallup were unlawfully discussing (b) (6), (b)(7)(C) future employment with Gallup. In several internal Gallup emails, a Gallup CEO and government division manager discussed their intention to hire (b) (6), (b)(7)(C) if (b) (6), (b)(7)(C) could persuade FEMA to award Gallup the subcontract. An internal Gallup email dated April 25, 2008, stated that if (b) (6), (b)(7)(C) "gets us a big deal at FEMA...i think we should hire (b) (6), (b)(7)(C)

On or about February 5, 2009, Gallup extended a formal, written partnership offer to (b) (6), (b)(7)(C) after (b) (6), (b)(7)(C) helped secure and fund the FEMA contract with Gallup. (b) (6), (b)(7)(C) announced (b) (6), (b)(7)(C) retirement from FEMA a few days later, and falsely certified to FEMA on February 28, 2009 that (b) (6), (b)(7)(C) had no post-government employment. Gallup allegedly post-dated a second employment offer letter in a manner that supported (b) (6), (b)(7)(C) false certification. Gallup ultimately rescinded its partnership offer to (b) (6), (b)(7)(C) in late March 2009, but only after the Gallup government division manager allegedly concluded that hiring (b) (6), (b)(7)(C) could "get in the way of future [FEMA] business," because (b) (6), (b)(7)(C) government co-workers were upset.

On April 9, 2013, in U.S. District Court, in Washington, D.C., Judge (b) (6), (b)(7)(C), sentenced (b) (6), (b)(7)(C) to 24 months supervised release, 250 hours of community service, ordered to pay a \$40,000 fine and pay a \$100 court assessment fee.

The settlement agreement resolves allegations in the complaint filed by the United States in November 2012. The United States' complaint alleged that Gallup knowingly overstated its true estimated labor hours in proposals to the U.S. Mint and State Department for contracts and task orders that were to be awarded without competition. Because of Gallup's conduct, the complaint

alleged, the two federal agencies awarded Gallup contracts and task orders at falsely inflated prices.

This was a joint investigation involving the FBI, DHS OIG, and DCIS.

For information regarding this Significant Item, please contact Special Agent in Charge [REDACTED], at [REDACTED], at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

This item is authorized for Agency distribution.

Significant Item

Case Number: I1192800

Case Title: (b) (7)(A) [REDACTED] Fresno, CA

Case Agent: (b) (6), (b)(7)(C) [REDACTED]



If you have any questions, please contact Special Agent in Charge (b) (6), (b)(7)(C) [REDACTED]

(b) (6), (b)(7)(C) [REDACTED]
Special Agent in Charge
GSA/Office of Inspector General JI-9
450 Golden Gate Avenue, Suite 7-5262
PO Box 36095
San Francisco, CA 94102
Phone (b) (6), (b)(7)(C) [REDACTED]
Cell: (b) (6), (b)(7)(C) [REDACTED]

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) 3 (FAR Disclosure)

Case Number: I10W0709

Case Agent: Branch Chief (b) (6), (b)(7)(C) Special Agent (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), Investigation Intern, JIB-C

(b) (6), (b)(7)(C) signs settlement agreement in the amount of \$3,925,403 to resolve overpayments made by the government due to a flaw in its timekeeping/labor payroll software programs.

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a criminal violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

On June 9, 2010, (b) (6), (b)(7)(C), disclosed to the government certain overpayments during the period 2002 to 2009 in connection with government cost-reimbursement contracts. The overpayments were due to a flaw in the logic path of one of (b) (6), (b)(7)(C) timekeeping and payroll software systems used under different government contracts for a variety of government customers. The flaw relates to a feature that was configured to ensure compliance with the Fair Labor Standards Act (FLSA) requirement that employees who are exempt from the FLSA receive their full salary regardless of their hours worked. The program was written to fill in labor hours in instances where employees failed to accurately record their hours worked but were entitled under FLSA to receive full pay. (b) (6), (b)(7)(C) has since taken the necessary steps to correct the problem and ensure that it does not recur. (b) (6), (b)(7)(C) signed a settlement agreement with the United States Attorney's Office, Eastern District of Virginia, in the amount of \$3,925,403 to resolve the matter.

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Branch Chief (b) (6), (b)(7)(C), SA (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), Intern, (b) (6), (b)(7)(C) Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

Please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) for additional information.

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)
email: (b) (6), (b)(7)(C) @gsaig.gov

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)

Case Number: I10W0707

Case Agent: Branch Chief (b) (6), (b)(7)(C), Special Agent (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), Investigation Intern, JIB-C

(b) (6), (b)(7)(C) former subsidiary of (b) (6), (b)(7)(C), signs settlement agreement in the amount of \$527,950.97 to resolve overpayments made by the government due to a flaw in the logic of NGC software programs.

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a criminal violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

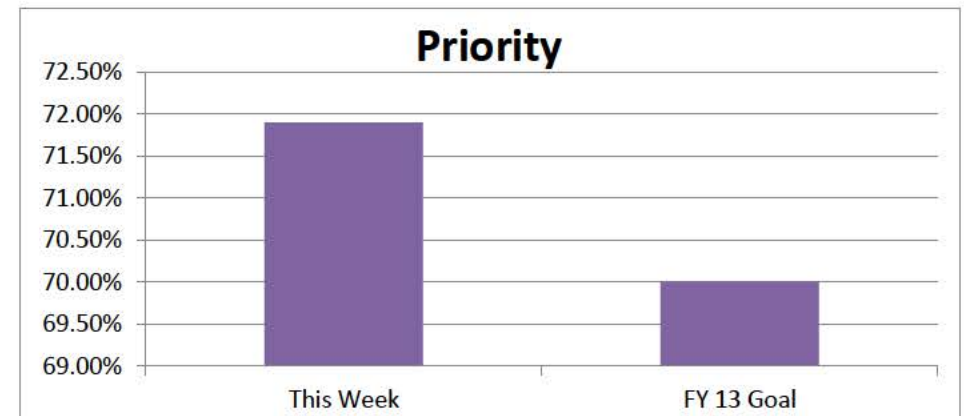
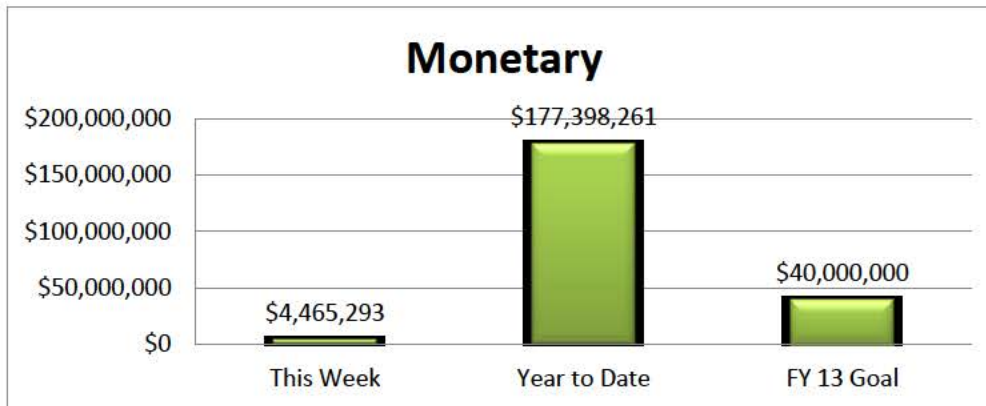
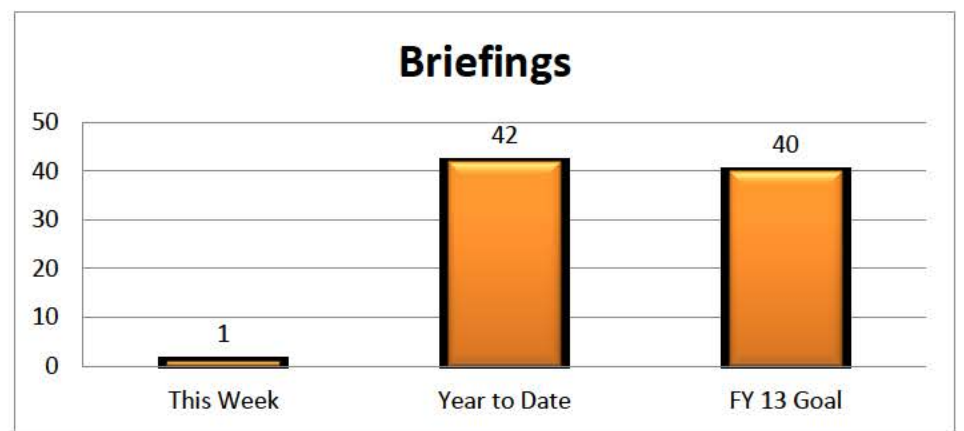
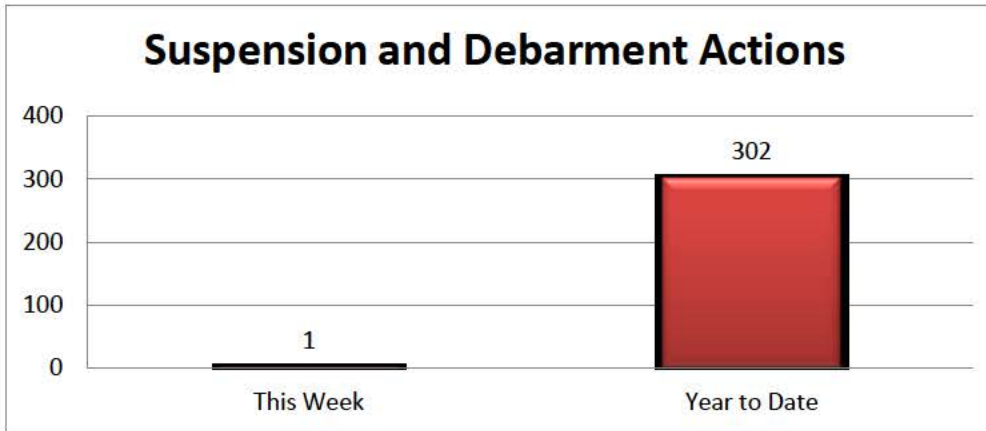
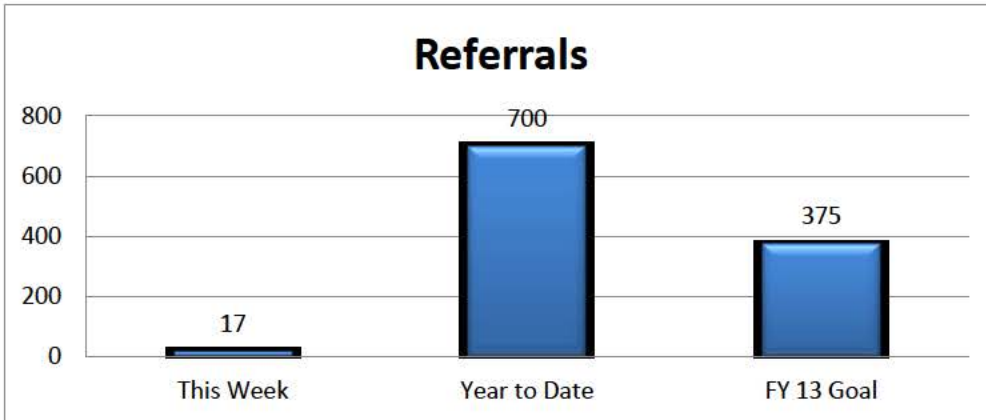
On June 11, 2010, (b) (6), (b)(7)(C) disclosed certain overpayments during the period 2007 to 2009 in connection with government cost-reimbursement contracts. The overpayments were the result of flawed logic in (b) (6), (b)(7)(C) software used by (b) (6), (b)(7)(C) for timekeeping and payroll under different government contracts for a variety of government customers. The software caused employees in some circumstances to be paid more than they should have been paid and some government customers to be charged more than they should have been charged. The flawed logic related to a feature of (b) (6), (b)(7)(C) human resources timekeeping/labor payroll software. That particular feature was configured to ensure compliance with the Fair Labor Standards Act (FLSA) requirement that employees who are exempt from the FLSA receive their full salary regardless of their hours worked. (b) (6), (b)(7)(C) believed the problem began in 2007 when they started using (b) (6), (b)(7)(C) software on 12/22/2007. (b) (6), (b)(7)(C) stopped using the software on 12/18/2009 when (b) (6), (b)(7)(C) divested from (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) signed a settlement agreement with the United States Attorney's Office, Eastern District of Virginia, in the amount of \$527,950.97 to resolve the matter.

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Branch Chief (b) (6), (b)(7)(C), SA (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), Intern, (b) (6), (b)(7)(C) Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

Please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) for additional information.

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)
email: (b) (6), (b)(7)(C) @gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - July 19, 2013 - JULY 25, 2013





JI Updates

July 26, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On July 30, 2013, SA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C) are scheduled to have a proffer session with (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) attorney to discuss additional FLEET card fraud occurring at the Naval Air Station Patuxent River and throughout southern Maryland. On June 12, 2013, (b) (6), (b)(7)(C) plead guilty to a two count criminal complaint in violation of 18 USC 641, relating to (b) (6), (b)(7)(C) fraudulent use of a FLEET card. (DMD-Greenbelt/Fleet/I13W4638)

On August 7, 2013, SA (b) (6), (b)(7)(C) will be testifying before a grand jury in the EDVA (Norfolk, VA) regarding Army Sergeant (b) (6), (b)(7)(C) involvement in a theft scheme involving a FLEET card. The investigation has identified over seventeen Army staff personnel involved in the fraudulent activity. All the individuals are assigned to Fort Story, Virginia Beach, VA. (EDVA/Theft/I13W451)

Boston (JI-1)

(b) (7)(A)

(b) (7)(A) 1010592)

(b) (7)(A)

(b) (7)(A) I1010835)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

(b) (7)(A) I1132891)

Atlanta (JI-4)

Nothing significant to report



JI Updates

July 26, 2013

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

During the week of July 29, 2013, SA (b) (6), (b)(7)(C) will be participating and testifying in a federal trial in Montgomery, AL, regarding (b) (6), (b)(7)(C), former employee of Caddell Construction and (b) (6), (b)(7)(C) Mountain Chief Management Services. This investigation involved a major fraud scheme of \$1.3 million utilizing federal mentor protégé and Indian incentive programs. (Main Justice/Major Fraud/I0960379)

Denver (JI-8)

(b) (6), (b)(7)(C)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 40

Hotline Referrals – 5

ARRA

Nothing significant to report No statistical changes

JI-B

FAR

One new disclosure was received from (b) (7)(D). The disclosure (b) (7)(D)

To date, the Investigations Operations Division has received 116 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A) - Alleged False Statements

Case Num: I1132891

Case Agent: SA (b) (6), (b)(7)(C), JI-3

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room (b) (6), (b)(7)(C)
Philadelphia, PA 19106
P: (b) (6), (b)(7)(C) | F: (215)861-3560

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A) - Alleged False Statements

Case Num: I1132891

Case Agent: SA (b) (6), (b)(7)(C), JI-3

(b) (7)(A)

This case is being prosecuted by AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), EDVA.

BACKGROUND

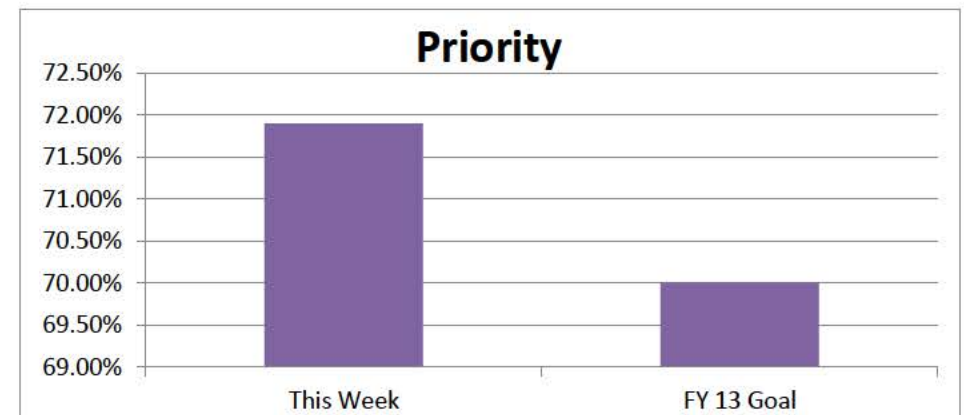
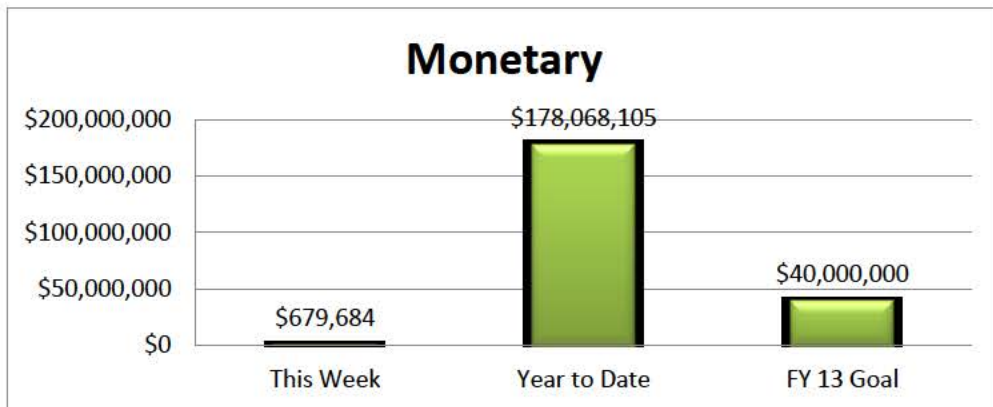
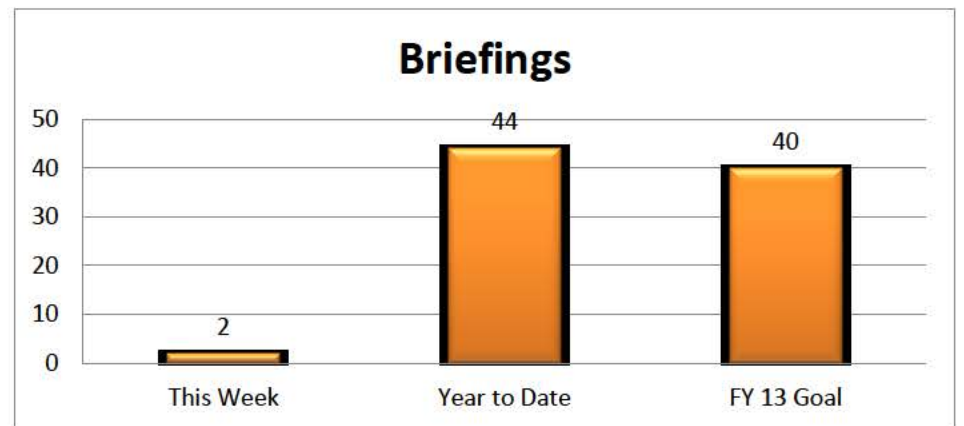
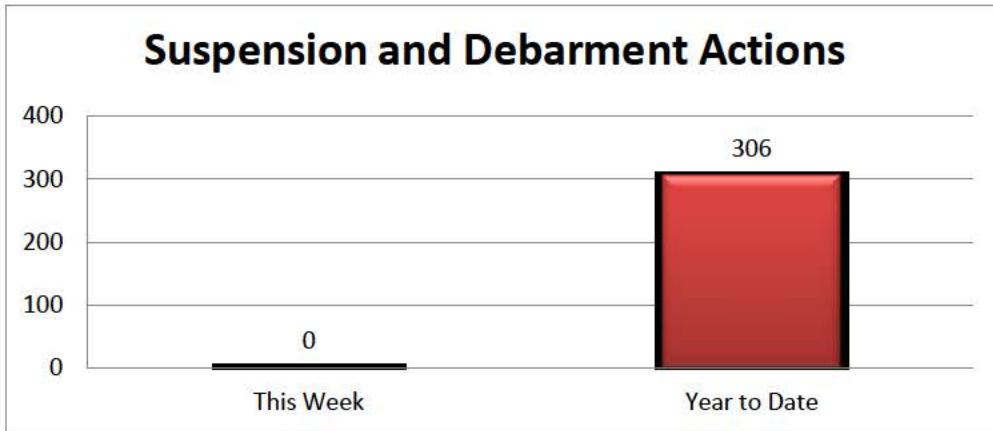
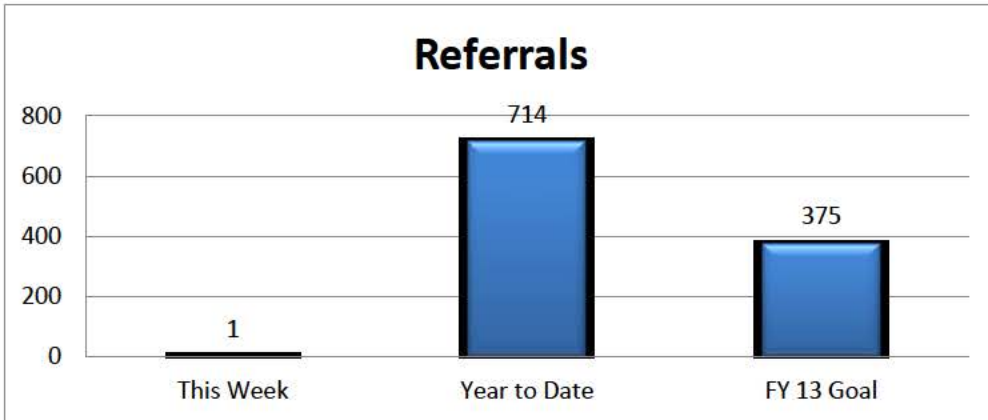
(b) (7)(A)

(b) (6), (b)(7)(C)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room (b) (6), (b)(7)(C)
Philadelphia, PA 19106
P (b) (6), (b)(7)(C) | F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JULY 26, 2013 - AUGUST 1, 2013





JI Updates

August 2, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On August 7, 2013, SA (b) (6), (b)(7)(C) will be testifying before a grand jury in the Eastern District of Virginia (Norfolk) regarding Army Sergeant (b) (6), (b)(7)(C) involvement in a theft scheme involving a FLEET card. The investigation has identified over seventeen Army staff personnel involved in the fraudulent activity. All the individuals are assigned to Fort Story, Virginia Beach, VA. SA (b) (6), (b)(7)(C) and ASAC (b) (6), (b)(7)(C) will arrest (b) (6), (b)(7)(C) the next day with assistance from Army CID. (EDVA/Theft/I13W451)

(b) (7)(A)

/I12W3895)

On August 12, 2013, SA (b) (6), (b)(7)(C) will be testifying before a grand jury in the District of Maryland (Greenbelt), regarding the remaining four individuals associated with JI-W's larger bribery case (I070065). The four individuals were contractors who provided cash payments to GSA employees in return for work at GSA facilities. (DMD/Bribery)

On August 14, 2013, a pre-trial conference will be conducted between SA (b) (6), (b)(7)(C), the Harford County State's Attorney's Office, and (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C). The pre-trial conference is being performed in an attempt to resolve the matter through a plea agreement. Both individuals are with the Army and were using FLEET cards to conduct a theft scheme. (MD State/Theft/I13W4468)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

(b) (7)(A)

/I1223818)



JI Updates

August 2, 2013

Philadelphia (JI-3)

(b) (7)(A)

[REDACTED]

/11234105)

Atlanta (JI-4)

(b) (7)(A)

[REDACTED]

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline



JI Updates

August 2, 2013

Hotline Contacts – 50

Hotline Referrals – 5

JI-B

FAR

No new disclosures were received

To date, the Investigations Operations Division has received 116 disclosures

Law Enforcement Sensitive

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(A) - Alleged False Statements

Case Num: I1132891

Case Agent: SA (b) (6), (b)(7)(C), JI-3

(b) (7)(A)
[Redacted text block]

This case is being prosecuted by AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), EDVA.

BACKGROUND

(b) (7)(A)
[Redacted text block]

[Redacted text block]

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)

Case Number: I13H4841

Case Agent: (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) , Special Agent (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) , Investigation Intern, JIB-C

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a criminal violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

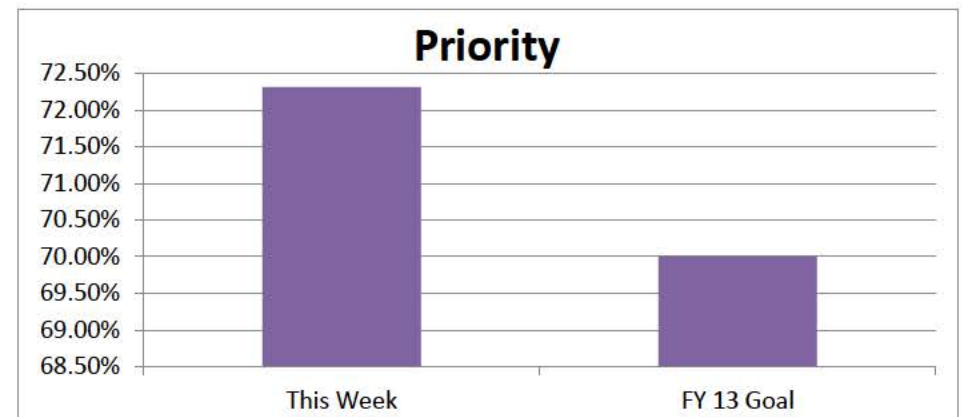
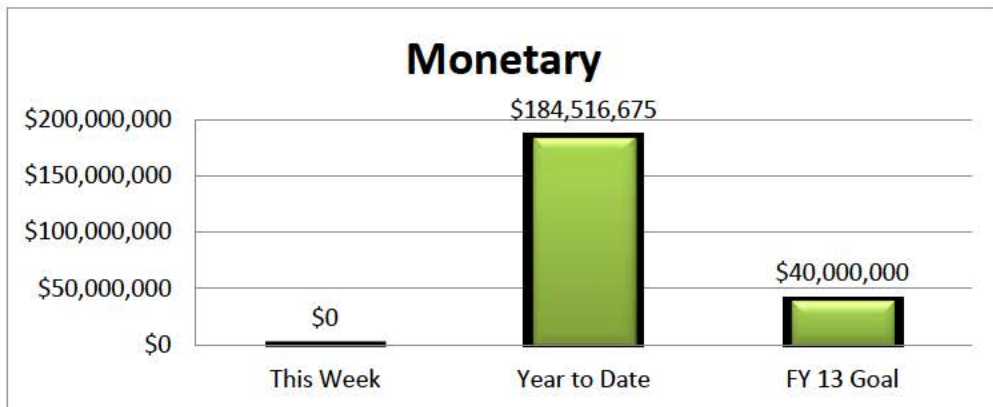
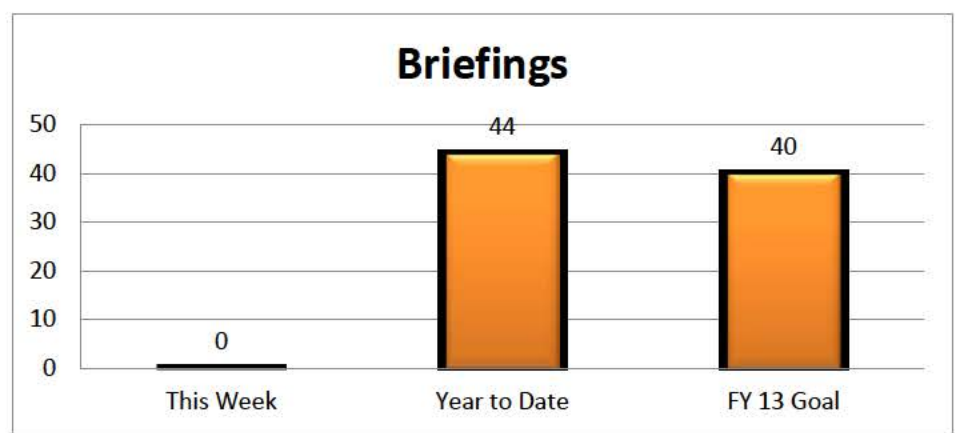
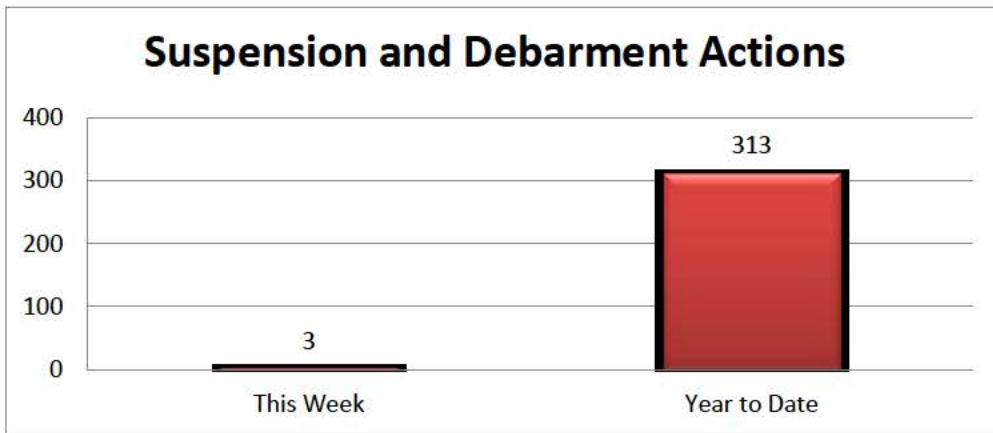
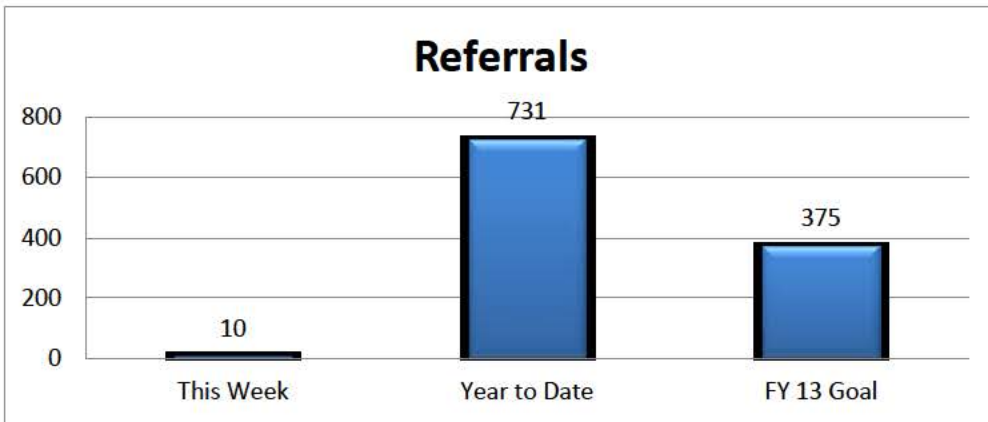
On June 17, 2013, (b) (6), (b)(7)(C) submitted a disclosure to inform GSA officials of inaccurate commercial sales practices disclosures and unreported price reductions under their GSA Multiple Award Schedule (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) for the period (b) (6), (b)(7)(C) through (b) (6), (b)(7)(C). The discrepancies were discovered during a compliance review by Stanley Black and Decker (SBD) after the acquisition of the company. SBD learned that (b) (6), (b)(7)(C) had no official policies for compliance with GSA contracts. (b) (6), (b)(7)(C) indicated they relied on a consultant to prepare the proposal, negotiate the award, and administer the contracts. SBD also learned that (b) (6), (b)(7)(C) personnel thought The Boeing Company was the BOA for both contracts (it is actually distributors) (b) (6), (b)(7)(C) president claimed he personally approved all discounts to monitor the PRC, however, they had the wrong BOA customer. SBD performed a historical review of pricing and calculated a refund of \$141,301.58 was due the government. SBD has since implemented corrective actions to ensure that CribMaster is and remains in compliance with its obligations under the GSA Contracts.

On July 26, 2013, we received confirmation from the GSA CO that CribMaster's check to GSA in the amount of \$141,301.58 was received by Finance.

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) , SA (b) (6), (b)(7)(C) , (b) (6), (b)(7)(C) , Intern, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) Audits, and (b) (6), (b)(7)(C) , Counsel to the IG. Please contact (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) for additional information.

For information regarding this Significant Item, please contact (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 2, 2013 - AUGUST 8, 2013





JI Updates

August 9, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/113W4619)

(b) (7)(A)

/112W3895)

On August 14, 2013, SA (b) (6), (b)(7)(C) and the Hartford County State's Attorney Office will conduct pre-trial conference with subject's (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) in an attempt to reach a plea agreement. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) fraudulently used FLEET cards as part of a theft scheme. (MD State/Theft/113W4468)

On August 12, 2013, SA (b) (6), (b)(7)(C) will be permanently reporting to JI-W.

Boston (JI-1)

(b) (7)(A)

11010856)

New York (JI-2)

On August 8, 2013 (b) (6), (b)(7)(C), Mail Clerk, U.S. Department of Veteran Affairs, will be sentenced in New Jersey State Superior Court, Somerset, NJ. (b) (6), (b)(7)(C) previously pled guilty to state charges relating to (b) (6), (b)(7)(C) fraudulent use of two FLEET cards assigned to the VA. A joint investigation with GSA OIG and VA OIG revealed (b) (6), (b)(7)(C) used the FLEET cards for personal use, resulting in a loss to the government of approximately \$6,937. (Somerset County/WEX Fraud/11224213)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report



JI Updates

August 9, 2013

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

(11394872)

Auburn (JI-10)

(b) (7)(A)

(10800042)

Internal Operations

Hotline

Hotline Contacts – 46

Hotline Referrals – 4

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 116 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (7)(A)

Case Number: I13H4176

Case Agent: SAC (b) (6), (b)(7)(C), JI-5

(b) (7)(A)

The case was prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C), in the District of Columbia.

(b) (7)(A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C), direct dial telephone number.

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Mountain Chief Management Services
Case Number: I0960379
Case Agent: (b) (6), (b)(7)(C), JI-6

On July 30, 2013, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) of Small Business Development, Caddell Construction, was convicted by a trial jury in the Middle District of Alabama. (b) (6), (b)(7)(C) was convicted of making four false statements pertaining to the U.S. Department of Defense Mentor-Protégé Program (MPP). (b) (6), (b)(7)(C) was in charge of administering the MPP as well as the Indian Incentive Program for Caddell and these two programs were used as a vehicle to defraud the federal government. Sentencing has not yet been scheduled for (b) (6), (b)(7)(C). This case was prosecuted by Main Justice Trial Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

BACKGROUND

The Midwest Regional Investigations Office received an allegation that undocumented aliens were working on the Zorinsky Federal Building renovation project in Omaha, NE. Caddell was the prime contractor and Tufly Drywall was a subcontractor. It was discovered that Tufly knowingly hired undocumented workers and provided false information to GSA on certified payrolls. During the investigation, it was also discovered that Caddell asked Tufly Drywall to act as Mountain Chief Management Services, an Indian owned firm, which allowed Caddell to submit fraudulent MPP claims to DOD and commit approximately \$1.3 million dollars in federal minority incentive fraud, as well as use them as a pass-through company to help meet subcontracting goals on major GSA contracts. This case was investigated jointly with the Defense Criminal Investigative Service.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Phone (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 2, 2013 - AUGUST 8, 2013

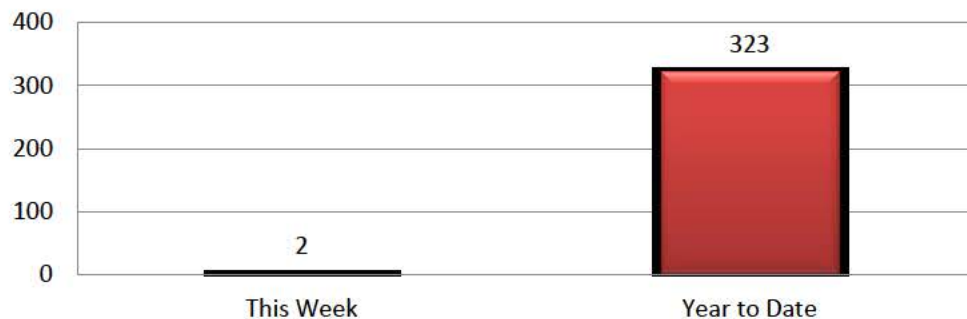
Referrals



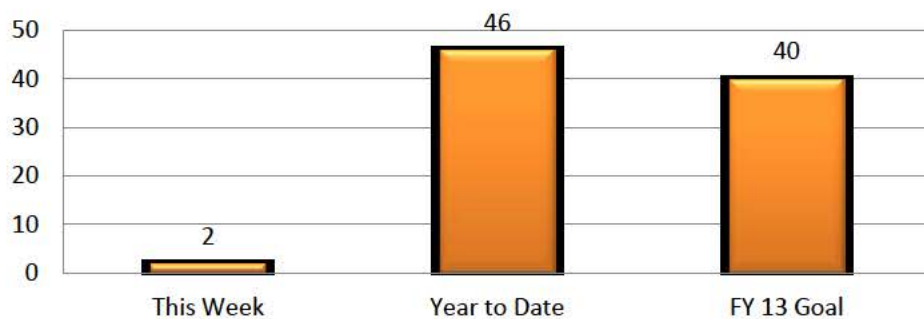
Judicial Actions



Suspension and Debarment Actions



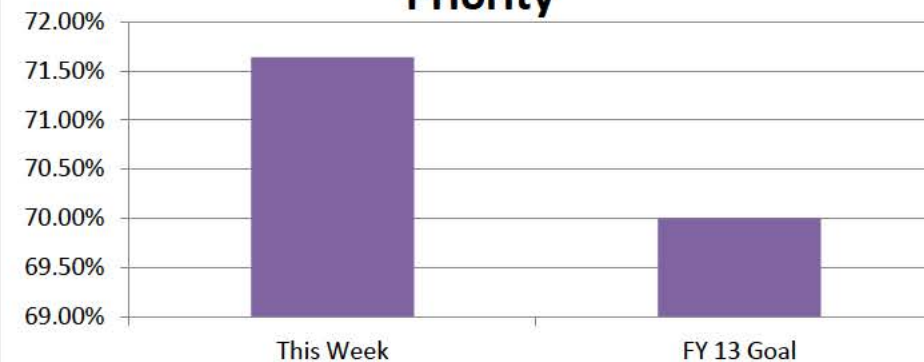
Briefings



Monetary



Priority





JI Updates

August 9, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

I13W3886)

(b) (7)(A)

I11W2295)

Boston (JI-1)

(b) (7)(A)

I1010856)

New York (JI-2)

(b) (7)(A)

I1224307)

Philadelphia (JI-3)

(b) (7)(A)

I1334916)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report



JI Updates

August 9, 2013

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 56

Hotline Referrals – 3

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

/11314906)

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 116 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: WEX Fraud, Veteran Affairs, Lyons, NJ

Case #: I1224213

Case Agent: SA (b) (6), (b)(7)(C)

On August 9, 2013, (b) (6), (b)(7)(C) Mail Clerk, U.S. Department of Veteran Affairs, Lyons, NJ, appeared before Honorable Judge (b) (6), (b)(7)(C), New Jersey State Superior Court, Somerset County, Somerset, NJ, and was sentenced to 50 days confinement; 3 years supervised probation; 100 hours of community service; and ordered to pay \$6,937 of restitution to the VA, \$900 probation supervision fee, \$75 assessment fee and \$75 in court fees.

This case was prosecuted by Assistant Prosecutor (b) (6), (b)(7)(C), Somerset County Prosecutor's Office, Somerville, NJ.

BACKGROUND

In July of 2012, GSA Fleet Loss Prevention Team reported the suspected fraudulent use of two FLEET cards assigned to warehouse operations at the Lyons Campus of the VA New Jersey Health Care System, Lyons, NJ. A joint investigation with GSA OIG and VA OIG substantiated the fraudulent activity and revealed (b) (6), (b)(7)(C) had used the FLEET cards for personal use, resulting in a loss to the government of approximately \$6,937 as of November 14, 2012.

On February 7, 2013, (b) (6), (b)(7)(C) was arrested without incident pursuant to an Arrest Warrant/Criminal Complaint issued by the Somerset County Prosecutors Office, Somerset, NJ. On April 4, 2013, (b) (6), (b)(7)(C) was indicted by a Somerset County Superior Court Grand Jury on one count each of the New Jersey Code of Criminal Justice Statutes: 2C:30-2A, Official Misconduct (second degree crime); 2C:30-7(A), Pattern of Official Misconduct (third degree crime); and 2C:20-4A, Theft by Deception (third degree crime). On June 21, 2013, (b) (6), (b)(7)(C) pled guilty to one count of 2C:20-4A, Theft by Deception.

This was a joint investigation with VA OIG and assistance was provided by detectives from the Somerset County Prosecutor's Office, Special Investigations Unit.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

600 Arch St., Room (b) (6), (b)(7)(C)

Philadelphia, PA 19106

P: (b) (6), (b)(7)(C) | F: (215)861-3560

This item is authorized for agency dissemination.

Significant Item

Case Number: I12L2851

Case Title: SUSPECTED WEX FRAUD - G43-1266F - (b) (7)(A)

DEPARTMENT - TUCSON, AZ

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)

(b) (7)(A)

If you have any questions, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone 415-522-2750

Cell: (b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: Qui Tam: U.S, EX REL. (b) (6), (b)(7)(C) V. Tremco Incorporated and RPM International

Case Number: I11W0797

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On August 13, 2013, The United States of America executed a settlement agreement with Tremco Incorporated and their parent company RPM International in the amount of \$60,985,963, for violating the False Claims Act. The relator will be paid \$10,911,654 from the settlement.

BACKGROUND:

This investigation was initiated upon a qui tam complaint that alleged Tremco Incorporated violated the False Claims Act by failing to provide Federal Government purchases with price discounts provided to private and other non-federal government customers, as required by their two GSA Multiple Award Schedule contracts.

During the course of this investigation, SA (b) (6), (b)(7)(C) worked with JA-5 Auditor (b) (6), (b)(7)(C) and JC Attorney (b) (6), (b)(7)(C). Through interviews, document review and audit analysis, it was determined that Tremco Incorporated knowingly failed to provide GSA with current, accurate and complete pricing information concerning its roofing products and services during the negotiation of the GSA contracts, extensions and modifications thereof, and failed to comply with the price reduction clauses of the GSA contracts, during the period from January 2, 2002 through March 1, 2011, and that it has incurred damages. It was also determined that Tremco Incorporated knowingly marketed and sold certain roofing materials to government purchasers through the GSA contracts without disclosing the availability of lower-cost identical materials also manufactured and sold by Tremco Incorporated.

(b) (6), (b)(7)(C)

Special Agent In Charge

GSA/Office of Inspector General

Great Lakes Regional Investigations Office

Suite (b) (6), (b)(7)(C)

230 South Dearborn Street

Chicago, Illinois 60604

(b) (6), (b)(7)(C)

@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Army - WEX Fraud

Case Number: I13W4468

Case Agent: (b) (6), (b)(7)(C)

On August 14, 2013, (b) (6), (b)(7)(C), Edgewood Chemical Biological Command, Aberdeen Proving Grounds (APG) and Private First Class (PFC) (b) (6), (b)(7)(C) APG, pled guilty and were sentenced in Harford County, MD, for their involvement in using GSA Fleet credit cards for personal use.

(b) (6), (b)(7)(C) pled guilty to Maryland Criminal Code CR.8.204.(a)(i), Credit Card Fraud, and was sentenced to 18 months unsupervised probation and ordered to pay restitution in the amount of \$2,206.71 by February 28, 2014.

(b) (6), (b)(7)(C) pled guilty to Maryland Criminal Code CR.7.104, Theft-Scheme, and was sentenced to 36 months incarceration, all were suspended but for one weekend, and 18 months supervised probation. Restitution was not determined, but will be approximately \$2,381.65.

BACKGROUND

This case was initiated based on information developed under a JI-W proactive investigation (V000008) concerning the misuse of Fleet credit cards. A review of the Fleet database disclosed anomalies associated with Fleet credit cards assigned to APG in Maryland. Both (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were assigned to APG and were using different Fleet credit cards to fuel their personally owned vehicles. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were using the credit cards independently from each other. SA (b) (6), (b)(7)(C) obtained numerous surveillance photos from service stations which led to the identification of (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

On February 21, 2013, (b) (6), (b)(7)(C) was interviewed by SA (b) (6), (b)(7)(C) and admitted to using the Fleet credit cards for personal gain.

On February 28, 2013, (b) (6), (b)(7)(C) was interviewed by SA (b) (6), (b)(7)(C) at the Cambria County Prison, in Ebensburg, PA, and admitted to using the Fleet credit cards for personal gain. (b) (6), (b)(7)(C) was being incarcerated at the Cambria County Prison on unrelated charges.

On March 8, 2013, SA (b) (6), (b)(7)(C) submitted arrest affidavits for both individuals in Harford County, MD stating that probable cause exists to arrest (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) in violation of the Annotated Code of Maryland, section 8-204, Credit Card Theft.

The fraud loss for both credit cards is approximately \$4,588.

These cases were prosecuted by the Harford County Attorney's Office in Maryland.

(b) (6), (b)(7)(C)

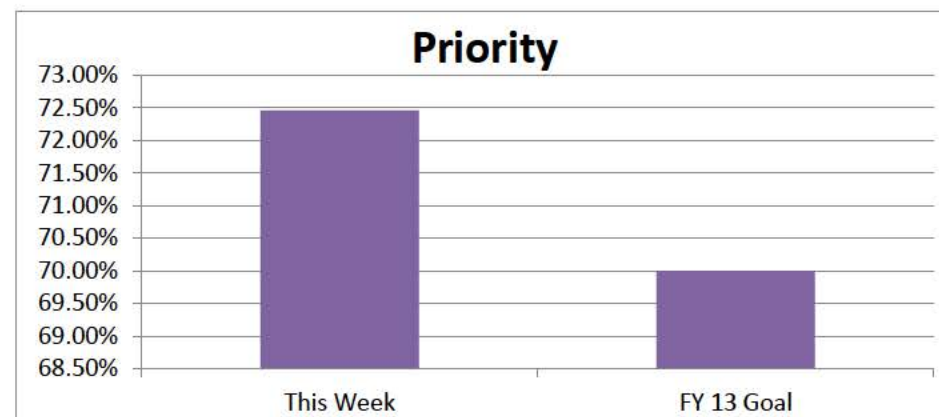
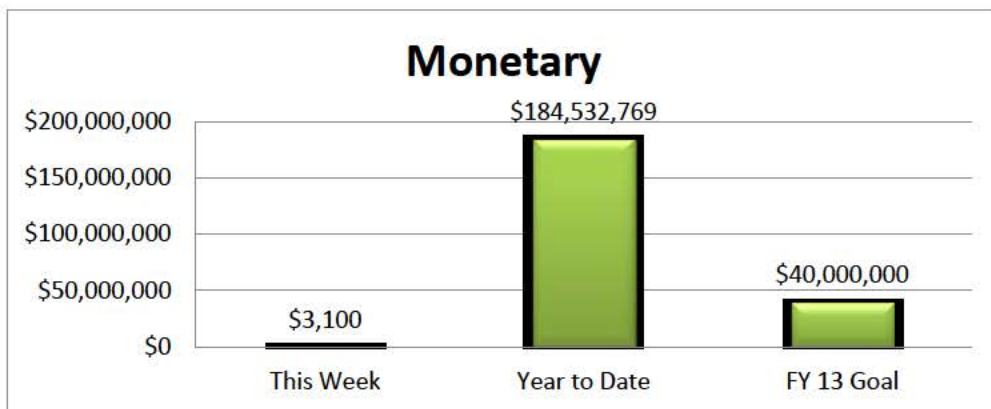
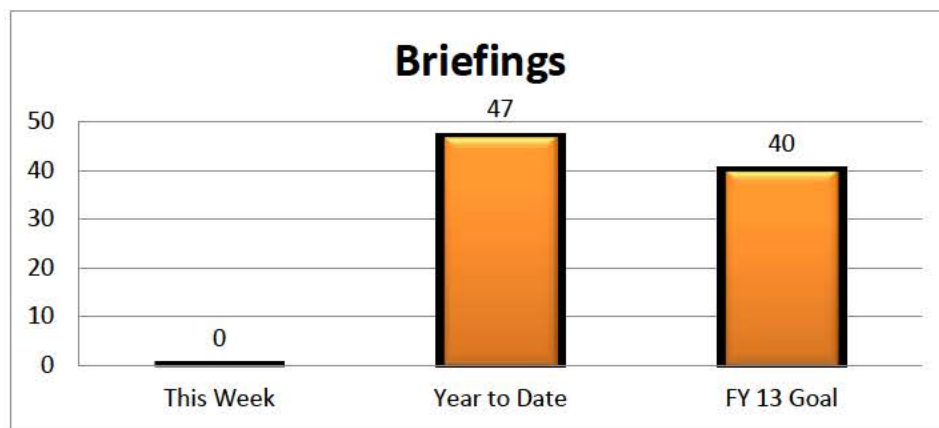
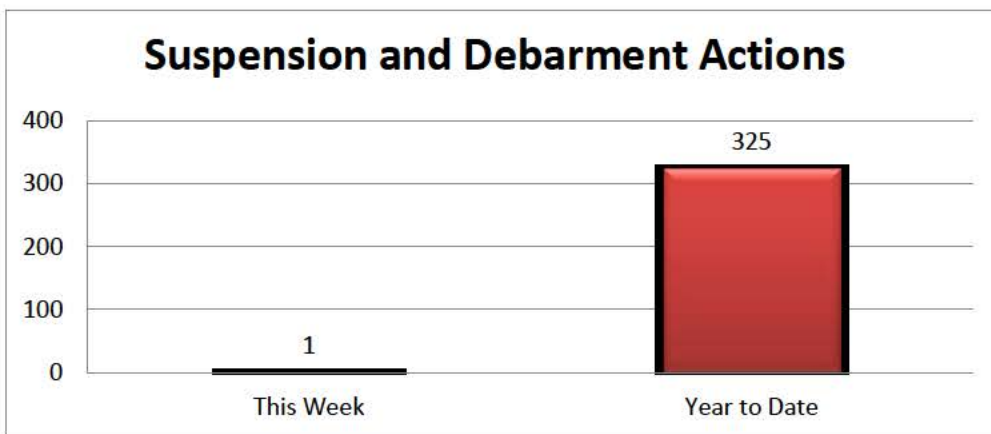
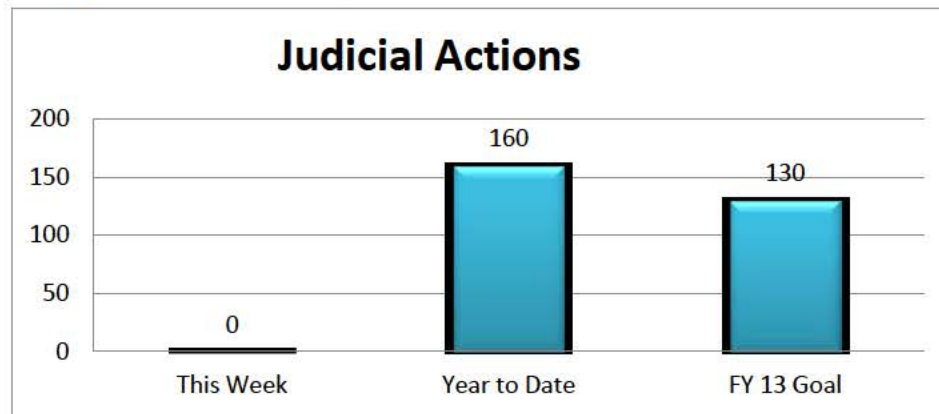
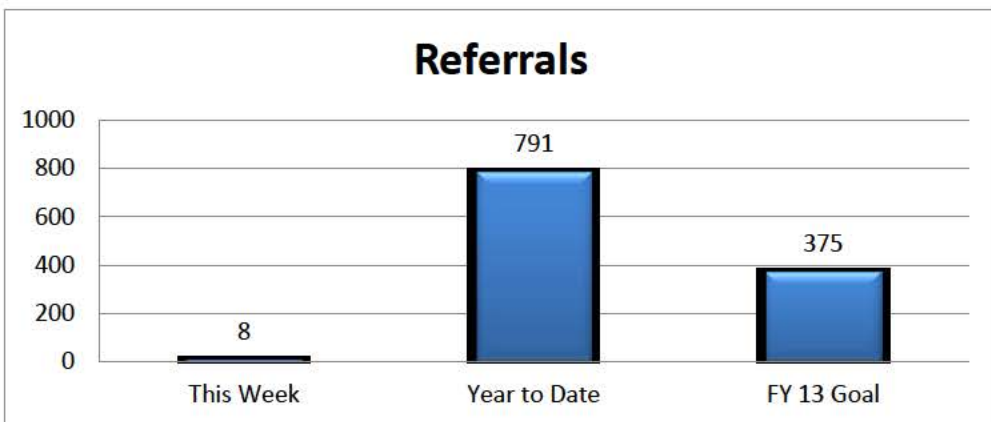
Special Agent in Charge

GSA/Office of Inspector General

National Capital Regional Office (JI-W)

Direct Line (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 16, 2013 - AUGUST 22, 2013





JI Updates

August 23, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On August 23, 2013, SA [REDACTED] will be issuing trial subpoenas to several Fort Story soldiers in preparation for Army Sergeant (b) (6), (b)(7)(C) trial, scheduled for October 15, 2013 in the EDVA (Norfolk). [REDACTED] was indicted for [REDACTED] involvement in a theft scheme involving a FLEET credit card. The investigation has identified over 17 Army staff personnel involved in the fraudulent activity. (EDVA/Theft/I13W4519)

(b) (7)(A)

[REDACTED]
11W2295)

Boston (JI-1)

(b) (7)(A)

[REDACTED]
/I1010856)

New York (JI-2)

(b) (7)(A)

[REDACTED]
/I1224307)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report



JI Updates

August 23, 2013

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 47

Hotline Referrals – 4

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

One new disclosure was received from (b) (7)(D). The disclosure involves alleged mischarging of taxes, surcharges, and excise fees.

To date, the Investigations Operations Division has received 117 disclosures.

This item is authorized for Agency distribution.

Significant Item

Case Number: I1394441

Case Title: G11-1850, (b) (7)(A) CA

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)

Background

(b) (7)(A)

(b) (7)(A)

If you have any questions, please contact Special Agent in Charge (b) (6), (b)(7)(C) (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of Inspector General JI-9
450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)
PO Box 36095
San Francisco, CA 94102
Phone (b) (6), (b)(7)(C)
Cell: (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

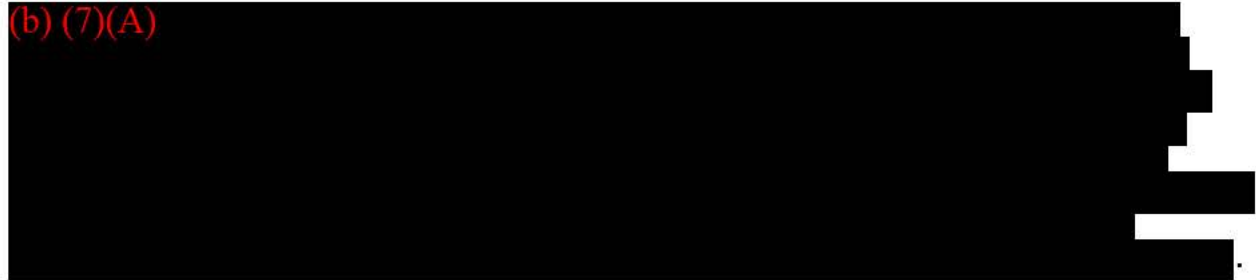
Significant Item

Case Title – WEX FRAUD – MULTIPLE ACCOUNTS – LOS ANGELES, NORTH HILLS, CA

File Number – I1394872

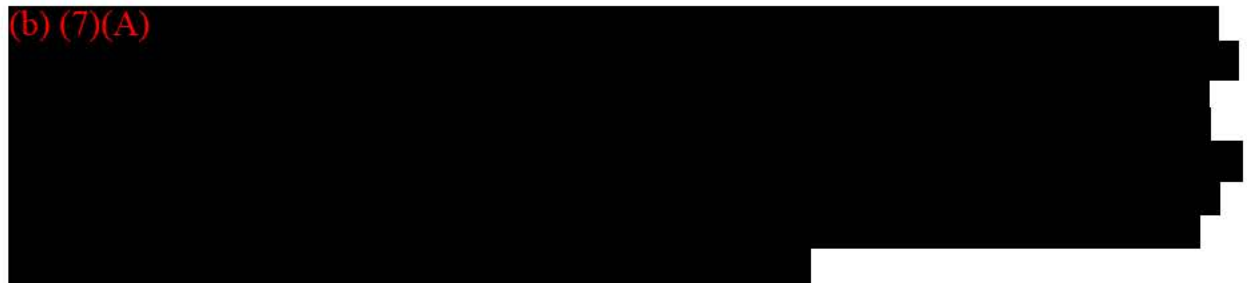
Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)



Background

(b) (7)(A)



For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C)@gsaig.gov.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: FEMA Trailers - Conversion of Surplus Property

Case Num: I1233117

Case Agent: SA (b) (6), (b)(7)(C), JI-3

On August 19, 2013, (b) (6), (b)(7)(C), Foreman, City of Piedmont, WV, was sentenced by U.S. District Judge (b) (6), (b)(7)(C), Northern District of West Virginia, Martinsburg, WV. (b) (6), (b)(7)(C) was sentenced to three months incarceration, one year probation, restitution in the amount of \$3,000, and a \$100 special assessment.

This case was prosecuted by AUSA (b) (6), (b)(7)(C), NDWV.

BACKGROUND

This case was initiated in November 2011, when our office received allegations from GSA/Property Management Division, Chicago, IL, concerning the donation of six U.S. Federal Emergency Management Agency (FEMA) trailers to the City of Piedmont, WV. Specifically, our office was informed the West Virginia State Police was investigating several officials from the City of Piedmont for obtaining the FEMA trailers, fraudulently, and converting them to their own personal use. The investigation disclosed three officials, (b) (6), (b)(7)(C) (Deceased), Mayor, City of Piedmont, and (b) (6), (b)(7)(C) (Deceased), Finance Commissioner, City of Piedmont, conspired to purchase the six FEMA trailers, valued at \$18,500.00 each, from the West Virginia State Agency for Surplus Property (WVSASP) for \$1,000 each. The investigation further disclosed the FEMA trailers were not put to use pursuant to the WVSASP agreement for the purchase of surplus property, but converted for the personal use of the three officials and two other City of Piedmont residents. During the period of restriction for the FEMA trailers, (b) (6), (b)(7)(C) told and certified to an Inspector from the West Virginia Division of Administration that the FEMA trailers were being used for an approved use by the City of Piedmont.

On May 16, 2013, (b) (6), (b)(7)(C) pled guilty in U.S. District Court, Martinsburg, WV, to 18 U.S.C. 641, Theft of Government Property.

This was a joint investigation with the West Virginia State Police.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

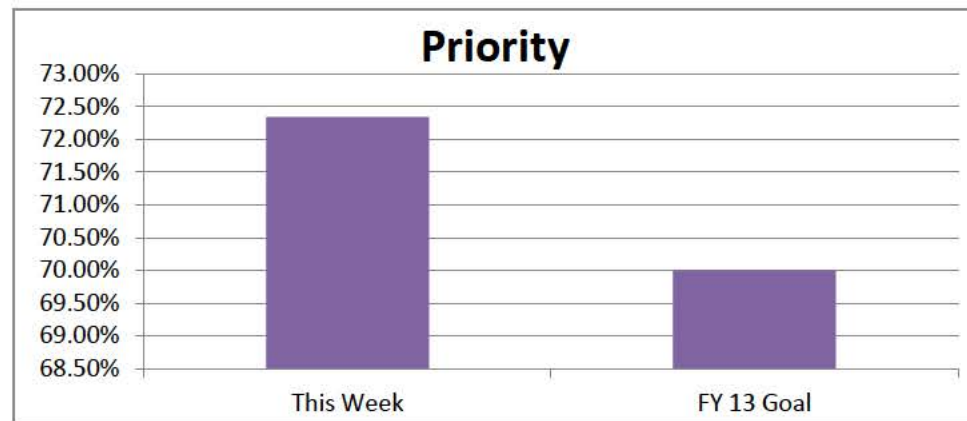
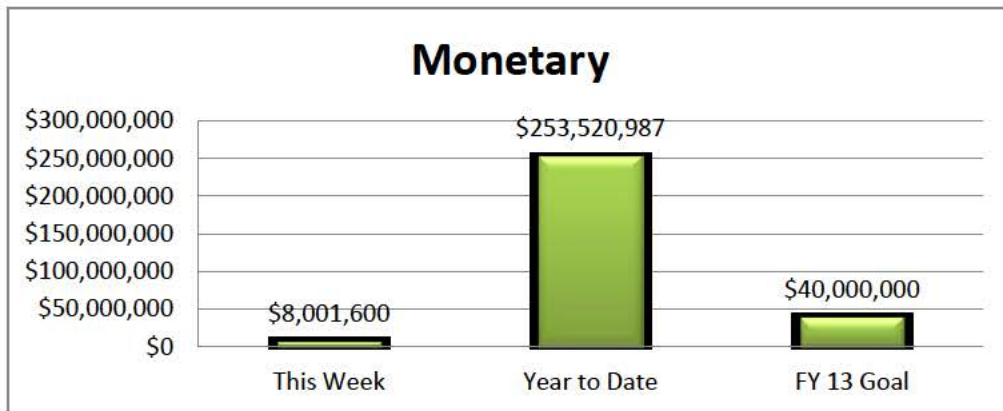
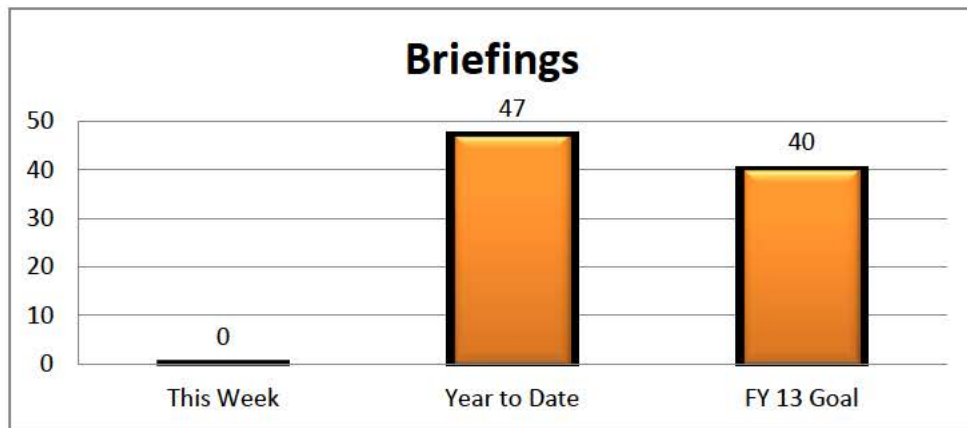
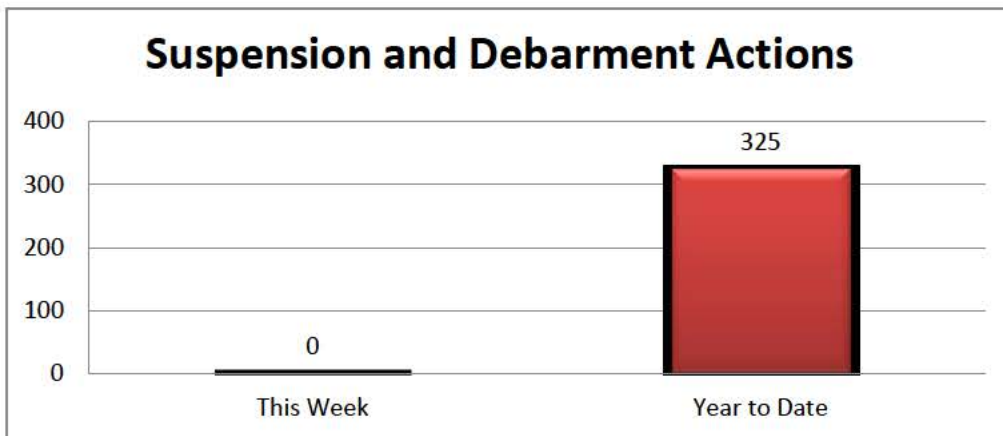
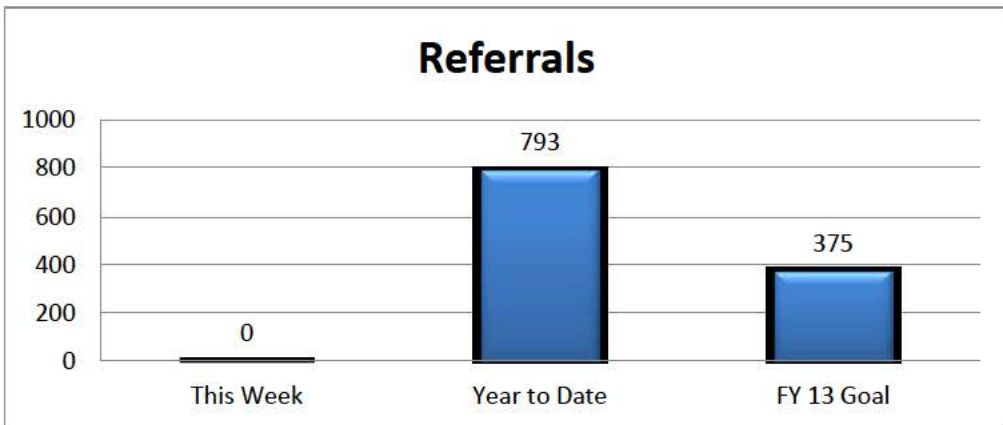
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

600 Arch St., Room (b) (6), (b)(7)(C)

Philadelphia, PA 19106

P: (b) (6), (b)(7)(C) | F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 23, 2013 - AUGUST 29, 2013





JI Updates

August 30, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Please see ARRA below.

Boston (JI-1)

During the week of September 2, 2013, SA (b) (6), (b)(7)(C) will conduct subject interviews on a Fleet card investigation. This investigation was predicated based upon information received from the GSA Fleet Loss Prevention Team regarding suspicious Fleet card transactions on a vehicle assigned to the Amtrak Automotive Group, Hamden, CT. (DCT/Fleet/I1213668)

(b) (7)(A)

/I1010856)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report



JI Updates

August 30, 2013

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

(b) (7)(A)

/11203046)

Internal Operations

Hotline

Hotline Contacts – 51

Hotline Referrals – 2

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

/110W0941)

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 117 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Title – (b) (7)(A) – MULTIPLE ACCOUNTS – LOS ANGELES, NORTH HILLS, CA

File Number – 11394872

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)

Background

(b) (7)(A)

(b) (7)(A)

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C)@gsaig.gov

Special Agent (b) (6), (b)(7)(C)
General Services Administration
Office of Inspector General
24000 Avila Road, (b) (6), (b)(7)(C)
Laguna Niguel, CA 92677
(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: Computer Associates International - Qui Tam

File Number: I070058

Case Agent: SA (b) (6), (b)(7)(C), JI-2

On August 26, 2013, CA Inc. entered into a settlement agreement in which they agreed to pay the United States Government \$8,000,000 to resolve various False Claims Act claims relating to a Whistleblower (Relator) qui tam suit that was filed on July 19, 2006, and then amended on May 23, 2007, in the United States District Court Eastern District of New York.

BACKGROUND

On August 15, 2006, JI-2 received information from the USAO EDNY Civil Division, that on July 19, 2006, a qui tam was filed under seal against CA. In the complaint, the Relator alleged that CA devised a scheme to defraud its customers, including federal, state, and local entities, of the full value of maintenance protection plans customers purchased and to cause its customers to overpay CA for maintenance protection. Additionally, on May 23, 2007, the Relator filed an amended complaint indicating that CA had been improperly steering United States Department of Defense (DOD) customers away from Blanket Purchase Agreement (BPA) contracts in favor of other contracts, ultimately resulting in these DOD customers not being able to take advantage of the benefits of the prepaid software inventory available under the BPA's. As a result of these schemes, it was alleged that CA's customers were fraudulently overbilled. CA is currently a GSA and DOD contractor which provides management software and sells software licensing/maintenance protection plans to its customers.

The investigation disclosed that CA, from approximately 2001 until 2010, improperly recorded the beginning and end dates of software maintenance purchased by some federal customers, resulting in these customers paying for periods of software maintenance for which they already paid; specifically, when a federal customer entered into a software maintenance renewal agreement, the renewal period would begin on the day CA processed the order, rather than the day after the expiration of the customer's then existing maintenance period. Further, the investigation disclosed CA did improperly steer DOD customers away from BPA contracts in favor of other contracts. This qui tam settlement is still under seal

This is a joint investigation with JI-2 and DCIS. Additionally, JA-2 Audit Manager (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) and JA-2 Auditors (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) provided JI-2 with substantial support during the quantification phase of this investigation. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), USAO EDNY.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

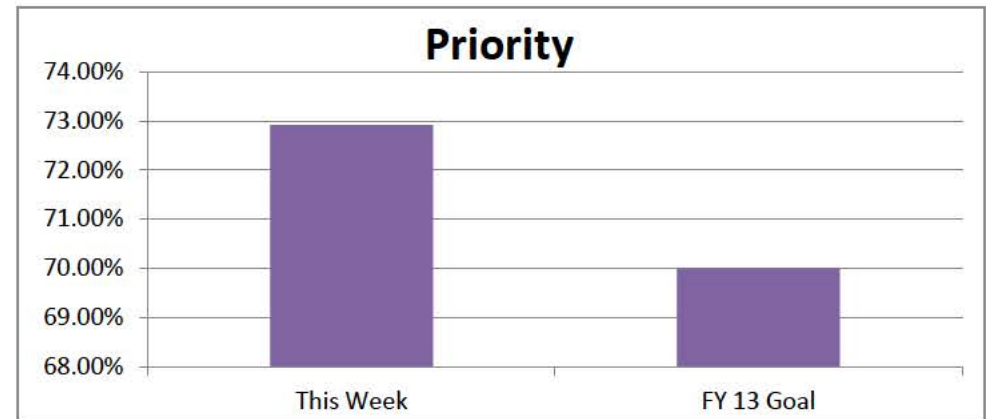
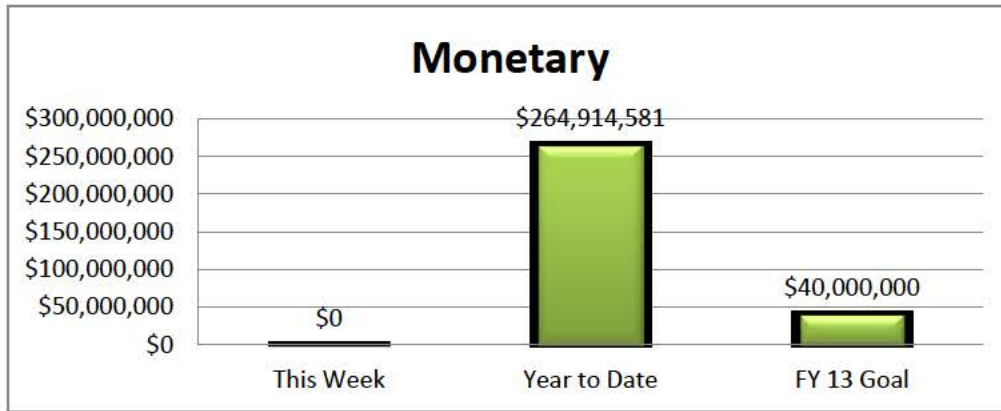
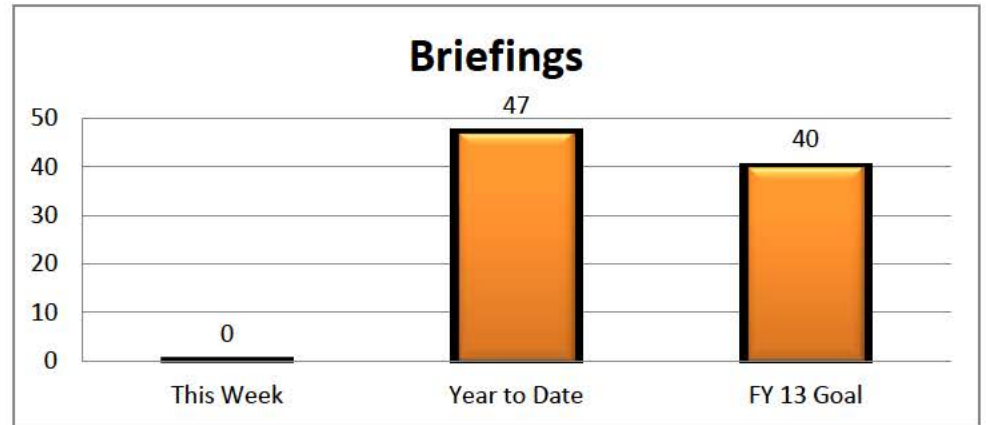
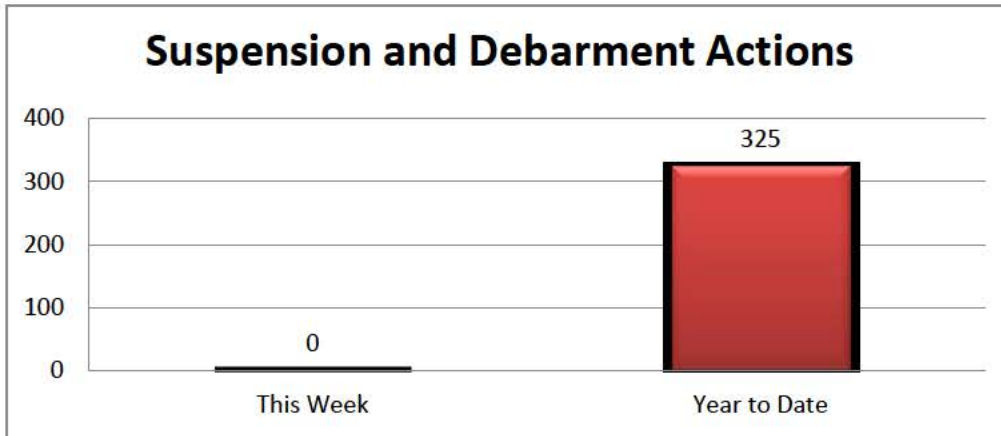
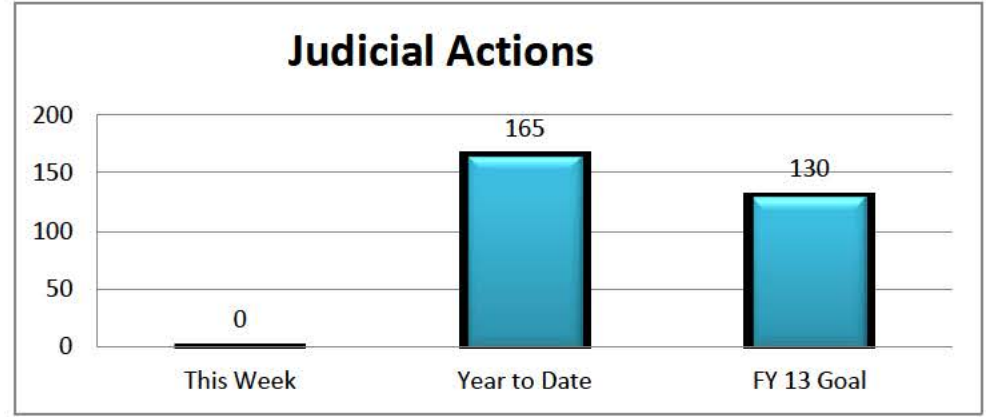
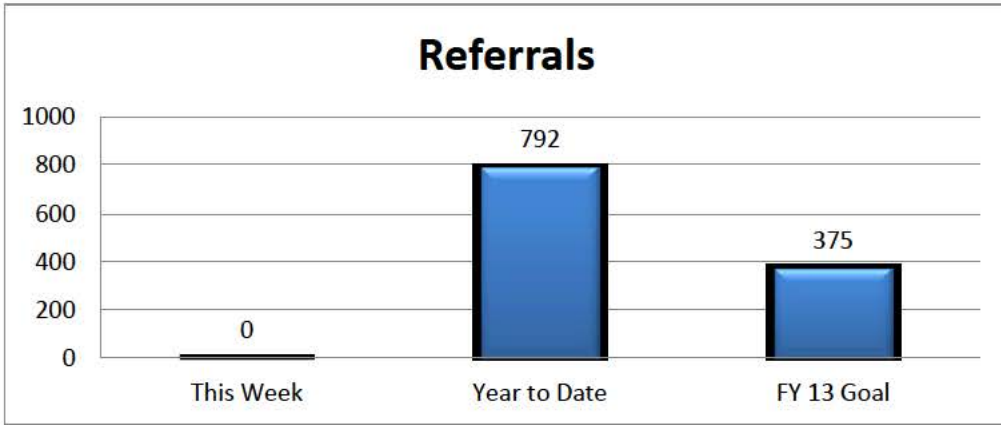
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

600 Arch St., Room (b) (6), (b)(7)(C)

Philadelphia, PA 19106

P: (b) (6), (b)(7)(C) F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 30, 2013 - SEPTEMBER 5, 2013





JI Updates

September 6, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On September 9, 2013, (b) (6), (b)(7)(C) will be sentenced in U.S. District Court in the District of Maryland (Baltimore). (b)(6) is a HVAC Mechanic at the Pentagon's Alteration Work Group (AWG). (b) (6), (b)(7)(C) pled guilty on May 13, 2013 to theft of government property. (b)(6) admitted to using a Fleet credit card assigned to the AWG to fuel (b)(6) personal vehicle at multiple service stations throughout the Washington, D.C. Metropolitan area. The fraud loss is \$9,656.81. (I12W3820/Theft/DMD)

September 9, 2013 through September 12, 2013, ASAC (b) (6), (b)(7)(C) SA (b) (6), (b)(7)(C) SA (b) (6), (b)(7)(C) SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will attend the IG Academy periodic refresher training at the National Conservation Training Center, in Shepherdstown, WV.

(b) (7)(A)

/I13H4336)

On September 13, 2013, JI-W will be conducting firearms qualifications in Sykesville, MD.

Boston (JI-1)

During the week of September 9, 2013, SA (b) (6), (b)(7)(C) will be meeting with a special agent from VA OIG to discuss a possible joint case involving a VA supervisory employee assigned to the VA Medical Center, West Haven, CT. Allegations were made that the supervisory employee is making fraudulent purchases using a GSA Purchase Card for home renovations.

During the week of September 9, 2013, SA (b) (6), (b)(7)(C) will continue to conduct subject interviews on a Fleet card investigation. This investigation was predicated based upon information received from the GSA Fleet Loss Prevention Team regarding suspicious Fleet card transactions on a vehicle assigned to the Amtrak Automotive Group, Hamden, CT. (DCT/Fleet/I1213668)

During the week of September 10 through September 13, 2013, SA (b) (6), (b)(7)(C) will be attending the Periodic Refresher Training Program in WV.

On September 11, 2013, SAC (b) (6), (b)(7)(C) will attend a New England SAC meeting in Charlestown, MA.

New York (JI-2)

(b) (7)(A)



JI Updates

September 6, 2013

(b) (7)(A)

(11223818)

Philadelphia (JI-3)

(b) (7)(A)

(11030806)

(b) (7)(A)

(11324910)

Atlanta (JI-4)

During the week of September 9, 2013, SAC (b) (6), (b)(7)(C) SA (b) (6), (b)(7)(C) and special agents from Army CID will travel to Savannah, GA to review evidence and coordinate with AUSA (b) (6), (b)(7)(C) SDGA, in preparation for sentencing hearings. (SDGA/Fraud/113M4421)

Chicago (JI-5)

Please see ARRA below.

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

September 10, 2013 through September 11, 2013, SA (b) (6), (b)(7)(C) will be assisting FLRA IG (b) (6), (b)(7)(C) with investigative interviews regarding employee misconduct and theft of government property.



JI Updates

September 6, 2013

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

During the week of September 9, 2013, JI-9 and JI-10 will be involved in joint firearms, DT, CPR and Simmunitions training.

Auburn (JI-10)

During the week of September 9, 2013, JI-10 will be in California to participate in the joint training session hosted by JI-9.

Internal Operations

Hotline

Hotline Contacts – 40

Hotline Referrals – 0

Investigations

Nothing significant to report

ARRA

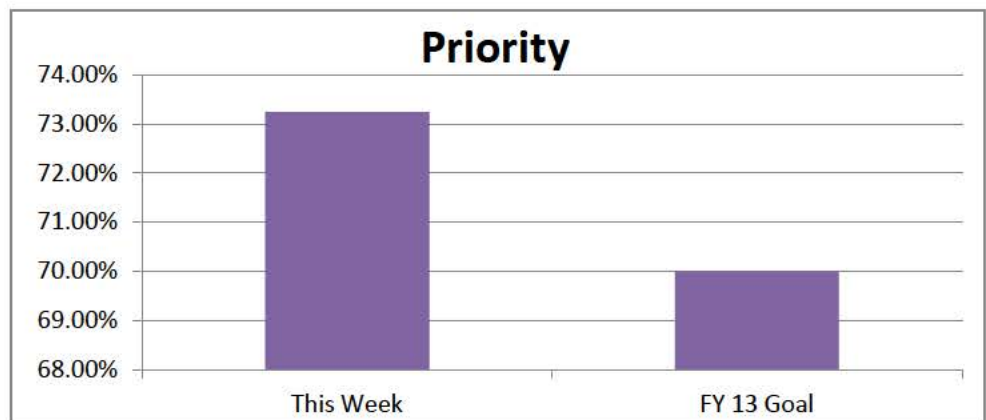
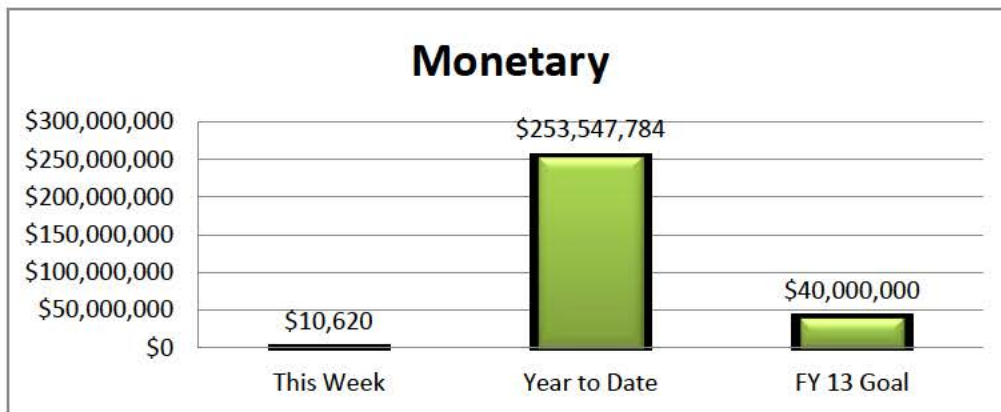
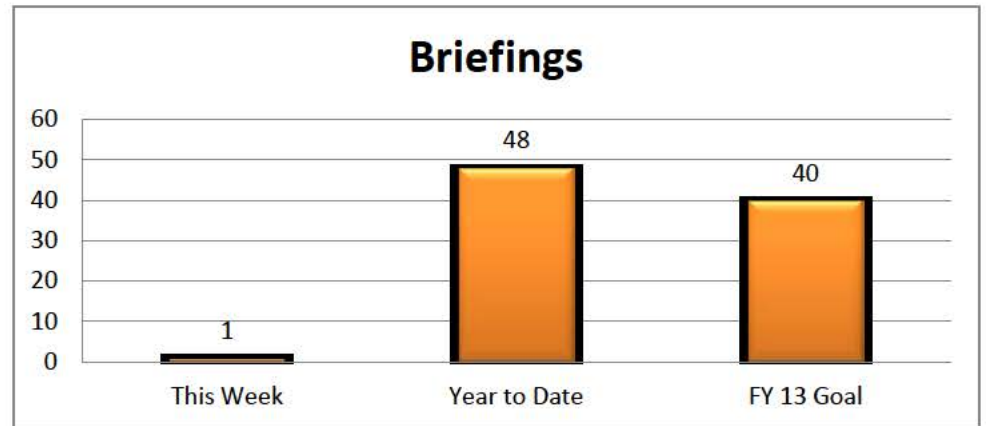
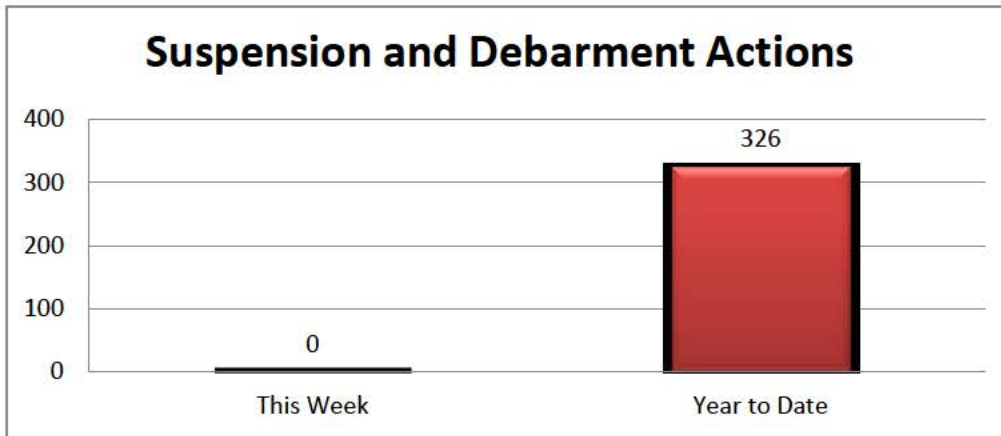
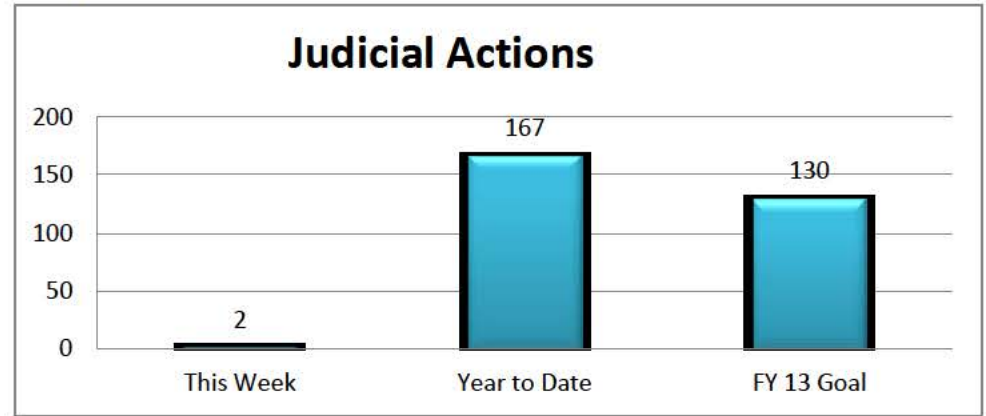
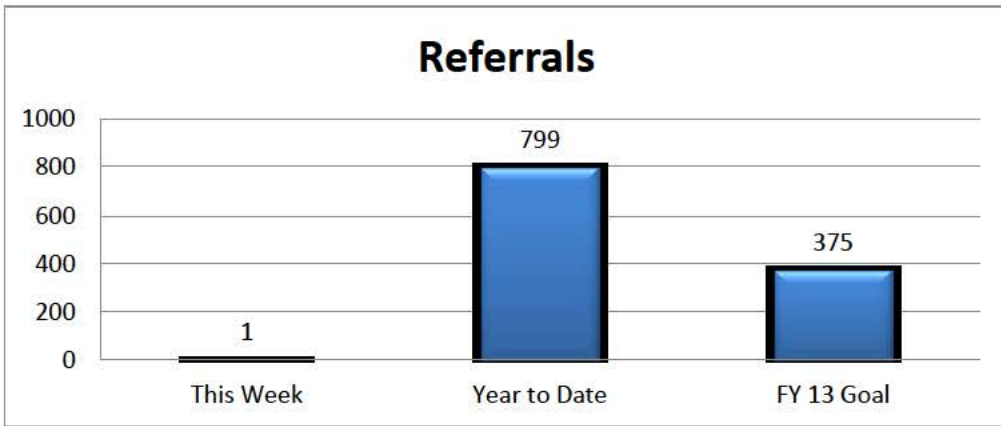
(b) (7)(A)

/11354676)

FAR

No new disclosures were received. To date, this office has received 117 disclosures.

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - SEPTEMBER 6, 2013 - SEPTEMBER 12, 2013





JI Updates

September 6, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of September 16, 2013, (b) (6), (b)(7)(C) will serve ten soldiers at Fort Story with pretrial diversion agreements. Last month, the soldiers were served with trial subpoenas and are expected to testify on behalf of the government against Sergeant (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) trial is scheduled for October 15, 2013 in EDVA (Norfolk). (b) (6), (b)(7)(C) was indicted for (b) (6), (b)(7)(C) involvement in a theft scheme involving a FLEET card. (I13W4519/Theft/EDVA)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

/I1030806)

On September 17, 2013, SA (b) (6), (b)(7)(C) will be a guest speaker at the Association of Government Auditors regional meeting in Philadelphia, PA. SA (b) (6), (b)(7)(C) will be presenting on various digital forensics topics.

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Please see ARRA below.

Kansas City (JI-6)

On September 19, 2013, SA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C), USAO, EDMO will be finalizing a pre-trial diversion for a subject in the CJMS investigation, as well as attend a guilty plea court hearing for the CJMS Company. (EDMO/Major Fraud/I1160742)

Denver (JI-8)

Nothing significant to report



JI Updates

September 6, 2013

Dallas/FT Worth (JI-7)

(b) (7)(A)

11374673)

San Francisco (JI-9)

(b) (7)(A)

3944441)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 49

Hotline Referrals – 0

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

/11354676)

JI-B

FAR

The Investigations Operations Division received one new disclosure from (b) (7)(D). The disclosure involves alleged contract irregularities.

To date, the Investigations Operations Division has received 118 disclosures

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: DOD - WEX Fraud
Case Number: I12W3820
Case Agent: SA (b) (6), (b)(7)(C), JI-W

On September 9, 2013, in U.S. District Court in the District of Maryland (Baltimore), the Honorable Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to two years supervised release and ordered (b) (6), (b)(7)(C) to pay \$9,656.81 in restitution.

The case was prosecuted in the District of Maryland (Baltimore) by AUSA (b) (6), (b)(7)(C)

BACKGROUND

This case was initiated based on information developed under a proactive investigation (V000008) concerning the misuse of Fleet credit cards. A review of the Fleet database disclosed anomalies associated with a Fleet credit card assigned to the Pentagon's Alteration Work Group (AWG).

SA (b) (6), (b)(7)(C) obtained numerous surveillance photos from service stations, which lead to the identification of (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was an HVAC Mechanic for the AWG. During an interview, (b) (6), (b)(7)(C) admitted to SAs (b) (6), (b)(7)(C) used a Fleet credit card assigned to the AWG to fuel (b) (6), (b)(7)(C) personal vehicle at multiple service stations throughout the Washington, D.C. Metropolitan area. The approximate fraud loss was \$9,656.81.

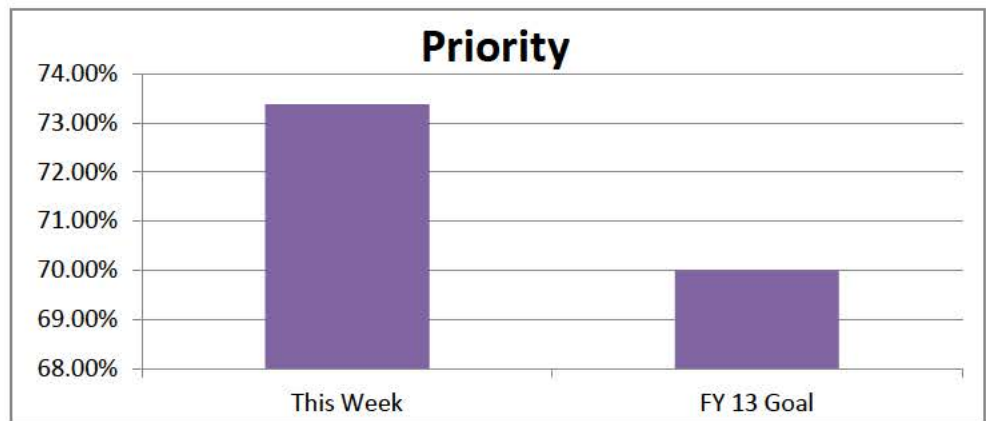
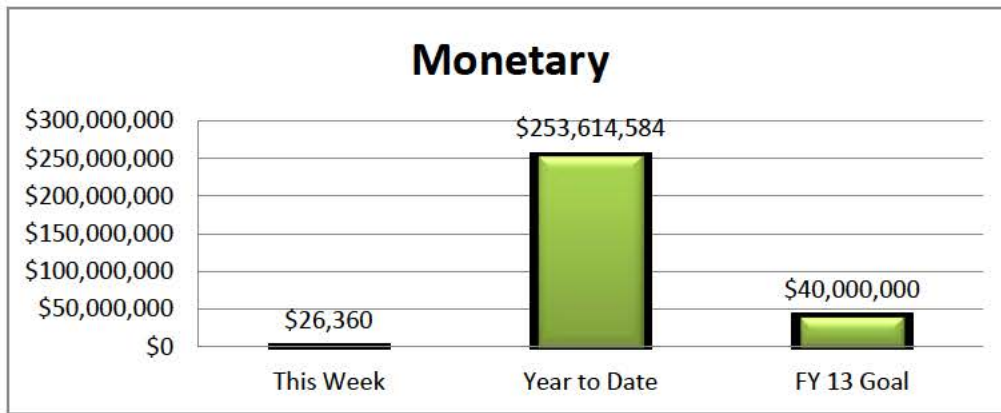
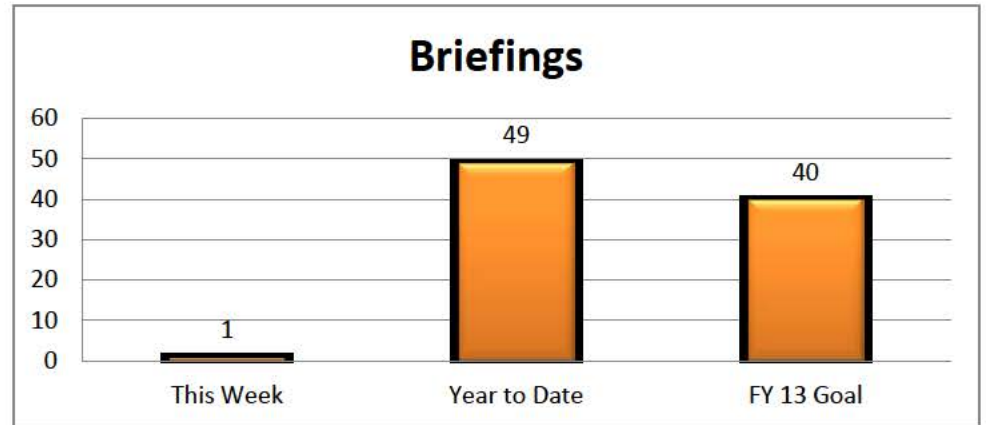
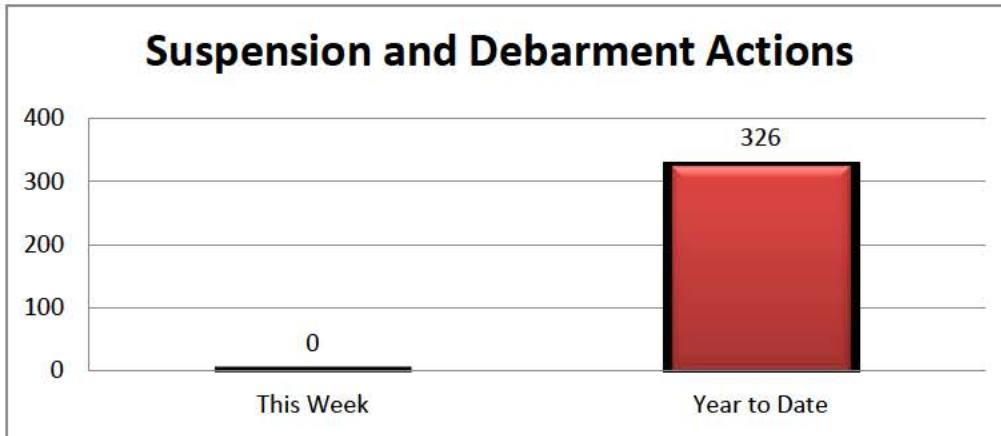
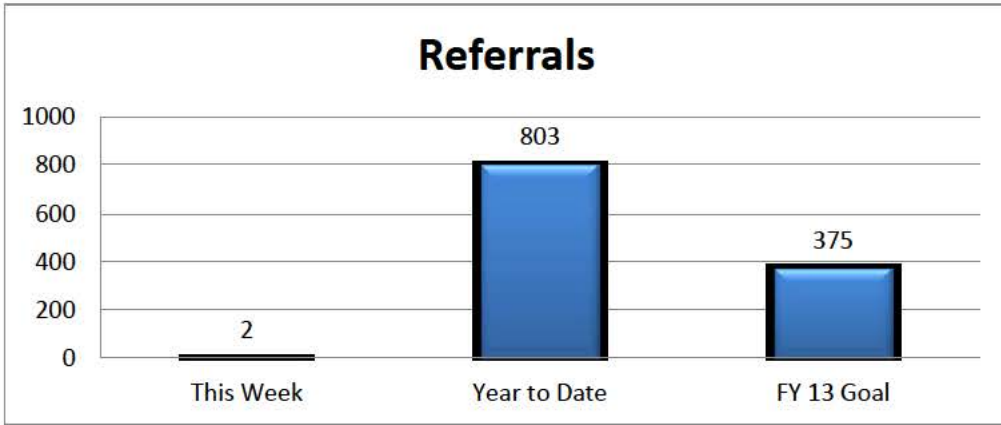
On April 25, 2013, a Criminal Information was filed in U.S. District Court in the District of Maryland (Baltimore), charging (b) (6), (b)(7)(C) in violation of 18 USC 641, Theft of Government Property.

On May 13, 2013, in U.S. District Court in the District of Maryland (Baltimore), (b) (6), (b)(7)(C) pled guilty before the Honorable Judge (b) (6), (b)(7)(C).

For further information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - SEPTEMBER 13, 2013 - SEPTEMBER 19, 2013





JI Updates

September 20, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

(//11W2708)

Boston (JI-1)

Please see ARRA below

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Please see ARRA below

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report



JI Updates

September 20, 2013

Auburn (JI-10)

On September 27, 2013, SA (b) (6), (b)(7)(C) and special agents from the FBI and Army CID will seize two Cobra AH-1 attack helicopters that are currently in the possession of BLR Aerospace. Clover Park Technical College, an established recipient of federal surplus aviation equipment through GSA, unlawfully transferred the Cobras to BLR. This investigation has been worked under the guidance of AUSA (b) (6), (b)(7)(C), Civil Division, Western District of WA. (WDWA/Unauthorized Property Transfer/I1304912)

Internal Operations

Hotline

Hotline Contacts – 34

Hotline Referrals – 5

Investigations

Nothing significant to report

ARRA

(b) (7)(A)
[Redacted]
/I12W3895)

(b) (7)(A)
[Redacted]
/I1314906)

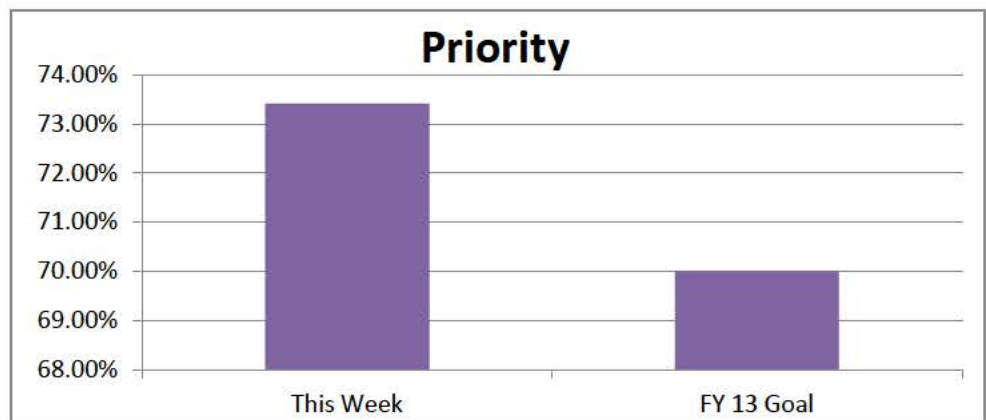
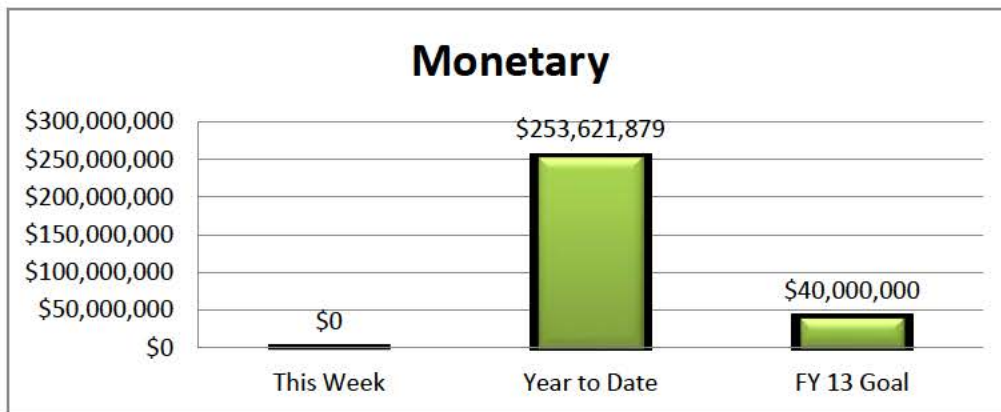
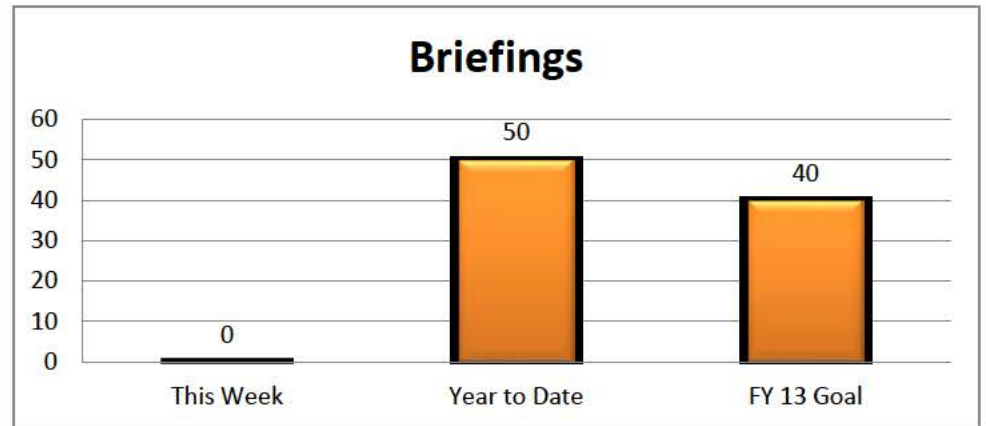
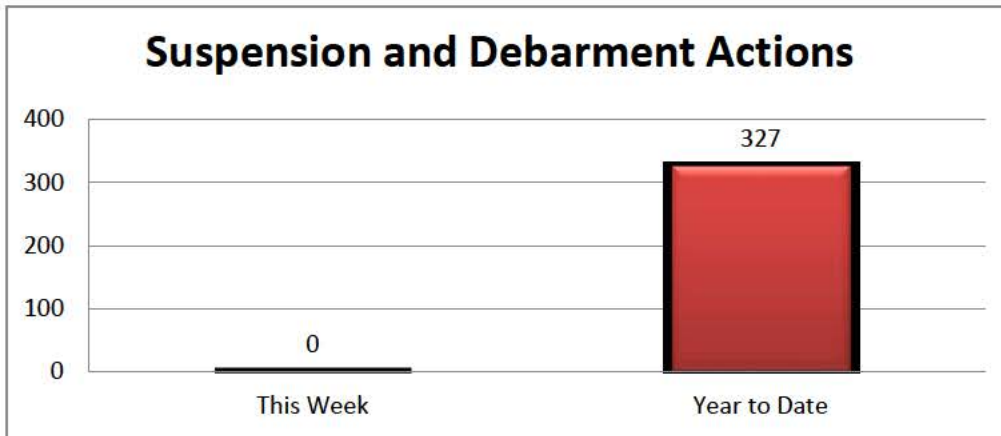
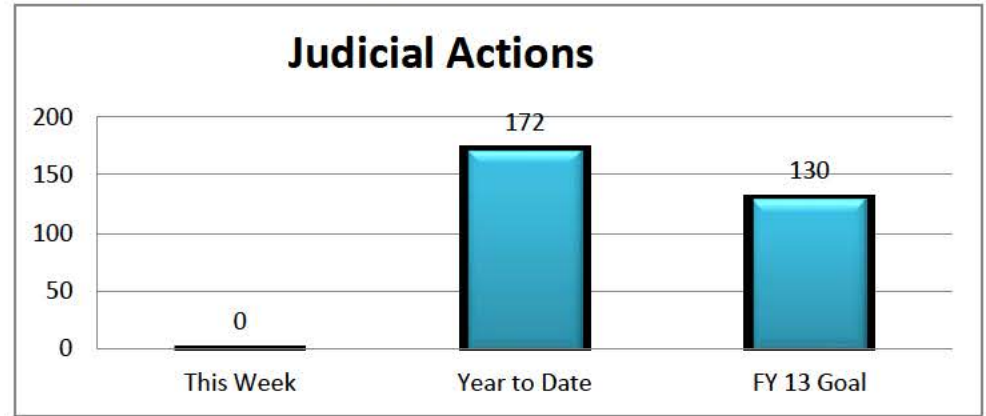
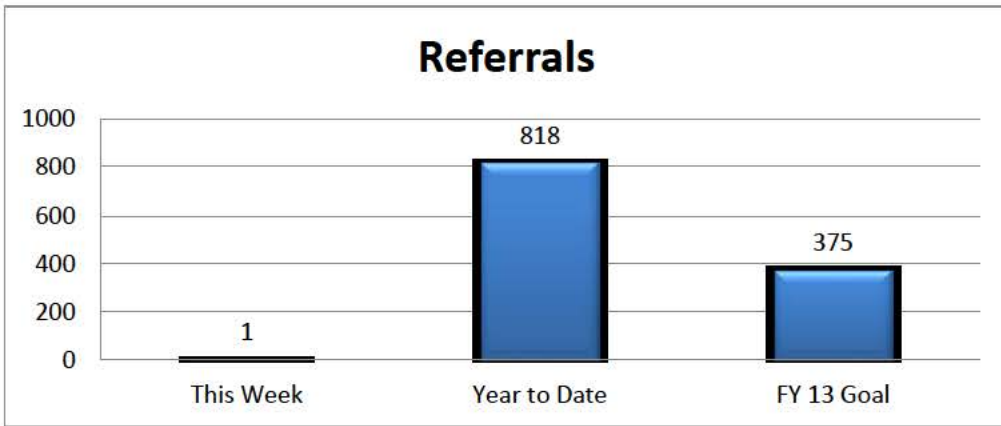
(b) (7)(A)
[Redacted]
/I1354676)

FAR

The Investigations Operations Division received one new disclosure from (b) (7)(D). The disclosure involves alleged misrepresentation of Acme's small business status.

To date, the Investigations Operations Division has received 119 disclosures.

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - SEPTEMBER 20, 2013 - SEPTEMBER 26, 2013





JI Updates

September 27, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

(111W2708)

During the week of September 30, 2013, Army Sergeant (b) (6), (b)(7)(C) is expected to plead guilty in the Eastern District of Virginia (Norfolk) to 18 USC 271 (Conspiracy), 18 USC 641 (Theft), 18 USC 1029 (Access Device Fraud), and 18 USC 1001 (False Statements). (b) (6), (b)(7)(C) was indicted for (b) (6), (b)(7)(C) involvement in a theft scheme involving a FLEET card. The investigation has identified over 17 Army staff personnel involved in the fraudulent activity. (EDVA/Fleet/I13W4519)

During the week of September 30, 2013, SA (b) (6), (b)(7)(C) will present a FLEET fraud case to the JAG at Fort Lee, Virginia. The subject of the case is a U.S. Army Colonel who is a Professor of Military Science at Virginia Tech and Radford University. The individual was captured on surveillance video and admitted to the activity during an interview. (EDVA/Fleet/I13W4936)

(b) (7)(A)

(I13I4843)

Boston (JI-1)

On September 27, 2013, SAC (b) (6), (b)(7)(C) will attend an all SACs meeting at the USAO, District of Massachusetts. Topics of discussion will include law enforcement priorities in light of sequester limitations, discovery obligations for special agents, and agency training needs.

On Monday, September 30, 2013, SA (b) (6), (b)(7)(C) is scheduled to meet with the AUSA assigned to "The Reid Group - Alleged SDVOSB Fraud". This investigation was predicated upon information received by the GSA Contracting Officer alleging The Reid Group, LLC is a pass through company. (DVT/Fraud/I1213212)

(b) (7)(A)

(1213767)



JI Updates

September 27, 2013

Between October 1, 2013 and October 4, 2013, SA (b) (6), (b)(7)(C) will assist the Boston HSI CPI Unit with an Undercover Operation in Boston, MA by providing surveillance. SA (b) (6), (b)(7)(C) is an assigned Task Force Agent with the Boston HSI CPI Unit.

(b) (7)(A)

(b) (6), (b)(7)(C) (11314947)

On October 2, 2013, SAC (b) (6), (b)(7)(C) will attend a meeting at the USAO, District of Rhode Island.

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

(b) (6), (b)(7)(C) (11394441)

On October 2, 2013 (b) (6), (b)(7)(C), former Assistant Property Manager, Las Vegas, NV, will be sentenced by the Honorable (b) (6), (b)(7)(C). On June 13, 2013, (b) (6), (b)(7)(C) pled guilty to



JI Updates

September 27, 2013

two counts of making a False Statement and one count of Witness Tampering.
(DNV/Bribery/Computer Pornography/I1090908)

Auburn (JI-10)

(b) (7)(A)

1203493)

Internal Operations

Hotline

Hotline Contacts – 57

Hotline Referrals – 6

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

/I12W3895)

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 119 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C), VA POLICE - FLEET CARD FRAUD

Case Number: 11374673

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)
[Redacted]

BACKGROUND

(b) (7)(A)
[Redacted]

[Redacted]

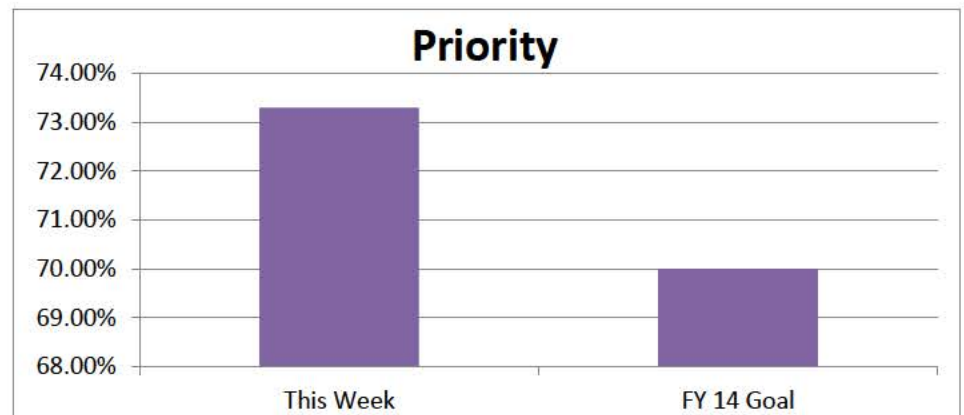
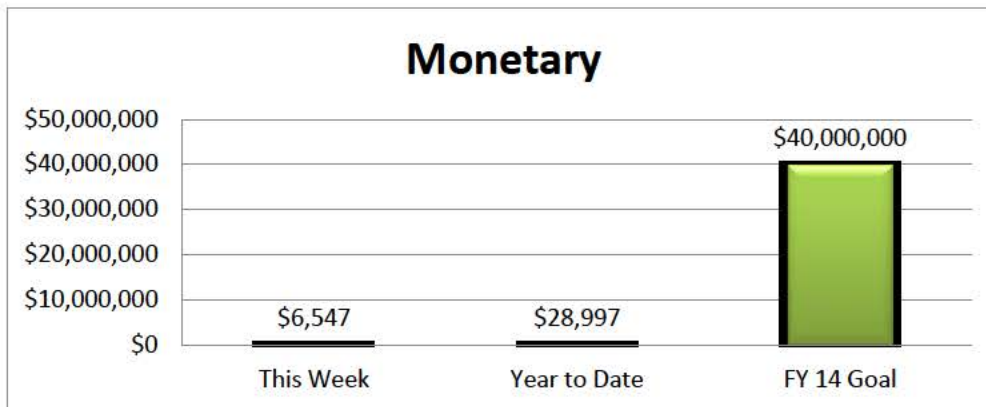
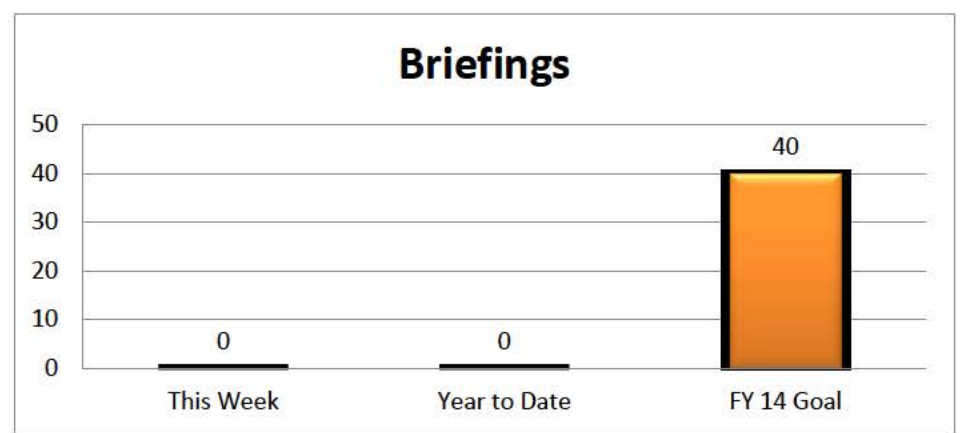
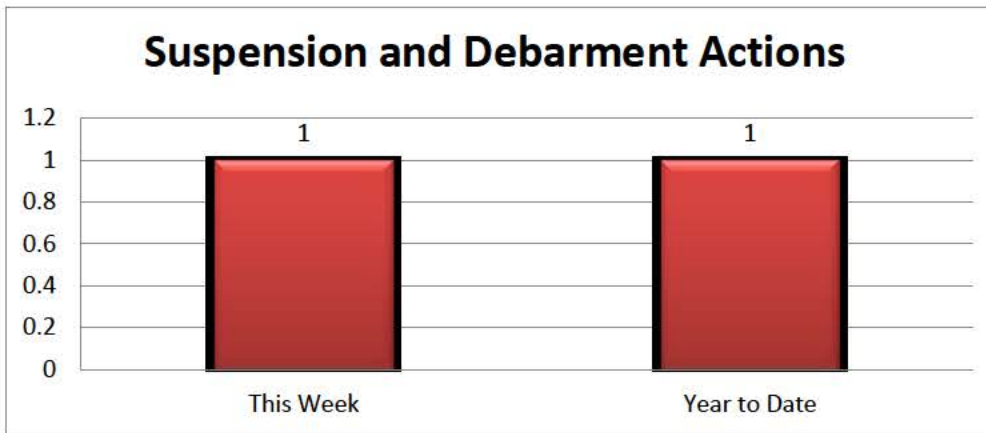
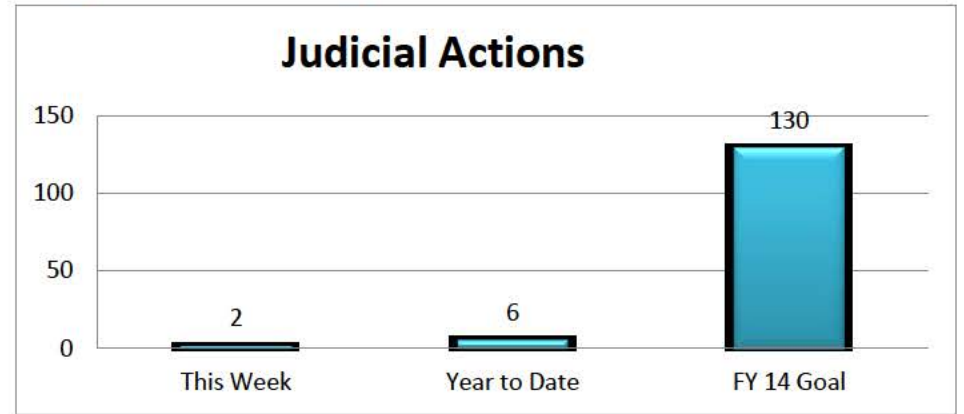
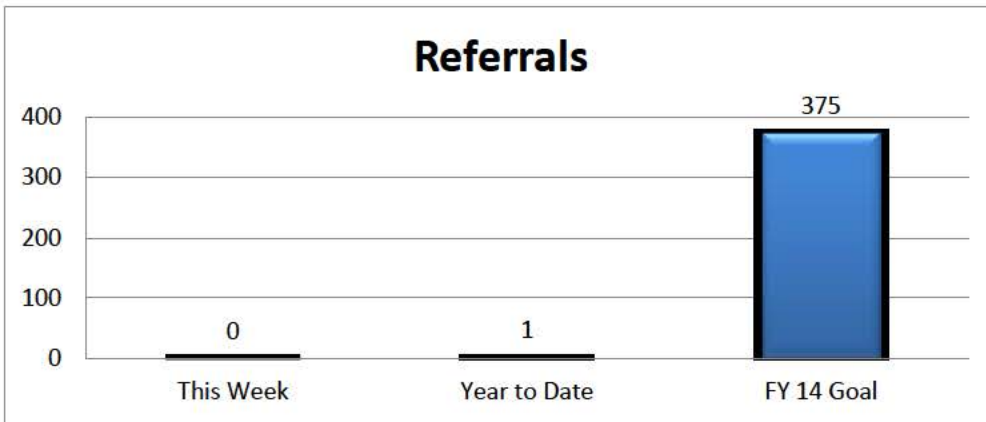
[Redacted]

[Redacted]

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - OCTOBER 11, 2013 - OCTOBER 17, 2013





JI Updates

October 18, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

On October 21, 2013, IG Miller will be in the Boston area where he and SAC (b) (6), (b)(7)(C) will be taping a segment of "Your Federal Government." The Greater Boston Federal Executive Board initiated this cable TV series to tell the good government story by disseminating information to the public about what each federal agency does and the good work that federal employees do. The shows are being distributed to local cable access stations across the Commonwealth.

On October 23, 2013, SA (b) (6), (b)(7)(C) will attend the USAO, District of MA Counter-Proliferation Working Group meeting hosted by the FBI Boston office.

New York (JI-2)

(b) (7)(A)

(11324895)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report



JI Updates

October 18, 2013

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 55

Hotline Referrals – 11

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

/11314906)

JI-B

FAR

Nothing significant to report

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: SDVOSB FRAUD: B&J MULTI SERVICE CORP. J&W CO

Case #: I1010156

Case Agent: (b) (6), (b)(7)(C)

On October 8, 2013, (b) (6), (b)(7)(C), formerly with B&J Multi Service Corporation appeared before United States Magistrate Judge (b) (6), (b)(7)(C), District of Massachusetts, and was sentenced to one year probation, a \$5,000 criminal fine, and a \$100 special assessment.

This case is being prosecuted by AUSA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C), DMA.

BACKGROUND:

This investigation was initiated on December 10, 2009, based on a referral from the U.S. GAO that (b) (6), (b)(7)(C), President, and (b) (6), (b)(7)(C), Vice President, B&J Multi Service Corporation submitted statements to the SBA and other government agencies, including GSA, falsely representing that it was a minority and service-disabled veteran owned business in order to obtain federal government contract awards that were set aside for or preferentially awarded to disadvantaged minority and service disabled veteran owned and operated businesses.

Previously, (b) (6), (b)(7)(C) pled guilty to a one count Criminal Information charging (b) (6), (b)(7)(C) with a violation of Title 18 USC 1512, Obstruction by Destruction and Alteration of Documents in Connection with a Grand Jury investigation.

This is a joint investigation by GSA OIG, VA OIG, SBA OIG, Army CID and DOL OIG.

For further information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General

New England Regional Investigations Office

O'Neill Federal Office Building

10 Causeway St., Room (b) (6), (b)(7)(C)

Boston, MA 02222

Office: (b) (6), (b)(7)(C)

Fax: 617.565.6798

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: CJMS Contracting, LLC
Case Number: I1160742
Case Agent: (b) (6), (b)(7)(C), JI-6

On September 27, 2013, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) CJMS Contracting and Service-Disabled Veteran (SDV), pled guilty to a criminal information on behalf of CJMS in the U.S. District Court, Eastern District of Missouri. CJMS was charged with one felony count of 18 USC 371, Conspiracy, whereby the company was involved in being used to commit a Service-Disabled Veteran-Owned Small Business (SDVOSB) fraud scheme that also involved bribery of a public official. Sentencing has been scheduled for December 19, 2013. This case was prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND

This investigation was initiated based on information from the VA OIG regarding allegations that VA Chief Engineer (b) (6), (b)(7)(C) accepted gifts and gratuities from contractors who performed work on federal projects.

Investigative efforts revealed that in 2007, (b) (6), (b)(7)(C) recommended to (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) friend, to find a SDV and start up a SDVOSB company so that (b) (6), (b)(7)(C) could get set-aside and sole source contracts. (b) (6), (b)(7)(C) subsequently found a SDV named (b) (6), (b)(7)(C) and formed CJMS. (b) (6), (b)(7)(C), a friend of (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and a co-conspirator in the scheme, provided financial support, bonding, and an office to run the company out of. (b) (6), (b)(7)(C) also owned a company named Gateway Contractors that worked out of the same office and performed a vast majority of CJMS's federal contract work.

The investigation revealed that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) paid bribes to (b) (6), (b)(7)(C) in the form of cash, entertainment by exotic dancers at a gentlemen's club, St. Louis Cardinal's tickets, lunches, drinks, and dinners. In exchange, (b) (6), (b)(7)(C) recommended CJMS and assisted them in obtaining \$3.4 million in set-aside and sole-source federal construction contracts, and one American Recovery and Reinvestment Act funded contract in the amount of \$654,095. Furthermore, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) inflated the total amount of these contracts so that CJMS would have a larger profit margin.

Pursuant to these contracts, (b) (6), (b)(7)(C) submitted false statements in GSA's Central Contractor Registration and made false certifications in the Online Representations and Certifications Application databases by stating that CJMS was a legitimate SDVOSB. SDV (b) (6), (b)(7)(C) did not control any aspect of the company and did not receive anywhere near the majority of the profits from the company, as required under the SDVOSB program. Additionally, CJMS did not have any employees and the contract work was "passed through" to Gateway, who built in an additional profit margin so they could make even more money.

(b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) received over \$1.6 million in profits out of the \$3.4 million that was contracted to CJMS.

This case was worked jointly with VA OIG and SBA OIG.

For information regarding this Significant Item, please contact Special Agent in Charge [REDACTED] at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Phone (b) (6), (b)(7)(C)

This item is authorized for Agency distribution.

Significant Item

Case Number: I1394441

Case Title: G11-1850, (b) (7)(A)

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)

Background

(b) (7)(A)

If you have any questions, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Fleet Card Fraud – (b) (6), (b)(7)(C)
Case #: 113W4628
Case Agent: SA (b) (6), (b)(7)(C) – JI-W

On October 15, 2013, in Maryland District Court, Baltimore County, Staff Sergeant (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) USMC, pled guilty to one count of CR.7.104, Annotated Code of Maryland, Theft: Less Than \$1,000. Incident to (b) (6), (b)(7)(C) plea, (b) (6), (b)(7)(C) was sentenced to 18 months supervised release, 100 hours community service, and ordered to pay \$1111.41 in restitution to GSA and a \$57.50 special assessment fee.

This case was prosecuted by the (b) (6), (b)(7)(C), Maryland States Attorney's Office, Baltimore County, MD.

BACKGROUND

This case was initiated after SA (b) (6), (b)(7)(C) was contacted by (b) (6), (b)(7)(C), Loss Prevention Team, GSA, regarding possible fraud involving the Fleet credit card (CC) assigned to vehicle G13 2141L. The aforementioned vehicle is assigned to the USMC Recruiting Center located in Baltimore, MD.

(b) (6), (b)(7)(C) was interviewed and admitted to using the Fleet CC to fuel (b) (6), (b)(7)(C) personal vehicle and receiving cash in exchange for gas transactions with the Fleet CC throughout the Greater Baltimore Metropolitan area.

On March 12, 2013, a criminal complaint was filed in Baltimore County, MD. On July 22, 2013, (b) (6), (b)(7)(C) appeared for (b) (6), (b)(7)(C) Initial Appearance in Maryland District Court, in Baltimore County, MD.

The estimated fraud loss to the government is approximately \$4,240. The remainder of the fraud loss that occurred outside Baltimore County was billed back to the USMC by GSA.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: FORT STORY - WEX FRAUD

Case Number: I13W4519

Case Agent: SA (b) (6), (b)(7)(C) – JI-W

October 3, 2013, in U.S. District Court in the Eastern District of Virginia (Norfolk), Sergeant (b) (6), (b)(7)(C) Army, pled guilty before Magistrate Judge Tommy E. (b) (6), (b)(7)(C) in violation of 18 USC 371, Conspiracy.

This case is being prosecuted by SAUSA (b) (6), (b)(7)(C), EDVA (Norfolk).

BACKGROUND

This case was initiated based on information received from (b) (6), (b)(7)(C) Loss Prevention Team, GSA, regarding possible fraud involving the Fleet credit card (CC) assigned to vehicle G63-2293B. The aforementioned vehicle is assigned to Fort Story, Virginia Beach, VA. The information identified suspicious odometer entries and back to back over tank transactions associated with the Fleet CC. Further reviews of Fleet CC transactions for vehicles assigned to Fort Story revealed systemic fraud.

SA (b) (6), (b)(7)(C) utilized several investigative steps in identifying individuals involved in the fraud scheme. Special Agents from JI-W and JI-3 conducted mass interviews of Army soldiers assigned to the unit the suspect vehicle was assigned. Approximately 17 soldiers have been identified in the fraud scheme.

On August 7, 2013, (b) (6), (b)(7)(C) was indicted by a federal Grand Jury in the Eastern District of Virginia (Norfolk). The indictment charged (b) (6), (b)(7)(C) in violation of 18 USC 371; Conspiracy, 18 USC 641; Theft of Government Funds, 18 USC 1029; Access Device Fraud and 18 USC 1001; False Statements.

On August 9, 2013, GSA-OIG Agents arrested (b) (6), (b)(7)(C) without incident at Fort Story. Incident to (b) (6), (b)(7)(C) arrest, (b) (6), (b)(7)(C) appeared in U.S. District Court for (b) (6), (b)(7)(C) Initial Appearance. (b) (6), (b)(7)(C) was remanded to the custody of the (b) (6), (b)(7)(C) until his Detention Hearing.

The estimated fraud loss to the government is approximately \$7,497. The fraud loss was billed back to the Army at Fort Story by GSA.

This case is being worked jointly with Army CID.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Fleet Card Fraud - (b) (6), (b)(7)(C)
Case #: I13W4638
Case Agent: SA (b) (6), (b)(7)(C) – JI-W

On October 2, 2013, in the U.S. District Court for the District of Maryland (Greenbelt), the Honorable (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), each, to five years of probation, 200 hours of community service, and ordered them to jointly pay \$8,575 in restitution and a \$50 special assessment fee.

BACKGROUND

The case was initiated after SA (b) (6), (b)(7)(C) was contacted by (b) (6), (b)(7)(C), Loss Prevention Team, GSA, regarding possible fraud involving Fleet credit card (CC), assigned to vehicle G63 1730H. The aforementioned vehicle is assigned to the Patuxent Naval Air Station, Lexington Park, MD. According to GSA Loss Prevention, the Fleet CC was making numerous multiple same day purchases of gasoline throughout Southern Maryland.

(b) (6), (b)(7)(C) was a radar technician employed by BAE Systems and worked on the Patuxent Naval Air Station. After a review of WEXonline, SA (b) (6), (b)(7)(C) discovered the Fleet CC was used on 128 separate occasions without authorization.

SA (b) (6), (b)(7)(C) interviewed (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) acknowledged using the Fleet CC to fuel (b) (6), (b)(7)(C) personal vehicle at multiple gas stations located throughout St. Mary's County, MD. (b) (6), (b)(7)(C) also stated (b) (6), (b)(7)(C) gave the Fleet CC to (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), and that (b) (6), (b)(7)(C) was selling gas purchased with the Fleet CC.

SA (b) (6), (b)(7)(C) also interviewed (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) acknowledged (b) (6), (b)(7)(C) was selling fuel purchased with the Fleet CC. (b) (6), (b)(7)(C) stated he was given the Fleet CC by (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) sold gas purchased on the Fleet CC throughout St. Mary's County, Prince George's County and Anne Arundel County, in Maryland. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was selling gas to help out (b) (6), (b)(7)(C) because (b) (6), (b)(7)(C) was in financial trouble.

On April 16, 2013, in the U.S. District Court for the District of Maryland, U.S. Magistrate Judge (b) (6), (b)(7)(C) issued arrest warrants for (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) in violation of Title 18, USC Section 641, Theft of Government Property.

On April 22, 2013, JI-W OIG Agents arrested (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) at their residence, in Lexington, Park, MD. Incident to arrest, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) appeared in U.S. District Court in the District of Maryland (Greenbelt) for their Initial Appearances.

On June 12, 2013, in the U.S. District Court for the District of Maryland (Greenbelt), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) pled guilty to Title 18 USC, Section 641, Theft of Government Property.

The estimated fraud total loss to the government is approximately \$8,575.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM:

Case Title: (b) (7)(A)
Case #: 111W2295
Case Agent: SA (b) (6), (b)(7)(C) - JI-W

(b) (7)(A)

This case is being prosecuted by AUSA (b) (6), (b)(7)(C), Eastern District of Virginia.

BACKGROUND

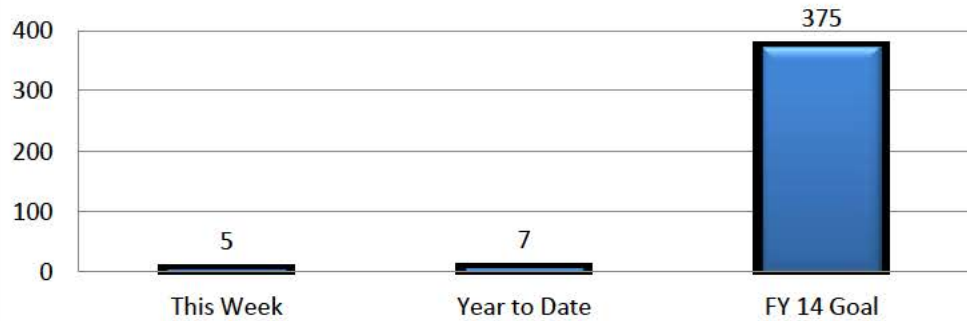


For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

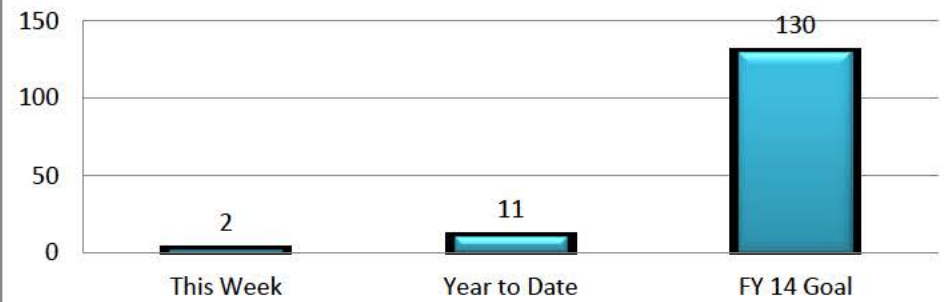
(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - OCTOBER 18, 2013 - OCTOBER 24, 2013

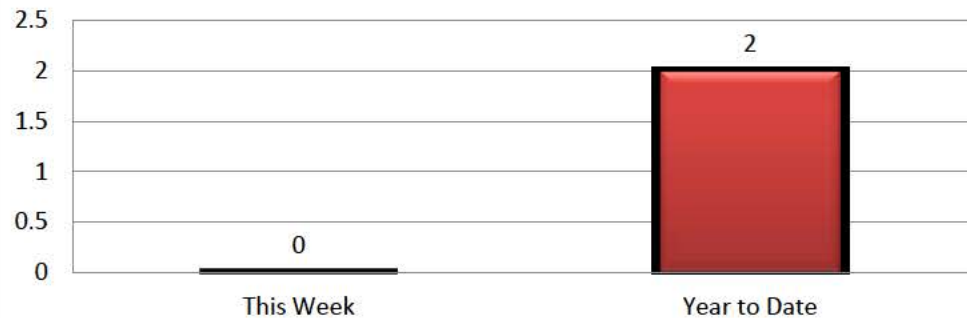
Referrals



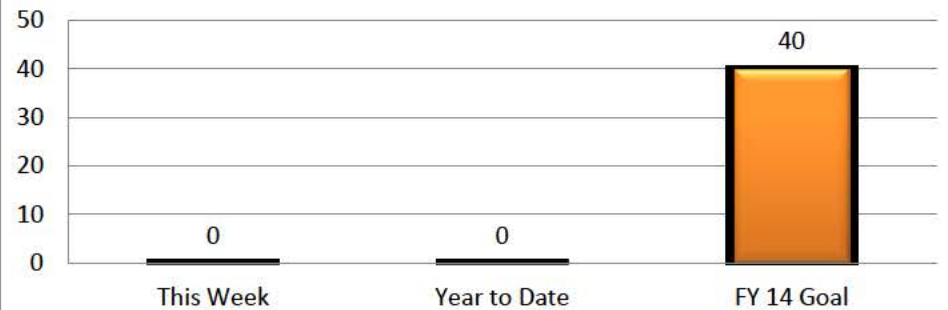
Judicial Actions



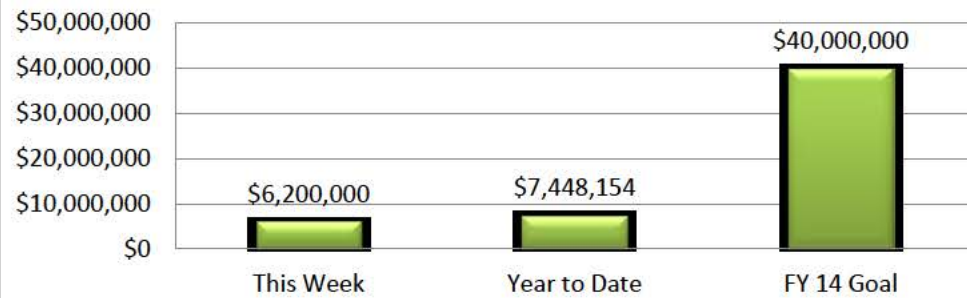
Suspension and Debarment Actions



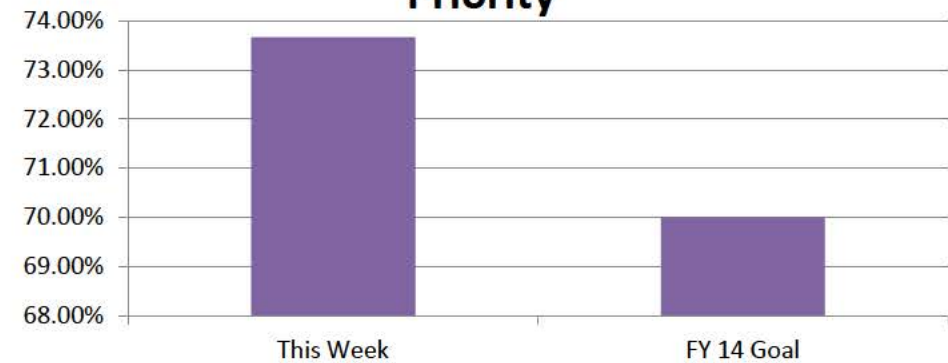
Briefings



Monetary



Priority





JI Updates

October 25, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/111W2708)

On November 4, 2013, due to being summoned, approximately eight Army soldiers will appear in U.S. District Court in the Eastern District of Virginia (Norfolk) for their initial appearance. The soldiers will be placed in a pre-trial diversion program due to their involvement in using a FLEET card for personal use. (EDVA/Fleet CC Theft/113W4519)

(b) (7)(A)

110W0941)

Boston (JI-1)

(b) (7)(A)

11314947)

(b) (7)(A)

1314906, (b) (7)(A)

On October 30, 2013, SAC (b) (6), (b)(7)(C) will be attending a law enforcement meeting at the USAO, District of Maine.

On October 30, 2013, SAC (b) (6), (b)(7)(C) is scheduled to meet with the USA, District of New Hampshire.

New York (JI-2)

(b) (7)(A)



JI Updates

October 25, 2013

(b) (7)(A)

[1324895)

(b) (7)(A)

[1324691)

Philadelphia (JI-3)

(b) (7)(A)

[1030806)

Atlanta (JI-4)

(b) (7)(A)

[12M3939)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

[13D4360)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report



JI Updates

October 25, 2013

Auburn (JI-10)

(b) (7)(A)

(b) (7)(A)
/V070002)

Headquarters

Hotline

Hotline Contacts – 40

Hotline Referrals – 9

Internal Operations Investigations

Nothing significant to report

FAR

The Investigations Operations Division received one new disclosure from (b) (7)(D), LLC. The disclosure involved the submission by a (b) (7)(D) employee of fraudulent requests for reimbursement, some of the costs of which were passed on to the government through (b) (7) FSS contract (b) (7)(D).

To date, we have received 120 disclosures.

Law Enforcement Sensitive

Authorized for Agency Dissemination

Significant Item

Case Number: I12L2851

Case Title: SUSPECTED WEX FRAUD - G43-1266F - (b) (7)(A)

DEPARTMENT - TUCSON, AZ

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)

Background

(b) (7)(A)

If you have any questions, please contact Special Agent in Charge (b) (6), (b)(7)(C)

Assistant Special Agent in Charge

(b) (6), (b)(7)(C)

General Services Administration

Office of Inspector General

24000 Avila Road, (b) (6), (b)(7)(C)

Laguna Niguel, CA 92677

(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: ALLEGED PURCHASE CARD FRAUD

Case #: 11213913

Case Agent: (b) (6), (b)(7)(C)

(b) (7) (A)

BACKGROUND:

(b) (7) (A)

For further information regarding this Significant Item, please contact Special Agent in Charge

(b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General

10 Causeway St., Room (b) (6), (b)(7)(C)

Boston, MA 02222

Office: (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: FRAUD COMMITTED THROUGH GSA ADVANTAGE

Case Number: I1374396

Case Agent: (b) (6), (b)(7)(C)

(b) (7) (A)

BACKGROUND

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

This item is authorized for Agency distribution.

Significant Item

Case Number: I1090908

Case Title: (b) (6), (b)(7)(C) - Bribery/Computer Pornography - Las Vegas, NV

Case Agent: (b) (6), (b)(7)(C)

On October 2, 2013, (b) (6), (b)(7)(C), former Assistant Property Manager, Las Vegas Field Office, Public Buildings Services, United States General Services Administration, Las Vegas, NV appeared before United States District Judge (b) (6), (b)(7)(C) and was sentenced to 5 years supervised probation; 100 hours of community service; mandatory mental health treatment, no contact order, and ordered to pay in one lump sum immediately \$3,000 fine and \$300 assessment fee.

Background

In June of 2010, GSA OIG initiated an investigation into the possible misconduct by (b) (6), (b)(7)(C). Agents verified that (b) (6), (b)(7)(C) requested and received loans from a GSA contractor; sent and received pornographic images on (b) (6), (b)(7)(C) GSA assigned computer and had a romantic relationship and lived with a GSA contract employee who (b) (6), (b)(7)(C) supervised pursuant to (b) (6), (b)(7)(C) contract. In April and May 2011, (b) (6), (b)(7)(C) was interviewed by agents and repeatedly lied about (b) (6), (b)(7)(C) relationship with the GSA contract employee. While under investigation, (b) (6), (b)(7)(C) made threatening phone calls and sent threatening and harrassing text messages to a cooperating witness in an attempt to influence (b) (6), (b)(7)(C) statements to the investigating agents.

On August 15, 2012, a Grand Jury indicted (b) (6), (b)(7)(C) on two counts of violating 18 U.S.C. 1001 (False Statement) and one count of violating 18 U.S.C. 1512(b) (Witness Tampering). (b) (6), (b)(7)(C) retired while under investigation on July 28, 2012 and pled guilty to all three counts of the indictment on June 14, 2013.

If you have any questions, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell (b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) FAR Disclosure)
Case Number: 113H4414
Case Agent: Branch Chief (b) (6), (b)(7)(C), JIB-C

On October 15, 2013, (b) (7)(D) issued a refund to GSA in the amount of \$60,150 to resolve charges for unallowable lodging expenses stemming from travel expense reports submitted by (b) (7)(D) employees, subcontractors and independent contractors under GSA contract (b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a criminal violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

On October 18, 2012 (b) (7)(D)

(b) (7)(D)

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Branch Chief (b) (6), (b)(7)(C), SA (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), Audits, and (b) (6), (b)(7)(C), Counsel to the IG.

For information regarding this Significant Item, please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)
email: (b) (6), (b)(7)(C) @gsaig.gov

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) GSA ADVANTAGE FRAUD - SAVANNAH, GA
Case #: I13M4421
Case Agent: SA (b) (6), (b)(7)(C), JI-4

On October 4, 2013, in U.S. District Court in the Southern District of Georgia (SDGA), Honorable (b) (6), (b)(7)(C), sentenced (b) (6), (b)(7)(C) to 27 months imprisonment, 3 years probation, and ordered to pay \$134,328.38 in restitution. (b) (6), (b)(7)(C) also sentenced (b) (6), (b)(7)(C) to 6 months imprisonment and 3 years probation.

This case is being investigated by GSA OIG and Army CID MFPU. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), SDGA.

BACKGROUND

This investigation was predicated on information received from a GSA employee who reported the suspicious delivery of items ordered on GSA Advantage to the residence of an Army Corporal in Savannah, Georgia.

The GSA OIG and Army CID MFPU conducted an investigation into possible Theft of Government Property related to items ordered on GSA Advantage using DODAAC W91WQW in Savannah, Georgia. The investigation revealed that (b) (6), (b)(7)(C) an Army Unit Supply Specialist with an account on GSA Advantage and authority to make purchases for (b) (6), (b)(7)(C) unit using (b) (6), (b)(7)(C), ordered approximately \$154,160.20 of items and had them shipped to (b) (6), (b)(7)(C) residence. The investigation also revealed that (b) (6), (b)(7)(C), pawned and sold several of the items, including cameras, computers, power tools, and copper pipes. GSA OIG and Army MFPU conducted interviews and surveillance operations that disclosed three locations where (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were storing items ordered using (b) (6), (b)(7)(C) (b) (6), (b)(7)(C).

On November 2, 2012, GSA OIG and Army CID MFPU executed multiple federal search warrants in the Savannah, Georgia area. During the searches, agents recovered stolen government property at all locations which was determined to have been ordered through GSA Advantage by (b) (6), (b)(7)(C) using (b) (6), (b)(7)(C).

On December 6, 2012, a Grand Jury in the SDGA returned an Indictment against (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C). The Indictment charged (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) with one count of Title 18 USC 641, Theft of Government Property, one count of Title 18 USC 371, Conspiracy, and one count of Title 18 USC 2, Aiding and Abetting.

On April 8, 2013, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) entered a guilty plea in the SDGA for one count each of Title 18 USC 371, Conspiracy.

For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA/Office of the Inspector General
Atlanta, Georgia

(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C), TRUSTED AGENT, QUI TAM
Case #: 10940681
Case Agent: SAC (b) (6), (b)(7)(C) JI-4

On October 1, 2013, (b) (6), (b)(7)(C), paid the U.S. Government \$105,000.00 to settle allegations that he violated the False Claims Act related to (b)(6) role in a contract awarded to Science Applications International Corporation (SAIC) by GSA in 2006. The contract was a blanket purchase agreement (BPA) for SAIC to provide engineering and consulting services related to the study and evaluation of new products and emerging technologies for various Department of Defense (DOD) agencies that resulted in 19 task orders from 2006 through 2009.

This is a joint investigation by GSA OIG, DCIS, Army CID MPFU, and AFOSI. AUSA (b) (6), (b)(7)(C), Middle District of Florida, and Trial Attorneys (b) (6), (b)(7)(C) and (b)(6), (b)(7)(C) Commercial Litigation Branch, DOJ Civil, coordinated the civil actions.

BACKGROUND

In June 2009, GSA OIG received reports of contract irregularities related to a BPA awarded to SAIC in 2006. DOD staff at the Coalition for Irregular Warfare Center, Nellis AFB, raised questions with GSA regarding billing under the SAIC BPA. While attempting to resolve the billing questions, GSA and DOD began to question the role of (b) (6), (b)(7)(C), Director of Trusted Agent (TAgent). GSA established an MOU with (b) (6), (b)(7)(C) as the Director of TAgent to act as the independent agency administrator of the BPA with the understanding that TAgent was an independent U.S government agency under DOD and that (b) (6), (b)(7)(C) served as the Director.

The investigation determined that TAgent was not an independent U.S. government agency and (b) (6), (b)(7)(C) was a retired Air Force Lt. Colonel employed by a state institution in New Mexico, not a U.S. government employee. The investigation revealed that (b) (6), (b)(7)(C) misled GSA staff before the award of the BPA and during the administration of the BPA task orders with regard to TAgent and (b)(6) employment status. In addition, the investigation identified communications and relationships between (b) (6), (b)(7)(C) and SAIC personnel before and after the award of the BPA to SAIC that indicated SAIC personnel were aware of (b) (6), (b)(7)(C) employment status and inability to serve as an independent authority for a federal contract.

On July 3, 2013, DOJ announced that SAIC agreed to pay \$5.75 million to settle allegations that it violated the False Claims Act related to this same contract.

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY - MATTER IS STILL UNDER SEAL

SIGNIFICANT ITEM

Case Title: (b) (3) (A) (UNDER SEAL)
Case Number: 109W0521
Case Agent: SA (b) (6), (b)(7)(C), JIB-C

On October 23, 2013, (b) (3) (A) entered into a settlement agreement with the United States and agreed to pay \$6.2 million dollars to resolve allegations under the False Claims Act that it and its predecessors knowingly provided GSA with defective pricing information in order to obtain and maintain a GSA Multiple Award Schedule contract that permitted them to sell software licenses and related services to federal agencies at inflated prices. The case was handled by Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), District of Maryland.

BACKGROUND

On April 22, 2008, (b) (3) (A), in U.S. District Court for the District of Maryland, alleging (b) (3) (A) violated the False Claims Act by submitting false and misleading information about its discounts and pricing practices to GSA for the purpose of inflating the prices that GSA set for (b) (3) (A)'s products. (b) (3) (A) then sold its products to government agencies from the schedule at inflated prices.

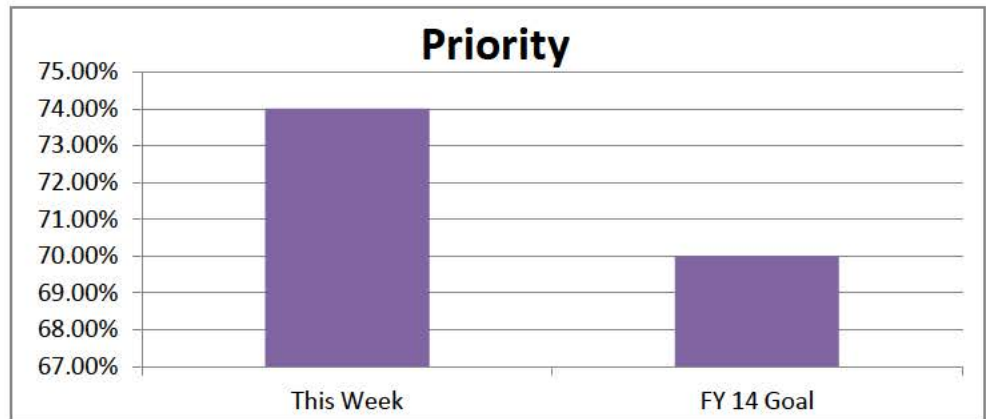
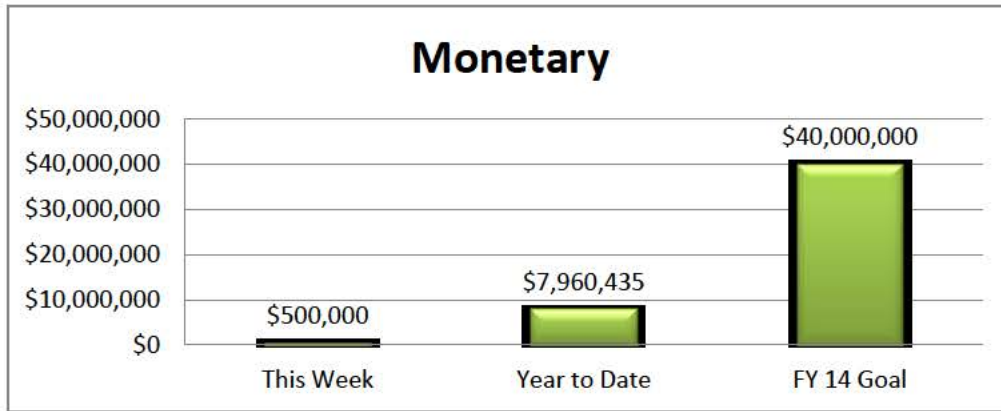
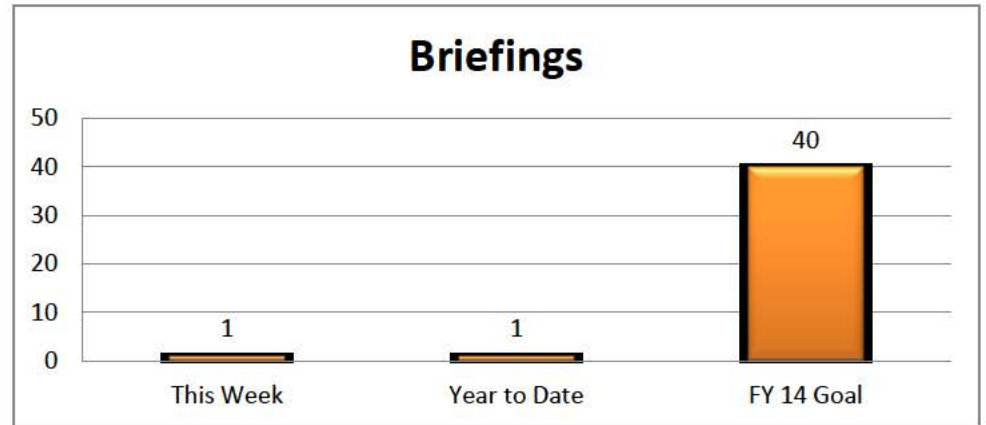
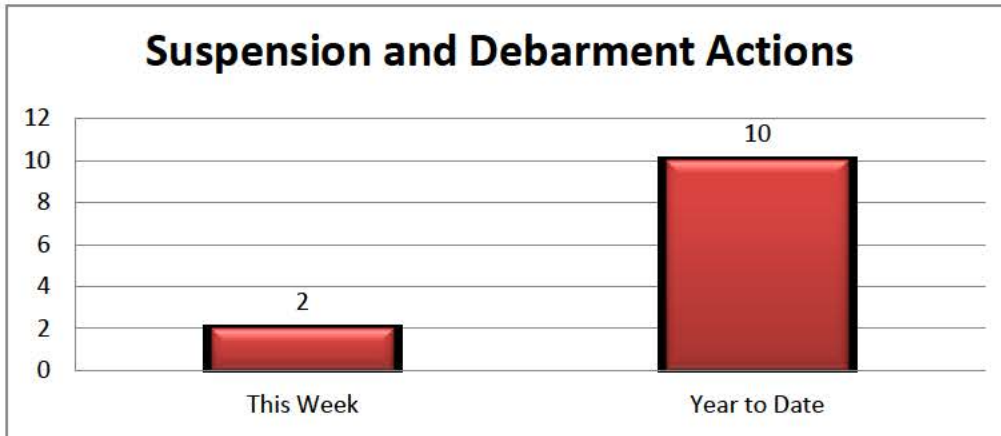
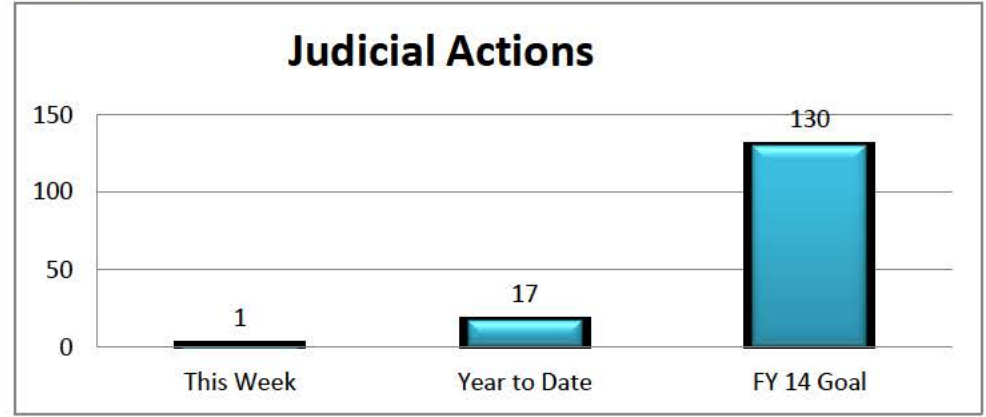
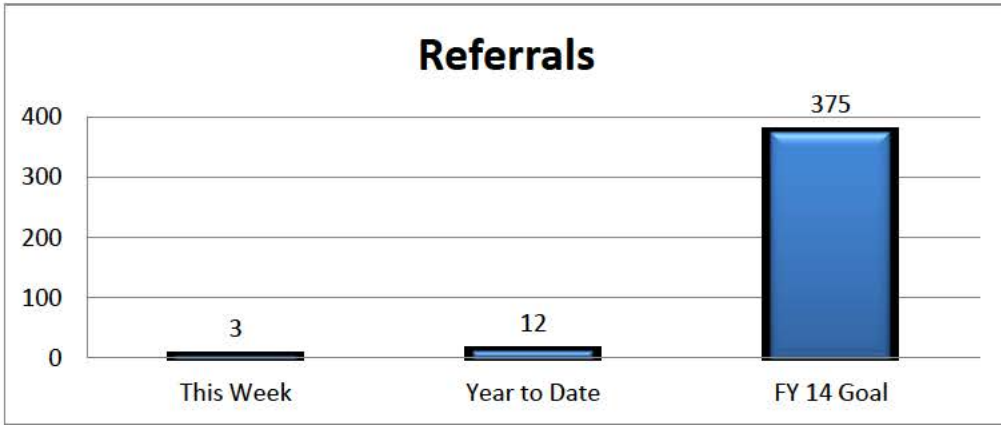
GSA awarded contract (b) (3) (A) to (b) (3) (A) on (b) (3) (A) for the sale of software licenses and related services under the Multiple Award Schedule program. In October 2003, (b) (3) merged with (b) (3) (A). In December 2008, (b) (3) (A) merged with (b) (3). GSA approved the novation of the MAS contract to these successors.

Investigation revealed that during the initial negotiation of the contract, (b) (3) knowingly provided GSA with commercial pricing information that was not current, accurate and complete. As a result, the MAS contract that was awarded to (b) (3) contained pricing that was less advantageous to the government than would have been negotiated had accurate, complete disclosures been made. In addition, in 2007, when the MAS contract was renewed, (b) (3) (A) also failed to provide GSA with accurate and complete commercial pricing disclosures. Finally, after being novated onto the MAS contract, (b) (3) (A) and (b) (3) failed to comply with the price reduction clause of the contract. As a result, from the period October 3, 2001 to December 11, 2011, the MAS contract contained inflated prices and numerous government agencies relied on these inflated prices and overpaid for their purchases of software and related services. The investigation was worked jointly with DCIS and NCIS.

For information regarding this Significant Item, please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)
email: (b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - OCTOBER 25, 2013 - OCTOBER 31, 2013





JI Updates

November 1, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On November 4, 2013, due to being summoned, approximately eight Army soldiers will appear in U.S. District Court in the Eastern District of Virginia (Norfolk) for their initial appearance. The soldiers will be placed in a pre-trial diversion program due to their involvement in using a FLEET card for personal use. (EDVA/Fleet CC Theft/I13W4519)

(b) (7)(A)

I10W0941)

Boston (JI-1)

(b) (7)(A)

/I1414988)

On November 5, 2013, SA (b) (6), (b)(7)(C) and a DOJ OIG SA will conduct an interview in Quincy, MA, regarding allegations that GSA contractor, BTCVI, "inadvertently and falsely" reported costs and underpaid surcharges to GSA since 2006. (DMA/Fraud/H1414971)

On November 6, 2013, SA (b) (6), (b)(7)(C) and an Amtrak OIG SA will conduct subject interviews regarding fraudulent FLEET card transactions. This investigation was initiated based upon information received from the GSA FLEET Loss Prevention Team regarding suspicious FLEET card transactions on a vehicle assigned to the Amtrak Automotive Group, Hamden, CT. (DCT/FLEET/I1213668)

On November 6, 2013, SAC (b) (6), (b)(7)(C) will be attending a meeting at the USAO, District of Rhode Island.

New York (JI-2)

On November 7, 2013, ASAC (b) (6), (b)(7)(C) will attend the New York Electronic Crimes Task Force quarterly meeting hosted by the Associated Press at 450 W. 33rd St., NY, NY.

Philadelphia (JI-3)

(b) (7)(A)



JI Updates

November 1, 2013

(b) (7)(A)

/I1030806)

(b) (7)(A)

/I1334147)

Atlanta (JI-4)

(b) (7)(A)

OM0370)

Chicago (JI-5)

(b) (7)(A)

I1354676)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

(b) (7)(A)

/I13W4787)

Dallas/FT Worth (JI-7)

(b) (7)(A)

/I1374396)

San Francisco (JI-9)

(b) (7)(A)



JI Updates

November 1, 2013

(b) (7)(A)

/11394450)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 37

Hotline Referrals – 7

Investigations

Nothing significant to report

FAR

No new disclosures received. To date, the Investigations Operations Division has received 120 disclosures.

Civil Enforcement

(b) (7)(D)

/113H4925)

(b) (7)(D)

/111H2790)

Suspension and Debarment

On November 7, 2013, Branch Chief (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will meet with GSA SDO (b) (6), (b)(7)(C) to discuss on-going S&D referrals and the potential impact of the Suspend Act on the GSA OIG.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) - Misuse of Government Travel Card

Case #: 11313457

Case Agent: (b) (6), (b)(7)(C)

On October 24, 2013, (b) (6), (b)(7)(C), Information Technology Specialist, GSA, New England Region, was suspended from pay and duty status for 5 days starting on November 4, 2013 through November 8, 2013, for Unauthorized Use of the Government Charge Card.

BACKGROUND:

This investigation was initiated on November 8, 2012, based on information received from a GSA employee alleging (b) (6), (b)(7)(C) used their purchase card for personal use without authorization. Although evidence did not support the initial allegation, JI-1 discovered evidence (b) (6), (b)(7)(C) knowingly used (b) (6), (b)(7)(C) assigned government travel card for personal use on eighteen occasions while not on official travel. When interviewed by JI-1 agents (b) (6), (b)(7)(C) admitted to just one transaction. This investigation was declined for prosecution by the USAO, District of Massachusetts, and was later referred to the Regional Administrator, New England Region, for administrative action. On October 24, 2013, (b) (6), (b)(7)(C), Director, Office of Enterprise Infrastructure, Office of the Chief Information Officer, GSA, Washington, D.C. Metro Area, issued (b) (6), (b)(7)(C) a Letter of Decision on Notice of Proposed Five (5) Day Suspension.

For further information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
General Services Administration
Office of Inspector General
New England Regional Investigations Office
O'Neill Federal Office Building
10 Causeway St., Room (b) (6), (b)(7)(C)
Boston, MA 02222
Office: 617.565.6800
Direct: (b) (6), (b)(7)(C)
Mobile: (b) (6), (b)(7)(C)
Fax: 617.565.6798

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Title – WEX FRAUD – MULTIPLE ACCOUNTS – LOS ANGELES, NORTH HILLS, CA

File Number – 11394872

Case Agent: (b) (6), (b)(7)(C)

(b) (7)(A)

Background

(b) (7)(A)

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or [c:\(b\) \(6\), \(b\)\(7\)\(C\)@gsaig.gov](mailto:(b) (6), (b)(7)(C)@gsaig.gov).

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Fort Bliss TMP Fleet Card Fraud

File Number: I1374617

Case Agent: (b) (6), (b)(7)(C)

On October 22, 2013, Private First Class (PFC) (b) (6), (b)(7)(C) was convicted during a special court martial for violating UCMJ Article 81, Conspiracy, and two counts of Article 121, Larceny and Wrongful Appropriation, for (b) (6), (b)(7)(C) fraudulent use of two FLEET cards. (b) (6), (b)(7)(C) was sentenced to confinement for 6 months and a discharge from service with a Bad Conduct Discharge.

BACKGROUND

On December 27, 2012, our office was notified by Supervisory Transportation Operations Specialist (b) (6), (b)(7)(C) of apparent fraudulent transactions pertaining to a government owned vehicle identified as G71-0296A and G71-0572B, diesel powered five ton trucks. The transactions included one that had occurred on December 25, 2012 for the purchase of unleaded fuel as well as numerous other unleaded fuel transactions. In addition, (b) (6), (b)(7)(C) informed our office the primary means of fueling Fort Bliss Transportation Motor Pool (TMP) vehicles was a vehicle identification link (VIL) keys not the FLEET cards.

During voluntary interviews Specialist (b) (6), (b)(7)(C) and PFC (b) (6), (b)(7)(C) admitted to the fraudulent use of FLEET cards assigned to GOVs G71-0296A and G71-0572B. (b) (6), (b)(7)(C) admitted removing the FLEET card assigned to G71-0296A from the vehicle's binder approximately August 2012. (b) (6), (b)(7)(C) admitted receiving a FLEET card from (b) (6), (b)(7)(C) and purchasing fuel for (b) (6), (b)(7)(C) vehicle. (b) (6), (b)(7)(C) admitted purchasing fuel from (b) (6), (b)(7)(C) on one occasion. (b) (6), (b)(7)(C) admitted providing the FLEET card to (b) (6), (b)(7)(C) for (b) (6), (b)(7)(C) personal use.

(b) (6), (b)(7)(C) did not confess to fraudulently purchasing fuel with the FLEET Cards; however, the FLEET cards for G71-0296A and G71-0572B had numerous fraudulent transactions in Los Angeles, CA, Highland Park, CA, and Buena Park, CA, (b) (6), (b)(7)(C) hometown was Los Angeles, CA. The approximate loss to the government was \$16,549. Captain (b) (6), (b)(7)(C), Staff Judge Advocate, Fort Bliss, TX is prosecuting the case.

On May 30, 2013 charges were filed against PFC (b) (6), (b)(7)(C) Specialist (b) (6), (b)(7)(C) and PFC (b) (6), (b)(7)(C) for fraudulent use of two FLEET cards, which were assigned to GOVs G71-0296A and G71-0572B. (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were charged with violating the UCMJ Article 81, Conspiracy, 1 count, UCMJ Article 107, False Official Statement, 1 count, and UCMJ Article 121, Larceny and wrongful appropriation, 2 counts.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent In Charge
GSA/Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: Qui Tam: World Wide Technology, Inc., et al
Case Number: I11H2177
Case Agent: ASAC (b) (6), (b)(7)(C), JIB-C

On October 29, 2013, Iron Bow Technologies, LLC entered into a settlement agreement with the United States and agreed to pay \$500,000 to resolve allegations under the False Claims Act that it knowingly sold certain products under their GSA MAS contract that were not in compliance with the Trade Agreements Act. The case was handled by AUSA (b) (6), (b)(7)(C), District of Columbia.

BACKGROUND

Investigation was initiated based upon a qui tam filed, under seal, on August 18, 2010, in U.S. District Court for the District of Columbia alleging Apptis, Inc sold sold products to government customers that originated in countries not designated by the TAA. Apptis provided information and technology products and services to the government under GSA Schedule GS-35F-4460G and, as such, agreed to comply with the TAA clauses that prohibit the sale of goods to the United States that originate in non-designated countries. The contract was originally awarded to Intellisys Technology Corporation for the period March 1997 through September 2011. The contract was novated from Apptis to Iron Bow Technologies, LLC on January 12, 2010.

Investigation revealed that Iron Bow sold non-compliant Cisco Systems, Inc. products in violation of the TAA clause of their contract. On October 29, 2013, Iron Bow signed the settlement agreement and agreed to pay \$500,000 to resolve the allegations against the company. The Relator settlement amount is \$137,500.

For information regarding this Significant Item, please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)
email: (b) (6), (b)(7)(C)@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case #: 10800042
Case Agent: (b) (6), (b)(7)(C), JI-10

(b) (7)(A)

The case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND:

(b) (7)(A)

[Redacted]

[Redacted]

[Redacted]

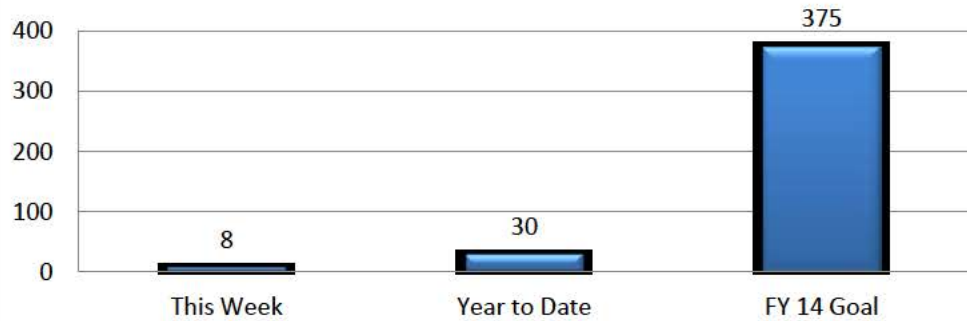
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For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

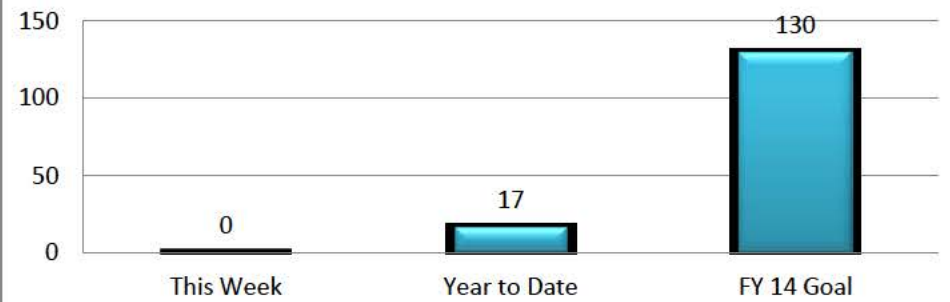
(b) (6), (b)(7)(C)
Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 1, 2013 - NOVEMBER 7, 2013

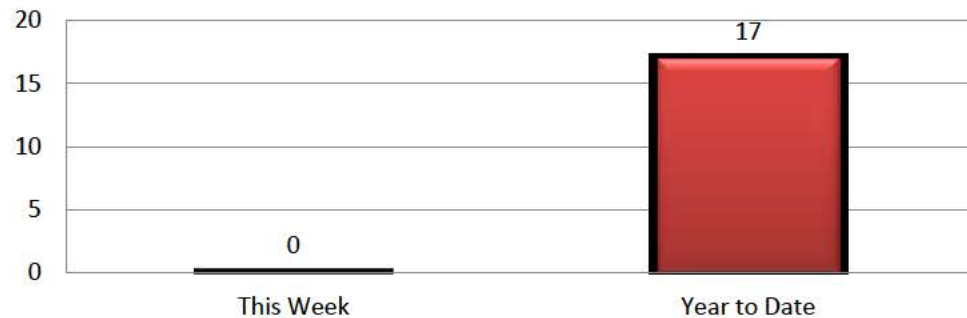
Referrals



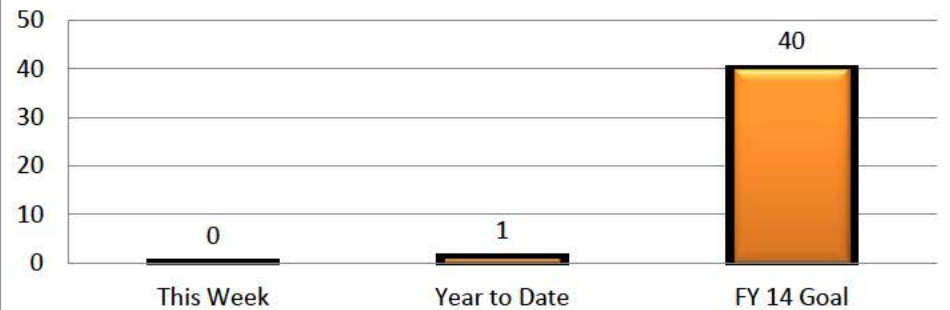
Judicial Actions



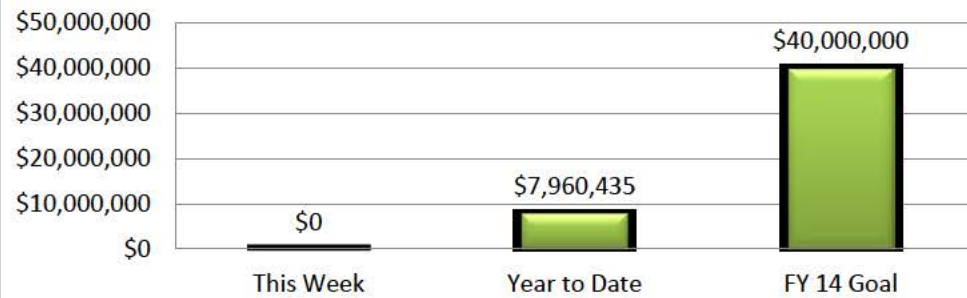
Suspension and Debarment Actions



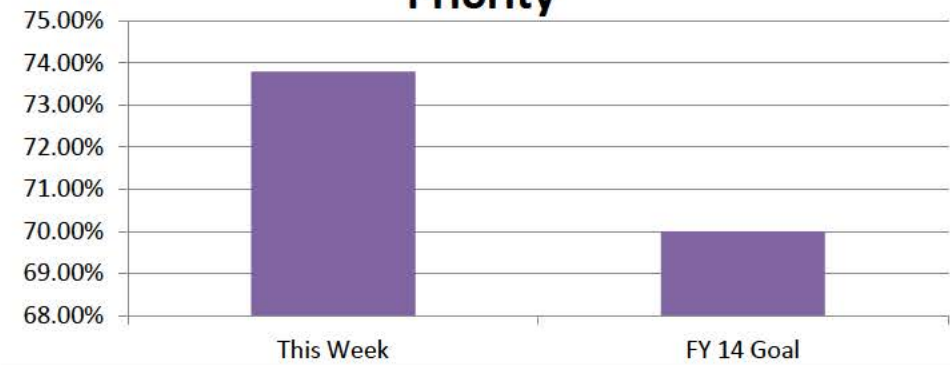
Briefings



Monetary



Priority





JI Updates

November 8, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/113W4813 & 113W4807)

On November 14, 2013, approximately four Army soldiers will appear in U.S. District Court in the Eastern District of Virginia (Norfolk) for their initial appearance. The soldiers will be charged with misdemeanors for violating 18 USC 371, Conspiracy. The soldiers are being charged because of their involvement in using a FLEET card for personal use. (113W4519/Theft/EDVA)

On November 15, 2013, SA (b) (6), (b)(7)(C), SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will be recognized at the CIGIE Annual Awards Ceremony in Washington, D.C.

(b) (7)(A)

3W3886)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

(b) (7)(A)

is



JI Updates

November 8, 2013

(b) (7)(A)

/11354676)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

114L4992)

(b) (7)(A)

1192800, (b) (7)(A)

Auburn (JI-10)

(b) (7)(A)

10800042)

Internal Operations

Hotline

Hotline Contacts – 37

Hotline Referrals – 8

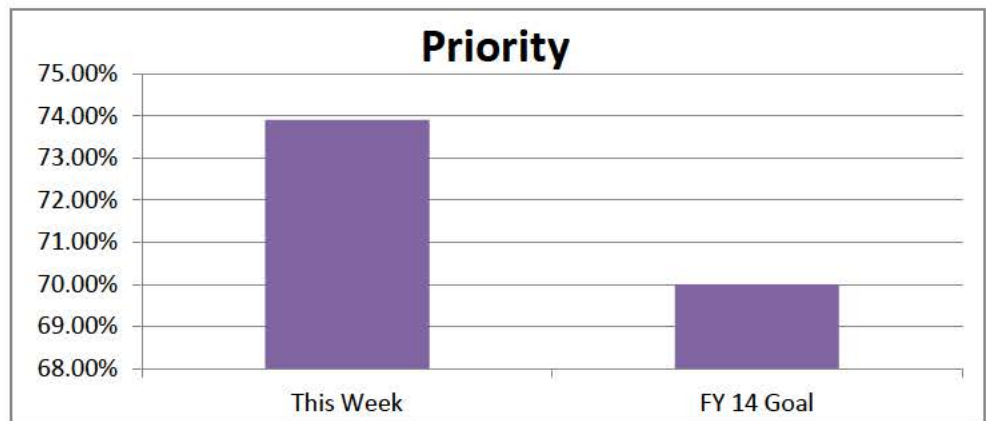
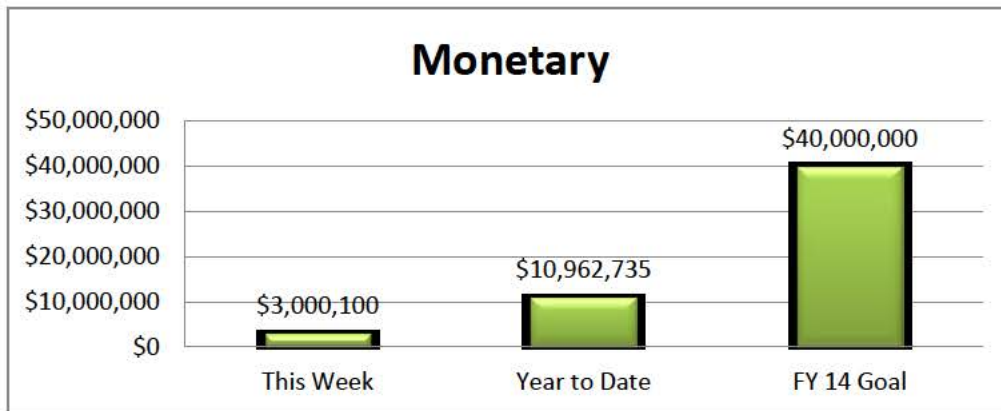
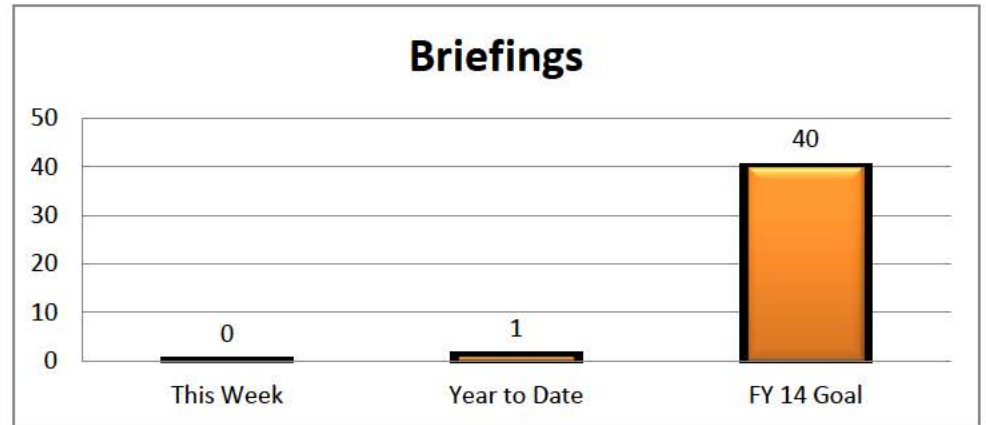
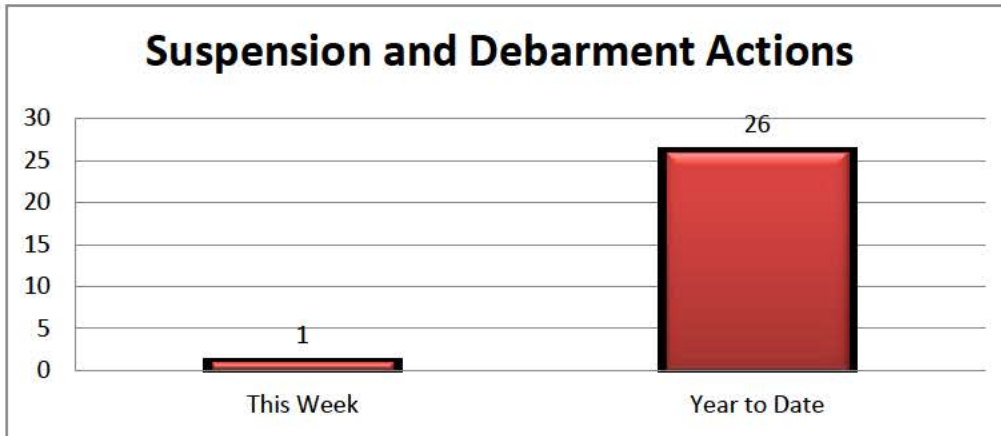
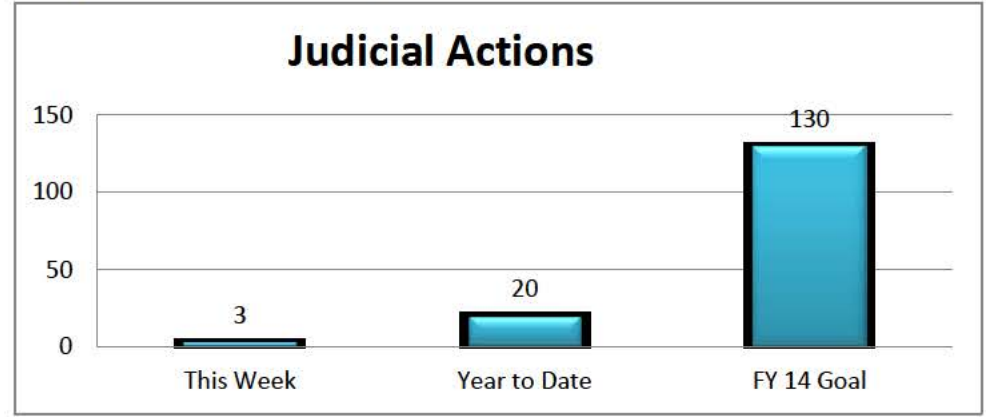
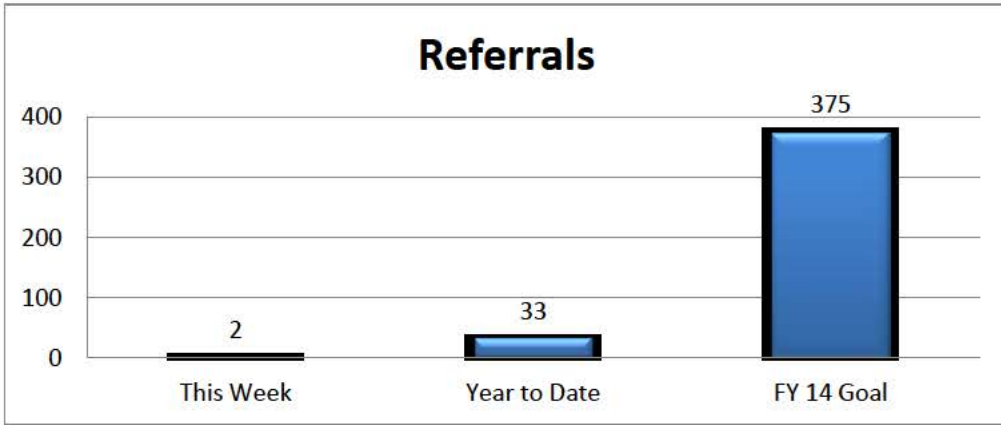
Investigations

Nothing significant to report

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 120 disclosures.

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 8, 2013 - NOVEMBER 14, 2013





JI Updates

November 15, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

(b) (7)(A)

(11313964)

On November 20, 2013, SA (b) (6), (b)(7)(C) will attend the USAO District of MA Counter-Proliferation Working Group meeting being hosted by HSI in Boston, MA.

(b) (7)(A)

(11414988)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

On November 15, 2013, SA (b) (6), (b)(7)(C) will be recognized at the CIGIE Annual Awards Ceremony in Washington, D.C.

(b) (7)(A)

(11030806)

Atlanta (JI-4)

(b) (7)(A)

(11142172)



JI Updates

November 15, 2013

On November 20, 2013, SAC (b) (6), (b)(7)(C) ASAC (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will attend the Government Contract Fraud Meeting hosted by the USAO, Middle District of Florida, in Orlando, FL.

On November 22, 2013, ASAC (b) (6), (b)(7)(C) will attend the South Florida IG Council Meeting in Miami Lakes, FL.

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)
[Redacted]
(11193499)

(b) (7)(A)
[Redacted]
(1394546)

(b) (7)(A)
[Redacted]
(111L2847)

Auburn (JI-10)

(b) (7)(A)
[Redacted]
(11304923)



JI Updates

November 15, 2013

(b) (7)(A)

/11203046)

Internal Operations

Hotline

Hotline Contacts – 71

Hotline Referrals – 3

Investigations

Nothing significant to report

JI-B

FAR

No new disclosures received. To date, the Investigations Operations Division has received 120 disclosures.

Civil Enforcement

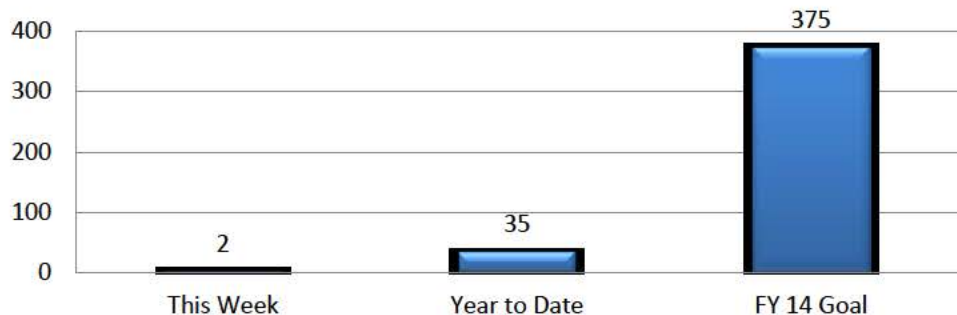
On November 21, 2013, Branch Chief Johnson is meeting with (b) (3) (A), (b) (7)(D) officials to discuss an on-going FAR disclosure investigation. The disclosure relates to overpayments by the government of taxes, surcharges and excise fees assessed under (b) Schedule Contract (b) (3) (A), (b) (3). (DOJ Commercial Litigation/Civil/113H4925)

Suspension & Debarment

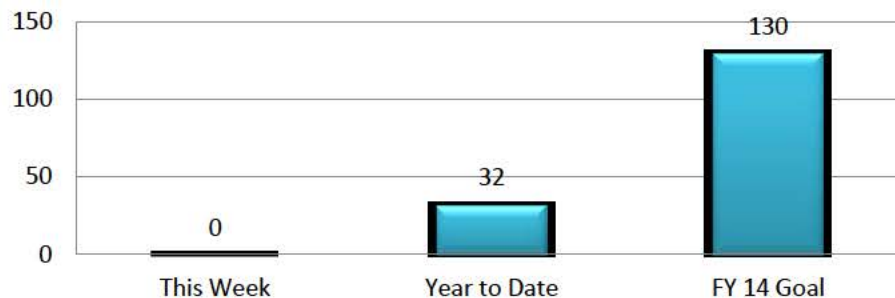
On November 18, 2013, Branch Chief (b) (7)(D) and SA (b) (7)(D) will participate in the CIGIE Suspension and Debarment Working Group meeting, via teleconference, to discuss the proposed Suspend Act and its impact on the OIGs.

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 15, 2013 - NOVEMBER 21, 2013

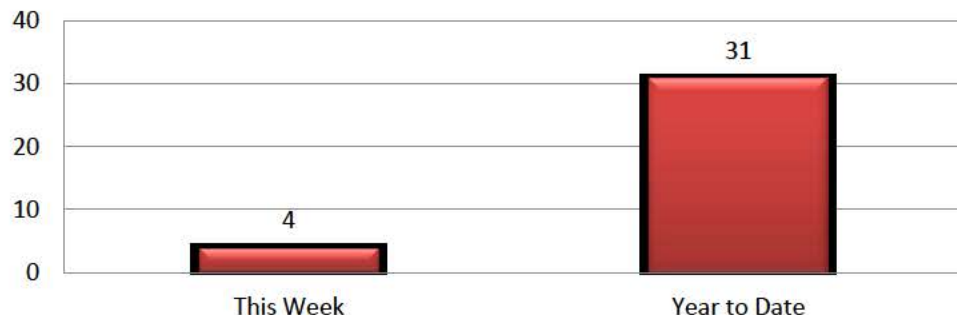
Referrals



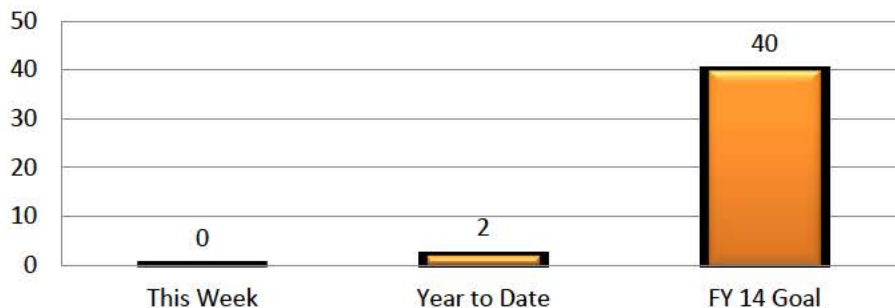
Judicial Actions



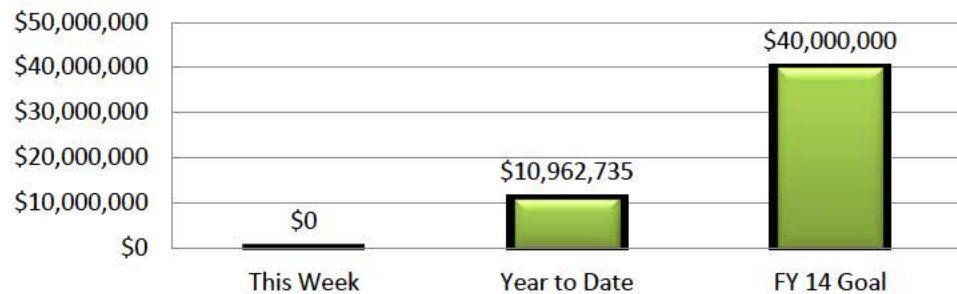
Suspension and Debarment Actions



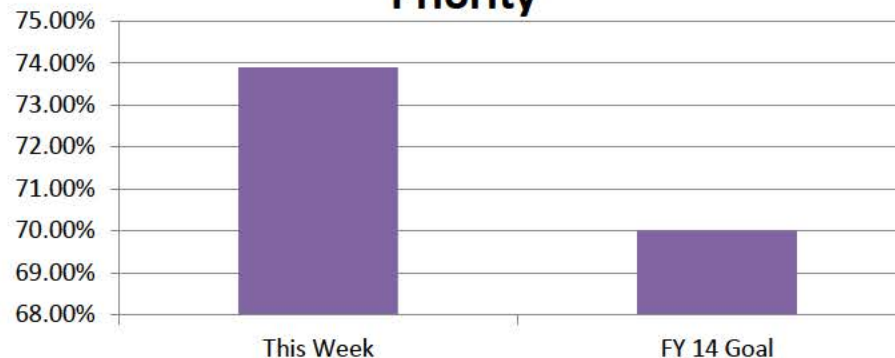
Briefings



Monetary



Priority





JI Updates

November 22, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/I13W3886)

(b) (7)(A)

/I12W3895)

Boston (JI-1)

(b) (7)(A)

/I1313964)

(b) (7)(A)

/I1010856)

On November 26, 2013, SA (b) (6), (b)(7)(C) and a special agent from Amtrak OIG will conduct subject interviews regarding fraudulent FLEET card transactions. This investigation was predicated based upon information received from the GSA FLEET Loss Prevention Team regarding suspicious FLEET card transactions on a vehicle assigned to the Amtrak Automotive Group, Hamden, CT. (DCT/Fleet/I1213668)

(b) (7)(A)

/I1414988)

On November 27, 2013, SA (b) (6), (b)(7)(C) will conduct quarterly firearms qualification for JI-1 in Hudson, NH.



JI Updates

November 22, 2013

New York (JI-2)

On November 25, 2013, JI-2 & JI-3 will be conducting firearms qualifications in New Jersey.

(b) (7)(A)

/11224307)

Philadelphia (JI-3)

(b) (7)(A)

/11334147)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

(b) (7)(A)

/11354932)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report



JI Updates

November 22, 2013

San Francisco (JI-9)

(b) (7)(A)

/V1394546)

(b) (7)(A)

/11192800)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 92

Hotline Referrals – 4

Investigations

Nothing significant to report

JI-B

FAR

No new disclosures received. To date, the Investigations Operations Division has received 120 disclosures.

Law Enforcement Sensitive

This item is authorized for Agency distribution.

Significant Item

Case Number: I1293456

Case Title: Suspension And Debarment – (b) (6), (b)(7)(C) – Former VA Employee – S.F. CA

Case Agent: (b) (6), (b)(7)(C)

On November 12, 2013, the GSA Acquisition Integrity Office debarred former VA employee (b) (6), (b)(7)(C) from participating in Federal procurement programs. The debarment was predicated on (b) (6), (b)(7)(C) arrest and conviction concerning the theft of a GSA leased vehicle and subsequent WEX card fraud.

Background

On September 13, 2011, JI-9 initiated an investigation based on a VA Criminal Investigations Division (CID) request for assistance regarding allegations that (b) (6), (b)(7)(C) stole a GSA short-term lease vehicle, multiple FLEET cards, and keys to other GSA short-term lease vehicles. JI-9 and VA CID agents subsequently recovered the stolen vehicle and property at an impound lot belonging to the vehicle leasing company.

Investigation substantiated the allegation and (b) (6), (b)(7)(C) subsequently confessed to the theft. In November 2011, the VA terminated (b) (6), (b)(7)(C) employment. On February 6, 2012, a Superior Court of California, County of Napa, judge found (b) (6), (b)(7)(C) guilty of violating California Vehicle Code (VC) 10851(a), *Unlawful Driving or Taking of a Vehicle*, and California Penal Code (PC) 1320.5, *Failure to Appear on Felony Charge*. The judge sentenced (b) (6), (b)(7)(C) to 4 years and 4 months confinement and 1 year and 4 months confinement respectively. The sentences are to be served concurrently in a State of California penitentiary yet to be identified.

On February 7, 2012, GSA issued the VA a \$2,018.29 charge back stemming from (b) (6), (b)(7)(C) FLEET card misuse.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

This item is authorized for agency dissemination.

Significant Item

Case Number: I1392204

Case Title: SHAMROCK SUPPLY COMPANY – ANAHEIM, CA - GSA CONTRACT NUMBER GS-06F-0043P

Case Agent: (b) (6), (b)(7)(C)

On November 8, 2013, Shamrock Supply Company made a payment to GSA in the amount of \$26,099.17 in response to a demand for payment letter sent by the contracting officer.

Background

In November 2010 the General Services Administration (GSA) Office of Inspector General (OIG) received an anonymous hotline complaint which alleged that Shamrock Supply Company (Shamrock) was charging more than the 28% maximum on many GSA orders.

GSA OIG contacted Shamrock and found that the company was operating under the impression that their GSA contract allowed them to charge government customers cost plus 28% profit. A limited audit of Shamrock's GSA sales found instances of items sold to government customers with profit margins in excess of 28%. In response to the audit, Shamrock queried their accounting system looking for all GSA sales made from 2009 to 2012 with profit margins in excess of 28%; analysis of the query showed that the total amount of profit in excess of 28% was \$26,099.17.

If you have any questions, please contact Special Agent in Charge (b) (6), (b)(7)(C) (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General JI-9

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

PO Box 36095

San Francisco, CA 94102

Phone (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Mountain Chief Management Services
Case Number: 10960379
Case Agent: (b) (6), (b)(7)(C), JI-6

On November 12, 2013, (b) (6), (b)(7)(C), former Director of Small Business Development, Caddell Construction, was sentenced to one year of probation and a \$100 Special Assessment in the Middle District of Alabama. On July 30, 2013, (b) (6), (b)(7)(C) was convicted by a trial jury of making false statements pertaining to the U.S. Department of Defense Mentor-Protégé Program (MPP). (b) (6), (b)(7)(C) was in charge of administering the MPP as well as the Indian Incentive Program for Caddell Construction and these two programs were used as a vehicle to defraud the federal government. This case was prosecuted by Main Justice Trial Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

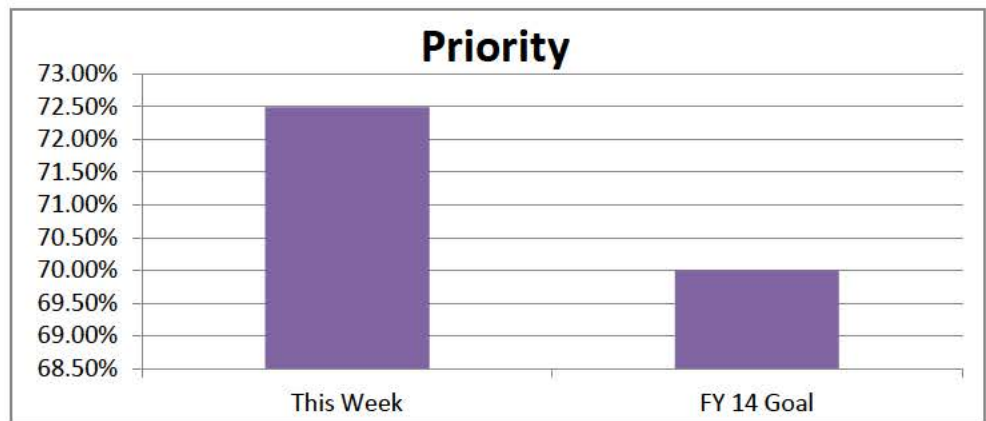
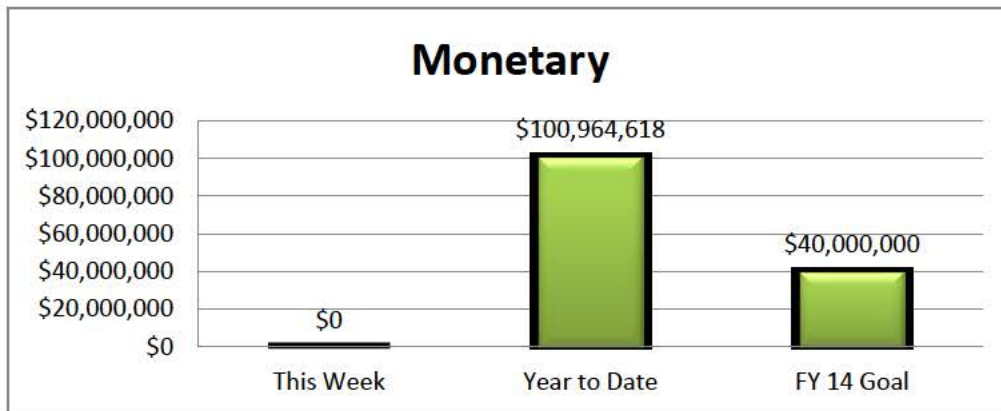
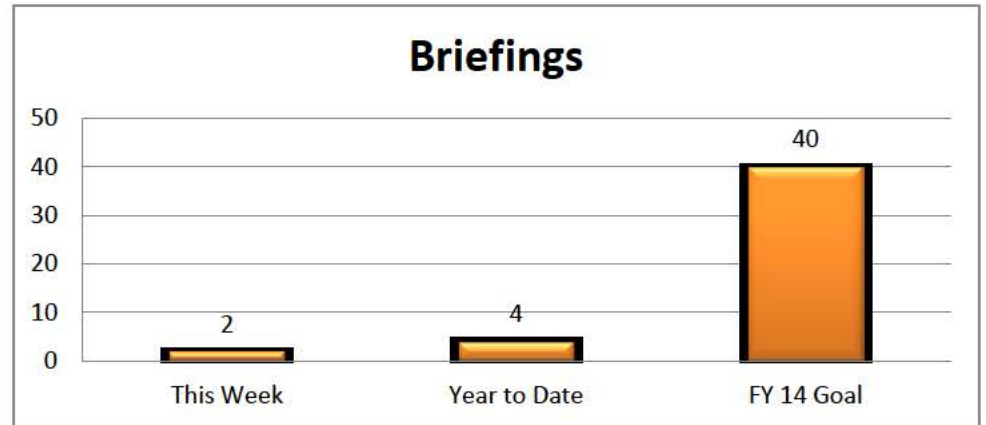
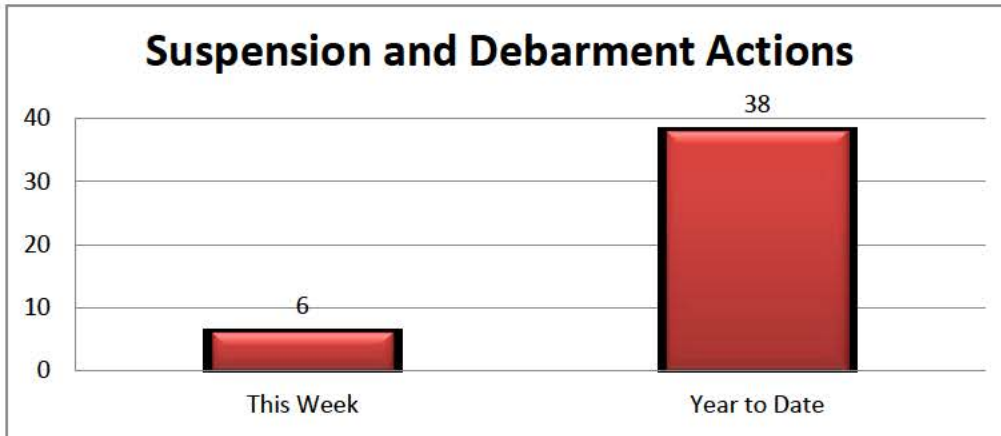
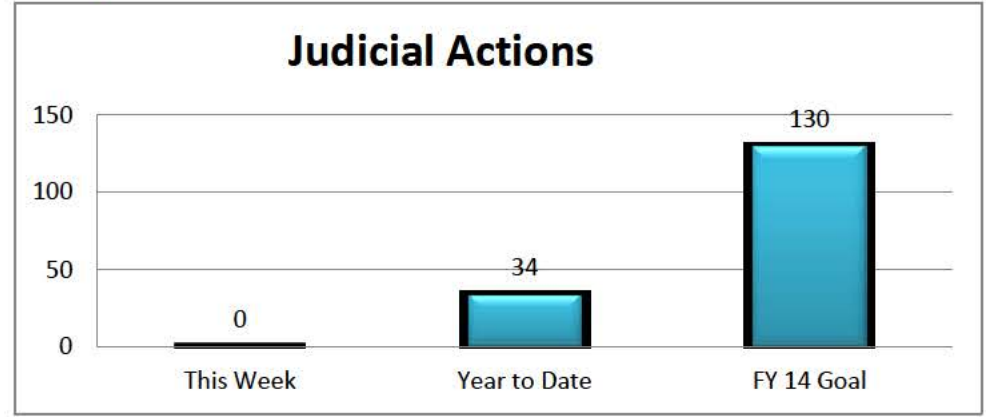
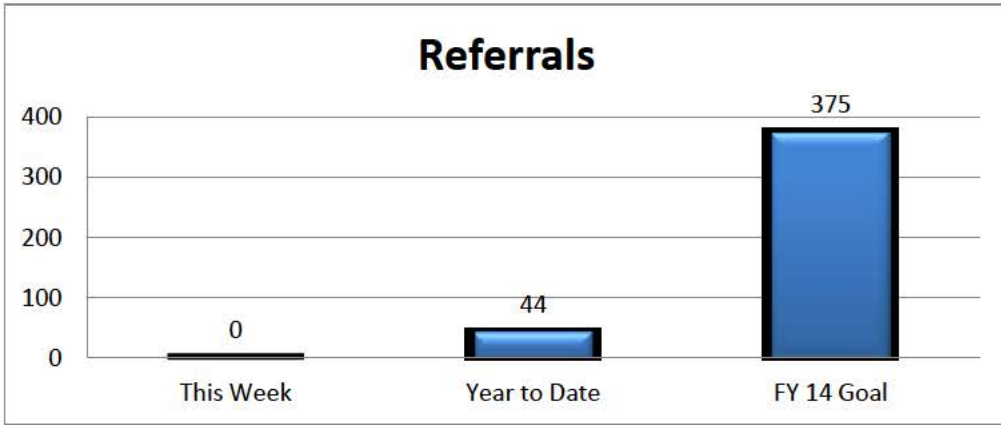
BACKGROUND

The Midwest Regional Investigations Office received an allegation that undocumented aliens were working on the Zorinsky Federal Building renovation project in Omaha, NE. Caddell was the prime contractor and Tuflly Drywall was a subcontractor. It was discovered that Tuflly knowingly hired undocumented workers and provided false information to GSA on certified payrolls. During the investigation, it was also discovered that Caddell asked Tuflly Drywall to act as Mountain Chief Management Services, an Indian owned firm, which allowed Caddell to submit fraudulent MPP claims to DOD and commit approximately \$1.3 million dollars in federal minority incentive fraud, as well as use them as a pass-through company to help meet subcontracting goals on major GSA contracts. This case was investigated jointly with the Defense Criminal Investigative Service.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of Inspector General JI-6
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 29, 2013 - DECEMBER 5, 2013





JI Updates

December 6, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)
[Redacted]
/111W2708)

(b) (7)(A)
[Redacted]
/113H4336)

(b) (7)(A)
[Redacted]
3W3886)

(b) (7)(A)
[Redacted]
/112W3895)

(b) (7)(A)
[Redacted]
/11414791)

Boston (JI-1)

(b) (7)(A)
[Redacted]
/11010856)

On December 11, 2013, SAC (b) (6), (b)(7)(C) will attend a federal law enforcement meeting in Portland, Maine.



JI Updates

December 6, 2013

New York (JI-2)

(b) (7)(A)

/11324691)

Philadelphia (JI-3)

(b) (7)(A)

FLEET/11334831)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

(b) (7)(A)

/11253305)

(b) (7)(A)

/111455023)

Kansas City (JI-6)

(b) (7)(A)

1162844)



JI Updates

December 6, 2013

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

(11394450)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 67

Hotline Referrals – 6

Investigations

Nothing significant to report

JI-B

FAR

The Investigations Operations Division received one new disclosure from (b) (3) (A), (b) (7)(D), Inc., (b) (3) (A), (b) (3) (A) is a small business distributor of metalworking, production supplies & maintenance, and repair & operations materials to manufacturers and industrial customers. The company was acquired by (b) (3) (A), (b) (3) (A) on (b) (3) (A), (b) (7) (A). The disclosure involves potential irregularities under (b) (3) (A), (b) (3) (A) GSA schedule contract.

To date the Investigations Operations Division has received 121 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM:

Case Title: (b) (7)(A) [REDACTED]
Case No.: 111W2295
Case Agent: SA (b) (6), (b)(7)(C) - JI-W

(b) (7)(A) [REDACTED]

This case is being prosecuted by AUSA (b) (6), (b)(7)(C), Eastern District of Virginia.

BACKGROUND

(b) (7)(A) [REDACTED]

[REDACTED]

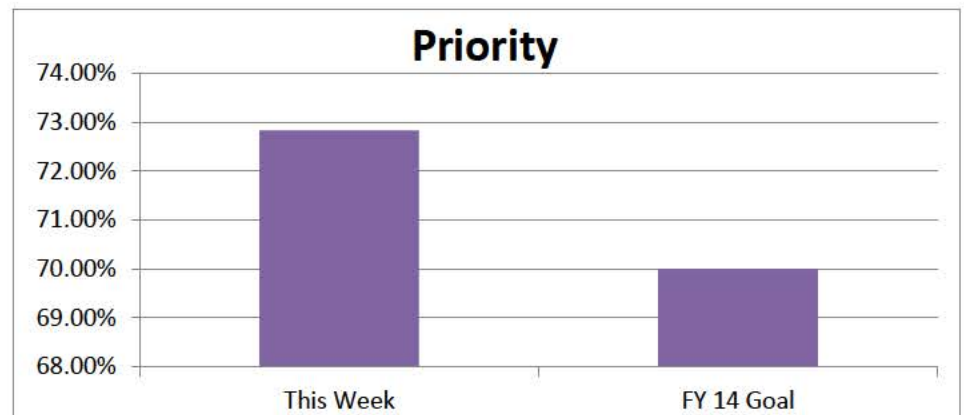
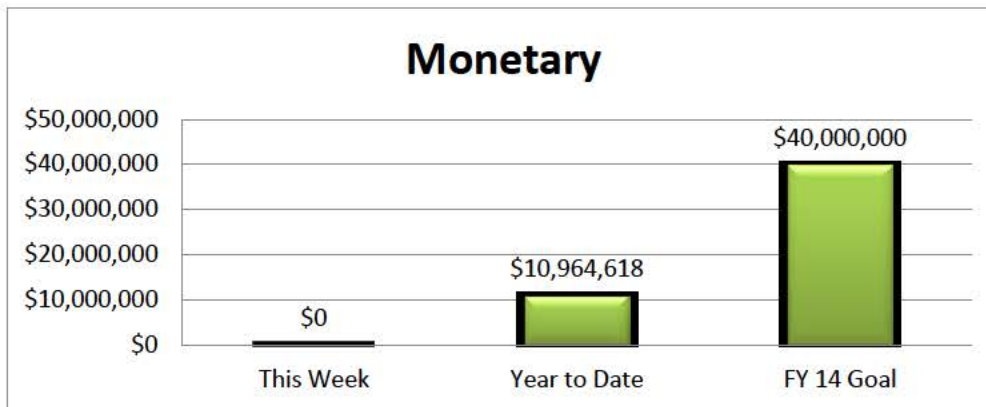
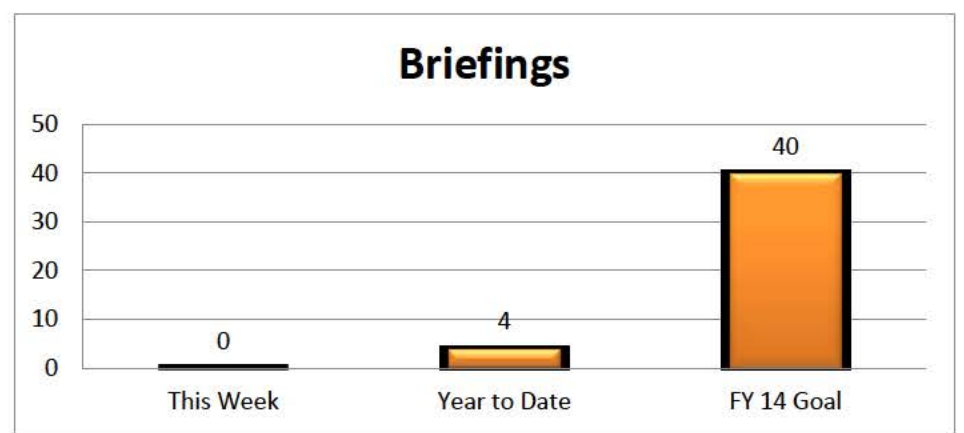
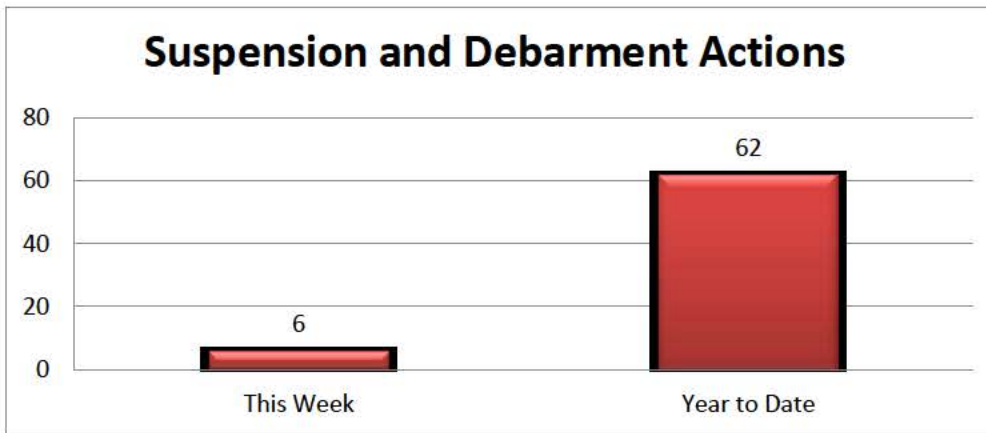
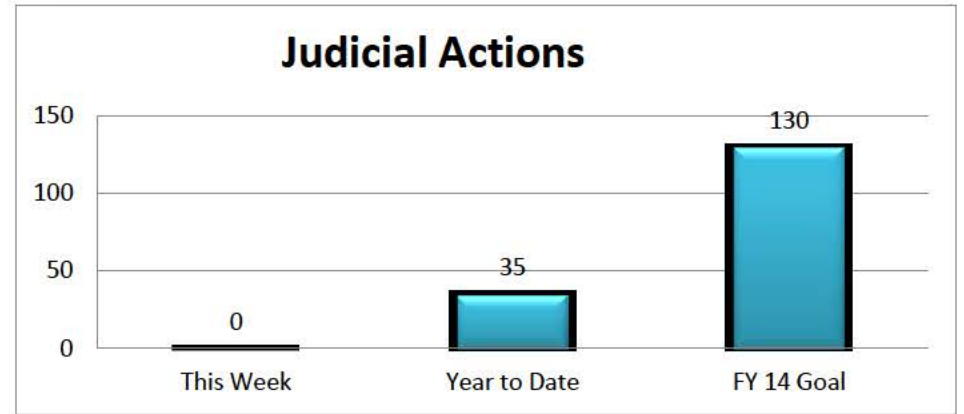
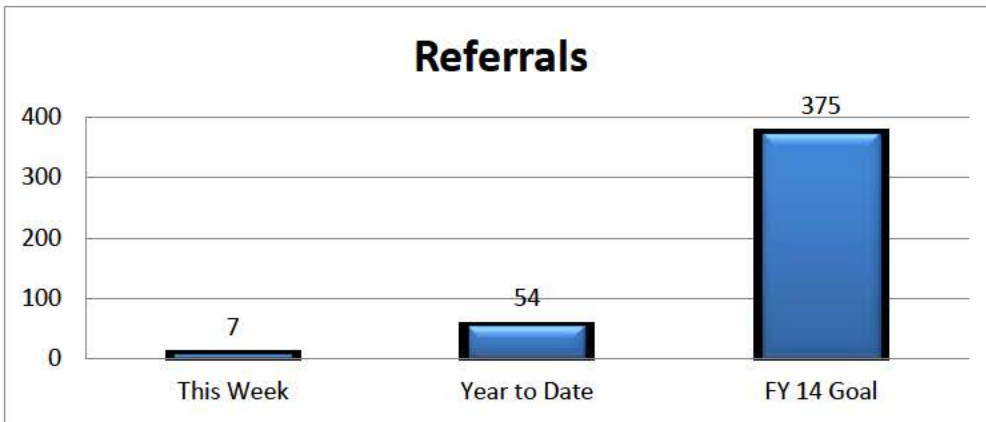
[REDACTED]

[REDACTED]

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - DECEMBER 6, 2013 - DECEMBER 12, 2013





JI Updates

December 13, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)
[REDACTED]
[REDACTED] I11W2425)

(b) (7)(A)
[REDACTED]
[REDACTED] /I12W3895)

(b) (7)(A)
[REDACTED]
[REDACTED] I13H4336)

Boston (JI-1)

(b) (7)(A)
[REDACTED] /I1314456)

During the week of December 16, 2013, SA (b) (6), (b)(7)(C) and a special agent from Army CID are tentatively scheduled to interview (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Tricore, Incorporated. (b) (6), (b)(7)(C) allegedly submitted false certifications to GSA and the Army reflecting that Tricore paid its subcontractors, when in fact they did not. (DMA/Fraud/I1314473)

On December 17, 2013, SA (b) (6), (b)(7)(C) will attend the Bank Secrecy Act Working Group meeting being held at the U.S. Attorney's Office in Portland, ME.

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)
[REDACTED]



JI Updates

December 13, 2013

(b) (7)(A)

/11132498)

Atlanta (JI-4)

(b) (7)(A)

H14H4990)

Chicago (JI-5)

(b) (7)(A)

12H4075)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

(b) (7)(A)

/10800042)



JI Updates

December 13, 2013

Internal Operations

Hotline

Hotline Contacts – 50

Hotline Referrals – 13

Investigations

Nothing significant to report

JI-B

FAR

The Investigations Operations Division received one new disclosure from (b) (3) (A), (b) (7) (C), a GSA Schedule contract holder selling audio, web and video conferencing, video equipment, training and support. The disclosure involves unreported price reductions and other unspecified overbillings.

To date, the Investigations Operations Division has received 122 disclosures.

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: WEX FRAUD- Department of Labor - (b) (7)(A), Glenmont, NY
Case #: 11324691
Case Agent: SA (b) (6), (b)(7)(C), JI-2

(b) (7)(A)

(b) (7)(A)

This case is being prosecuted by (b) (6), (b)(7)(C), Assistant District Attorney, Albany County, New York.

BACKGROUND:

(b) (7)(A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)
600 Arch St., Room (b) (6), (b)(7)(C)
Philadelphia, PA 19106
(b) (6), (b)(7)(C) | F: (215)861-3560

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: Gemini Development Group Debarment

Case Number: I1253997

Case Agent: SA (b) (6), (b)(7)(C) JI-5

On December 11, 2013 Gemini Development Group was debarred by the GSA Suspension and Debarment Division. The debarment period will run through April 24, 2016

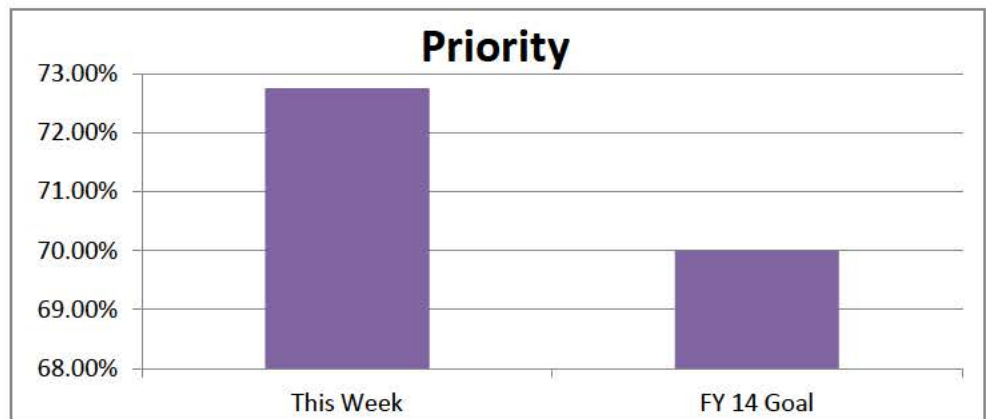
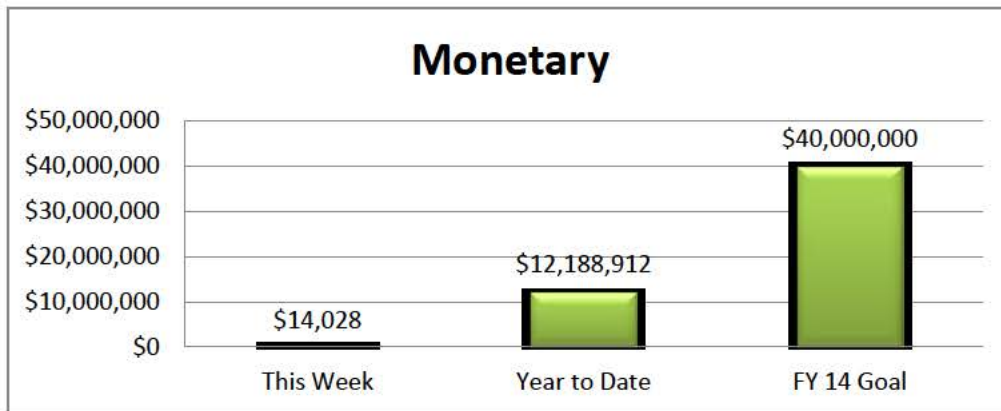
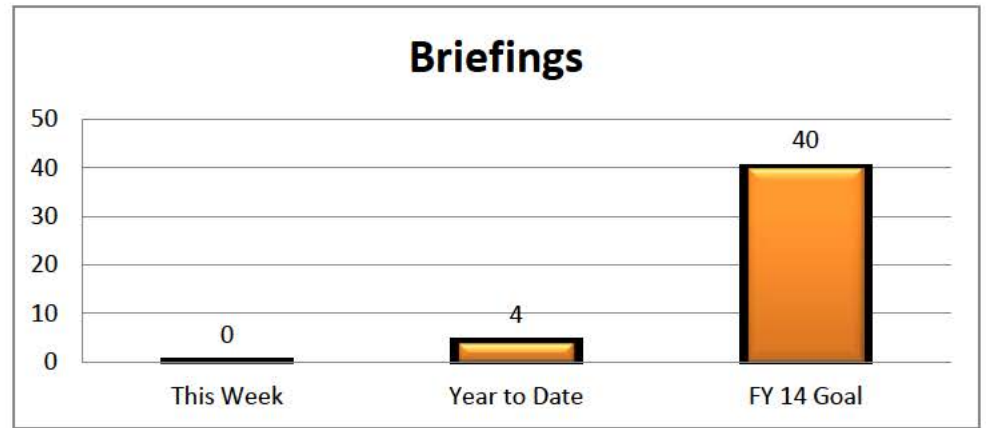
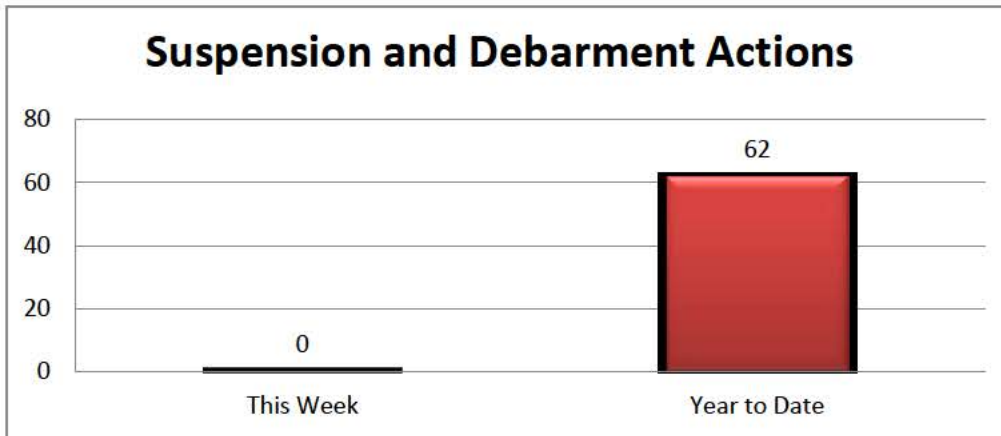
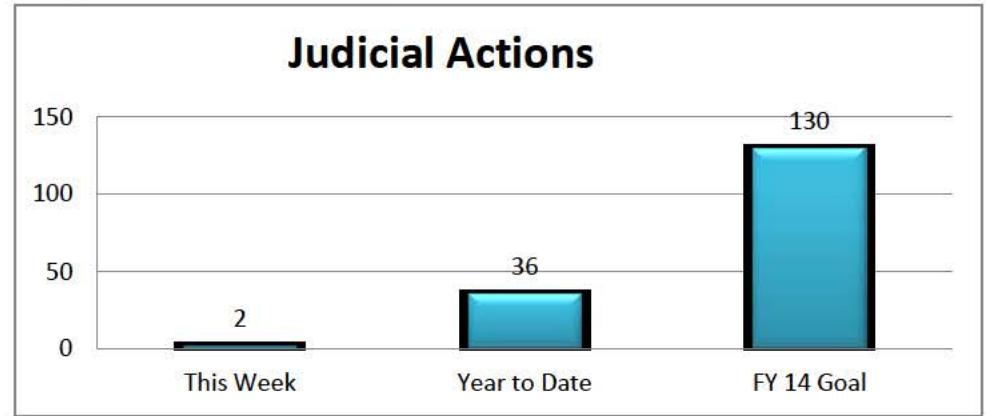
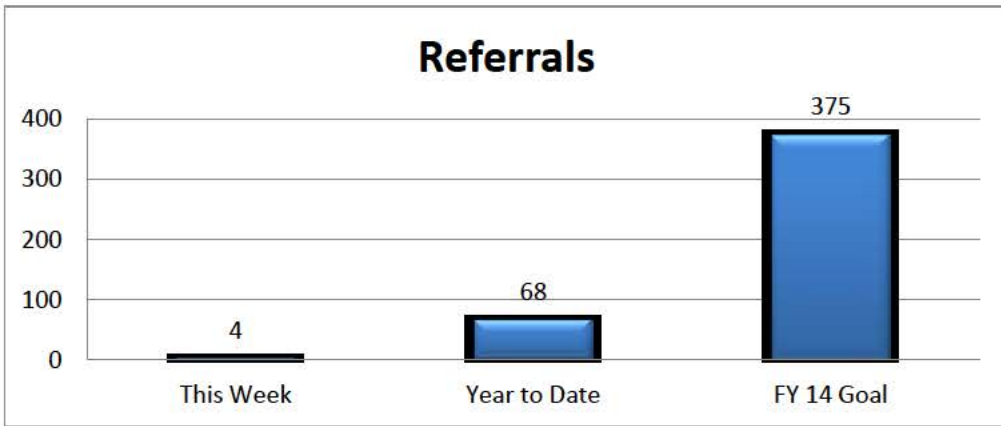
BACKGROUND:

The debarment was based upon the filing of an Information charging (b) (6), (b)(7)(C) (debarred), (b) (6), (b)(7)(C) (debarred) and (b) (6), (b)(7)(C) (debarred), principals of Gemini Development Group in connection with Cuyahoga County public corruption investigation. The principals of Gemini Development have all pled guilty and have been sentenced. Gemini Development Group received government contracts because the above acted improperly in connection with their performance of duties on behalf of Gemini Development Group pursuant to the FAR 9.406-5(a).

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - DECEMBER 13, 2013 - DECEMBER 19, 2013





JI Updates

December 20, 2013

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/113W3886)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report



JI Updates

December 20, 2013

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 60

Hotline Referrals – 8

Investigations

Nothing significant to report

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 122 disclosures.

Law Enforcement Sensitive

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: (b) (7)(D)
Case Agent: Branch Chief (b) (6), (b)(7)(C), JIB-C

On December 12, 2013, (b) (7)(D) executed a settlement agreement with GSA in the amount of \$1,210,266.00 to resolve overpayments made by federal customers under the Company's GSA Multiple Award Schedule Contract (b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a criminal violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.



The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: (b) (6), (b)(7)(C), Counsel to the IG, (b) (6), (b)(7)(C), Audits, Branch Chief (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C).

For information regarding this Significant Item, please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)
email (b) (6), (b)(7)(C) @gsaig.gov

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C), CW2, U.S. ARMY - ORLANDO, FLORIDA

Case #: 112M3099

Case Agent: SA (b) (6), (b)(7)(C) JI-4

On December 16, 2013, (b) (6), (b)(7)(C) entered a guilty plea in the Middle District of Florida (MDFL) for one Count of 18 USC 1349 Wire Fraud. As part of the negotiated plea, (b) (6), (b)(7)(C) has also agreed to forfeit over \$4.5 million to the U.S. Government.

This is a joint investigation by GSA OIG, FBI, JTTF and Army CID MPFU. This case is being prosecuted by AUSA (b) (6), (b)(7)(C) MDFL.

BACKGROUND

This investigation was predicated from an audit conducted by the Army's 79th Sustainment Support Command, California, in September 2011. The audit revealed a number of unauthorized purchases from the GSA Advantage System utilizing the Army's DoDAAC number. A review of delivery receipts and the GSA Advantage customer information system, order history, disclosed that goods were shipped to various addresses controlled by (b) (6), (b)(7)(C). Review of the GSA Advantage customer information database also revealed that (b) (6), (b)(7)(C) fraudulently obtained over \$10.5 million in goods.

On January 2012, (b) (6), (b)(7)(C) began cooperating with law enforcement and admitted to fraudulently purchasing goods on the GSA Advantage website and reselling the items since approximately August 2010. (b) (6), (b)(7)(C) arranged for the stolen items to be shipped directly from the vendors to (b) (6), (b)(7)(C) residence. Upon receiving the merchandise, (b) (6), (b)(7)(C) would sell the items at local swap meets, flea markets, or through free online classified advertisements posted on Craigslist.

During the month of December, 2010, (b) (6), (b)(7)(C) was contacted by (b) (6), (b)(7)(C) regarding power tools that (b) (6), (b)(7)(C) had listed for sale on Craigslist. Soon after, (b) (6), (b)(7)(C) met (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) who were interested in purchasing fraudulently obtained products from GSA Advantage. (b) (6), (b)(7)(C) sold the (b) (6), (b)(7)(C) computer related items and power tools that (b) (6), (b)(7)(C) obtained from the GSA Advantage website.

After the fraudulent scheme was uncovered in 2011, the GSA OIG, FBI and the USAO MDFL coordinated undercover purchases and controlled deliveries of products requested by the (b) (6), (b)(7)(C) from GSA Advantage.

On May 14, 2013, a Criminal Complaint was filed in the MDFL against (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) charging them with one Count of 18 USC 371 Conspiracy. On May 16, 2013, H. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) surrendered to U.S. Marshalls in the MDFL.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of the Inspector General

Southeast Regional Investigations Office

Atlanta, Georgia

(b) (6), (b)(7)(C)



U.S. General Services Administration
Office of Inspector General

September 8, 2014

Re: Freedom of Information Act Request (OIG Tracking Numbers 14-037)

This is a follow-up response letter to your request dated June 1, 2014 in which you requested “a copy of the GSA OIG Weekly Activity Reports for the time period January 1, 2011 through the present.” In response to a June 12, 2014, e-mail from OIG Senior Counsel Eric Miller, you agreed to narrow your request to weekly summaries for the Office of Investigations during the time period January 1, 2012 to the present.

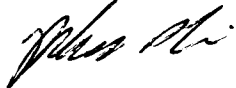
Enclosed are the 2012 weekly summaries for the GSA Office of Investigations, which we are releasing to you under the FOIA, with certain information withheld under Exemptions 3(A), 6, 7(A), 7(C) and 7(D) of the FOIA. Because of the large volume of cases responsive to your request, we are releasing the 2012 weekly reports to you today, and we will release the 2013 weekly reports as soon as is practicable. Information redacted under Exemptions 6 and 7(C) pertains to individuals other than yourself. Release of the information redacted pursuant to Exemption 6 of the FOIA, 5 U.S.C. §522 (b)(6), would constitute a clearly unwarranted invasion to the personal privacy of the persons mentioned in the records. Release of information redacted pursuant to Exemption 7(C) of the FOIA, 5 U.S.C. §522 (b)(7)(C), would constitute an unwarranted invasion of the personal privacy of the persons mentioned in the records. Exemption 7(A) of the FOIA, 5 U.S.C. §552 (b)(7)(A), protects from disclosure records compiled for law enforcement proceedings, the disclosure of which could reasonably be expected to interfere with enforcement proceedings. Also, Exemption 7(D) of the FOIA, 5 U.S.C. §(b)(7)(D), was applied because release of the information could reasonably have been expected to disclose the identity of a confidential source, including a State, local, or foreign agency or authority of any private institution which furnish information on a confidential basis. Finally, Exemption 3(A) of the FOIA, 5 U.S.C. § 552(b)(3)(A), protects information specifically exempted from disclosure by a statute that requires that the information be withheld from public disclosure, specifically, the *qui tam* provisions of 31 U.S.C. §§ 3729 and 3730.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirement of the FOIA. See 5 U.S.C. §552© (2006 & Supp. IV (2010)). This response is limited to those records that are subject to the requirement of the

FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not exist.

You have the right to appeal for disclosure of any undisclosed information by writing to the Freedom of Information Act Officer, Office of the Inspector General, General Services Administration, 1800 F Street, NW, Room 5326, Washington, D.C. 20405, within 120 days of your receipt of this letter. The appeal must be in writing and contain a statement or reasons for the appeal. Please enclose copies of your initial request and this response. The envelope and letter should be clearly marked as a "Freedom of Information Act Appeal."

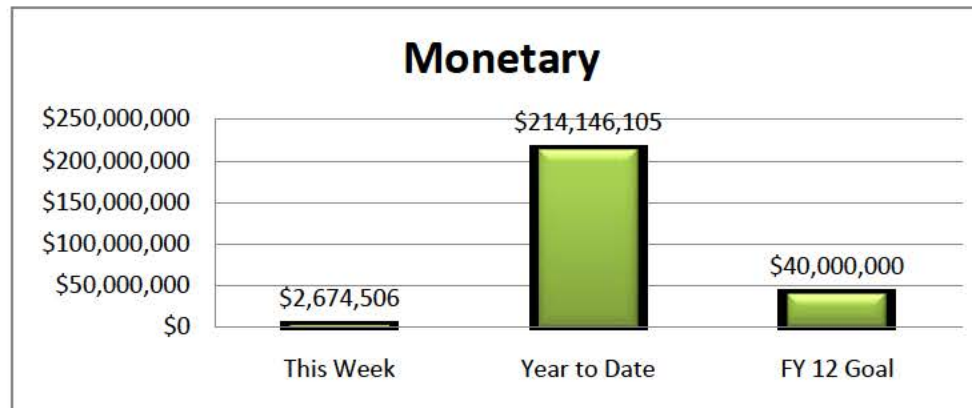
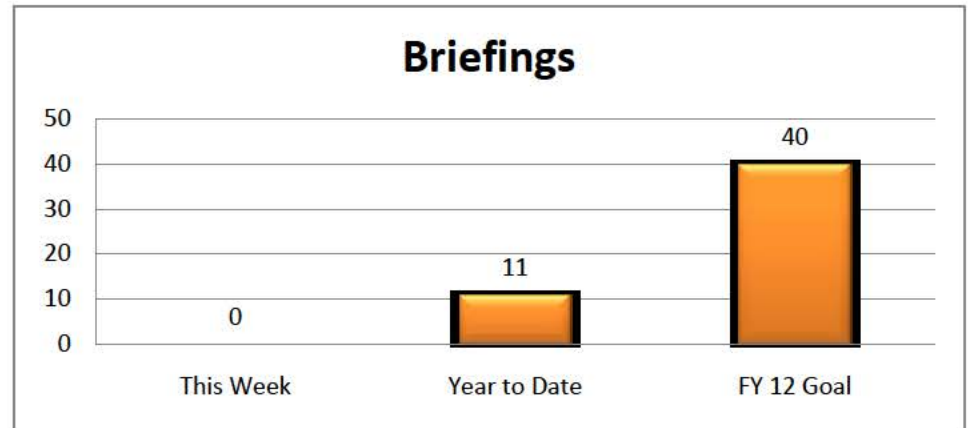
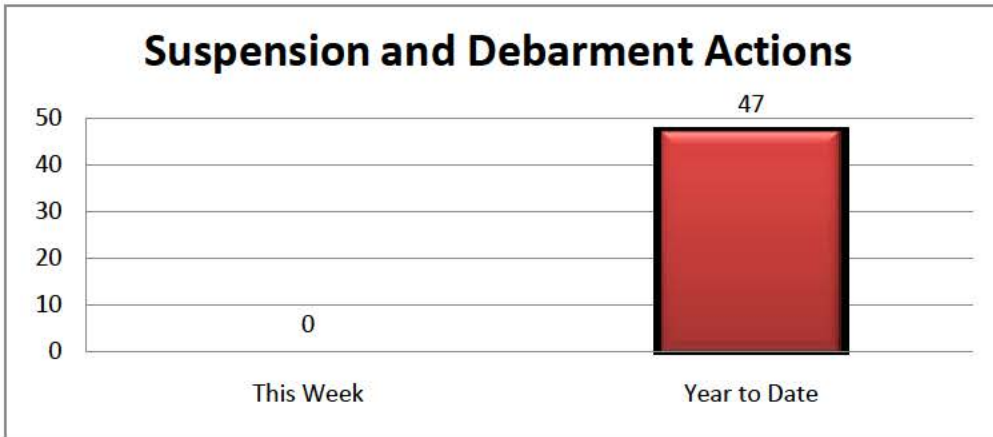
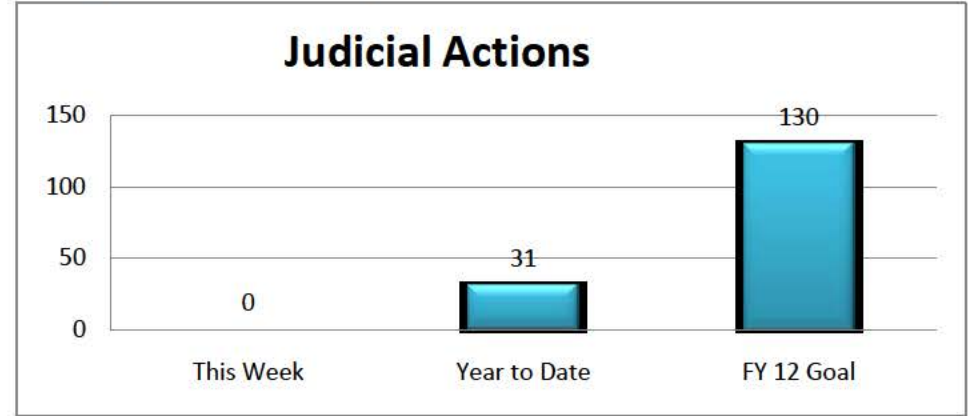
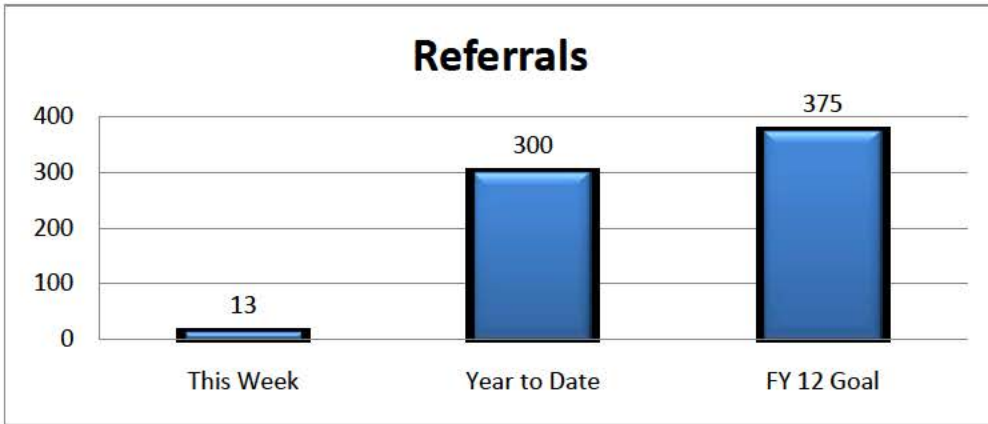
Sincerely,

A handwritten signature in black ink, appearing to read "Richard P. Levi".

Richard P. Levi
Counsel to the Inspector General
(FOIA Officer)

Attachments

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - DECEMBER 30, 2011 - JANUARY 5, 2012





JI Updates

December 16, 2011

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

(b) (7)(A) /111W2295)

On January 9, 2012, (b)(7)(C), (b) (6), a GSA employee, is scheduled for a proffer meeting at DOJ, in Washington, D.C. (b)(7)(C), (b) (6) was approached by SAs and interviewed about accepting possible bribe payments. (WDC/Criminal/I10W0106)

Boston (JI-1)

(b) (7)(A)

(b) (7)(A) /11010856)

New York (JI-2)

JI-2 has nothing significant to report

Philadelphia (JI-3)

JI-3 has nothing significant to report

Atlanta (JI-4)

JI-4 has nothing significant to report

Chicago (JI-5)

JI-5 has nothing significant to report

Kansas City (JI-6)

On January 12, 13, 2012, SA (b)(7)(C), (b) (6) will attend and participate in a proffer meeting regarding CJMS. (EDMO/Fraud/I1160742)

(b) (7)(A)

(b) (7)(A) /1040114)

(b) (7)(A)

/1162767)

Denver (JI-8)

JI-8 has nothing of significance to report.



JI Updates

December 16, 2011

Dallas/FT Worth (JI-7)

On January 10, 2012, SA [REDACTED] will attend the sentencing of (b) (6), (b)(7)(C) for violating 18 USC 1029. (b) (6), (b)(7)(C) will be sentenced by U.S. District Court Judge [REDACTED] (WDTX/Access Device Fraud/10970736)

San Francisco (JI-9)

(b) (7)(A)
[REDACTED]
(11292047, (b) (7)(A)

Auburn (JI-10)

On January 9, 2012, SA [REDACTED] will attend a pretrial motion hearing at the U.S. District Court, EDWA, in Yakima, WA, for the matter of US v [REDACTED]. A potential outcome of the hearing is a change in plea by [REDACTED] from not guilty to guilty. (EDWA/FLEET Card Fraud/11102458)

(b) (7)(A)

(b) (7)(A) /11000606)

On January 11, 2012, SA [REDACTED] will attend a meeting at the U.S. Attorney's Office (Boise, ID) to discuss a possible plea agreement for one of the subjects of the investigation. The meeting will be headed by AUSA (b)(7)(C), (b) (6). Also attending this meeting will be representatives from the SBA OIG, VA OIG, DOD OIG, DOI OIG, IRS CI, and defense counsel. (DID/Fraud/11000226)

FAR

The Investigations Operations Division received one new FAR disclosure this week from (b) (7)(D) (b) (7)(D). To date, we have received a total of 53 disclosures.

ARRA CASE DATA:

Total Allegations Received:	38
Allegations Open:	7
Allegations closed without action:	13
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	4
Number of Open V Actions:	13
Number of Open Z Actions:	6
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

SIGNIFICANT ITEM

Case Title: [REDACTED]

Case No: I1050061

Case Agent: SA (b) (6), (b)(7)(C)

(b) (7)(A)

BACKGROUND

(b) (7)(A)

/s/ (b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (JI-5)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

Case Title: Alleged Extortion of GSA PBS Contractor: Secure USA Incorporated at
FOB 290 Broadway, NY
Case Number: 11020900
Case Agent: (b) (6), (b)(7)(C)

On December 5, 2011, (b) (6), (b)(7)(C), Cement Mason/Finisher, (b) (6), (b)(7)(C), entered into a Non-Prosecution Agreement with the Office of the District Attorney of the County of New York. As part of the Non-Prosecution Agreement, (b) (6), (b)(7)(C) paid restitution in the amount of \$500.

BACKGROUND

This case was initiated based on information received on September 14, 2010, from the DOL OIG, Office of Labor Racketeering and Fraud Investigations (OLRFI) regarding an investigation into extortion threats made to GSA PBS contractor Secure USA Incorporated (Secure), for work being performed at the 290 Broadway Federal Office Building (FOB), New York, NY. The threats were made by (b) (6), (b)(7)(C), Cement Mason/Finisher, (b) (6), (b)(7)(C) who at the time of the incident identified (b) (6), (b)(7)(C) as a Union Organizer with Union Local 780, Cement Mason Union. (b) (6), (b)(7)(C) approached a Secure foreman at the project site and told the foreman that as a union member of Local 780, (b) (6), (b)(7)(C) was entitled to be hired for the job or paid \$500 per day if (b) (6), (b)(7)(C) was not hired. Additionally, (b) (6), (b)(7)(C) threatened the foreman by stating (b) (6), (b)(7)(C) had the ability to prevent concrete from being delivered to the work site, which would effectively shut down the project. The work being performed at the FOB by Secure was under GSA contract GS-02P-02-PLC-0021 for the installation of perimeter security barriers valued at approximately \$512,000.

(b) (7)(E)

On October 21, 2010, special agents interviewed (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) residence where (b) (6), (b)(7)(C) acknowledged that taking money for the 290 FOB project, without legitimately being involved with the project or actually doing any work on the project, was wrong.

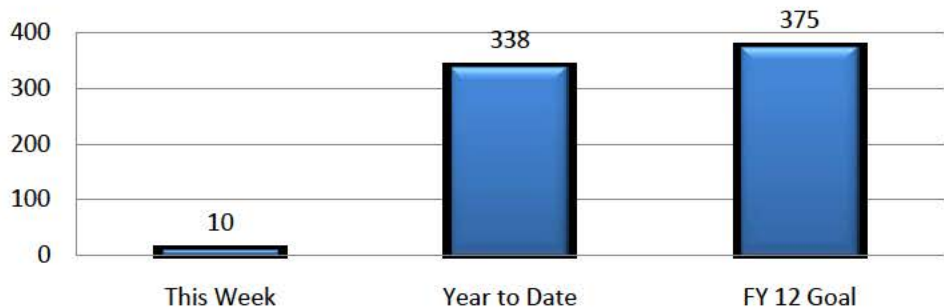
This case was prosecuted by Assistant District Attorney (b) (6), (b)(7)(C), New York County District Attorney's Office, (b) (6), (b)(7)(C).



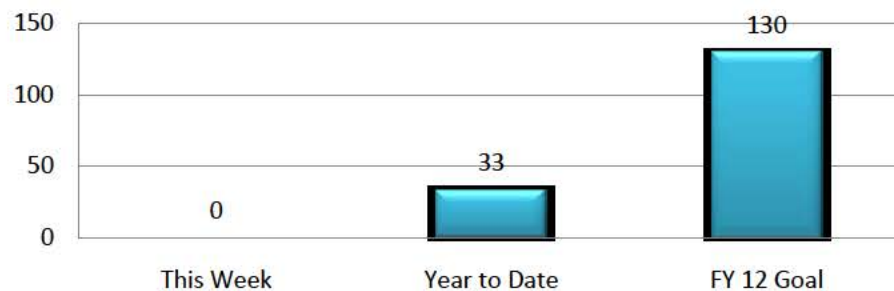
(b) (6), (b)(7)(C)
SPECIAL AGENT IN CHARGE
GSA/OFFICE OF INSPECTOR GENERAL
MID-ATLANTIC REGIONAL INVESTIGATIONS OFFICE
PHILADELPHIA, PA
(b) (6), (b)(7)(C) OFFICE
(215) 861-3560 FAX

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JANUARY 13, 2012 - JANUARY 19, 2012

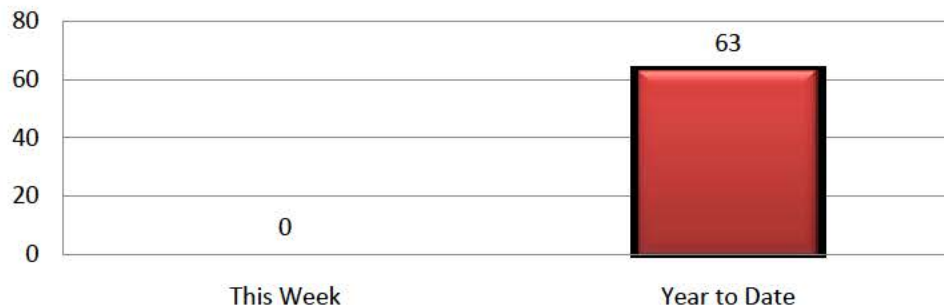
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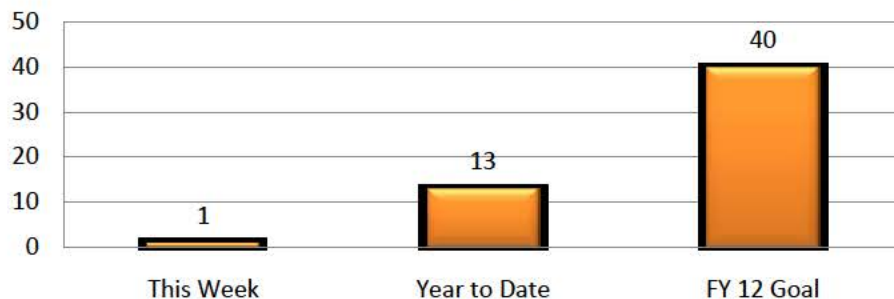
Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

January 20, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On January 26, 2012, (b)(7)(C), (b) (6), a GSA employee, is scheduled for a proffer session at DOJ, in Washington, D.C. Recently, (b)(7)(C), (b) (6) was approached by SAs and interviewed about accepting possible bribe payments. (WDC/criminal/110W0106)

(b) (7)(A)

(b) (7)(A)

11W2425)

Boston (JI-1)

On January 25, 2012, SA (b) (6), (b)(7)(C) will be meeting with an AUSA, a DOJ attorney, a JC attorney, and counsel to Ward Diesel in Washington, D.C. to continue discussions regarding a possible civil settlement in a qui tam suit. Ward Diesel holds a GSA MAS contract for the provision of firefighting equipment to government agencies and is alleged to have violated the defective pricing clause and/or price reduction clause of their GSA contract. (DNH/Fraud/11010491)

New York (JI-2)

On January 23, 2012, SA (b) (6), (b)(7)(C) will report to headquarters to begin his detail assignment to JI-I.

Philadelphia (JI-3)

(b) (7)(A)

11020748)

Atlanta (JI-4)

On January 25, 2012, SA (b) (6), (b)(7)(C) will attend a sentencing hearing in the NDGA for (b) (6), (b)(7)(C), USPS employee, before the Honorable (b) (6), (b)(7)(C). In November 2011, (b) (6), (b)(7)(C) pled guilty to violating one count of 18 USC 641, Theft of Government Property, for fraud related to a GSA purchase card. (NDGA/Theft/11142330)

Chicago (JI-5)

During the week of January 23, 2012, a pro-active investigation will be initiated by JI-5 based on the development of issues involving alleged violations of the Sherman Antitrust Act regarding the Gypsum wall board industry (drywall) by U.S. and foreign manufacturers. This investigation is being led by the DOJ Antitrust Division in Cleveland, Ohio. Based on discussions with



JI Updates

January 20, 2012

Antitrust Trial Attorneys, it is desired that informants will be developed who can report on collusive, price fixing schemes among competitors. (NDO/Antitrust/proactive)

For the period of January 22, 2012 to February 3, 2012, SA [REDACTED] will be attending the Inspector General Undercover Investigations Training Program.

Kansas City (JI-6)

January 23, 2012 through January 24, 2012, SA [REDACTED] along with SAs from JI-9, plan to arrest [REDACTED] at [REDACTED] residence in Granite Bay, CA. (DOJ/Fraud/I0960379)

Denver (JI-8)

During the week of January 23, 2012, SAs [REDACTED] and [REDACTED] will interview [REDACTED], GSA sales manager, Region 8, Property and Utilization, regarding [REDACTED] previous interim assignment as [REDACTED] of the GSA, National Firearms Program. Recent information reflects the current program manager dispensed advice regarding disposal of federal firearms which is contrary to the FAR. (Administrative/Z12D3257)

Dallas/FT Worth (JI-7)

Nothing significant to report.

San Francisco (JI-9)

During the week of January 23, 2012, SAs [REDACTED] will support SA [REDACTED] in arresting an individual located in the Sacramento, CA area. The individual is one of multiple subjects in a JI-6 contract fraud investigation. (I0960379)

During the week of January 23, 2012, ASAC [REDACTED] SA [REDACTED] and/or SA [REDACTED] will attend a procurement fraud working group meeting hosted by the USAO SDCA.

Auburn (JI-10)

Nothing significant to report.

Headquarters

JI-1

[REDACTED]

[REDACTED] (I12H2565)



JI Updates

January 20, 2012

JI-B

HOTLINES

(b) (7)(A)

/H1203334)

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 53 disclosures.

ARRA

On January 25, 2012, SA (b) (6), (b)(7)(C) and the assigned AUSA will attend a presentation given by the Compliance Officer for Bovis Lend Lease Inc. The purpose of the presentation is to advise the USAO of the compliance procedures implemented by Bovis to prevent future MBE and time card fraud violations on federally and state funded construction projects. (EDNY/False Claims/I0920875)

ARRA CASE DATA:

Total Allegations Received:	38
Allegations Open:	7
Allegations closed without action:	13
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	4
Number of Open V Actions:	13
Number of Open Z Actions:	6
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

SIGNIFICANT ITEM

Case Number: I1070942

Case Title: Army Recruiter [REDACTED] - Sexual Assault of a Minor

Case Agent: SA [REDACTED]

On January 9, 2012, in Tarrant County Criminal District Court, State District Judge [REDACTED] sentenced former Staff Sergeant [REDACTED] to 8 years in prison for sexually assaulting a minor child in violation of Texas Penal Code (TPC) 22.011 (a) (2). [REDACTED] was also ordered to pay \$634.00 in court costs.

BACKGROUND

The Hurst Police arrested [REDACTED] in September 2010 after a witness called police to report what looked like a sexual assault after seeing two people in a GSA vehicle parked in a mall parking garage. JI-7 was notified of the incident and was requested to assist the Hurst Police, and the Tarrant County District Attorney's Office to process and inventory the GOV crime scene. JI-7 obtained [REDACTED] government laptop for forensic analysis to determine if there were additional victims. On January 9, 2012, JI-7 was notified that [REDACTED] pled guilty in Court to TPC 22.044(a) (2), Sexual Assault of a Child Under 17 Years of Age, a Second Degree Felony.

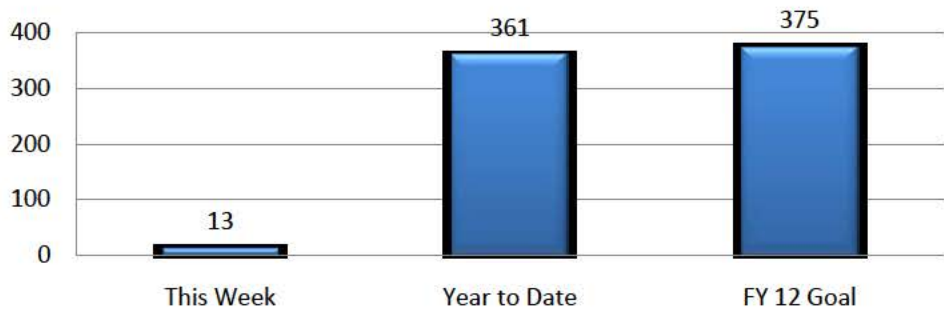
[REDACTED]

Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room [REDACTED]

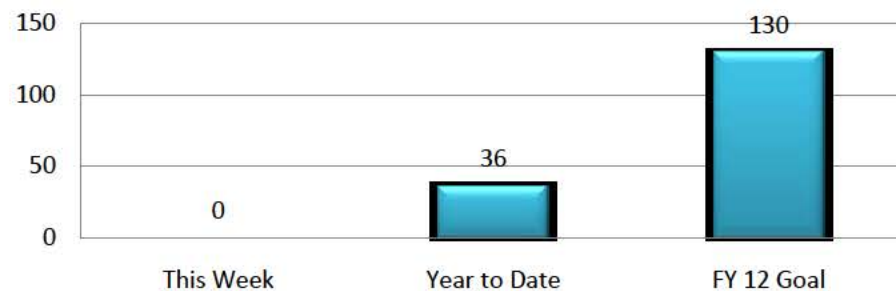
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OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JANUARY 20, 2012 - JANUARY 26, 2012

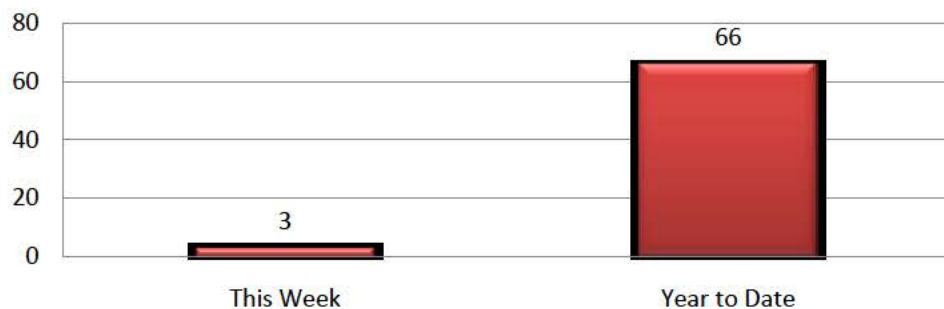
Referrals



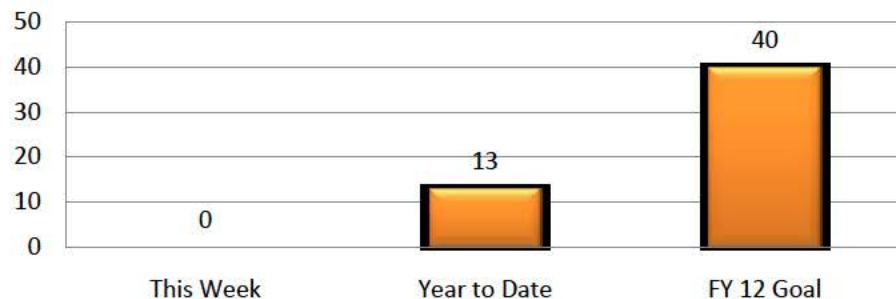
Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

January 27, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On January 26, 2011, SA (b) (6), (b)(7)(C) will be obtaining an arrest warrant for (b) (6), (b)(7)(C) in U.S. District Court, Greenbelt, MD. (b) (6), (b)(7)(C) stole FLEET CC G41 3816K and is responsible for over \$1500 in purchases. SA (b) (6), (b)(7)(C) plans to execute the warrant during the week of January 30, 2012. (SDMD/FLEET CC Fraud/I12W3349)

(b) (7)(A)

I/I11W2425)

On February 1, 2012, SA (b) (6), (b)(7)(C) will attend the sentencing for (b) (6), (b)(7)(C), Navy, in U.S. District Court, Greenbelt, MD. (b) (6), (b)(7)(C) plead guilty to theft of government funds involving a FLEET CC. (SDMD/FLEET CC Fraud/I11W2842)

On February 3, 2012, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will be meeting with SAUSA (b) (6), (b)(7)(C) at the USAO in Greenbelt, MD. The meeting is in preparation for the upcoming trial against (b) (6), (b)(7)(C). (SDMD/Assault/I11W3009)

Boston (JI-1)

On January 27, 2012, SAC (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) are scheduled to meet with the DOJ Antitrust Division Chief, New York, NY, to present a case on suspected procurement integrity violations. (DMA/Fraud/I1112509)

During the week of January 30, 2012, SA (b) (6), (b)(7)(C) and an AUSA with the USAO, District of Massachusetts is tentatively scheduled to offer a proffer to one of the subject's of B&J Multi-Service Corporation. The investigation involves violations of the SDVOSB program by B&J. (DMA/Fraud/I1010156)

On February 1, 2012, SAC (b) (6), (b)(7)(C) and/or SA (b) (6), (b)(7)(C) will attend a meeting with the U.S. Attorney at the USAO, District of Maine.

On February 1, 2012, an AUSA, an investigator assigned to the USAO, and SA (b) (6), (b)(7)(C) will be interviewing a GSA Industrial Operations Analyst in Boston, MA regarding several Contractor Assistance Visits (CAVs) made to Ward Diesel from 2001 to the present. A JC attorney and a DOJ attorney will be participating telephonically. In preparation for this meeting, SA (b) (6), (b)(7)(C) will be meeting with the AUSA and the USAO investigator on January 31, 2012 in Concord, NH. Ward Diesel is a GSA MAS contractor and is alleged to have violated the defective pricing and/or price reduction clause of their contract. (I1010491/DNH/Fraud)



JI Updates

January 27, 2012

New York (JI-2)

Nothing significant to report.

Philadelphia (JI-3)

(b) (7)(A)

(b) (7)(A)

Atlanta (JI-4)

During the week of January 30, 2012, ASAC (b) (6), will meet with representatives from the FBI, JTTF, Army MPFU, Commerce OIG and USAO Middle District of Florida to coordinate the investigative activities and (b) (6), 's continued cooperation with the investigation. (MDFL/Theft/I12M3099) (b) (7)

During the week of January 30, 2012, SA (b) (6) will participate in a teleconference with (b) (7)(C), (b) (6) General Attorney, Real Property Division, FAS, GSA, and (b) (7)(C), (b) (6), Regional Counsel, GSA, regarding the status of the damage claims filed against the Clark Construction Group for the improper construction of the Sam Gibbons Federal Courthouse, Tampa, Florida. (MDFL/False Claims/I1142729)

On January 27, 2012, SAC (b) (6), will participate in a teleconference with (b) (6), (b) (7), Trial Attorney, DOJ, (b) (6), (b) (7)(C) AUSA, MDL Civil Division, and Army CID MPFU, regarding the ongoing qui tam investigation. (MDFL/Qui Tam/I0940681)

Chicago (JI-5)

(b) (7)(A)

(b) (7)(A)
1070019)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report.

Dallas/FT Worth (JI-7)

Nothing to report this week.



JI Updates

January 27, 2012

San Francisco (JI-9)

SA (b) (6), (b)(7)(C) is scheduled to participate in a teleconference with AUSA (b) (6), (b)(7)(C) and the relator's attorney concerning alleged false or fraudulent statements related to commercial pricing practices provided to GSA. (EDCA/Qui Tam/Z1293314)

SA (b) (6), (b)(7)(C) will facilitate the return of a New Deal lithograph by FAP commissioned artist Lawrence Homberg that is currently held by the Kern County (CA) library. The library agreed to return the lithograph to GSA. (CDCA/WPA/I1293042)

Auburn (JI-10)

(b) (7)(A)

/I0800042)

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 53 disclosures.

ARRA

(b) (7)(A)

I1152255)

ARRA CASE DATA:

Total Allegations Received:	39
Allegations Open:	7
Allegations closed without action:	14
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	4
Number of Open V Actions:	13
Number of Open Z Actions:	6
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

SIGNIFICANT ITEM

Case Title: Theft of Government Property: 201 Varick Street Federal Office Building, NY, NY.
Case Number: I1122731
Case Agent: (b) (6), (b)(7)(C)

On January 18, 2012, (b) (6), (b)(7)(C), Fire and Safety Director, for GSA Contractors LCOR and LB&B, appeared before U.S. District Judge (b) (6), (b)(7)(C), Southern District of New York, and pled guilty to a one-count Information charging (b) (6), (b)(7)(C) with violating 18 U.S.C. 641, Theft of Government Property. Sentencing is scheduled for May 22, 2012.

BACKGROUND

This investigation was initiated based on information provided by DHS FPS, 26 Federal Plaza, New York, NY, that GSA contract employee (b) (6), (b)(7)(C) was allegedly stealing government property from the GSA Federal Office Building (FOB) located at 201 Varick Street, New York, NY, since 2009 and selling the stolen property on eBay. The approximate value of the stolen property exceeds \$200,000. On January 13, 2009, Immigration & Customs Enforcement, Detention and Removal Office (ICE DRO), located at the FOB, reported to DHS FPS that sixty Avaya phones valued at \$30,000 went missing from an ICE DRO storage room located in the FOB. The investigation disclosed government property from other federal agencies was also being reported missing in the FOB. CCTV cameras installed in the FOB eventually captured (b) (6), (b)(7)(C) removing government property from the building and putting it into (b) (6), (b)(7)(C) privately owned vehicle. During the time of the thefts, (b) (6), (b)(7)(C) was employed as a Fire Safety Director for the FOB under a GSA contract. (b) (6), (b)(7)(C) position as Fire Safety Director allowed (b) (6), (b)(7)(C) access to the storage rooms from which the government property was stolen.

On June 15, 2011, a Criminal Complaint was filed in the U.S. District Court for the Southern District of New York (SDNY) charging (b) (6), (b)(7)(C) with violating 18 U.S.C. 641, Theft of Government Property. On this same date, an arrest warrant was issued for (b) (6), (b)(7)(C). On June 16, 2011, (b) (6), (b)(7)(C) was arrested without incident by DHS OIG and VA OIG agents. Additionally, JI-2, DHS OIG, VA OIG, and DHS FPS agents executed a search warrant at (b) (6), (b)(7)(C) residence in Bellmore, NY. During the search of (b) (6), (b)(7)(C) residence, agents recovered government property belonging to several federal agencies, including GSA.

This is a joint investigation with DHS OIG, VA OIG, and DHS FPS. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), USAO SDNY.



(b) (6), (b)(7)(C)

SPECIAL AGENT IN CHARGE
GSA/OFFICE OF INSPECTOR GENERAL
MID-ATLANTIC REGIONAL INVESTIGATIONS OFFICE
PHILADELPHIA, PA
(b) (6), (b)(7)(C) OFFICE
(215) 861-3560 FAX

SIGNIFICANT ITEM :

Case Title: DLT Solutions, Incorporated – Civil Case
Case Number: I0811682
Case Agent: SA (b) (6), (b)(7)(C). JI-1

On January 20, 2012, DLT Solutions, Incorporated (DLT), Herndon, Virginia responded to a demand letter and confirmed that \$257,591 in software training services were restored to government customers and those customers were notified they could take advantage of the training services. DLT had previously billed the government for software training services that were not provided.

BACKGROUND:

This case was initiated on July 22, 2008, based on information obtained through another JI-1 investigation that from January 11, 2001 to February 29, 2008, DLT billed the government for software training services that was not provided. Upon expiration, DLT retained federal funds it received for those services in violation of contractual and statutory prohibitions on prepayment and expiration of funds. (31 USC 3324)

DLT holds a GSA Group 70 FAS/MAS Contract, Number GS-35F-4543G, covering the period from June 1, 1997 to April 1, 2013. This contract provided training for software training and maintenance.

The DOJ, Commercial Litigation Branch, Washington, D.C., initially accepted this case; however, on April 16, 2010, they declined to pursue the case in favor of administrative action. JI-1 recommended the contracting officer issue a demand letter to DLT for the total amount that DLT retained from the government under their contract.

This matter was worked jointly with the Department of Agriculture OIG, and the Department of Commerce OIG.

Regards,

(b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
O'Neill Federal Office Building
10 Causeway St., Room (b) (6), (b)(7)(C)
Boston, MA 02222
Office: 617.565.6800
Direct (b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C)
Case #: 11142330
Case Agent: SA (b) (6), (b)(7)(C)

On January 25, 2012, in U.S. District Court, Northern District of Georgia, (b) (6), (b)(7)(C) was sentenced to six months in federal prison, six months of home confinement and three years of supervised release. (b) (6), (b)(7)(C) was also ordered to pay \$32,577 to the government in restitution and ordered perform 80 hours of community service. On November 3, 2011, (b) (6), (b)(7)(C) pled guilty to one count of 18 USC 641, Theft of Government Property.

This case was investigated by USPS OIG and GSA OIG. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), NDGA.

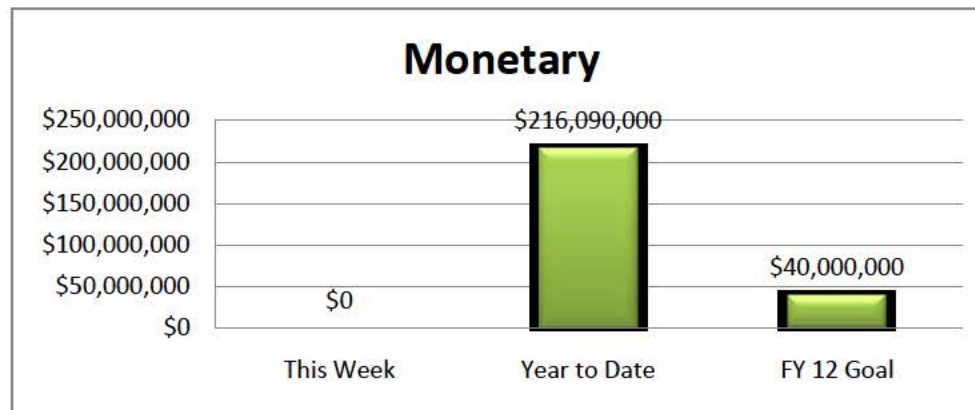
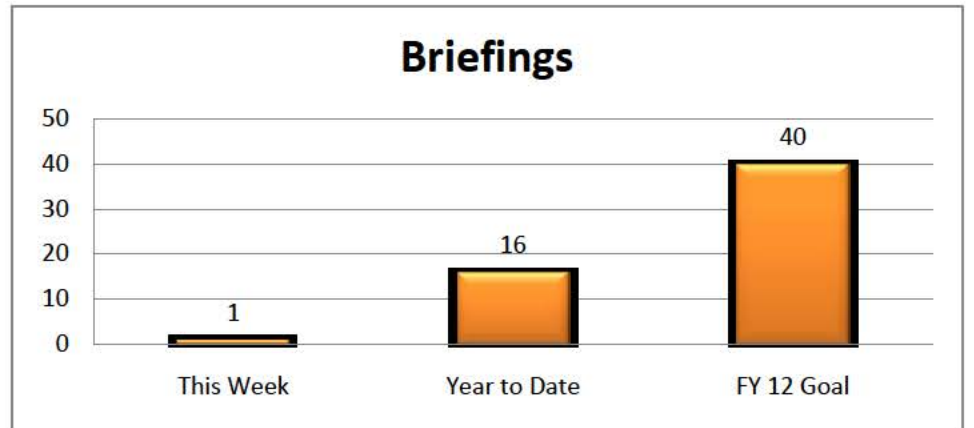
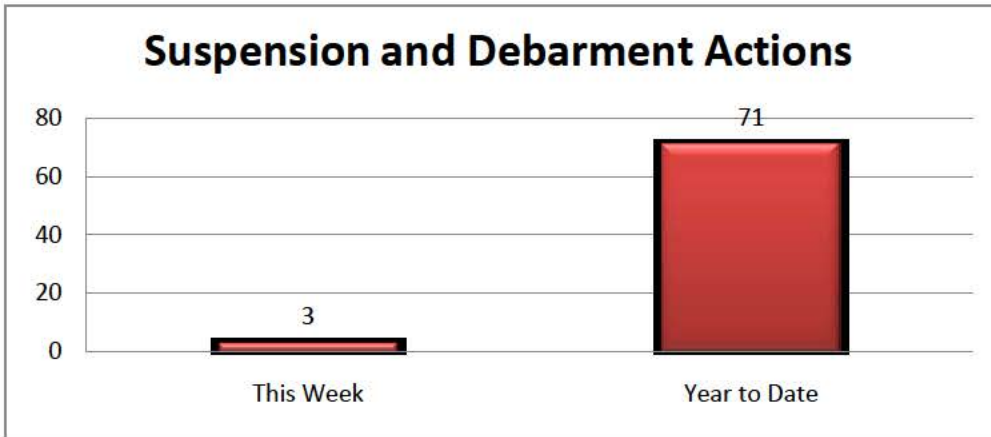
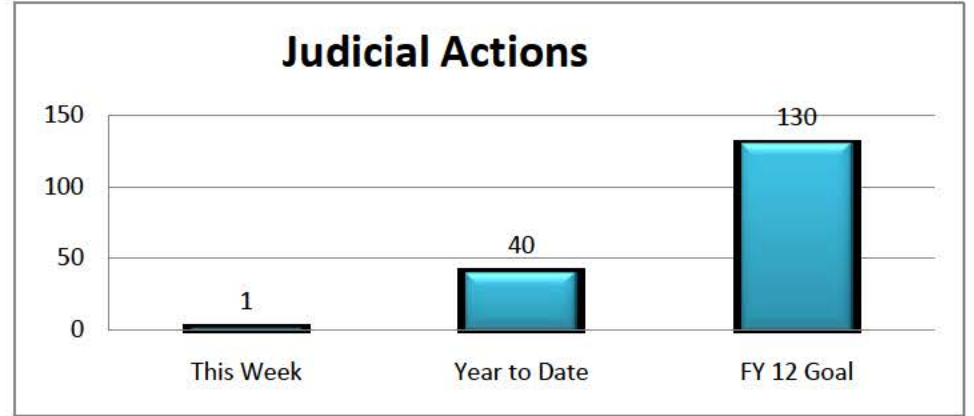
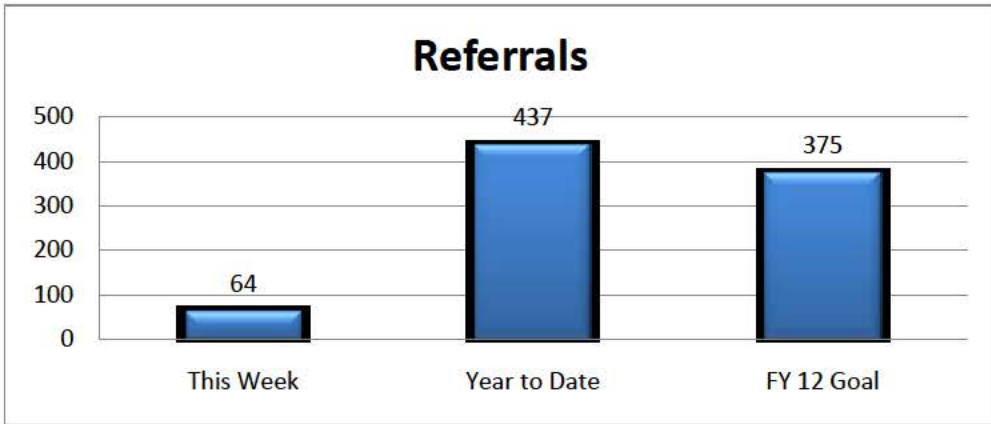
BACKGROUND

This investigation was initiated based on information received from the USPS OIG, indicating that between April 2010 and December 2010, (b) (6), (b)(7)(C), Contract Officer, USPS, used a GSA issued purchase card to make unauthorized purchases totaling over \$19,000.

The investigation also developed evidence that (b) (6), (b)(7)(C) used (b) (6), (b)(7)(C) authority as a USPS Contracting Officer to create fraudulent contract obligations and then make payments to (b) (6), (b)(7)(C) under the name of (b) (6), (b)(7)(C) company, Innovative Renovations & Construction. As a result of the false contract obligations and payments, (b) (6), (b)(7)(C) received over \$13,000 in fraudulent payments.

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JANUARY 27, 2012 - FEBRUARY 2, 2012





JI Updates

February 3, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report.

Boston (JI-1)

(b) (7)(A)

/11010856)

New York (JI-2)

Nothing significant to report.

Philadelphia (JI-3)

On February 7, 2012, SAC (b) (6), (b)(7)(C) will represent JI-3 during a facility security committee meeting for the William Green Federal Building, 600 Arch St., Philadelphia, PA.

Atlanta (JI-4)

Nothing significant to report.

Chicago (JI-5)

(b) (7)(A)

1070019)

On Thursday, February 9, 2012, SA (b) (6), (b)(7)(C) will travel with DOJ Antitrust attorneys in order to attend a meeting at the corporate headquarters of Home Depot, Inc., in Atlanta, Georgia. The purpose of the meeting is to discuss recent gypsum board price increases with Home Depot officials. This nationwide proactive investigation is being led by DOJ Antitrust in Cleveland, Ohio. (NDO/Antitrust/V1253387)

Kansas City (JI-6)

(b) (7)(A)

(b) (7)(A)

Fraud/1040114)



JI Updates

February 3, 2012

Denver (JI-8)

Nothing significant to report.

Dallas/FT Worth (JI-7)

Nothing significant to report.

San Francisco (JI-9)

During the week of February 6, 2012, ASAC (b) (6), (b)(7)(C) will attend a meeting at the USAO in San Diego, CA to assist in preparing indictments on two defendants in a multi-agency investigation concerning a bribery scheme involving U.S. Navy civilian personnel and GSA and U.S. Navy contractors associated with the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program at Naval Air Station North Island in San Diego. (SDCA/Bribery/I10L0762)

Auburn (JI-10)

On February 6, 2012, SA (b)(7)(C), (b) (6) and the AUSA will attend a sentencing hearing in the Western District of Washington (Tacoma) for (b)(7)(C), (b) (6). On October 28, 2011, (b)(7)(C), (b) (6) pled guilty to violating 18 USC 1029 and 18 USC 1163 due to (b)(6) involvement in the fraudulent use of a FLEET card and two (b)(7)(C), (b) (6) Indian Nation tribal credit cards. (WWA/FLEET Fraud/I1000252)

On February 8, 2012, (b) (6), (b)(7)(C), Owner of Construction Services Corporation, is scheduled for a proffer session at the U.S. Attorney's Office, Boise, ID. SA (b)(6), (b)(7)(C) will attend the meeting, which will be headed by AUSA (b) (6), (b)(7)(C). The SBA OIG, DOI OIG, IRS CI, and defense counsel will also be attending. (DID/Fraud /I1000226)

HOTLINES

Hotline received from (b) (6), (b)(7)(C) on behalf of (b) (6), (b)(7)(C) alleging Frontline Tactical Gear has the GSA Logo on its website and Frontline Tactical Gear does not have a GSA contract. (Referred to JI-4/H1243372)

Hotline received from (b) (6), (b)(7)(C) alleging Bio-Defense Research Group Incorporated has the GSA logo listed on its website. The website address is www.bdrigicom. Bio-Defense is located at 9250 Bendix Road North, Columbia, MD 21045. (b) (6), (b)(7)(C) alleges that (b)(6) called the telephone number on the website and it identified another company. (b) (6), (b)(7)(C) stated that Bio-Defense is not listed as having a GSA contract. (Referred to JI-W/H12W3371)

FAR

The Investigations Operations Division received four new FAR disclosures this week from (b) (7)(D) and (b) (7)(D). To date, we have received a total of 57 disclosures.



JI Updates

February 3, 2012

ARRA

(b) (7)(A)

/11253305)

(b) (7)(A)

/V1000710)

ARRA CASE DATA:

Total Allegations Received:	39
Allegations Open:	7
Allegations closed without action:	14
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	4
Number of Open V Actions:	13
Number of Open Z Actions:	6
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

Significant Item

Case Title: Debarment – (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) – Las Vegas, NV

Case Number: I1293104

Case Agent: (b) (6), (b)(7)(C)

On January 24, 2012, the GSA Suspension and Debarment Official (SDO) issued a Notice of Proposed Debarment to both (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C)

Background

On October 27, 2011, JI-9 recommended the GSA SDO consider debarring (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) based upon the following results of a joint JI-9 and VA OIG Fleet card misuse investigation:

- On August 1, 2011, U.S. District Judge (b) (6), (b)(7)(C), District of Nevada, Las Vegas, NV, found (b) (6), (b)(7)(C) a former VA employee, guilty of violating 18 U.S.C. § 371, *Conspiracy*, and 18 U.S.C. § 641, *Theft of Government Property*, (one count each) based on the terms of a May 3, 2011, plea agreement. Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to five years probation per count to run concurrently and ordered (b) (6), (b)(7)(C) to pay a \$200 special assessment fee and \$27,767.94 in restitution.
- On September 7, 2011, Judge (b) (6), (b)(7)(C) found (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) co-conspirator who was not affiliated with the U.S. Government, guilty of violating 18 U.S.C. § 371 and 18 U.S.C. § 641 (one count each) based on the terms of a May 12, 2011, plea agreement. Judge (b) (6), (b)(7)(C) also sentenced (b) (6), (b)(7)(C) to five years probation per count to run concurrently and ordered (b) (6), (b)(7)(C) to pay a \$200 special assessment fee and \$27,767.94 in restitution.
- Both Judgment Orders identified (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) jointly responsible for 100% of the restitution. In addition, the restitution is payable to the VA.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration Office of Inspector General

Pacific Rim Regional Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) : THEFT OF FLEET CARD G41-3816K
Case #: 112W3349
Case Agent: SA (b) (6), (b)(7)(C) ■ ■

On January 30, 2012, (b) (6), (b)(7)(C) was arrested without incident by JIW Special Agents. (b) (6), (b)(7)(C) was arrested in front of (b) (6), (b)(7)(C) residence, at (b) (6), (b) (7)(C), Capitol Heights, MD. The arrest warrant was issued in U.S. District Court in the Southern District of Maryland (Greenbelt), in violation of 18 U.S. 641, Theft of Government Property. The case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND

This case was initiated after SA (b) (6), (b)(7)(C) conducted a proactive search of WEXonline for FLEET credit cards (CC) assigned in the National Capital Region (Region 11). Information obtained through the search indicated a suspicious trend occurring on the FLEET CC assigned to G41 3816K. WEXonline indicated that G41 3816K was making multiple same day purchases in Prince George County, MD for gasoline, food and beverage. The FLEET CC was also repeatedly reporting an odometer of "1234".

SA (b) (6), (b)(7)(C) further developed the fraud scheme with the assistance of (b) (6), (b)(7)(C), GSA Loss Prevention. It was determined that G41 3816K was assigned to the U.S. Agency for International Development (USAID), 1300 Pennsylvania Ave NW, Washington, D.C. and that the FLEET CC was reported lost or stolen on December 28, 2011. As a result of a clerical error, the account remained active. The fraud lost associated to the FLEET CC is approximately \$2,500.

On January 19, 2012, JI-W SAs conducted surveillance at a Shell gas station located at 5017 Marlboro Pike, Capital Heights, MD. SAs observed a (b) (6), (b)(7)(C), approximately 5' 4" tall, with short black hair, arrive at the Shell gas station in a metallic green Chevrolet Malibu. The aforementioned (b) (6), (b)(7)(C) approached a Mazda 6 and used a FLEET CC to purchase gasoline. SAs approached the (b) (6), (b)(7)(C) and recovered the FLEET CC assigned to G41 3816K. The (b) (6), (b)(7)(C) was identified as (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C) stated (b) (6), (b)(7)(C) used the FLEET CC to fuel (b) (6), (b)(7)(C) personal vehicle, (b) (6), (b)(7)(C) friend's personal vehicles, and to purchase food and beverages. (b) (6), (b)(7)(C) stated (b) (6), (b)(7)(C) knew the FLEET CC belonged to "GSA", because "GSA" was written on the face of the card.

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

SIGNIFICANT ITEM

Case Title: GSA Employee (b) (6), (b)(7)(C) – False Statements

Case Number: I1053075

Case Agent: SA (b) (6), (b)(7)(C)

On January 24, 2012, (b) (6), (b)(7)(C) was debarred by the GSA Suspension and Debarment Office, Office of Acquisition Integrity.

BACKGROUND:

On Tuesday, March 2, 2010, Department of Homeland Security (DHS), Immigration Customs Enforcement (ICE), SA (b) (6), (b)(7)(C) contacted SA (b) (6), (b)(7)(C) in reference to an individual (b) (6), (b)(7)(C), who was having (b) (6), (b)(7)(C) U.S. Passport revoked at the Chicago O'Hare International Airport by the U.S. Department of State (DOS), Diplomatic Security Service (DSS). During screening, a Customs and Border Protection (CBP) officer discovered that (b) (6), (b)(7)(C) had a GSA laptop in (b) (6), (b)(7)(C) possession. (b) (6), (b)(7)(C) was returning from Beijing, China, and (b) (6), (b)(7)(C) final destination was Washington, D.C. SA (b) (6), (b)(7)(C) verified that (b) (6), (b)(7)(C) was a GSA employee, and went to O'Hare.

(b) (6), (b)(7)(C) was alleged to have fraudulently obtained (b) (6), (b)(7)(C) Naturalization Certificate from former U.S. Citizen and Immigration Services Manager (b) (6), (b)(7)(C), who pled guilty to (b) (6), (b)(7)(C) and Naturalization Fraud. (b) (6), (b)(7)(C) identified hundreds of individuals whom (b) (6), (b)(7)(C) provided immigration documents in exchange for money. The GSA laptop was sent it to ICE for forensic examination.

During the course of this investigation, (b) (6), (b)(7)(C) confirmed that (b) (6), (b)(7)(C) had paid (b) (6), (b)(7)(C) directly for (b) (6), (b)(7)(C) Naturalization Certificate. In addition, during an interview with (b) (6), (b)(7)(C), it was discovered that (b) (6), (b)(7)(C) also committed marriage fraud.

(b) (6), (b)(7)(C) used (b) (6), (b)(7)(C) fraudulently obtained Naturalization Certificate to obtain a U.S. Passport, and employment with GSA as an IT Specialist. On (b) (6), (b)(7)(C) application for employment, and (b) (6), (b)(7)(C) SF 85, (b) (6), (b)(7)(C) reported that (b) (6), (b)(7)(C) was a Naturalized Citizen.

On March 3, 2010, (b) (6), (b)(7)(C) was placed on administrative leave by GSA.

On November 12, 2010, a search warrant was executed at (b) (6), (b)(7)(C) residence, by DHS and GSA OIG agents from JI-5 and JI-W. Key documents including a (b) (6), (b)(7)(C) Naturalization Certificate, Marriage Certificate and Divorce Decree; and computer equipment covered under the search warrant were seized.

GSA OIG National Forensic Computer Coordinator (b) (6), (b)(7)(C) imaged the computer equipment, and sent it to GSA OIG SCERS Special Agent (b) (6), (b)(7)(C) for forensic examination. During (b) (6), (b)(7)(C) examination, (b) (6), (b)(7)(C) found supporting information in furtherance of (b) (6), (b)(7)(C) crime.

On May 20, 2011, (b) (6), (b)(7)(C) resigned from the U.S. General Services Administration (GSA) as a GS 14/4 Information Technology Specialist. On May 24, 2011, (b) (6), (b)(7)(C) signed a plea agreement to two-count criminal information charging (b) (6), (b)(7)(C) with Procurement of Citizenship or Naturalization Unlawfully and False Statements, in violation of Title 18, United States Code, Sections 1425 and 1001.

On July 25, 2011, a debarment referral was issued to the GSA Suspension and Debarment Office, Office of Acquisition Integrity.

On September 9, 2011, [REDACTED] appeared before Judge [REDACTED] the U.S. District Court for the Eastern District of Virginia. [REDACTED] was sentenced to 90 days Home Confined Electronic Monitoring, two years probation, \$200.00 Special Assessment fee and a fine of \$5,000. A [REDACTED] order was filed and [REDACTED] will self remove from the US.

/s/ [REDACTED]
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (JI-5)
Suite [REDACTED]
230 South Dearborn Street
Chicago, Illinois 60604
[REDACTED]
[REDACTED]@gsaig.gov

SIGNIFICANT ITEM

Case Title: Salvaged Vehicles – Title Washing

Case Number: I1070847

Case Agent: SA (b) (6), (b)(7)(C)

On January 10, 2012, U.S. District Court (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to 24 month imprisonment, and 3 years supervised release. The court ordered (b) (6), (b)(7)(C) to pay \$356.54 in restitution and a \$200.00 special assessment. (b) (6), (b)(7)(C) was ordered to surrender (b) (6), (b)(7)(C) by March 12, 2012. AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), Western District of Texas, prosecuted this case.

BACKGROUND

On August 18, 2010 (b) (6), (b)(7)(C), Deputy Director, Fleet Management Division, notified JI-7 that (b) (6), (b)(7)(C) office received information that salvaged vehicles being sold at GSA auctions as not for highway use, were obtaining clear titles through fraudulent means. As part of a joint investigation, JI-7 worked with the FBI, USPS Inspections, and the Texas DPS to identify GSA salvaged vehicles being sold with clear titles. It is alleged that between June 2009 and October 2010, the defendants, were associated with obtaining over 600 fraudulent vehicle titles issued by the Texas Department of Motor Vehicles.

On September 21, 2011, a federal jury in the Western District of Texas convicted (b) (6), (b)(7)(C) of two counts of mail fraud for knowingly receiving two fraudulently obtained Texas vehicle titles. Co-defendants (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C), had previously pled guilty. (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C) were sentenced in 2011.

On November 3, 2010, (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C) were indicted by a grand jury in the Western District of Texas. (b) (6), (b)(7)(C) of San Antonio, was indicted on 11 counts of mail fraud and aiding and abetting. (b) (6), (b)(7)(C) of Swedesboro, New Jersey, was indicted on four counts of mail fraud and aiding and abetting, and one count of smuggling goods from the United States. (b) (6), (b)(7)(C) of San Antonio, was indicted on two counts of mail fraud and aiding and abetting. (b) (6), (b)(7)(C) of Sayerville, New Jersey, was indicted on three counts of mail fraud and aiding and abetting. (b) (6), (b)(7)(C) of Rowlett, Texas, was indicted on two counts of mail fraud and aiding and abetting.

On December 9, 2011, the amended judgment was filed in the November 8 sentencing of (b) (6), (b)(7)(C) by U.S. District Court Judge (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was sentenced to 18 months imprisonment, 3 years supervised release, and ordered to pay \$66,174 in restitution jointly and severally with (b) (6), (b)(7)(C). On November 15, (b) (6), (b)(7)(C) was sentenced to 3 years probation by Judge (b) (6), (b)(7)(C). On October 25, (b) (6), (b)(7)(C) was sentenced to 5 years probation by Judge (b) (6), (b)(7)(C). Additionally, the Court ordered (b) (6), (b)(7)(C) to pay \$79,559 in restitution jointly and severally with (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Number: I1172953

Case Title: Specialist (b) (6), (b)(7)(C) - Ft Sam Houston - Fleet Card

Case Agent: SA (b) (6), (b)(7)(C)

On January 23, 2012, JI-7 was notified that a court martial hearing was held for Specialist (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) was found guilty of UCMJ Article 107, False Official Statement, and Article 121, Larceny and Wrongful Appropriation. (b) (6), (b)(7)(C) was sentenced to 45 days of hard labor (no confinement), was ordered to pay \$417.60 restitution, and was reduced in rank to Private.

BACKGROUND

Detective (b) (6), (b)(7)(C) Air Force Security Forces, Fort Sam Houston, requested JI-7's investigative assistance regarding the misuse of a Fleet card assigned to GOV G42-44571. The Fleet card was reported lost/missing for one month and was later returned. Charges occurred during the time the card was missing. JI-7 analyzed charges identifying irregular activity including excessive fuel, over-the-tank transactions, back-to-back transactions, late night/weekend transactions, and inaccurate odometer entries. The sum of the irregular transactions made using the Fleet card was \$704.38.

(b) (6), (b)(7)(C)

Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room 1 (b) (6), (b)(7)(C)
Fort Worth, TX 76102

(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: WEX Misuse/Stolen Government Property - G41-4147G

Case Number: I1172744

Case Agent: SA (b) (6), (b)(7)(C)

On December 7, 2011, (b) (6), (b)(7)(C) was indicted in the Western District of Texas, El Paso Division for violating one count of 18 USC 641, Theft of Government Property, and one count of 18 USC 661, Theft of Personal Property of Another Within Special Maritime and Territorial Jurisdiction. This case is being prosecuted by the United States Attorney's Office in El Paso, TX in conjunction with the Fort Bliss JAG office.

BACKGROUND

On June 7, 2011, JI - 7 received information from SA (b) (6), (b)(7)(C) Army CID, Fort Bliss, regarding approximately \$10,000 in stolen government property and the fraudulent use of a Fleet Card by former Army Soldier, (b) (6), (b)(7)(C). The former soldier had provided agents with three gas card receipts. JI-7 used the receipts to identify the GOV and additional Fleet Card fraud.

(b) (6), (b)(7)(C)

Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: WEX FLEET CARD FRAUD, DEPARTMENT OF THE NAVY
Case #: I11W2842
Case Agent: SA (b) (6), (b)(7)(C) ■ ■ ■ ■ ■

On February 1, 2012, in U.S. District Court in the Southern District of Maryland (Greenbelt), the Honorable Judge (b) (6), (b)(7)(C) sentenced Seaman (b) (6), (b)(7)(C) to eighteen (18) months supervised release, order (b) (6), (b)(7)(C) to pay \$1,588.30 in restitution, and pay a \$215 fine and \$25 special assessment fee.

The case was prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND

This case was initiated in July 2011, after (b) (6), (b)(7)(C), Loss Prevention Team, GSA, contacted JI-W regarding possible fraud of a FLEET credit card (CC) assigned to government owned vehicle G42 2720A. According to (b) (6), (b)(7)(C) the FLEET CC had been making numerous general merchandise purchases throughout Prince Georges and Charles Counties, in Maryland. After a review of WEXonline, SA (b) (6), (b)(7)(C) obtained surveillance video and original signed register receipts for over 20 of the 97 fraudulent transactions. During a surveillance, SA (b) (6), (b)(7)(C) confronted (b) (6), (b)(7)(C) at a gas station following a fraudulent FLEET CC transaction. (b) (6), (b)(7)(C) acknowledged (b) (6), (b)(7)(C) fraudulently was using various FLEET CCs. (b) (6), (b)(7)(C) provided a written statement acknowledging (b) (6), (b)(7)(C) involvement. The fraud loss associated to the FLEET CC was \$1,588.30.

On October 6, 2011, SA (b) (6), (b)(7)(C) arrested (b) (6), (b)(7)(C) on an arrest warrant issued in U.S. District Court in the Southern District of Maryland. The arrest warrant charged (b) (6), (b)(7)(C) with six counts of 18 USC 641, Theft of Government Property.

On November 9, 2011, in U.S. District Court in the Southern District of Maryland, (b) (6), (b)(7)(C) plead guilty to one count of 18 USC 641, Theft of Government Property.

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

SIGNIFICANT ITEM

Case Title: Mountain Chief Management Services

Case Number: I0960379

Case Agent: (b)(7)(C), (b) (6)

On January 24, 2012, GSA OIG agents arrested (b)(7)(C), (b) (6), employee and consultant for Mountain Chief Management Services. On January 20, 2012, a federal grand jury indicted (b)(7)(D), (b) (6) on three counts of 18 USC 1031, Major Fraud Against the U.S., and one count of 18 USC 1001, False Statements. This case is being prosecuted in the Middle District of Alabama and also by Trial Attorney (b)(7)(C), (b) (6) Main Justice.

BACKGROUND

This investigation was initiated based on information discovered during an investigation of Caddell Construction and Tufly Drywall concerning the hiring of illegal aliens for the Zorinsky Federal Building renovation project in Omaha, Nebraska. During the investigation, agents found documents indicating that Mountain Chief was a subcontractor to Caddell through Tufly.

Our investigation discovered (b)(7)(C), (b) (6) controlled and operated Mountain Chief, a Native American, Woman-Owned, HubZone, and Small Disadvantaged business. (b)(7)(C), (b) (6) used Mountain Chief and conspired with Caddell to defraud the federal government of approximately \$1.3 million through DOD's Mentor-Protégé Program and Indian Incentive Program. (b)(7)(C), (b) (6) also assisted prime contractors in illegitimately obtaining their required federal subcontracting goals on GSA and DOD contracts by subcontracting tens of millions of dollars through Mountain Chief, which only served as a pass-through company and did no work.

This case is being worked jointly with DCIS.

(b)(7)(C), (b) (6)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General

SIGNIFICANT ITEM

Case Title: Mountain Chief Management Services

Case Number: I0960379

Case Agent: (b)(7)(C), (b) (6)

On January 25, 2012, (b)(7)(C), (b) (6), Director of Small Business Development, Caddell Construction, surrendered (b)(7)(C), (b) (6) to the U.S. Marshal's Service in Montgomery, Alabama. On January 20, 2012, a federal grand jury indicted (b)(7)(C) on three counts of 18 USC 1031, Major Fraud Against the U.S., and one count of 18 USC 1001, False Statements. This case is being prosecuted in the Middle District of Alabama and also by Trial Attorney (b)(7)(C), (b) (6) Main Justice.

BACKGROUND

This investigation was initiated based on information discovered during an investigation on Caddell Construction and Tufly Drywall concerning the hiring of illegal aliens for the Zorinsky Federal Building renovation project in Omaha, Nebraska. During the investigation, agents found documents indicating that Mountain Chief was a subcontractor to Caddell through Tufly.

Our investigation discovered (b)(7)(C) was in charge of administering two federal government minority incentive programs for Caddell, referred to as the Mentor-Protégé Program and Indian Incentive Program. (b)(7)(C) conspired with Mountain Chief Management Services, as well as other Caddell officials, to defraud the federal government out of approximately \$1.3 million, through these two programs. (b)(7)(C) assisted Caddell in illegitimately obtaining its required subcontracting goals on GSA and DOD contracts by subcontracting tens of millions of dollars through Mountain Chief, which served as a pass-through company.

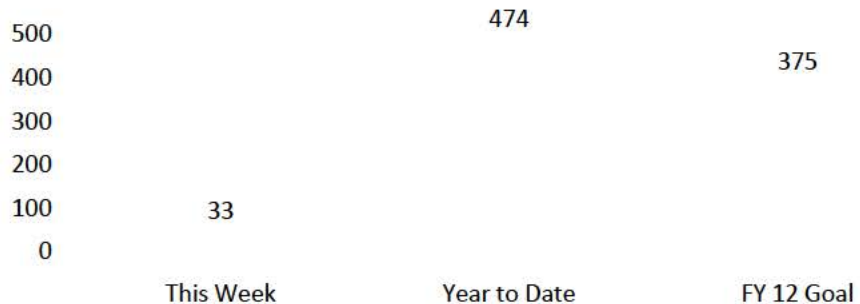
This case is being worked jointly with DCIS.

(b)(7)(C), (b) (6)

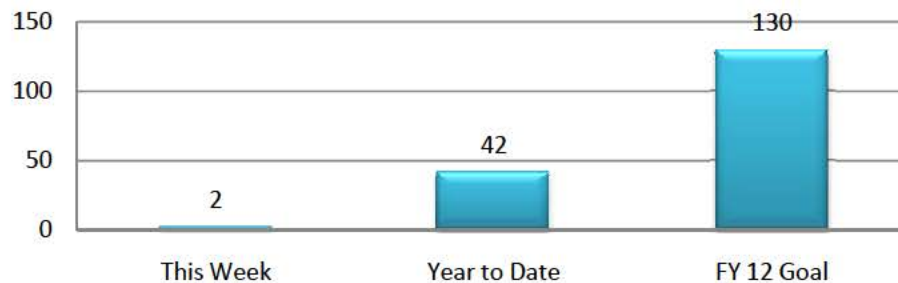
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 3, 2012 - FEBRUARY 9, 2012

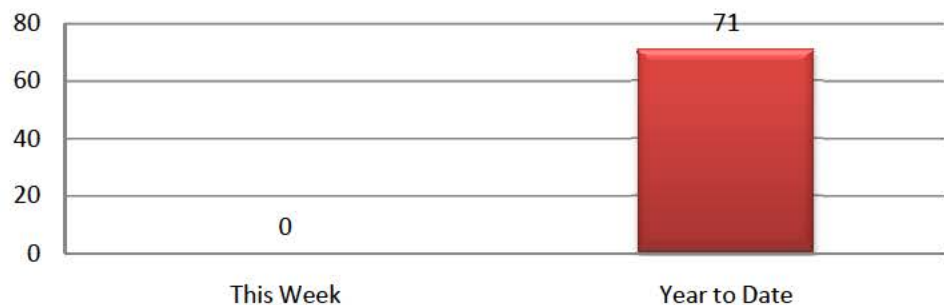
Referrals



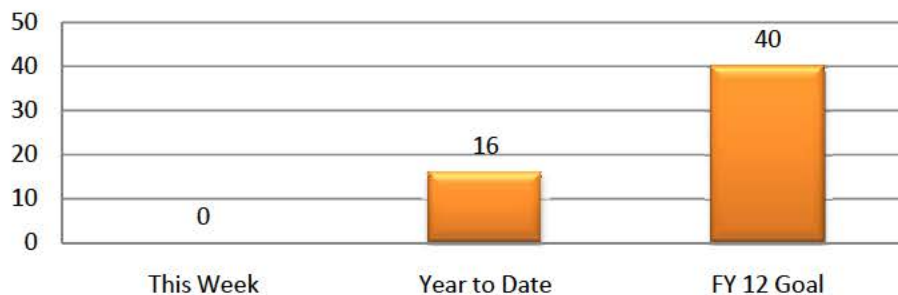
Judicial Actions



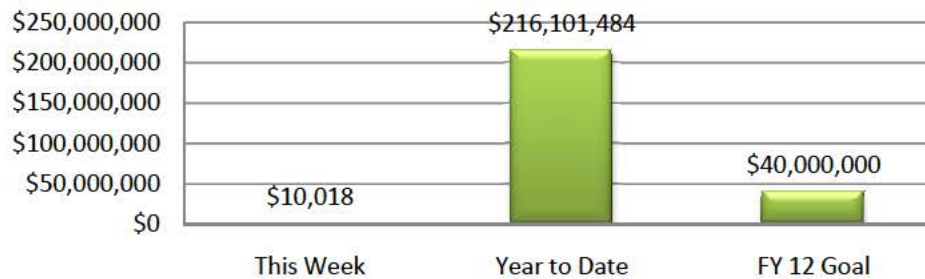
Suspension and Debarment Actions



Briefings



Monetary





JI Updates

February 10, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of February 13, 2012, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will interview GSA Chief Financial Officer (b) (6), (b)(7)(C), concerning an allegation that (b) (6), (b)(7)(C) steered a contract award to accounting firm PricewaterhouseCoopers LLP. (I12W2914)

Boston (JI-1)

(b) (7)(A)

1010835)

(b) (7)(A)

//1010856)

New York (JI-2)

Nothing significant to report.

Philadelphia (JI-3)

On February 10, 2012, SA (b) (6), (b)(7)(C) along with a SA from VA OIG and detectives from the VA Police, plan to execute a search warrant for (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) vehicle at (b) (6), (b)(7)(C) place of employment in Lebanon, PA. (b) (6), (b)(7)(C) is being investigated for the theft and fraudulent use of a FLEET card assigned to a GSA vehicle leased to the Lebanon VA Hospital. (MDPAWEX Fraud/I1233413)

(b) (7)(A)

11132891)

Atlanta (JI-4)

During the week of February 13, 2012, SA (b) (6), (b)(7)(C) will coordinate electronic video surveillance activities with CGIS in relation to the (b) (6), (b)(7)(C) GSA vendor fraud investigation. (SDFL/FLEET vendor fraud/I12M3378)



JI Updates

February 10, 2012

(b) (7)(A)

/11243197)

Chicago (JI-5)

Please see ARRA below.

Kansas City (JI-6)

During the week of February 13, 2012, SA (b) (6), (b) (7)(C) will be TDY to St. Louis to attend a guilty plea hearing for two subjects involved with CJMS. In addition, SA (b) (6), (b) (7)(C) plans to interview another potential subject involved with the investigation. (EDMO/SDVOSB Fraud/I1160742)

Denver (JI-8)

On February 13 and 14, 2012, SA (b) (6), (b) (7)(C) along with DCIS, will be conducting interviews and collecting potential evidence in Mobile, AL. The potential evidence was a result of a bankruptcy case involving (b) (6), (b) (7)(C), (b) (6) of ABBA Bonding. It is suspected that (b) (6), (b) (7)(C) provided false individual surety bonds on several GSA and other federal government contracts. The assets behind the surety bonds were promised on numerous contracts at the same time, inflated in value, and not worth the declared value as stated on the surety bond. (SDAL/False Claims/I09D0653)

Dallas/FT Worth (JI-7)

On February 14, 2012, SA (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) will interview (b) (6), (b) (7)(C), a former reserve officer with Dewar PD and son of the (b) (6), (b) (7)(C). An H&K semi-automatic assault rifle obtained by the Dewar PD via the LESO program was reported missing. (b) (6), (b) (7)(C) has been identified as potentially in possession of the weapon. The Oklahoma State Bureau of Investigations will be available to perform a polygraph if necessary. (EDOK/Theft/I1172550)

On February 16, 2012, SA (b) (6), (b) (7)(C) will meet with city officials in Raton, NM to help identify WPA paintings held by the city. The City of Raton identified 14 potential WPA paintings during an appraisal of city owned artwork. The City of Raton wants to work with GSA to keep the art on loan. The estimated value of the WPA art is \$349,000. (Other/WPA/I1272830)

San Francisco (JI-9)

SA (b) (6), (b) (7)(C) will pursue investigative leads concerning an allegation that a Region 9 PBS project manager inappropriately released proprietary information to a potential GSA contractor seeking to obtain a multi-million dollar contract associated with the refurbishment/expansion of the San Ysidro Land Port of Entry located in the San Diego, CA area. (SDCA/Proprietary Information Abuse/Z1192932)



JI Updates

February 10, 2012

SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C), SBA OIG, will interview a Region 9 PBS contracting officer regarding a contract awarded to Superior Janitorial Services in March 2011; Superior was subsequently suspended by the Navy. Superior allegedly obtained government contracts in the past by knowingly misrepresenting its disadvantaged business status. (EDCA/Fraud/Z1293318)

(b) (7)(A)
[Redacted]
[Redacted] /11192800)

SA (b) (6), (b)(7)(C) will attend a monthly FBI working group meeting in San Diego, CA in an effort to obtain/share information about GSA Schedule 70 (General Purpose Commercial Information Technology Equipment, Software, and Services) contracts and contractors.

SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will travel to the Naval Air Facility in El Centro, CA to conduct a site survey and, if possible, (b) (7)(E) at the NEX gas station in order to obtain evidence of fraudulent FLEET card transactions that, to date, total nearly \$6,000. (SDCA/Theft/Z12L3044)

Auburn (JI-10)

On February 17, 2012, SAC (b)(7)(C), (b) (6) will attend the sentencing hearing for (b)(7)(C), (b) (6). (b)(7)(C), (b) (6) will be sentenced in the U.S District Court for the Western District of Washington (Tacoma) for violating 18 USC 1029 (Unauthorized Use of an Access Device) and 18 USC 1163 (Tribal Embezzlement). (WWA/FLEET Card Fraud/I1000252)

HOTLINES

Hotline received via our Fraudnet alleging fraud/waste/funds abuse by Goodwill of Western Missouri and Eastern Kansas pertaining to their AbilityOne Contract with GSA at the Kansas City, MO, Richard Bolling Federal Building. (Referred to JI-6/H1263390)

ARRA

During the week of February 12, 2012, SA (b) (6), (b)(7)(C) will meet with SA (b) (6), (b)(7)(C), DOT OIG, to discuss joint case direction regarding complaints related to Hunt Electric and DBE pass-throughs. Hunt Electric is a subcontractor for Ryan Construction. Ryan Construction is performing ARRA work at the Whipple Federal Building, Fort Snelling, MN. (DM/Fraud/H1253288)

(b) (7)(A)
[Redacted]
[Redacted] /V1030860)



JI Updates

February 10, 2012

ARRA CASE DATA:

Total Allegations Received: 40

Allegations Open: 8

Allegations closed without action: 14

Allegations closed via case conversion: 12

Allegations closed after being referred to GSA, RATB, etc: 6

Total of V, I, or Z actions initiated: 59

Total of V, I, or Z actions closed without action: 7

Total of V, I, or Z actions after being referred to GSA, RATB, etc: 4

Number of Open V Actions: 13

Number of Open Z Actions: 6

Number of Open I Actions: 29

Open I Cases accepted for prosecution: 12

Law Enforcement Sensitive

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Number: 1070019

Case Agent: [redacted] and Branch Chief, Technical Support Section, Investigations
Operations Division



/s/ (b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (b) (6), (b)(7)(C)
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
[\[redacted\]@gsaig.gov](mailto:[redacted]@gsaig.gov)

SIGNIFICANT ITEM:

Case Number: I1172001

Case Title: Fort Polk Transportation Motor Pool – Wright Express Credit Card Fraud

Case Agent: SA (b) (6), (b)(7)(C)

On February 1, 2012, (b) (6), (b)(7)(C) appeared before U.S. District Court Judge (b) (6), (b)(7)(C), Western District of Louisiana, and pled guilty to violating one count of 18 U.S.C. 371, Conspiracy, and one count of 18 U.S.C. 1029, Access Device Fraud. Sentencing is scheduled for May 3, 2012. The case was prosecuted by AUSA (b) (6), (b)(7)(C). The case was joint investigation with Fort Polk, Military Police Investigations.

BACKGROUND:

Jl-7 received information from (b) (6), (b)(7)(C), GSA Fleet Management Loss Prevention Team, pertaining to the apparent fraudulent use of the Fleet cards assigned to GOVs at Fort Polk. (b) (6), (b)(7)(C) provided information from (b) (6), (b)(7)(C), fleet service representative, with the GSA, Fort Polk Fleet office, regarding the Fleet Cards being used fraudulently when the assigned to GOVs were taken out of service for repairs or body shop work.

A review of video surveillance identified (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) purchasing fuel with various Fleet cards. The investigation determined that (b) (6), (b)(7)(C) a contract employee with the Department of Defense, knowingly removed the Fleet cards from the Fort Polk Transportation Motor Pool and used the cards to fuel (b) (6), (b)(7)(C) POV. (b) (6), (b)(7)(C) also provided the cards to (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) in order to fuel their POVs. (b) (6), (b)(7)(C) would distribute additional Fleet cards to (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) if a one became disabled during periods of unauthorized use. On January 6, 2011, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) admitted to the fraudulent use of the Fleet cards for personal use and surrendered the Fleet cards in their possession.

On May 12, 2011, (b) (6), (b)(7)(C) were indicted by a Federal Grand Jury seated in the Western District of Louisiana. The indictment charged (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) with violating 1 count of 18 U.S.C. 371, Conspiracy and 7 counts of 18 U.S.C. 1029, Access Device Fraud. In addition, the indictment included a forfeiture of property to include a 1999 Ford F-250 truck, a 2002 Dodge Intrepid, and 1988 Ford F-350 truck. The approximate loss to the government was \$30,000.

On September 29, 2011 (b) (6), (b)(7)(C) pled guilty before U.S. District Court Judge (b) (6), (b)(7)(C) to violating Title 18 USC 1029.

On November 10, 2011 (b) (6), (b)(7)(C) pled guilty before Judge (b) (6), (b)(7)(C) to violating 18 USC 1029 Access Device Fraud. (b) (6), (b)(7)(C) is scheduled to be sentenced February 9, 2012.

On January 5, 2012, Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) for violating 18 USC 1029, Access Device Fraud, to three years probation, 50 hours community service, and restitution of \$3,587.78.

(b) (6), (b)(7)(C)

Special Agent In Charge

Office of the Inspector General

819 Taylor St. Room (b) (6), (b)(7)(C)

Fort Worth, TX 76102

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) - SUSPENSION AND DEBARMENT

Case Number: I1152843

Case Agent: SA (b) (6), (b)(7)(C), JI-5

On January 24, 2012, the GSA Suspension and Debarment Official debarred (b) (6), (b)(7)(C) for three (3) years following (b) (6), (b)(7)(C) conviction in February 2011 for fraudulently filing federal tax returns in the names of 197 different people, seeking to receive more than \$2 million in tax refunds.

BACKGROUND

(b) (6), (b)(7)(C) of El Monte, CA pleaded guilty in February 2011 to two (2) counts of filing false claims against the United States for engaging in a large-scale identity theft and false tax return scheme. (b) (6), (b)(7)(C) a former Eligibility Worker with the Los Angeles County Department of Social Services from 1999 through 2009, had access to names and social security numbers belonging to individuals seeking public assistance through the LA County Department of Social Services (DSS). (b) (6), (b)(7)(C) filed 197 fictitious federal tax returns in the names of DSS clients in 2009 and 2010, typically claiming they suffered business losses or were entitled to a credit for having a dependent. In each instance, (b) (6), (b)(7)(C) filed the fictitious returns without the knowledge, consent or authorization of the person whose name he had used to file the return. Many individuals experienced difficulty and delay in filing their true tax returns because IRS records indicated that their tax returns had already been filed. The returns filed by (b) (6), (b)(7)(C) sought refunds totaling \$2,212,996. The IRS issued refunds totaling \$1,156,374. All of the returns requested direct deposit of the federal tax refunds to a bank account controlled by (b) (6), (b)(7)(C). Banks froze (b) (6), (b)(7)(C) accounts after they were alerted to the fraudulent conduct, but (b) (6), (b)(7)(C) had already succeeded in accessing \$667,034.

On June 27, 2011 United States District Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to forty-six (46) months in prison and ordered (b) (6), (b)(7)(C) to pay \$667,034 in restitution to the Internal Revenue Service. Judge (b) (6), (b)(7)(C) noted that (b) (6), (b)(7)(C) "preyed on vulnerable people" – individuals who were indigent and seeking help.

/s/ (b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

Central Regional Investigations Office (JI-5)

Suite (b) (6), (b)(7)(C)

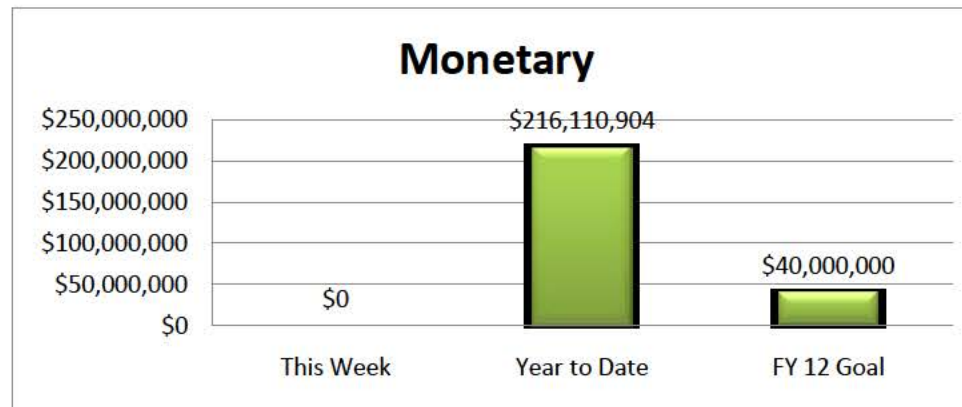
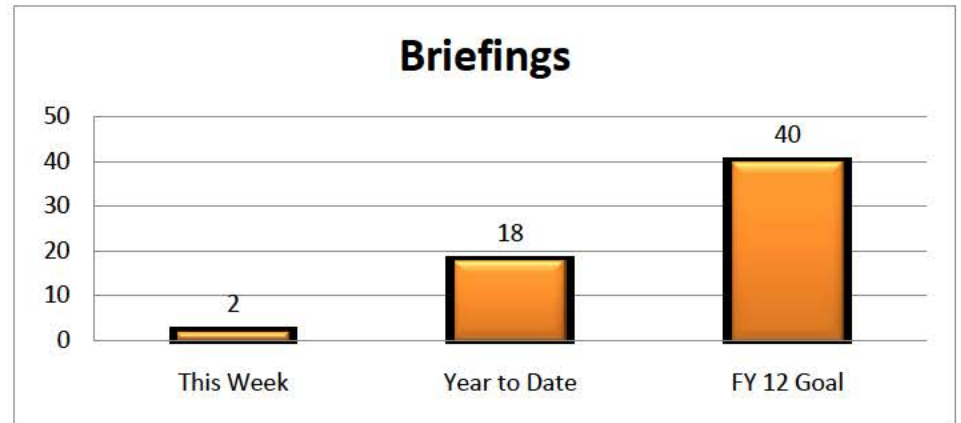
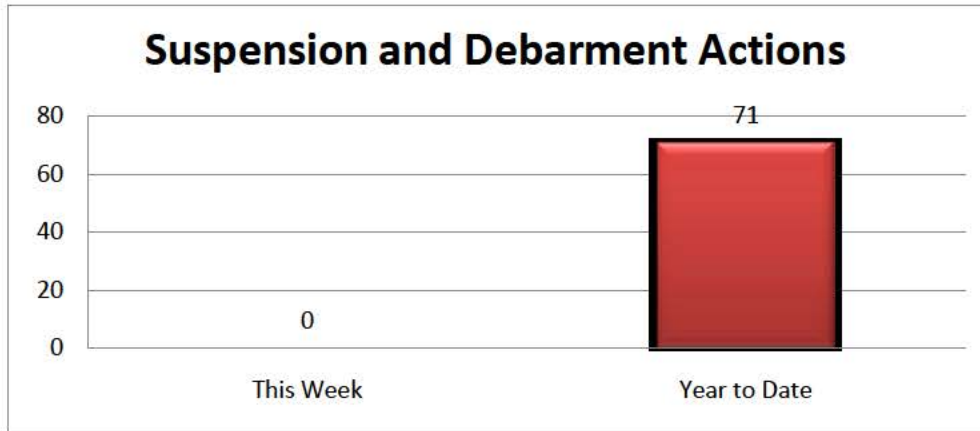
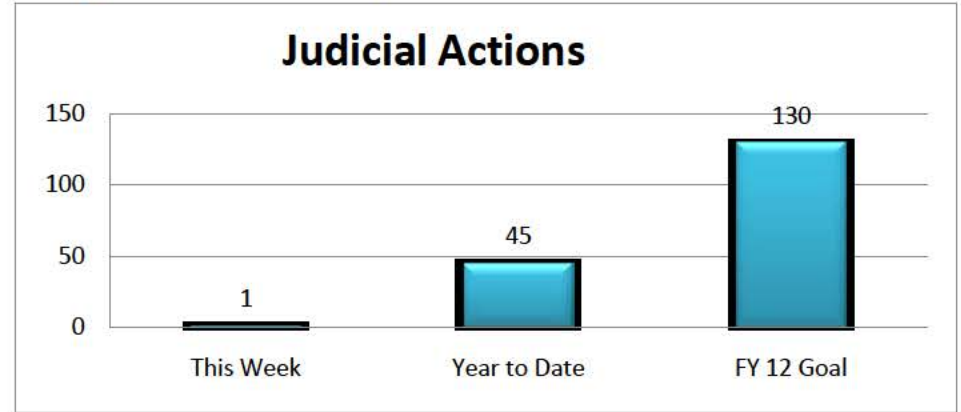
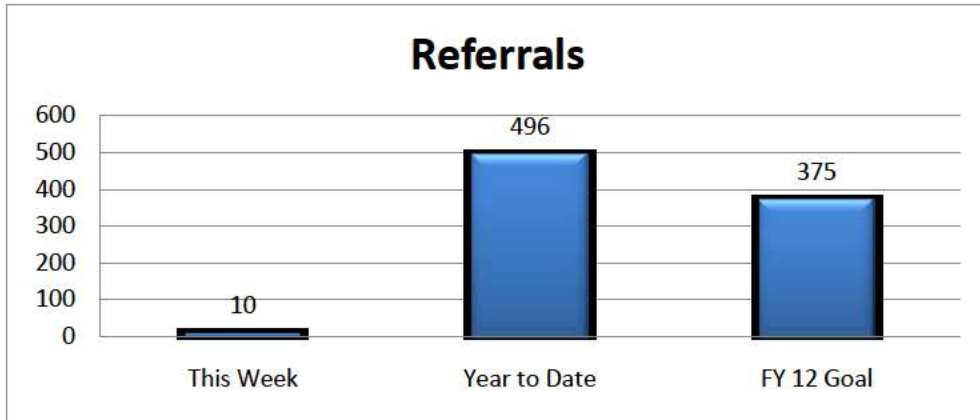
230 South Dearborn Street

Chicago, Illinois 60604

(b) (6), (b)(7)(C)

(b) (6), (b)(7)(C) @gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 10, 2012 - FEBRUARY 16, 2012





JI Updates

February 17, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

I11W2295)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

See ARRA

Philadelphia (JI-3)

On February 21, 2012, SA [REDACTED] will attend the arraignment hearing for (b) (6), (b)(7)(C) who is scheduled to appear in the Commonwealth of Pennsylvania, Court of Common Pleas, First Judicial District. [REDACTED] was arrested for breaking into an Army recruiting office and stealing two GSA vehicles. (Philly ADA/Theft/I1233162)

Atlanta (JI-4)

During the week of February 20, 2012, SA [REDACTED] will coordinate with the Florida Statewide prosecutor, Fort Lauderdale, Florida, to obtain an arrest warrant against (b) (6), (b)(7)(C) in relation to the Miami Job Corps FLEET card case. (SDFL/FLEET card fraud/I12M2772)

Chicago (JI-5)

On February 17, 2012, a defendant in the Mid America Payphone investigation is scheduled to enter a guilty plea in United States District Court for the Western District of Wisconsin. In addition, on February 21, 2012, another defendant is scheduled to enter a guilty plea in the aforementioned venue. (WDWI/fraud/I070019)

Kansas City (JI-6)

On February 23, 2012, SA [REDACTED] will be TDY to St. Louis to attend a guilty plea hearing for a subject involved with the CJMS investigation. (EDMO/SDVOSB Fraud/I1160742)



JI Updates

February 17, 2012

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 57 disclosures.

ARRA

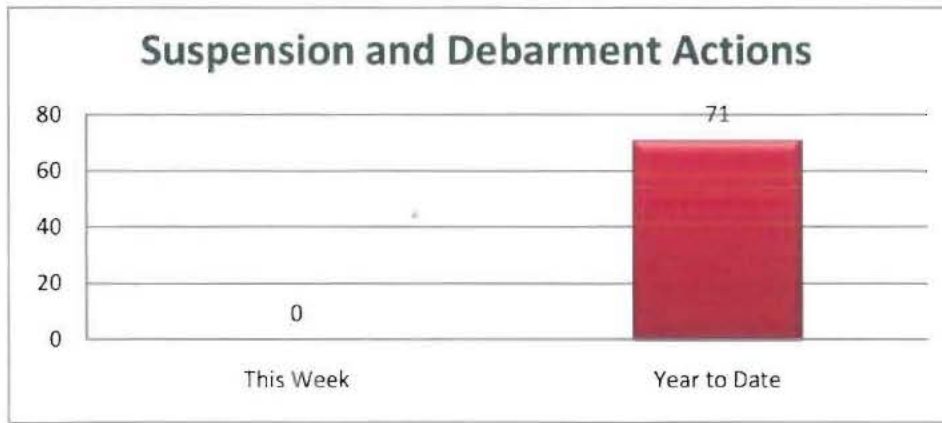
(b) (7)(A)

/11020550)

ARRA CASE DATA:

Total Allegations Received:	40
Allegations Open:	8
Allegations closed without action:	14
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	4
Number of Open V Actions:	13
Number of Open Z Actions:	6
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 17, 2012 - FEBRUARY 23, 2012





JI Updates

February 24, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On March 6, 2012, (b) (6), (b)(7)(C) jury trial is scheduled to begin in U.S. District Court in the Southern District of Maryland. (b) (6), (b)(7)(C) is charged with assaulting a federal agent. AUSA (b) (6), (b)(7)(C) is prosecuting the case. (WDC/Assault/I11W3009)

Boston (JI-1)

On February 27, 2012, SA (b) (6), (b)(7)(C) is scheduled to meet with AUSA (b) (6), (b)(7) at the Springfield MA, USAO to discuss JI-1's investigation of (b) (6), (b)(7)(C) and Associates.

New York (JI-2)

Nothing to report

Philadelphia (JI-3)

Nothing to report

Atlanta (JI-4)

Nothing to report

Chicago (JI-5)

(b) (7)(A)
(b) (7)(A)
(b) (7)(A) V1152367)

Kansas City (JI-6)

Nothing to report

Denver (JI-8)

During the week of February 27, 2012, SA (b) (6), (b)(7)(C) will be conducting a review at the Rocky Mountain Regional Computer Forensics Lab, of an imaged computer hard drive. This review is related to a potential bid rigging and SDVOSB investigation involving work performed by Diamond and Haledan Constructors, Inc. for GSA projects. (DCO/False Statements/I12D3257)

Dallas/FT Worth (JI-7)

Nothing to report



JI Updates

February 24, 2012

San Francisco (JI-9)

Nothing to report

Auburn (JI-10)

On February 28, 2012, SA (b) (6), (b)(7)(C) will present the investigative findings regarding this investigation to Army Captain (b) (6), (b)(7)(C), Trial Counsel, Office of Staff Judge Advocate, Joint Base Lewis-McChord. This investigation has determined that an Army Staff Sergeant used at least 14 different FLEET cards to make approximately \$21,000 in unauthorized purchases. (WDWA/FLEET Card Fraud/11203106)

HOTLINES

Hotline received via OIG Fraudnet alleging that at 26 Federal Plaza, NY, the GSA contractors for LCOR, Project Manager (b) (6), (b)(7)(C) and the Chief Engineer are inflating bids from subcontracts and cash, and gifts are moving both ways to and from the subcontractors. (Referred to JI-2/H1223454)

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 57 disclosures.

ARRA CASE DATA:

Total Allegations Received: 40
Allegations Open: 8
Allegations closed without action: 14
Allegations closed via case conversion: 12
Allegations closed after being referred to GSA, RATB, etc: 6
Total of V, I, or Z actions initiated: 59
Total of V, I, or Z actions closed without action: 7
Total of V, I, or Z actions after being referred to GSA, RATB, etc: 4
Number of Open V Actions: 13
Number of Open Z Actions: 6
Number of Open I Actions: 29
Open I Cases accepted for prosecution: 12

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case Number: 1070019
Case Agent: (b) (6), (b)(7)(C)



/s/ (b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (b) (6), (b)(7)(C)
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

Case Title: CJMS Contracting, LLC
Case Number: 11160742
Case Agent: (b) (6), (b)(7)(C), JI-6

On February 15, 2012, (b) (6), (b)(7)(C), consultant and co-owner of CJMS Contracting, pled guilty to an information, in the U.S. District Court, Eastern District of Missouri. (b) (6), (b)(7)(C) was charged with one felony count of 18 USC 371, Conspiracy, whereby (b) (6), (b)(7)(C) conspired with three others in paying improper bribes and gratuities to a federal official. In the course of the conspiracy, (b) (6), (b)(7)(C) also committed mail and wire fraud, and made false statements to the U.S. Government, pursuant to Service-Disabled Veteran-Owned Small Business (SDVOB) fraud. On the same day, (b) (6), (b)(7)(C) surrendered (b) (6), (b)(7)(C) to the U.S. Marshals, St. Louis, Missouri. This case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND

This investigation was initiated based on information from the VA OIG regarding allegations that VA Chief Engineer (b) (6), (b)(7)(C) accepted gifts and gratuities from contractors who performed work on federal projects.

Investigative efforts revealed that in 2007, (b) (6), (b)(7)(C) recommended to (b) (6), (b)(7)(C), his friend, to find a Service-Disabled Veteran (SDV) and start up a SDVOSB company so that (b) (6), (b)(7)(C) could get set-aside and sole source contracts. (b) (6), (b)(7)(C) subsequently found an SDV named (b) (6), (b)(7)(C) and formed CJMS. (b) (6), (b)(7)(C), a friend of (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and a co-conspirator in the scheme, provided financial support, bonding, and an office to run the company out of. (b) (6), (b)(7)(C) also owned a company named Gateway Contractors that worked out of the same office and performed the vast majority of the CJMS's federal contract work.

The investigation revealed that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) paid bribes to (b) (6), (b)(7)(C) in the form of cash, entertainment by exotic dancers at a gentlemen's club, St. Louis Cardinal's tickets, lunches, drinks, and dinners. In exchange, (b) (6), (b)(7)(C) recommended CJMS and assisted them obtain \$3.4 million in set-aside and sole-source federal construction contracts, and one American Recovery and Reinvestment Act funded contract in the amount of \$654,095. Furthermore, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) inflated the total amount of these contracts so that CJMS would have a larger profit margin.

Pursuant to these contracts, (b) (6), (b)(7)(C) submitted false statements in GSA's Central Contractor Registration and made false certifications in the Online Representations and Certifications Application databases by stating that CJMS was a legitimate SDVOSB. SDV (b) (6), (b)(7)(C) did not control any aspect of the company and did not receive anywhere near the majority of the profits from the company, as required under the SDVOSB program. Additionally, CJMS did not have any employees and the contract work was "passed through" to Gateway, who built in an additional profit margin so they could make even more money.

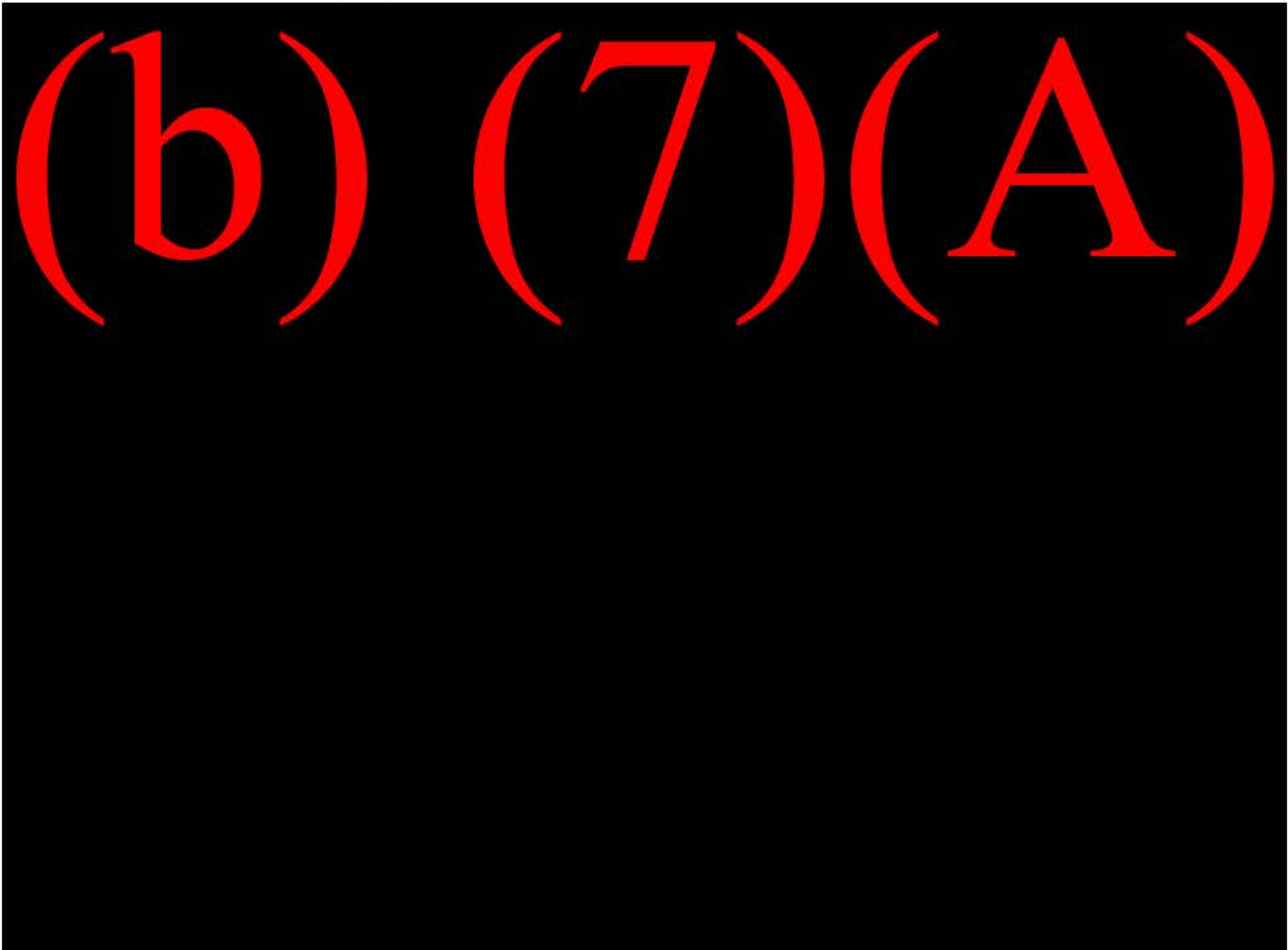
(b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) received over \$1.6 million in profits out of the \$3.4 million that was contracted to CJMS.

This case is being worked jointly with VA OIG and SBA OIG.

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case Number: 1070019
Case Agent: (b) (6), (b)(7)(C)



/s/ (b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (b) (6), (b)(7)(C)
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C) gsaig.gov

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) WEX CARD FRAUD – G42-0763H – ERIE PA
File Number: T1132784
Case Agent: (b) (6), (b)(7)(C)

On February 16, 2012, the U.S. Military Court, Special Court-Martial, Convening Authority accepted a guilty plea from Logistic Support Specialist (b) (6), (b)(7)(C), U.S. Navy, Helicopter Countermeasure Squadron, Norfolk, VA, for violating UCMJ Articles 86, Absence Without Leave (punishable by dishonorable discharge, forfeiture of all pay and allowances and confinement of 6 months); 92, Failure to Obey Order or Regulation (punishable by dishonorable discharge, forfeiture of all pay and allowances, and confinement for 2 years); and 121, Larceny and Wrongful Appropriation (punishable by dishonorable discharge, forfeiture of all pay and allowances and confinement of 10 years). The case was referred for sentencing with a tentative date set for March 13, 2012.

BACKGROUND

On June 27, 2011, JI-3 initiated an investigation after receiving a referral from the GSA Fleet Management Division regarding suspicious activity associated with the FLEET card assigned to G42-0763H. Specifically, the FLEET card was being fraudulently used to purchase gas and general merchandise at various gas stations in Virginia, Maryland and Pennsylvania. Analysis of these purchases revealed that a significant number of purchases were for general merchandise, tobacco products and both unleaded plus and super unleaded fuel. (b) (6), (b)(7)(C) was initially identified as a person of interest as (b) (6), (b)(7)(C) had access to the subject FLEET card in Norfolk, VA, and (b) (6), (b)(7)(C) and family reside in Erie, PA. Analysis of surveillance videos obtained from various gas stations in Virginia, Maryland and Pennsylvania, showed (b) (6), (b)(7)(C) using the FLEET card to refuel (b) (6), (b)(7)(C) personal vehicle and make food and drink purchases. When confronted with the evidence against (b) (6), (b)(7)(C) provided a full confession. Approximate loss to the government is \$4,925.92.

This case is being prosecuted by LTJG (b) (6), (b)(7)(C), Trial Counsel, JAGC, U.S. Navy, Norfolk, VA.



SIGNIFICANT ITEM:

Case Number: I1172001
Case Title: Fort Polk Transportation Motor Pool – Wright Express Credit Card Fraud
Case Agent: SA (b) (6), (b)(7)(C)

On February 9, 2012, (b) (6), (b)(7)(C) appeared before U.S. District Court Judge (b) (6), (b)(7)(C), Western District of Louisiana, and was sentenced for violating 18 USC 1029 Access Device Fraud. (b) (6), (b)(7)(C) received 3 years probation, restitution in the amount of \$3,389.25 and \$100.00 a special assessment. The case was prosecuted by AUSA (b) (6), (b)(7)(C). The case was joint investigation with Fort Polk, Military Police Investigations.

BACKGROUND:

JI-7 received information from (b) (6), (b)(7)(C), GSA Fleet Management Loss Prevention Team, pertaining to the apparent fraudulent use of the Fleet cards assigned to GOVs at Fort Polk. (b) (6), (b)(7)(C) provided information from (b) (6), (b)(7)(C), fleet service representative, with the GSA, Fort Polk Fleet office, regarding the Fleet Cards being used fraudulently when the assigned to GOVs were taken out of service for repairs or body shop work.

A review of video surveillance identified (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) purchasing fuel with various Fleet cards. The investigation determined that (b) (6), (b)(7)(C) a contract employee with the Department of Defense, knowingly removed the Fleet cards from the Fort Polk Transportation Motor Pool and used the cards to fuel (b) (6), (b)(7)(C) POV. (b) (6), (b)(7)(C) also provided the cards to (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) in order to fuel their POVs. (b) (6), (b)(7)(C) would distribute additional Fleet cards to (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) if a one became disabled during periods of unauthorized use. On January 6, 2011, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) admitted to the fraudulent use of the Fleet cards for personal use and surrendered the Fleet cards in their possession.

On May 12, 2011, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were indicted by a Federal Grand Jury seated in the Western District of Louisiana. The indictment charged (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) with violating 1 count of 18 U.S.C. 371, Conspiracy and 7 counts of 18 U.S.C. 1029, Access Device Fraud. In addition, the indictment included a forfeiture of property to include a 1999 Ford F-250 truck, a 2002 Dodge Intrepid, and 1988 Ford F-350 truck. The approximate loss to the government was \$30,000.

On September 29, 2011 (b) (6), (b)(7)(C) pled guilty before U.S. District Court Judge (b) (6), (b)(7)(C) to violating Title 18 USC 1029.

On November 10, 2011 (b) (6), (b)(7)(C) pled guilty before Judge (b) (6), (b)(7)(C) to violating 18 USC 1029 Access Device Fraud. (b) (6), (b)(7)(C) is scheduled to be sentenced February 9, 2012.

On January 5, 2012, Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) for violating 18 USC 1029, Access Device Fraud, to three years probation, 50 hours community service, and restitution of \$3,587.78.

On February 1, 2012, (b) (6), (b)(7)(C) appeared before Judge (b) (6), (b)(7)(C) and pled guilty to violating one count of 18 U.S.C. 371, Conspiracy, and one count of 18 U.S.C. 1029, Access Device Fraud. Sentencing is scheduled for May 3, 2012.

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) - WEXFCC (G41 4551F)
Case Number: 110-0-0252
Case Agent: SA (b) (6), (b)(7)(C)

On February 17, 2012, in the United States District Court for the Western District of Washington (Tacoma), (b) (6), (b)(7)(C) was sentenced to 6 months imprisonment; 3 years supervised release with standard & special conditions; \$200 special assessment; and ordered to pay \$7,392 in restitution. On November 16, 2011, (b) (6), (b)(7)(C) pled guilty to violating 18 USC 1029, Unauthorized Use of an Access Device, and 18 USC 1163, Tribal Embezzlement.

The case was prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was predicated upon the suspected fraudulent use of the FLEET card assigned to G41 4551F, leased to the Quinault Indian Reservation (QIN), Taholah, WA. The fraudulent use was identified by the GSA Loss Prevention Team. The subsequent JI-10 investigation revealed that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C) were fraudulently using a FLEET card and multiple QIN Tribal gas credit cards to make illegal purchases. The fraudulent transactions occurred between November 2009 and January 2010, and resulted in approximately \$7,392 in unauthorized purchases.

Through a collaborative effort with local law enforcement and the FBI, JI-10 agents conducted surveillance operations, obtained store surveillance video, interviewed witnesses, and interviewed (b) (6), (b)(7)(C) to confirm the fraudulent activity. The interviews revealed that the three subjects used the FLEET card and the QIN credit cards to trade gas in exchange for money and illegal drugs.

In May 2011, a criminal complaint was filed, and JI-10 agents and FBI agents arrested (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

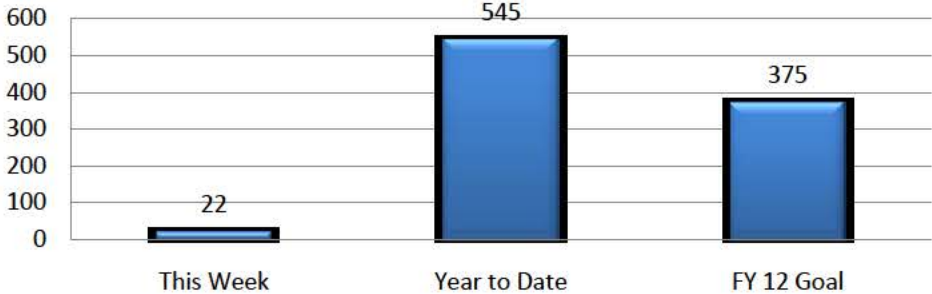
(b) (6), (b)(7)(C)

Special Agent in Charge
Office of Inspector General
General Services Administration
Northwest / Arctic Region (JI-10)

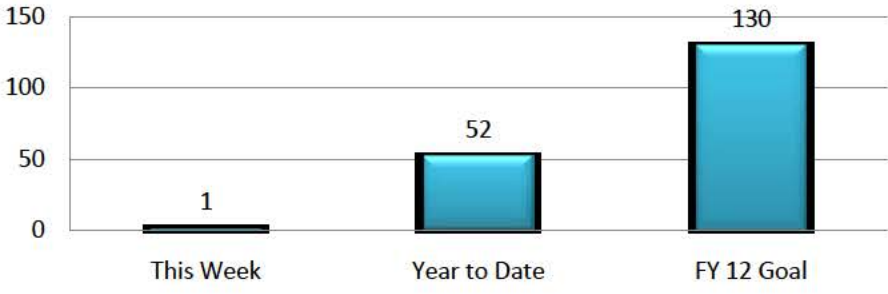
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - FEBRUARY 24, 2012 - MARCH 1, 2012

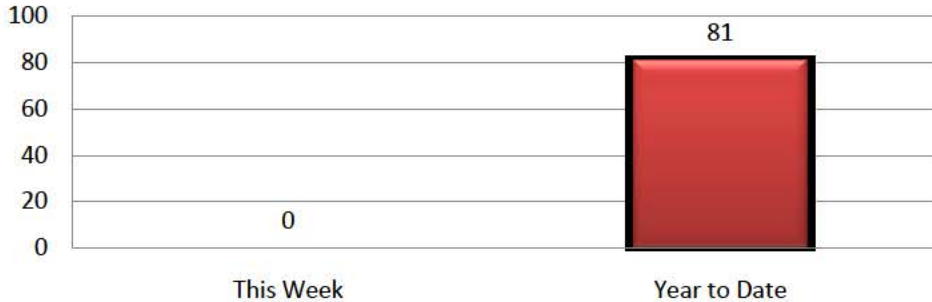
Referrals



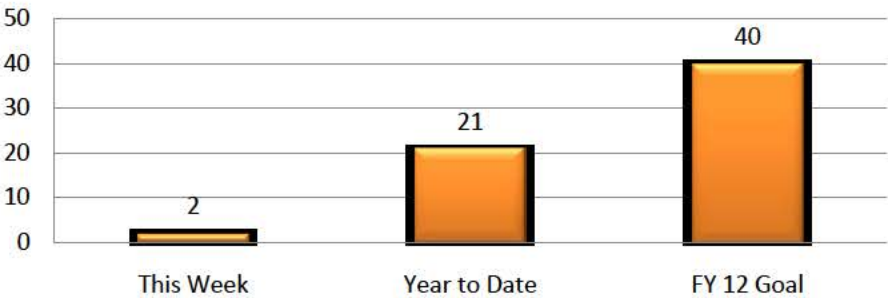
Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

March 2, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On March 6, 2012, (b) (6), (b)(7)(C) jury trial is scheduled to begin in U.S. District Court in the Southern District of Maryland. (b) (6), (b)(7)(C) is charged with assaulting SA (b) (6), (b)(7)(C) AUSA (b) (6), (b)(7)(C) is prosecuting the case. (WDC/Assault/I11W3009)

Boston (JI-1)

(b) (7)(A)

I1010856)

New York (JI-2)

See ARRA below.

Philadelphia (JI-3)

(b) (7)(A)

I1132891)

Atlanta (JI-4)

During the week of March 5, 2012, SA (b) (6), (b)(7)(C) will be traveling to Fayetteville, NC to meet with local detectives and Army CID SAs and Army MP Investigators to seek charges for active duty suspects and arrest warrants for civilian suspects for fraudulent use of Fleet cards. (EDNC/FLEET Card Fraud/I1243197&I1243435)

Chicago (JI-5)

On March 9, 2012, SA (b) (6), (b)(7)(C) JA Auditor (b) (6), (b)(7)(C) and JC Attorney (b) (6), (b)(7)(C) will meet with TREMCO's counsel regarding the production progress relative to the IG Subpoena issued to TREMCO. (WDC/Qui Tam/I11W0797)

Kansas City (JI-6)

Nothing significant to report.

Denver (JI-8)

Nothing significant to report.



JI Updates

March 2, 2012

Dallas/FT Worth (JI-7)

During the week of March 5, 2012, SA (b) (6), (b)(7)(C) will testify at Specialist (b) (6), (b)(7)(C) court martial hearing at Fort Polk, LA. (b) (6), (b)(7)(C) is being prosecuted for (b) (6), (b)(7)(C) involvement in the fraudulent use of a FLEET card. (Fort Polk SJA/FLEET card fraud/I1172483)

On March 7, 2012, SA (b) (6), (b)(7)(C) will meet with AUSA (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) regarding the Smartronix investigation. This investigation is based on a JA-7 issued SOI. It is alleged that Smartronix submitted incorrect prompt payment terms on its invoices under a GSA MAS contract. (NDTX/Civil False Claims/I1070862)

San Francisco (JI-9)

During the week of March 5, 2012, SA (b)(7)(C), (b) (6) will coordinate with GAO SA (b)(7)(C), (b) (6) regarding a recently initiated GAO investigation that has a nexus with an on-going JI-9 investigation involving Region 9 PBS employees, the National Institute for the Severally Handicapped, and the Committee for Purchase from People Who Are Blind or Severely Disabled (a.k.a. U.S. AbilityOne Commission). (DNV/Bribery/I1090908)

During the week of March 5, 2012, SA (b) (6), (b)(7)(C) will interview a Region 9 PBS employee in San Diego, CA concerning allegations (b) (6), (b)(7)(C) inappropriately released proprietary information to a potential GSA contractor seeking to obtain a multi-million dollar contract associated with the refurbishment/expansion of the San Ysidro Land Port of Entry located in the San Diego area. (SDCA/Proprietary Information Abuse/Z1192932)

During the week of March 5, 2012, SA (b) (6), (b)(7)(C) will conduct investigative interviews with GSA Contracting Officer (b) (6), (b)(7)(C) and principals of GSA contractor Integrated Data Services (IDS), Inc., El Segundo, CA. An audit conducted in June 2010 by JA-5 found that IDS was in noncompliance with the contract terms and conditions when utilizing employees for GSA projects who did not meet the labor qualifications as required by the GSA contract. After a six month review period, JA-5 identified 15 unqualified IDS employees who charged over 10,000 hours to GSA customers, equating to approximately \$1,028,586. (CDCA/False Statements/Z10L0677)

(b) (7)(A)

(b) (6), (b)(7)(C) (I1192222)

Auburn (JI-10)

On March 5, 2012, SAC (b)(7)(C), (b) (6) will attend the sentencing hearing for (b)(7)(C), (b) (6) in the U.S District Court for the Western District of Washington (Tacoma). (b)(7)(C), (b) (6) will be sentenced for violating 18 USC 1029 (Unauthorized Use of an Access Device) and 18 USC 1163 (Tribal Embezzlement). (WDWA/FLEET Card Fraud/I1000252)



JI Updates

March 2, 2012

JII

HOTLINES

Hotline received from GAO Fraudnet from (b) (6), (b)(7)(C) alleging reports of deceptive practices being used by the Loving Care Children's Center in connection with the Child Care Subsidy Assistance Program. (Referred to JI-4/H1243485)

Hotline received from GAO Fraudnet alleging mismanagement and waste in facilitating the move to the Edith Green Building in Portland, Oregon. (Referred to JI-10/H1203486)

JIB

FAR

The Investigations Operations Division received one new FAR disclosure this week from (b) (7)(D). To date, we have received a total of 58 disclosures.

Civil Enforcement

On February 29, 2012, the government accepted (b) (7)(D) offer of \$182,832 to settle a case involving unpaid credits. Payment is still pending. (DOJ Commercial Litigation/Civil/I10H2133)

(b) (7)(D)

I12H3344)

On March 6, 2012, a meeting will be held with (b) (7)(D) officials and their attorneys to discuss an ongoing FAR disclosure investigation. (DOJ Commercial Litigation/Civil/I11H22668)

On March 6, 2012, a meeting will be held with (b) (7)(D) officials and their attorneys to discuss an ongoing FAR disclosure investigation. (DOJ Commercial Litigation/Civil/I12H3079)

ARRA

On March 8, 2012, SA (b) (6), (b)(7)(C) and the investigative team will interview the Chief Financial Officer of Plaza Construction at the USAO EDNY. The purpose of the interview is to determine how widespread the practice of inflating work hours is on construction projects at various federal and state funded projects in the New York City metropolitan area by local construction companies. This investigation has already identified one construction company, Bovis Lend Lease, engaged in this conduct. Additionally, Bovis received ARRA funding on some of the projects. (EDNY/False Claims/I0920875)



JI Updates

March 2, 2012

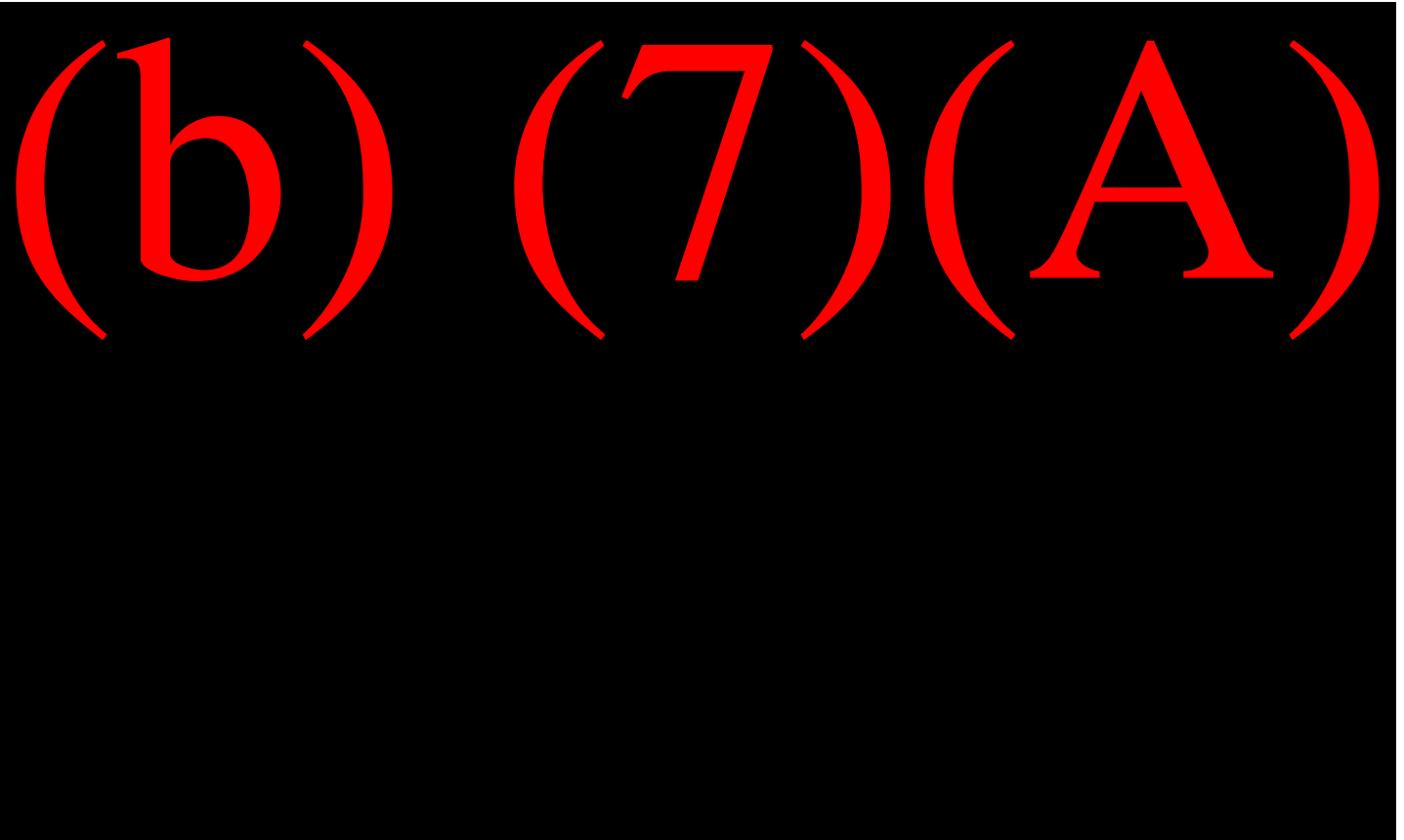
ARRA CASE DATA

Total Allegations Received:	40
Allegations Open:	8
Allegations closed without action:	14
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

Law Enforcement Sensitive

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C)
Case Number: 112-03210
Case Agent: SA (b) (6), (b)(7)(C)



(b) (6), (b)(7)(C)
Special Agent in Charge
Office of Inspector General
General Services Administration
Northwest / Arctic Region (JI-10)
(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: CJMS Contracting, LLC

Case Number: 11160742

Case Agent: (b) (6), (b)(7)(C)

On February 23, 2012, (b) (6), (b)(7)(C), owner of Gateway Contractors, pled guilty to an information, in the U.S. District Court, Eastern District of Missouri. (b) (6), (b)(7)(C) was charged with one felony count of 18 USC 371, Conspiracy, whereby (b) (6), (b)(7)(C) conspired with three others in paying improper bribes and gratuities to a federal official. In the course of the conspiracy, (b) (6), (b)(7)(C) also committed mail and wire fraud, and made false statements to the U.S. Government, pursuant to Service-Disabled Veteran-Owned Small Business (SDVOB) fraud. On the same day, (b) (6), (b)(7)(C) surrendered (b) (6), (b)(7)(C) to the U.S. Marshals, St. Louis, Missouri. This case is being prosecuted by AUSA (b) (6), (b)(7)(C)

BACKGROUND

This investigation was initiated based on information from the VA OIG regarding allegations that VA Chief Engineer (b) (6), (b)(7)(C) accepted gifts and gratuities from contractors who performed work on federal projects.

Investigative efforts revealed that in 2007, (b) (6), (b)(7)(C) recommended to (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) friend, to find a Service-Disabled Veteran (SDV) and start up a SDVOSB company so that (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) could get set-aside and sole source contracts. (b) (6), (b)(7)(C) subsequently found an SDV named (b) (6), (b)(7)(C) and formed CJMS. (b) (6), (b)(7)(C) provided financial support, bonding, and an office to run the SDVOSB company out of. (b) (6), (b)(7)(C) owned Gateway and the Gateway business building where CJMS was housed. CJMS served as a "pass-through" company for Gateway, who performed the vast majority of the CJMS's federal contract work.

The investigation revealed that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) paid bribes to (b) (6), (b)(7)(C) in the form of cash, entertainment by exotic dancers at a gentlemen's club, St. Louis Cardinal's tickets, lunches, drinks, and dinners. In exchange, (b) (6), (b)(7)(C) recommended CJMS and assisted them obtain \$3.4 million in set-aside and sole-source federal construction contracts, and one American Recovery and Reinvestment Act funded contract in the amount of \$654,095. Furthermore, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) inflated the total amount of these contracts so that CJMS would have a larger profit margin.

Pursuant to these contracts, (b) (6), (b)(7)(C) submitted false statements in GSA's Central Contractor Registration and made false certifications in the Online Representations and Certifications Application databases by stating that CJMS was a legitimate SDVOSB. SDV (b) (6), (b)(7)(C) did not control any aspect of the company and did not receive anywhere near the majority of the profits from the company, as required under the SDVOSB program. Additionally, CJMS did not have any employees and the contract work was "passed through" to Gateway, who built in an additional profit margin so they could make even more money.

(b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) received over \$1.6 million in profits out of the \$3.4 million that was contracted to CJMS.

This case is being worked jointly with VA OIG and SBA OIG.

(b) (6), (b)(7)(C)

Special Agent in Charge
Office of Inspector General
General Services Administration

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) – WEX CARD FRAUD – G43-3463H – Lebanon PA
Case Number: 112-33413
Case Agent: (b) (6), (b)(7)(C)

On February 28, 2012, an Information was filed in U.S. District Court, Middle District of Pennsylvania, charging (b) (6), (b)(7)(C) with violating 2 Counts of Title 18, United States Code, Section 641 (Theft of Government Property).

The case is being prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C).

BACKGROUND:

On February 8, 2012, JI-3 initiated an investigation after receiving a referral from the GSA Fleet Management Division regarding suspicious activity associated with the FLEET card assigned to G43-3463H, currently leased to the U.S. Department of Veterans Affairs. Specifically, the FLEET card was being fraudulently used to purchase gas and general merchandise at various gas stations in and around the Lebanon, Pennsylvania area. After conducting video analysis and surveillance operations, (b) (6), (b)(7)(C), a volunteer driver for the VA Hospital, located in Lebanon, PA, was identified as the subject of the investigation. On February 10, 2012, GSA OIG and VA OIG special agents, along with detectives from the VA Police Department, executed a search warrant on (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) vehicle. Agents recovered a GSA FLEET card in (b) (6), (b)(7)(C) possession. Pursuant to the search, (b) (6), (b)(7)(C) voluntarily agreed to be interviewed and confessed to fraudulently using two GSA FLEET cards. (b) (6), (b)(7)(C) provided a written statement detailing the fraud.



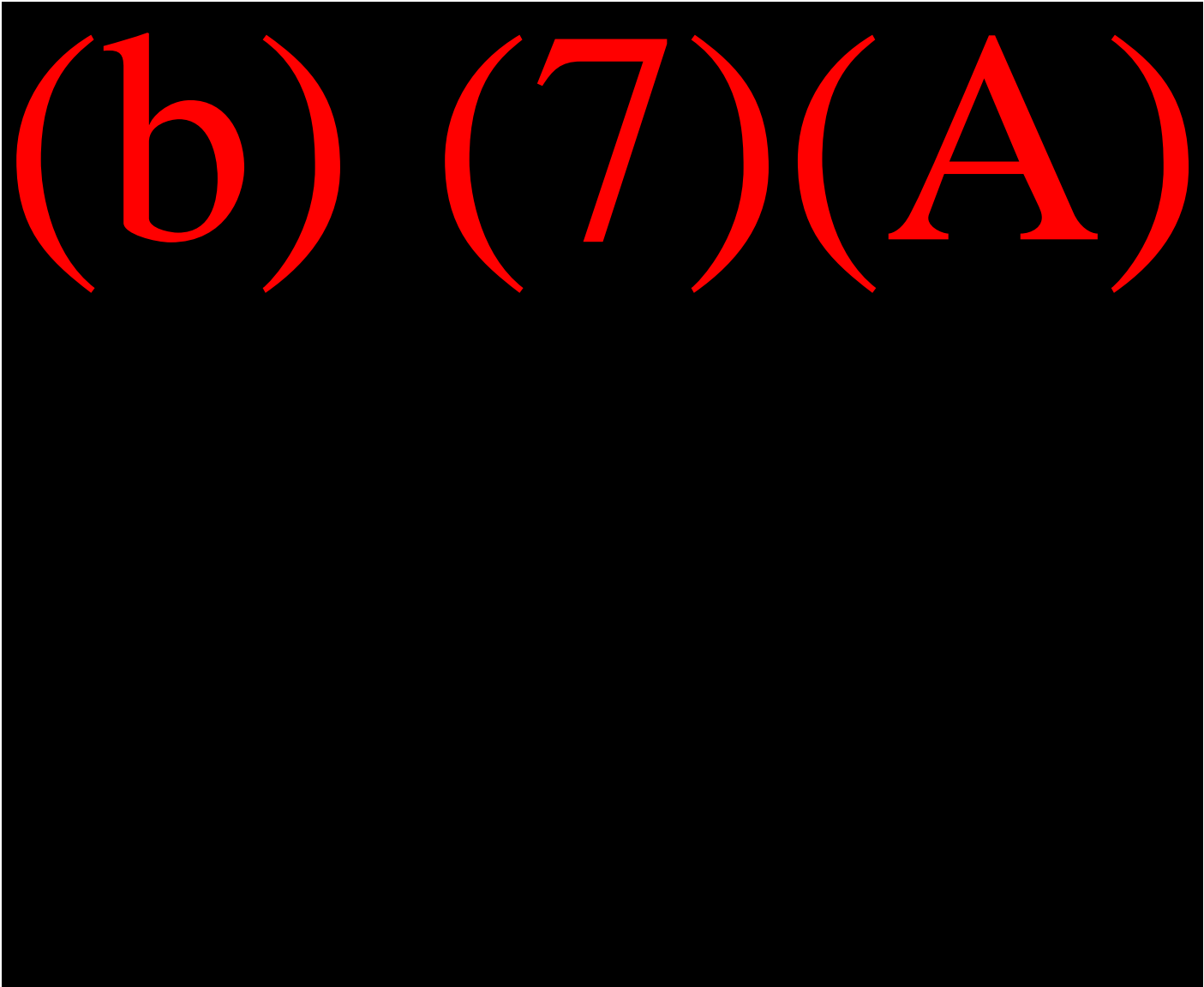
(b) (6), (b)(7)(C)
SPECIAL AGENT IN CHARGE
GSA/OFFICE OF INSPECTOR GENERAL
MID-ATLANTIC REGIONAL INVESTIGATIONS OFFICE
PHILADELPHIA, PA
(b) (6), (b)(7)(C) OFFICE
(215) 861-3560 FAX

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case No: 11000790

Case Agent: SA (b) (6), (b)(7)(C)

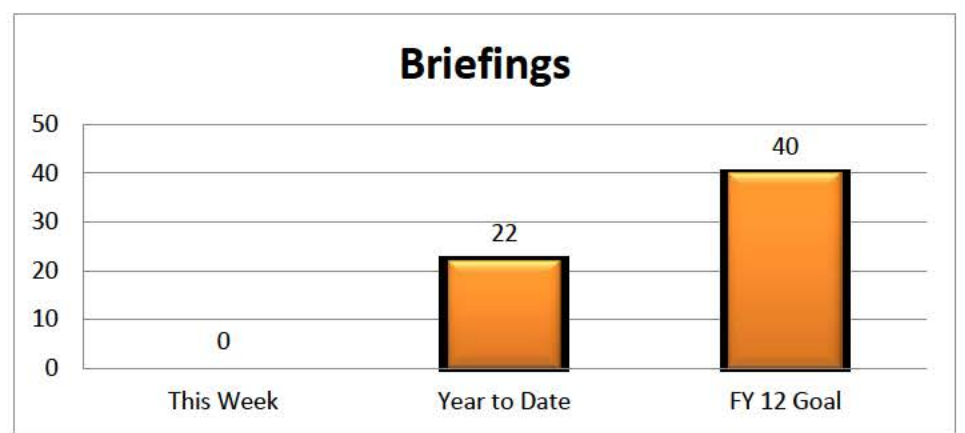
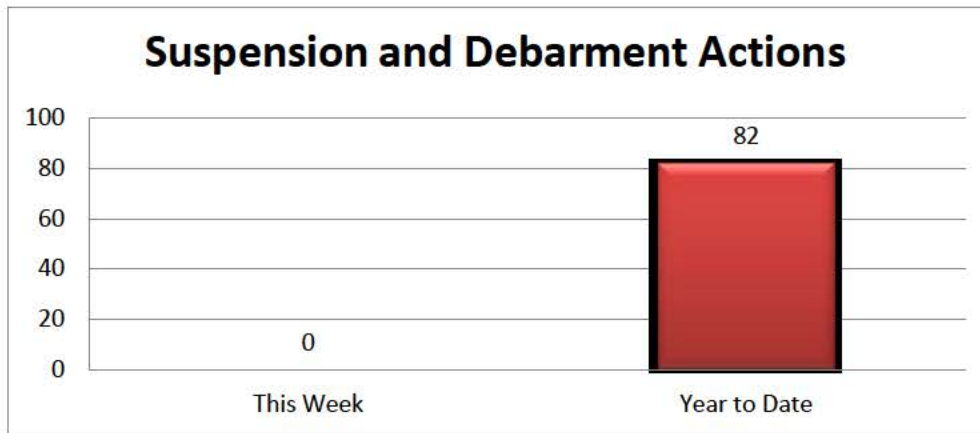
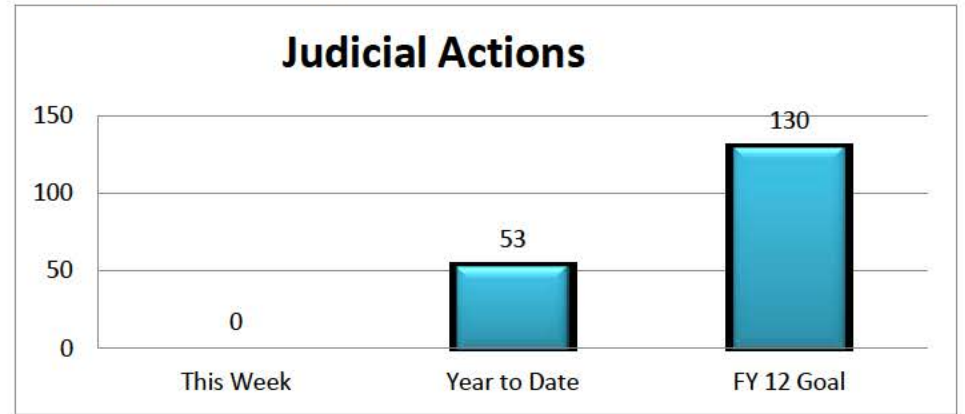
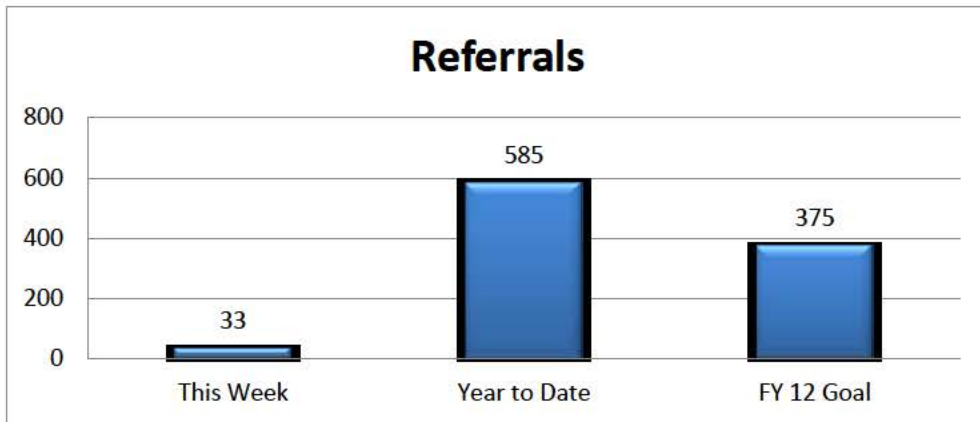


(b) (6), (b)(7)(C)

Special Agent in Charge
Office of Inspector General
General Services Administration
Northwest / Arctic Region (JI-10)

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 2, 2012 - MARCH 8, 2012





JI Updates

March 9, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing to Report

Boston (JI-1)

(b) (7)(A)

/11010835)

New York (JI-2)

Nothing to Report

Philadelphia (JI-3)

On March 13, 2012, SA (b) (6), (b)(7)(C) will attend the arraignment hearing for (b) (6), (b)(7)(C) in U.S. District Court, MDPA. (b) (6), (b)(7)(C) previously admitted to the theft and fraudulent use of FLEET credit cards assigned to GSA vehicles at the Lebanon VA Hospital. (MDPA/FLEET Card Fraud/I1233413)

Atlanta (JI-4)

Nothing to Report

Chicago (JI-5)

Nothing to Report

Kansas City (JI-6)

During the week of March 12, 2012, ASAC (b) (6), (b)(7)(C) will be TDY in San Antonio assisting the USAO with witness interviews in preparation for trial. (WDTX/Major Fraud/I040114)

Denver (JI-8)

Nothing to Report

Dallas/FT Worth (JI-7)

Nothing to Report



JI Updates

March 9, 2012

San Francisco (JI-9)

Nothing to Report

Auburn (JI-10)

(b) (7)(A)

11102814)

JI-I

Nothing to Report

FAR

The Investigations Operations Division received one new FAR disclosure this week from (b) (7) (D) To date, we have received a total of 59 disclosures.

Civil Enforcement

On March 8, 2012, the government accepted Direct Resources offer of \$450,000 to settle a case involving the Trade Agreements Act. Payment is still pending. (DOJ Commercial Litigation/Civil/I10W0651)

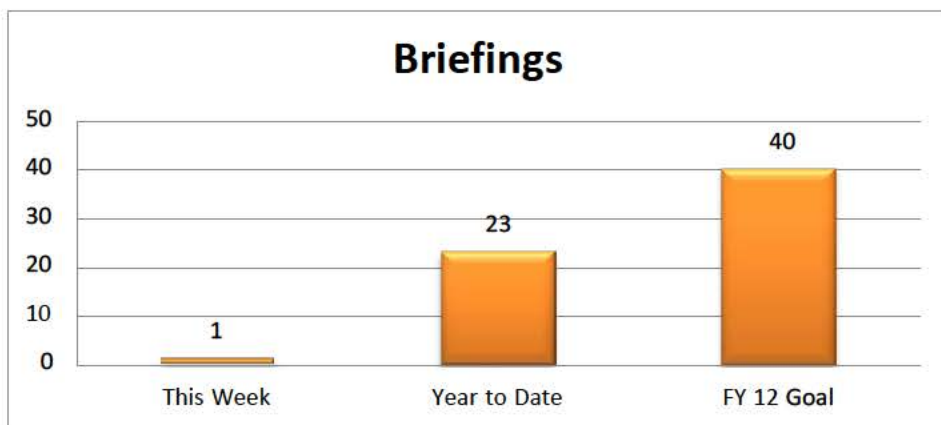
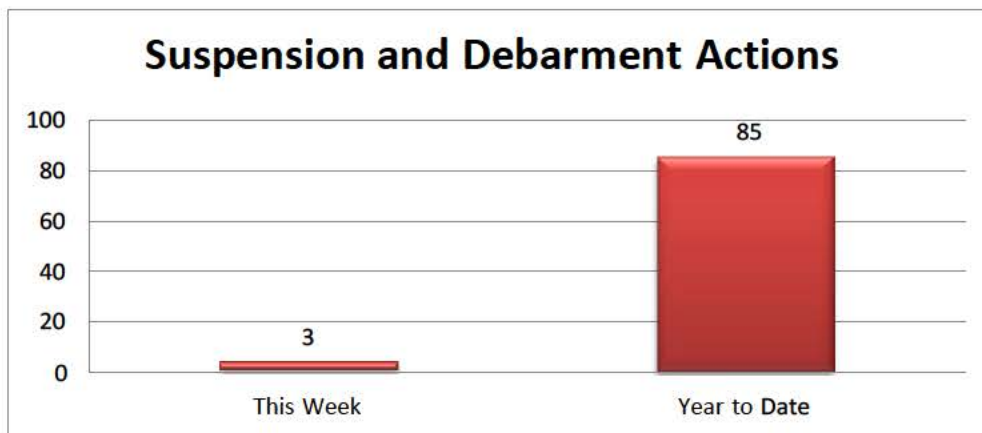
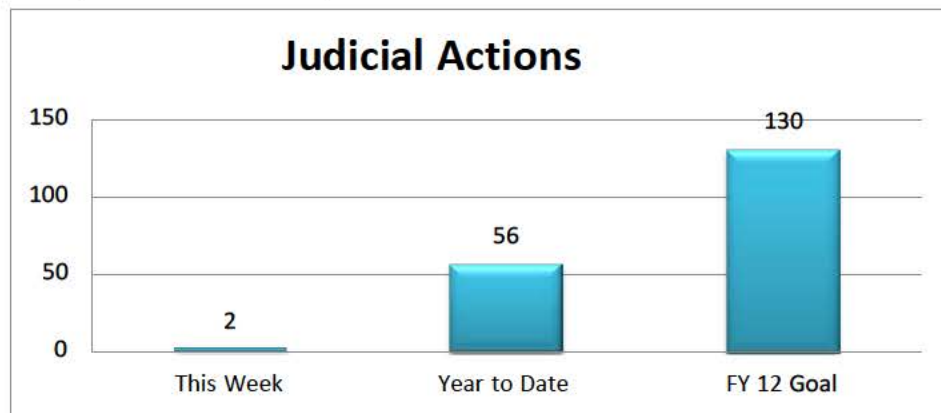
ARRA

During the week of March 12, 2012, SA (b) (6), (b)(7)(C) and the investigative team will attempt to interview several foremen currently working for major construction companies in the New York City area to determine if their companies offered "gratis pay" and billed for such on various federal and state funded construction projects. The gratis pay is essentially overtime hours paid to foremen for hours that were not worked. (EDNY/False Claims/I0920875)

ARRA CASE DATA:

Total Allegations Received:	40
Allegations Open:	8
Allegations closed without action:	14
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 9, 2012 - MARCH 15, 2012





JI Updates

March 16, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

On March 20, 2012, SA (b) (6), (b)(7)(C) and the assigned AUSA will participate in a proffer interview with a subject of an investigation involving B & J Multi Service Corporation, a GSA contractor that allegedly violated and/or defrauded the SDVOSB program. (DMA/Fraud/11010156)

New York (JI-2)

During the week of March 19, 2012, DOJ Civil Division is expected to finalize the settlement agreement with Cablexpress Corporation, Syracuse, NY, to settle allegations set forth in a qui-tam (FILED UNDER SEAL) against Cablexpress. DOJ is expected to officially intervene in the suit once the agreement is finalized. (DOJ Main/Qui-Tam/10920355)

Philadelphia (JI-3)

(b) (7)(A)

11132891)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

(b) (7)(A)

/1040114)

(b) (7)(A)

/11162408)



JI Updates

March 16, 2012

Dallas/FT Worth (JI-7)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

JI-B

FAR

The Investigations Operations Division received one new FAR disclosure this week from (b) (7)(D). To date, we have received a total of 60 disclosures.

ARRA CASE DATA:

Total Allegations Received:	42
Allegations Open:	10
Allegations closed without action:	14
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	8
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	28
Open I Cases accepted for prosecution:	12



SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) WEXFCC (G41 4551F)
Case Number: 110-0-0252
Case Agent: SA (b) (6), (b)(7)(C)

On March 5, 2012, in the United States District Court for the Western District of Washington (Tacoma), (b) (6), (b)(7)(C) was sentenced to 4 months imprisonment; 3 years supervised release with standard & special conditions; 60 days electronic home monitoring; \$200 special assessment; and ordered to pay \$7,392 in restitution. On November 21, 2011, (b) (6), (b)(7)(C) pled guilty to violating 18 USC 1029, Unauthorized Use of an Access Device, and 18 USC 1163, Tribal Embezzlement.

The case was prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was predicated upon the suspected fraudulent use of the FLEET card assigned to G41 4551F, leased to the Quinault Indian Reservation (QIN), Taholah, WA. The fraudulent use was identified by the GSA Loss Prevention Team. The subsequent JI-10 investigation revealed that (b) (6), (b)(7)(C) were fraudulently using a FLEET card and multiple QIN Tribal gas credit cards to make illegal purchases. The fraudulent transactions occurred between November 2009 and January 2010, and resulted in approximately \$7,392 in unauthorized purchases.

Through a collaborative effort with local law enforcement and the FBI, JI-10 agents conducted surveillance operations, obtained store surveillance video, interviewed witnesses, and interviewed (b) (6), (b)(7)(C) to confirm the fraudulent activity. The interviews revealed that the three subjects used the FLEET card and the QIN credit cards to trade gas in exchange for money and illegal drugs.

In May 2011, a criminal complaint was filed, and JI-10 agents and FBI agents arrested (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge Office of
Inspector General General
Services Administration
Northwest / Arctic Region (JI-10)
(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) – WEX CARD FRAUD – G42-0763H – ERIE PA

File Number: I1132784

Case Agent: (b) (6), (b)(7)(C)

On March 13, 2012, Logistic Support Specialist (b) (6), (b)(7)(C) U.S. Navy, Helicopter Countermeasure Squadron, Norfolk, VA was sentenced in U.S. Military Court to 120 days confinement and an other-than-honorable discharge from the Navy for (b) (6), (b)(7)(C) fraudulent use of a FLEET card assigned to a vehicle leased by the Navy in Norfolk, VA. Additionally, the Navy imposed an administrative sanction to recover \$4,925.92 from (b) (6), (b)(7)(C) through wage garnishment.

Previously, on February 16, 2012, (b) (6), (b)(7)(C) pled guilty to violating UCMJ Article 86 (Absence Without Leave), Article 92 (Failure to Obey Order or Regulation) and Article 121 (Larceny and Wrongful Appropriation).

BACKGROUND

On June 27, 2011, JI-3 initiated an investigation after receiving a referral from the GSA Fleet Management Division regarding suspicious activity associated with the FLEET card assigned to G42-0763H. Specifically, the FLEET card was being fraudulently used to purchase gas and general merchandise at various gas stations in Virginia, Maryland and Pennsylvania. Analysis of these purchases revealed that a significant number of purchases were for general merchandise, tobacco products and both unleaded plus and super unleaded fuel. (b) (6), (b)(7)(C) was initially identified as a person of interest as (b) (6), (b)(7)(C) had access to the subject FLEET card in Norfolk, VA, and (b) (6), (b)(7)(C) and family reside in Erie, PA. Analysis of surveillance videos obtained from various gas stations in Virginia, Maryland and Pennsylvania, showed (b) (6), (b)(7)(C) using the FLEET card to refuel (b) (6), (b)(7)(C) personal vehicle and make food and drink purchases. When confronted with the evidence against (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) provided a full confession. Approximate loss to the government is \$4,925.92.

This case was prosecuted by LTJG (b) (6), (b)(7)(C), Trial Counsel, JAGC, U.S. Navy, Norfolk, VA.



SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) : THEFT OF FLEET CARD G41-3816K
Case #: 112W3349
Case Agent: SA (b) (6), (b)(7)(C) ■ ■

On January 30, 2012, (b) (6), (b)(7)(C) pled guilty in U.S. District Court in the Southern District of Maryland (Greenbelt), before the Honorable Judge (b) (6), (b)(7)(C), in violation of 18 U.S.C. 641, Theft of Government Property. The sentencing is scheduled for May 16, 2012.

The case was prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND

This case was initiated as a result of a proactive search of WEXonline of Fleet credit cards (CC) assigned in the National Capital Region (Region 11). Information obtained through the search indicated a suspicious trend occurring with the CC assigned to (b) (6), (b)(7)(C). Since approximately December 23, 2010, the CC assigned to (b) (6), (b)(7)(C) was making multiple same day purchases of gasoline, along with food and beverages purchases throughout Prince George County, MD. (b) (6), (b)(7)(C) was also repeatedly reporting an odometer of "1234."

On or about January 9, 2012, SAs were contacted by (b) (6), (b)(7)(C), GSA Loss Prevention, regarding possible fraud with the CC assigned to (b) (6), (b)(7)(C). The CC was assigned to the U.S. Agency for International Development (USAID), 1300 Pennsylvania Ave NW, Washington, D.C. According to GSA Loss Prevention, USAID reported the CC lost or stolen on December 28, 2011.

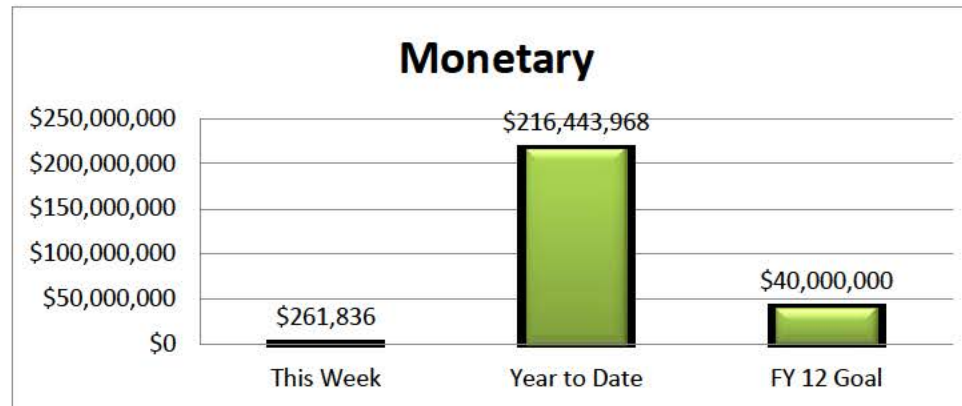
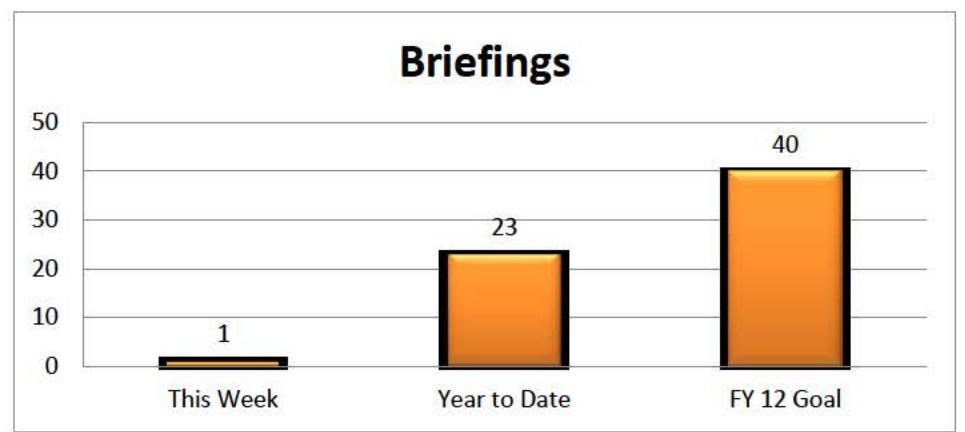
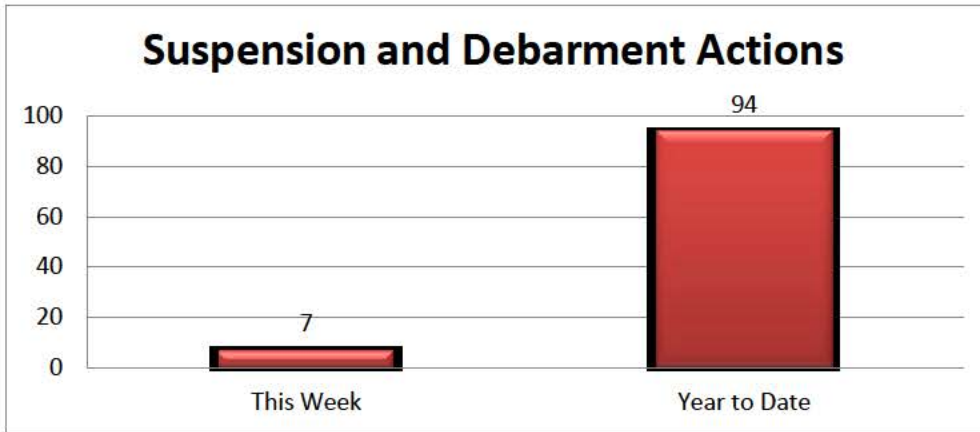
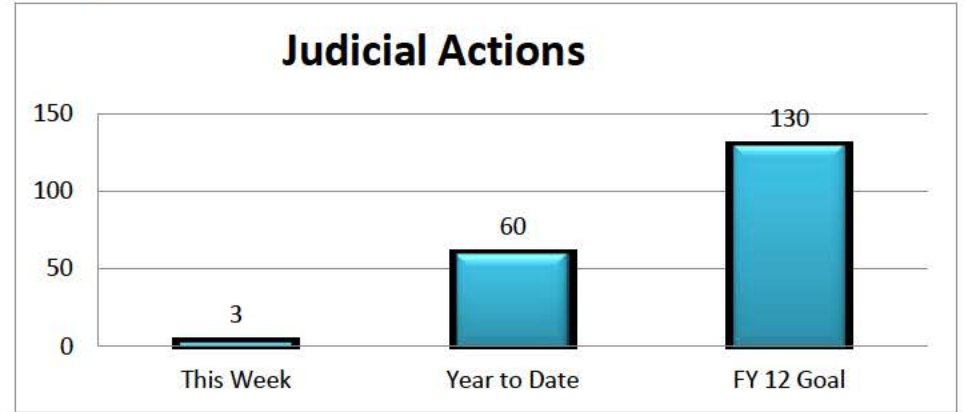
On January 19, 2012, SAs conducted surveillance at a Shell gas station located in Capital Heights, MD. SAs observed a black (b) (6), (b)(7)(C) approximately 5' 4" tall, with short black hair, arrive at the Shell gas station in a metallic green Chevrolet Malibu. The unidentified (b) (6), (b)(7)(C) approached a Mazda 6 that was parked at a gas pump. SAs observed the (b) (6), (b)(7)(C) use a CC to purchase gasoline for the Mazda 6. SAs approached the (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) surrendered the CC assigned to G41 3816K. The (b) (6), (b)(7)(C) identified (b) (6), (b)(7)(C) as (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C) was interviewed and acknowledged using the CC for approximately the past three weeks. (b) (6), (b)(7)(C) knew (b) (6), (b)(7)(C) was required to enter a PIN number and an odometer. (b) (6), (b)(7)(C) said the PIN number was on the face of the CC and (b) (6), (b)(7)(C) entered "1234" for the odometer. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) knew the CC belonged because "GSA" was written on the face of the card. (b) (6), (b)(7)(C) used the CC to fuel (b) (6), (b)(7)(C) personal vehicle, (b) (6), (b)(7)(C) friends' personal vehicles, and to purchase food and beverage items.

On January 26, 2012, SA (b) (6), (b)(7)(C) arrested (b) (6), (b)(7)(C) on an arrest warrant issued in U.S. District Court in the Southern District of Maryland. The arrest warrant charged (b) (6), (b)(7)(C) in violation of 18 USC 641, Theft of Government Property.

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 16, 2012 - MARCH 22, 2012





JI Updates

March 23, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

On March 26, 2012, SA (b) (6), (b)(7)(C) will attend a pretrial hearing for (b) (6), (b)(7)(C), a Veterans Resource and Recovery Transition Program employee, assigned to the Department of Veterans Affairs Medical Center (VAMC), Providence, RI. (b) (6), (b)(7)(C) previously admitted to police (b) (6) stole a GSA leased Chevrolet Pickup Truck from the VAMC and used the vehicle to commit a burglary at a local bar in Providence, RI. (DRI/Fraud/I1213135)

New York (JI-2)

On March 22, 2012, SA (b)(7)(C), (b) (6) will present the investigative findings of this investigation to the U.S. Army Recruiting Command Center, Lakehurst, NJ, for consideration of administrative and/or General Court Martial action. Sgt. First Class (b)(7)(C), (b) (6), U.S. Army, admitted to fraudulently using multiple FLEET cards to refuel (b) (6) personal vehicle and to make miscellaneous purchases. The total fraud amount is approximately \$10,943. (DNJ/WEX/I1132393)

Philadelphia (JI-3)

During the week of March 26, 2012, Sgt. (b) (6), (b)(7)(C), U.S. Air Force, Dover Air Force Base, DE, is expected to be charged by the Judge Advocate General with violating UCMJ Article 121 Larceny and Wrongful Appropriation, and Article 132, Fraud Against the United States, for (b) (6) theft and fraudulent use of FLEET cards assigned to the Air Force. (DDE/WEX/I1232096)

Atlanta (JI-4)

(b) (7)(A)

(b) (6) (1142172)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report



JI Updates

March 23, 2012

Dallas/FT Worth (JI-7)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

(1192222)

Auburn (JI-10)

On March 28, 2012, in U.S. District Court for the District of Idaho (Boise), an Information will be filed charging Construction Service Corporation for violating 18 USC 371 and 1343. (DID/Fraud/11000226)

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 60 disclosures.

Civil Enforcement

On April 5, 2012, a meeting will be held with (b) (7)(D) officials and their Attorney's to discuss an ongoing FAR Disclosure investigation. (DOJ Commercial Litigation/Civil/111H2790)

ARRA CASE DATA

Total Allegations Received:	40
Allegations Open:	8
Allegations closed without action:	14
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	7
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	29
Open I Cases accepted for prosecution:	12

SIGNIFICANT ITEM

Case Title: CJMS Contracting, LLC
Case Number: I1160742
Case Agent: (b) (6), (b)(7)(C)

On March 15, 2012, (b) (6), (b)(7)(C), former VA Estimating Chief, pled guilty to an information, in the U.S. District Court, Eastern District of Missouri. (b) (6), (b)(7)(C) was charged with one felony count of 18 USC 201, Bribery, whereby (b) (6), (b)(7)(C) accepted bribes from three other co-conspirators in exchange for recommending and ensuring that these individuals were awarded, and continued to be awarded, federal SDVOSB set-aside contracts that their SDV company, CJMS, was not entitled to receive. On the same day, (b) (6), (b)(7)(C) surrendered (b) (6), (b)(7)(C) to the U.S. Marshals, St. Louis, Missouri. This case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND

This investigation was initiated based on information from the VA OIG regarding allegations that VA Chief Engineer (b) (6), (b)(7)(C) accepted gifts and gratuities from contractors who performed work on federal projects.

Investigative efforts revealed that in 2007, (b) (6), (b)(7)(C) recommended to (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) friend, to find a Service-Disabled Veteran (SDV) and start up a SDVOSB company so that (b) (6), (b)(7)(C) could get set-aside and sole source contracts. (b) (6), (b)(7)(C) subsequently found an SDV named (b) (6), (b)(7)(C) and formed CJMS. (b) (6), (b)(7)(C), a friend of (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and a co-conspirator in the scheme, provided financial support, bonding, and an office to run the company out of. (b) (6), (b)(7)(C) also owned a company named Gateway Contractors that worked out of the same office and performed the vast majority of CJMS's federal contract work.

The investigation revealed that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) paid bribes to (b) (6), (b)(7)(C) in the form of cash, entertainment by exotic dancers at a gentlemen's club, St. Louis Cardinals baseball tickets, lunches, drinks, and dinners. In exchange, (b) (6), (b)(7)(C) recommended CJMS and assisted them to obtain \$3.4 million in set-aside and sole-source federal construction contracts, and one American Recovery and Reinvestment Act funded contract in the amount of \$654,095. Furthermore, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) inflated the total amount of these contracts so that CJMS would have a larger profit margin.

Pursuant to these contracts, (b) (6), (b)(7)(C) submitted false statements in GSA's Central Contractor Registration and made false certifications in the Online Representations and Certifications Application databases by stating that CJMS was a legitimate SDVOSB. SDV (b) (6), (b)(7)(C) did not control any aspect of the company and did not receive anywhere near the majority of the profits from the company, as required under the SDVOSB program. Additionally, CJMS did not have any employees and the contract work was "passed through" to Gateway, who built in an additional profit margin so they could make even more money.

(b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) received over \$1.6 million in profits out of the \$3.4 million that was paid to CJMS for contract work. This case is being worked jointly with VA OIG and SBA OIG.

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 110H2133
Case Agent: Branch Chief (b) (6), (b)(7)(C) and Special Agent (b) (6), (b)(7)(C)

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), Branch Chief, JIB-C, Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.



(b) (6), (b)(7)(C) Special Agent
U.S. General Services Administration
Office of Inspector General
Investigations Operations Division/Civil Enforcement Branch (JIB-C)
26 Federal Plaza, Room (b) (6), (b)(7)(C) New York, NY 10278
Office (b) (6), (b)(7)(C) Cell (b) (6), (b)(7)(C) Fax (212) 264-7154

SIGNIFICANT ITEM

Case Title: Fort Polk TMP – Fraudulent use of a FLEET Card – G43-3053G

File Number: I1172483

Case Agent: (b) (6), (b)(7)(C)

On March 9, 2012, Specialist (b) (6), (b)(7)(C) was convicted during a general court martial of violating UCMJ Article 81 (Conspiracy), two counts of Article 86 (Absence without leave), three counts of Article 121 (Larceny and Wrongful Appropriation) and two counts of Article 134 (General Misconduct) for (b) (6), (b)(7)(C) fraudulent use of a FLEET card assigned to the Fort Polk, LA Transportation Motor Pool (TMP). (b) (6), (b)(7)(C) was sentenced to a reduction in grade to E-2 (Private), 60 days hard labor, and a fine of \$2,000.00. The case was prosecuted by U.S. Army Captain (b) (6), (b)(7)(C), Trial Counsel, Fort Polk Staff Judge Advocate.

BACKGROUND

On March 23, 2011, JI - 7 received information from (b) (6), (b)(7)(C) GSA fleet management Loss Prevention Coordinator, pertaining to the apparent fraudulent use of a FLEET card assigned to G43-3053G. (b) (6), (b)(7)(C) determined the questionable transactions included numerous back to back fuel transactions, premium fuel purchases, incorrect odometer entries, after duty hour transactions and over the tank capacity transactions. G43-3053 was leased to the TMP located on Fort Polk, LA

Preliminary investigation determined the FLEET card was apparently fraudulently being used to purchase fuel in the Leesville, LA area. Analysis of video surveillance obtained from various fuel stations in Leesville, LA identified Specialist (b) (6), (b)(7)(C), Private (b) (6), (b)(7)(C), and Specialist (b) (6), (b)(7)(C) as the individuals using the FLEET card to fuel their vehicles and the vehicles of other unidentified individuals. In addition, analysis of the historical FLEET card transactions determined transactions were conducted on specific dates and times in New Orleans, LA; Greenville, South Carolina; and McIntyre, GA locations where (b) (6), (b)(7)(C), and (b) (6), (b)(7)(C) took annual leave. Approximate loss to the government was \$16,300.

(b) (6), (b)(7)(C)

Special Agent In Charge

U.S. General Services Administration

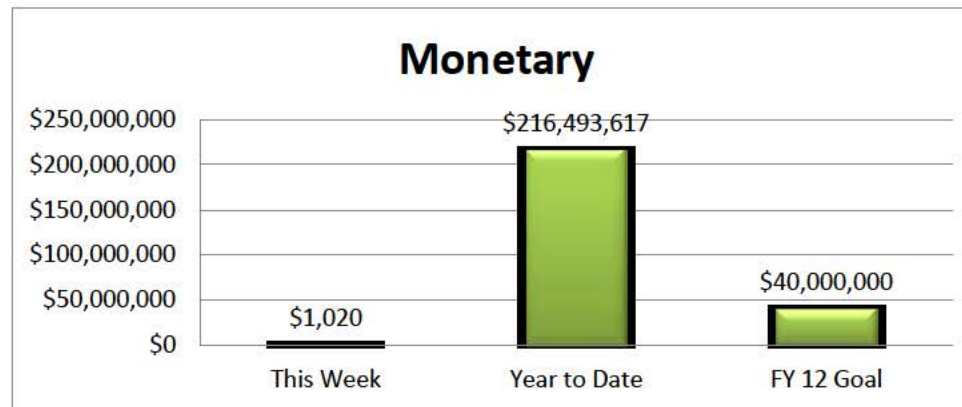
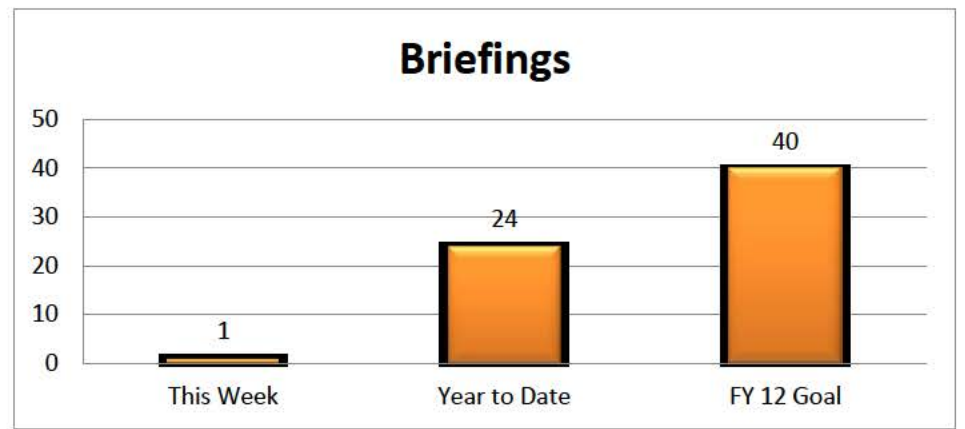
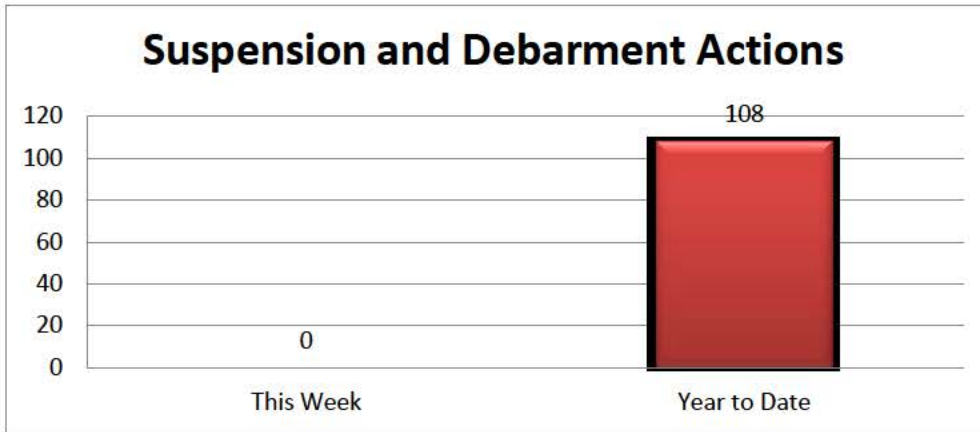
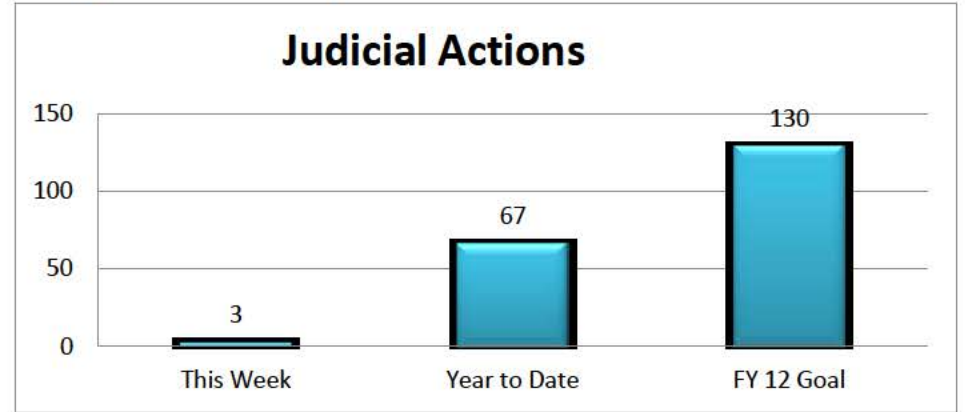
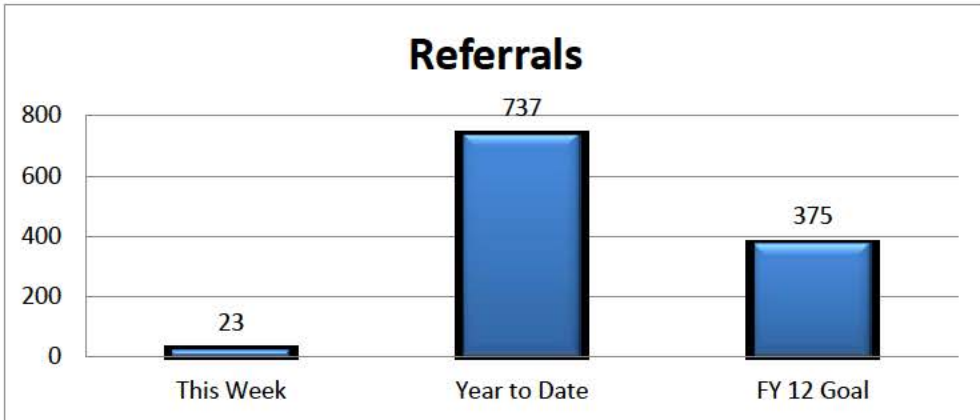
Office of the Inspector General

819 Taylor St. Room (b) (6), (b)(7)(C)

Fort Worth, TX 76102

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 23, 2012 - MARCH 29, 2012





JI Updates

March 30, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/I12W3350)

Boston (JI-1)

On March 30, 2012, a conference call is scheduled with the AUSA, USAO, District of Massachusetts, to prepare for a proffer scheduled for April 2, 2012 involving a subject of this investigation. This investigation involves violations of the SDVOSB program by B&J Multi-Service. (DMA/Fraud/I1010156)

New York (JI-2)

(b) (7)(A)

/I0920154)

Philadelphia (JI-3)

On March 30, 2012, (b) (6), (b)(7)(C), former GSA Supervisory Program Analyst, is scheduled to self-surrender to SAs and report for initial appearance in U.S. District Court, EDPA. (EDPA/Conflict of Interest/I0831563)

On March 30, 2012, SA (b) (6), (b)(7)(C) is scheduled to meet with a Philadelphia Police Department Detective to provide documents and a statement, which the PPD Detective will use to obtain an arrest warrant for an Amtrak employee captured on surveillance tape fraudulently using a FLEET card. JI-3 will assist PPD in executing the arrest warrant next week while the subject is in the act of fraudulently using the FLEET card. (Philly DA/WEX/I1233596)

Atlanta (JI-4)

On April 4, 2012, SAC (b) (6), will attend meetings at DOJ headquarters, Washington, D.C. with SAIC counsel regarding the status of the investigation and future CID deposition schedules. (MDFL DOJ/Qui Tam/I0940681)



JI Updates

March 30, 2012

Chicago (JI-5)

Please see ARRA below.

Kansas City (JI-6)

(b) (7)(A)
(b) (7)(A)

/1040114)

April 2, 2012 through April 4, 2012, SA (b) (6), (b)(7)(C) will be attending a cell phone and mobile forensics training course in Washington, D.C.

Denver (JI-8)

Nothing significant to report.

Dallas/FT Worth (JI-7)

Nothing significant to report.

San Francisco (JI-9)

During the week of April 2, 2012, SA (b) (6), (b)(7)(C) will travel to San Diego, CA to interview various personnel, including the responsible DHS project representative, regarding allegations that Miller Hull and Candela Lighting conspired to use false and/or inaccurate product data to eliminate a potential vendor from a multi-million dollar lighting contract associated with the San Ysidro Land Port of Entry refurbishment/expansion project in the San Diego area. Miller Hull is the architectural and engineering firm selected by GSA for the project, and Candela Lighting is a lighting consultant to Miller Hull. (SDCA/Conspiracy/Kickbacks/Z1293040)

(b) (7)(A)

11192222)

Auburn (JI-10)

Nothing significant to report.

JI-1

HOTLINES

Hotline received from (b) (6), (b)(7)(C) alleging that the Land Port of Entry Building in Scobey, MT has been compromised in the area of officer safety and security, and building integrity. (Referred to JI-6/H1263608)



JI Updates

March 30, 2012

Hotline received from (b) (6), (b)(7)(C), AIGI, Architect of the Capital OIG, reporting an allegation of possible contract fraud and the hiring of illegal aliens on government contracts and not paying Davis Bacon wages to the Hispanic work force, on the part of ARC Construction. (Referred to JI-W/H12W3610)

JI-B

FAR

One new disclosure was received this week from (b) (7)(D). To date, the Investigations Operations Division has received 61 disclosures.

Civil Enforcement

On April 5, 2012, a meeting will be held with (b) (7)(D) officials and their Attorney to discuss an ongoing FAR Disclosure investigation. (DOJ Commercial Litigation/Civil/111H2790)

ARRA

During the week of April 1, 2012, SA [REDACTED] will meet with SA (b) (6), (b)(7)(C), DOT OIG, to discuss joint case direction regarding complaints related to Hunt Electric and DBE pass-through. Hunt Electric is a subcontractor for Ryan Construction. Ryan Construction is performing ARRA work at the Whipple Federal Building, Fort Snelling, MN. (DM/Fraud/H1253288)

ARRA CASE DATA

Total Allegations Received: 42
Allegations Open: 3
Allegations closed without action: 21
Allegations closed via case conversion: 12
Allegations closed after being referred to GSA, RATB, etc: 6
Total of V, I, or Z actions initiated: 59
Total of V, I, or Z actions closed without action: 9
Total of V, I, or Z actions after being referred to GSA, RATB, etc: 5
Number of Open V Actions: 13
Number of Open Z Actions: 5
Number of Open I Actions: 27
Open I Cases accepted for prosecution: 12

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C): WEX Fleet Card Fraud - Robins Air Force Base
Case Number: 11243034
Case Agent: SA (b) (6), (b)(7)(C)

On March 21, 2012, (b) (6), (b)(7)(C), appeared before the Honorable (b) (6), (b)(7)(C), Houston County Superior Court Judge, Houston County, Georgia, for an arraignment hearing. (b) (6), (b)(7)(C) agreed to accept a First Offender plea agreement to one felony count of Financial Transaction Card Theft and five counts of Financial Transaction Card Fraud. As part of the plea agreement, (b) (6), (b)(7)(C) was sentenced to six years probation, ordered to pay a \$1,000 fine, and make restitution to GSA in the amount of \$34,768.38, and commit no further crimes during (b) (6), (b)(7)(C) probationary period. Any violation of (b) (6), (b)(7)(C) probation will violate (b) (6), (b)(7)(C) plea agreement and a guilty conviction would be entered along with an incarceration sentence.

This case was prosecuted by (b) (6), (b)(7)(C), Assistant District Attorney, Houston County, Georgia. The loss to the Government was \$34,768.38.

Background

This investigation was initiated based upon a referral from (b) (6), (b)(7)(C), GSA Fleet Management, regarding the questionable use of two Fleet cards assigned to GSA vehicles at Warner Robins Air Force Base, Warner Robins, Georgia. A preliminary GSA OIG investigation determined that two FLEET cards were being used for fraudulent purchases of fuel.

JI-4 initiated surveillance operations that resulted in the identification of (b) (6), (b)(7)(C) as the subject fraudulently using the FLEET cards. SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) coordinated the fraud investigation with the Houston County Police Department (HCPD), Houston County, Georgia.

On October 7, 2011, HCPD, assisted by the GSA OIG, arrested (b) (6), (b)(7)(C) without incident during a vehicle traffic stop. (b) (6), (b)(7)(C) was identified as fraudulently using two FLEET cards to purchase fuel in exchange for cash. HCPD recovered two stolen FLEET cards, several hundred dollars in cash, and two baggies containing Marijuana with associated illegal narcotics paraphernalia.

On December 13, 2011, (b) (6), (b)(7)(C) was indicted on one felony count of Financial Transaction Card Theft, five felony counts of Financial Transaction Card Fraud, and one misdemeanor count of Possession of Marijuana.

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: MRC-QTR, Fraud / False Statements

Case #: I10-0-0226

Case Agent: (b) (6), (b)(7)(C)

On February 28, 2012, in the U.S. District Court for the District of Idaho, an information was filed (under seal) charging McDonald Roofing and Construction, Inc. (MRC) with violating 18 USC 1343, Wire Fraud. The information charged that MRC and others devised a scheme to defraud federal agencies by making materially false representations and certifications to the Government in order to unlawfully obtain contracts through the HUBZone program; MRC obtained approximately \$219,000 in contracts it was not entitled to receive. On March 15, 2012, MRC pled guilty to the charge. A sentencing hearing has been scheduled for June 5, 2012.

The case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was based on a complaint from the U.S. Government Accountability Office (GAO). The GAO had received a hotline complaint alleging fraud concerning the service disabled veteran-owned small business (SDVOSB) contracts that were awarded to MCR/QTR Joint Venture. It was alleged that MRC, a company located in Boise, ID, was ineligible to receive set-aside contracts because the daily operations of the company were not controlled by the service disabled veteran majority owner. The GAO's initial investigation supported the allegations of non-veteran company control, and a referral was made to the GSA OIG as MRC/QTR Joint Venture had been awarded a GSA contract under the SDVOSB program.

MRC was awarded contracts through several federal agencies, so GAO also made referrals to other federal law enforcement agencies. JI-10 worked this investigation with SBA OIG, IRS CI, DOI OIG, USDA OIG, VA OIG, DCIS and Army MPFU. Through witness interviews, document reviews, and search warrant operations, the investigation determined that MRC, in order to be certified as a HUBZone business, had falsely reported its principal place of business and had falsely represented that the company met the HUBZone's employee residency requirements.

The investigation also determined that MRC made false representations via its electronic submissions to GSA's Online Representation and Certification Administration database.

To date, the investigation has revealed MRC and others have obtained millions of dollars in contracts and property through schemes to defraud and deceive the Government through use of false representations. This is an ongoing investigation, and it is expected that additional entities will be charged.

(b) (6), (b)(7)(C)

Special Agent in Charge

Office of Inspector General

General Services Administration

Northwest / Arctic Region (JI-10)

(b) (6), (b)(7)(C)

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On March 28, 2012, (b) (6), (b)(7)(C), a former U.S. Navy official previously employed at the Fleet Readiness Center located at the Naval Air Station North Island (NANSI) in Coronado, CA, appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) in San Diego, CA and pled guilty to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343) all in violation of 18 USC 1349, one count of conspiracy to commit bribery (18 USC 201(b)(2)(A) and 18 USC 371), and one count of filing a false tax return (26 USC 7206 (1)). (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets that constitute or were derived from proceeds traceable to (b) (6), (b)(7)(C) violation of 18 USC 1349. The items included an Apple store gift card, Lowe's gift card, Ellsworth bicycle, multiple model airplanes and parts, Asus laptop, Mac Book Air Super Drive, iPad, Mac Book Air Notebook, iMac computer with keyboard, Sony iPod dock with alarm clock, Bose headphones, Sony Dream Machine, iHome, and a Mac Book Pro.

Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), U.S. Attorney's Office, Southern District of California, prosecuted this case.

Background

This is a joint investigation with the Federal Bureau of Investigation, the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service, and the Internal Revenue Service Criminal Investigation Division. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations DCIS received alleging that (b) (6), (b) and others had been involved in a long-running bribery scheme at NASNI. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

Following extensive surveillance, interviews, contract reviews, the review of dozens of bank records and credit card statements, other investigative techniques and the execution of 15 search warrants, the investigation determined that from June 2003 to April 2007 (b) (6), (b)(7)(C) was provided with \$205,000 in cash and goods; including approximately \$49,000 in cash, \$20,000 in gift cards, \$20,000 in electronics, \$38,000 in goods from bicycle shops, and \$78,000 in goods from hobby shops. (b) (6), (b)(7)(C) also received \$35,000 in home remodeling services paid for by the contractor co-conspirators, including approximately \$15,000 in cabinets and countertops, \$10,000 in appliances and \$10,000 in labor. (b) (6), (b)(7)(C) received \$31,400 in gift cards from a contractor, including gift cards from Lowe's, Best Buy, Apple and REI. (b) (6), (b)(7)(C) also received \$3,000 in gift cards from GSA contractor X & D Supply, including gift cards for Lowe's, Best Buy and Apple. (b) (6), (b)(7)(C) was given \$6,000 in cash paid to (b) (6), (b)(7)(C) by (b) (6), (b)(7)(C), another Navy employee obtained from contractor co-conspirators. \$26,500 in goods and services were provided to (b) (6), (b)(7)(C) friend at (b) (6), (b)(7)(C) request, including payments for car repairs and improvements, a refrigerator, a laptop, a toolbox, concrete, a bicycle fork and purchases from a dive shop. (b) (6), (b)(7)(C) also requested and received \$6,600 in goods and services for a friend for woodworking tools, a boat transmission, cabinets and car repairs. (b) (6), (b)(7)(C) also admitted to receiving at least \$100,000 in additional goods and services received from contractor co-conspirators for (b) (6), (b)(7)(C) personal use.

In exchange for these items, (b) (6), (b)(7)(C) and others engaged in a scheme to defraud the U.S. Government by accepting and approving invoices they knew to be false which ultimately resulted in payments to the contractors who were providing (b) (6), (b)(7)(C) and others with items of value. In addition to fraudulently providing the U.S. Government false invoices, the contractor co-conspirators also charged the Government a "mark-up" in the amount of 25% or more. The Navy co-conspirators originated, approved and/or accepted fraudulent orders; received items of value from the contractor co-conspirators and misappropriated such items for personal use; and caused the government to make payments for the fraudulent orders.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration Office of Inspector General

Pacific Rim Regional Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On March 28, 2012, (b) (6), (b)(7)(C), a former U.S. Navy official employed at the Fleet Readiness Center located at the Naval Air Station North Island (NANSI) in Coronado, CA, appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) in San Diego, CA and pled guilty to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343), all in violation of 18 USC 1349. (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets that constitute or were derived from proceeds traceable to (b) (6), (b)(7)(C) violation of 18 USC 1349. These assets included \$2,170 in cash, two LG televisions with wall mounts, a Brother NFC CDW Color Laser Multi-Function Center, an OSIM Zero Gravity Massage Chair, and a Samsung flat screen television with wall mount and external hard drive.

Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), U.S. Attorney's Office, Southern District of California, prosecuted this case.

Background

This is a joint investigation with the Federal Bureau of Investigation, the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service, and the Internal Revenue Service Criminal Investigation Division. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations DCIS received alleging that (b) (6), (b)(7)(C) and others had been involved in a long-running bribery scheme at NASNI. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

Following extensive surveillance, interviews, contract reviews, the review of dozens of bank records and credit card statements, other investigative techniques, and the execution of 15 search warrants, the investigation determined that from November 1, 2007 and continuing through January 2011, (b) (6), (b)(7)(C) personally received benefits fraudulently charged to and paid for by the U.S. Government amounting to at least \$60,600. (b) (6), (b)(7)(C) received \$50,000 in labor and materials for the remodeling of (b) (6), (b)(7)(C) home, three televisions worth \$5,000, a massage chair worth \$3,700, and \$1,900 in medical kits. In exchange for these items, (b) (6), (b)(7)(C) and others engaged in a scheme to defraud the U.S. Government by accepting and approving invoices they knew to be false which ultimately resulted in payments to the contractors who were providing him and others with items of value. In addition to fraudulently providing the U.S. Government false invoices, the contractor co-conspirators also charged the U.S. Government a "mark-up" in the amount of 25% or more. The Navy co-conspirators originated, approved, and/or accepted fraudulent orders, received items of value from the contractor co-conspirators and misappropriated such items for personal use, and caused the government to make payments for the fraudulent orders.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On March 28, 2012, (b) (6), (b)(7)(C) the owner of GSA and U.S. Navy contractor X&D Supply, Inc. located in Carlsbad, CA, appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) in San Diego, CA and pled guilty to a criminal information charging him with one count of conspiracy to commit wire fraud (18 USC 1343) all in violation of 18 USC 1349 and one count of aiding and assisting the preparation of a false tax return (26 USC 7206 (2)).

Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), U.S. Attorney's Office, Southern District of California, prosecuted this case.

Background

This is a joint investigation with the Federal Bureau of Investigation, the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service, and the Internal Revenue Service Criminal Investigation Division. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations DCIS received alleging that (b) (6), (b)(7)(C) and others had been involved in a long-running bribery scheme at the Naval Air Station North Island in Coronado, CA. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

Following extensive surveillance, interviews, contract reviews, the review of dozens of bank records, other investigative techniques, and the execution of 15 search warrants, the investigation determined that from November 1, 2007 and continuing through January 2011 (b) (6), (b)(7)(C) and other co-conspirators and co-defendants knowingly and intentionally conspired and agreed among themselves to engage in a scheme to defraud the U.S. Government by submitting false invoices to the government and obtaining payment for those invoices. At the request of the Navy co-conspirators, the contractor co-conspirators (to include (b) (6), (b)(7)(C) provided the Navy employees with benefits including cash, gift cards, goods and services that were not within the scope of the contracts that the contractor co-conspirators had with the U.S. Government. In addition to fraudulently charging the government for these benefits, the contractor co-conspirators charged the government a "mark up" in the amount of 25% or more. (b) (6), (b)(7)(C) participated in, as well as actively aided and abetted, fraudulent billings being submitted to the government amounting to at least \$510,000, which amounts were then paid by the U.S. Government. These fraudulent billings to the Navy included the following: \$170,000 billed to the Navy for cash and gift cards provided to Navy co-conspirators, \$73,000 billed to the Navy for checks provided to Navy co-conspirators, \$20,050 billed to the Navy for miscellaneous items provided to Navy co-conspirators, \$135,000 billed to the Navy for benefits conferred by a contractor purportedly acting as a subcontractor to X & D, and \$102,000 billed to the Navy reflecting a 25% markup for a contractor on the foregoing billings.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (7)(D), (b) (6)

On March 28, 2012, (b) (6), (b)(7)(C), a sales manager and former owner of a U.S. Government contractor identified as "Company A" (with whom (b) (6), (b)(7)(C) remained after selling the business) in Poway, CA, appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) in San Diego, CA and pled guilty to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343).

Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), U.S. Attorney's Office, Southern District of California, prosecuted this case.

Background

This is a joint investigation with the Federal Bureau of Investigation, the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service, and the Internal Revenue Service Criminal Investigation Division. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations DCIS received alleging that (b) (6), (b)(7)(C) and others had been involved in a long-running bribery scheme at the Naval Air Station North Island in Coronado, CA. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and U.S. Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

Following extensive surveillance, interviews, contract reviews, the review of dozens of bank records, other investigative techniques, and the execution of 15 search warrants, the investigation determined that from November 1, 2007 and continuing through January 2011 (b) (6), (b)(7)(C) and other co-conspirators and co-defendants knowingly and intentionally conspired and agreed among themselves to engage in a scheme to defraud the U.S. Government by submitting false invoices to the U.S. Government and obtaining payment for those invoices. At the request of the Navy co-conspirators, the contractor co-conspirators (to include (b) (6), (b)(7)(C) provided the Navy employees with benefits including cash, gift cards, goods and services that were not within the scope of the contracts that the contractor co-conspirators had with the U.S. Government. In addition to fraudulently charging the government for these benefits, the contractor co-conspirators charged the government a "mark up" in the amount of 25% or more. (b) (6), (b)(7)(C) participated in, as well as actively aided and abetted, fraudulent billings to the government amounting to at least \$759,937.50, which amounts were then paid by the U.S. Government. These fraudulent billings to the Navy included the following: \$325,000 billed to the Navy for checks provided to Navy co-conspirators, \$96,000 billed to the Navy for gift cards provided to Navy co-conspirators, \$21,900 billed to the Navy for electronics provided to Navy co-conspirators, \$20,050 billed to the Navy for miscellaneous items provided to Navy co-conspirators, \$145,000 billed to the Navy for benefits conferred by a contractor purportedly acting as a subcontractor to that contractor, and \$151,987.50 billed to the Navy reflecting a 25% markup for a contractor on the foregoing billings.

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On March 28, 2012, (b) (6), (b)(7)(C) a U.S. Navy official employed at the Fleet Readiness Center located at the Naval Air Station North Island (NASNI) in Coronado, CA, appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) in San Diego, CA and pled guilty to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343) – all in violation of 18 USC 1349 and filing a false tax return (Title 26 USC 7206 (1)). (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets that constituted or were derived from proceeds traceable to his violation of 18 USC 1349. These assets included four Home Depot gift cards, Home Depot store credit, a Brookstone gift card, two Lowe's gift cards, three Fry's gift cards, two IKEA gift cards, a Costco cash card, REI gift and membership cards, two Walmart gift cards, a Red Wing gift card, a Hobby People gift card, an American Express gift card, two Green Dot prepaid Visa cards, two Costco gift cards, a Chevron gift card, 17 G-shock watches, a Dell Dimension desktop computer, a HP Pavilion Entertainment PC, a Sony Vaio computer, an Alienware laptop computer, a HP Pavilion Laptop OV5, a Panasonic 6.0 4-handset digital phone, an iPhone 3GS, 21 Fischer space pens, a model aircraft, a Brother MFC-8680DN laser all in one printer, a massage chair OS7430, four Samsung flat screen televisions, and other items.

Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), U.S. Attorney's Office, Southern District of California, prosecuted this case.

Background

This is a joint investigation with the Federal Bureau of Investigation, the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service, and the Internal Revenue Service Criminal Investigation Division. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations DCIS received alleging that (b) (6), (b)(7)(C) and others had been involved in a long-running bribery scheme at NASNI. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

Following extensive surveillance, interviews, contract reviews, the review of dozens of bank records and credit card statements, other investigative techniques, and the execution of 15 search warrants, the investigation determined that from November 1, 2007 and continuing through January 2011 (b) (6), (b)(7)(C) personally received benefits fraudulently charged to and paid for by the U.S. Government amounting to at least \$559,700. (b) (6), (b)(7)(C) received \$400,000 in checks, \$240,000 in gift cards and cash, \$12,000 in electronics (including televisions and computers), a shed and grill totaling \$4,000 in value, and a massage chair worth \$3,700. In exchange for these items, (b) (6), (b)(7)(C) and others engaged in a scheme to defraud the U.S. Government by accepting and approving invoices they knew to be false which ultimately resulted in payments to the contractors who were providing him and others with items of value. In addition to fraudulently providing the U.S. Government false invoices, the contractor co-conspirators also charged the government a "mark-up" in the amount of 25% or more. The Navy co-conspirators originated, approved and/or accepted fraudulent orders, received items of value from the contractor co-

conspirators and misappropriated such items for personal use, and caused the government to make payments for the fraudulent orders.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration Office of Inspector General

Pacific Rim Regional Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On March 28, 2012, (b) (6), (b)(7)(C), a former U.S. Navy official employed at the Fleet Readiness Center located at the Naval Air Station North Island (NASNI) in Coronado, CA, appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) in San Diego, CA and pled guilty to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343) – all in violation of 18 USC 1349. (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets that constituted or were derived from proceeds traceable to (b) (6), (b)(7)(C) violation of 18 USC 1349. These assets included three Samsung TVs with wall mounts, a HP HPE-450F desktop computer, and a LG computer monitor.

Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), U.S. Attorney's Office, Southern District of California, prosecuted this case.

Background

This is a joint investigation with the Federal Bureau of Investigation, the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service, and the Internal Revenue Service Criminal Investigation Division. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations DCIS received alleging that (b) (6), (b)(7)(C) and others had been involved in a long-running bribery scheme at NASNI. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

Following extensive surveillance, interviews, contract reviews, the review of dozens of bank records and credit card statements, other investigative techniques, and the execution of 15 search warrants, the investigation determined that from November 1, 2007 and continuing through January 2011 (b) (6), (b)(7)(C) personally received benefits fraudulently charged to and paid for by the U.S. Government amounting to at least \$66,400. (b) (6), (b)(7)(C) received \$23,000 in cash, \$17,000 in gift cards, \$20,000 in labor and appliances for the remodeling of (b) (6), (b)(7)(C) home, \$4,900 in electronics (including three televisions, a computer, and a monitor), and a massage chair worth \$1,500. In exchange for these items, (b) (6), (b)(7)(C) and others engaged in a scheme to defraud the U.S. Government by accepting and approving invoices they knew to be false that ultimately resulted in payments to the contractors who were providing (b) (6), (b)(7)(C) and others with items of value. In addition to fraudulently providing the U.S. Government false invoices, the contractor co-conspirators also charged the government a "mark-up" in the amount of 25% or more. The Navy co-conspirators originated, approved and/or accepted fraudulent orders, received items of value from the contractor co-conspirators and misappropriated such items for personal use, and caused the government to make payments for the fraudulent orders.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration Office of Inspector General
Pacific Rim Regional Investigations Office (JI-9)

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On March 28, 2012, (b) (6), (b)(7)(C), a sales manager for a U.S. Government contractor identified as "Company B" in Poway, CA, appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) in San Diego, CA and pled guilty to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343) – all in violation of 18 USC 1349 and one count of conspiracy to commit bribery (18 USC 201 (b)(2)(A) – all in violation of 18 USC 371.

Assistant U.S. Attorneys (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), U.S. Attorney's Office, Southern District of California, prosecuted this case.

Background

This is a joint investigation with the Federal Bureau of Investigation, the Defense Criminal Investigative Service (DCIS), the Naval Criminal Investigative Service, and the Internal Revenue Service Criminal Investigation Division. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations DCIS received alleging that (b) (6), (b)(7)(C) and others had been involved in a long-running bribery scheme at the Naval Air Station North Island in Coronado, CA. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and U.S. Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

Following extensive surveillance, interviews, contract reviews, the review of dozens of bank records, other investigative techniques, and the execution of 15 search warrants, the investigation determined that from November 1, 2007 and continuing through January 2011 (b) (6), (b)(7)(C) and other co-conspirators and co-defendants knowingly and intentionally conspired and agreed among themselves to engage in a scheme to defraud the U.S. Government by submitting false invoices to the government and obtaining payment for those invoices. At the request of the Navy co-conspirators, the contractor co-conspirators (to include (b) (6), (b)(7)(C)) provided the Navy employees with benefits including cash, gift cards, goods and services that were not within the scope of the contracts that the contractor co-conspirators had with the government. In addition to fraudulently charging the government for these benefits, the contractor co-conspirators charged the government a "mark up" in the amount of 25% or more. (b) (6), (b)(7)(C) participated in, as well as actively aided and abetted, fraudulent billings to the government amounting to at least \$300,000, which amounts were then paid by the government.

These fraudulent billings to the Navy included the following: \$49,000 billed to the Navy for cash provided to (b) (6), (b)(7)(C) \$78,000 billed to the Navy for hobby shop goods provided to (b) (6), (b)(7)(C) \$38,000 billed to the Navy for bicycle shop goods provided to (b) (6), (b)(7)(C) \$20,000 billed to the Navy for gift cards provided to (b) (6), (b)(7)(C) \$20,000 billed to the Navy for electronics provided to (b) (6), (b)(7)(C) \$10,000 billed to the Navy for home appliances provided to (b) (6), (b)(7)(C) \$19,500 billed to the Navy for goods and repairs provided at the request of (b) (6), (b)(7)(C) to (b) (6), (b)(7)(C) friend (b) (6), (b)(7)(C) \$5,500 billed to the Navy for tools and a transmission provided at the request of (b) (6), (b)(7)(C) to (b) (6), (b)(7)(C) friend (b) (6), (b)(7)(C) and \$60,000 billed to the Navy reflecting a 25% markup for Company B on the foregoing billings. (b) (6), (b)(7)(C) admitted that, because of the orders placed by (b) (6), (b)(7)(C) with (b) (6), (b)(7)(C) and Co-conspirator 2, the U.S. Government paid Company B at least

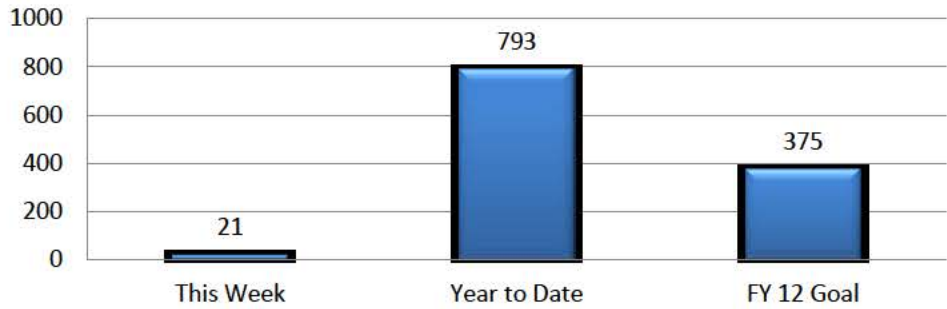
\$978,347 in government funds. In total, (b) (6), (b)(7)(C) and Co-conspirator 2 provided (b) (6), (b)(7)(C) with at least \$240,000 in bribes.

(b) (6), (b)(7)(C)

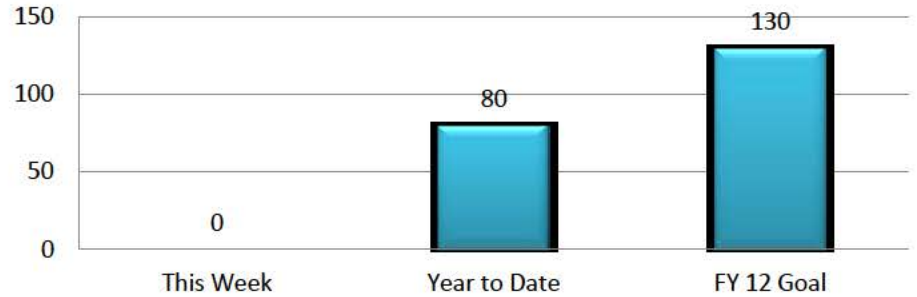
Special Agent in Charge
U.S. General Services Administration Office of Inspector General
Pacific Rim Regional Investigations Office (JI-9)
450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)
San Francisco, CA 94102
Office: (b) (6), (b)(7)(C) 750
Fax: (415) 522-2760
Cell: (b) (6), (b)(7)(C)
E-mail: (b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MARCH 30, 2012 - APRIL 5, 2012

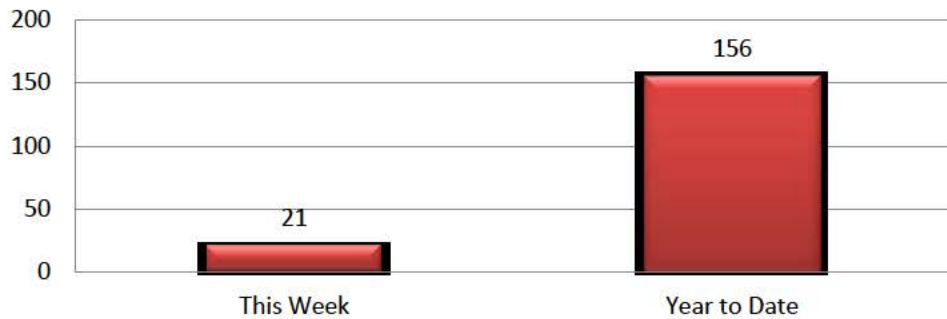
Referrals



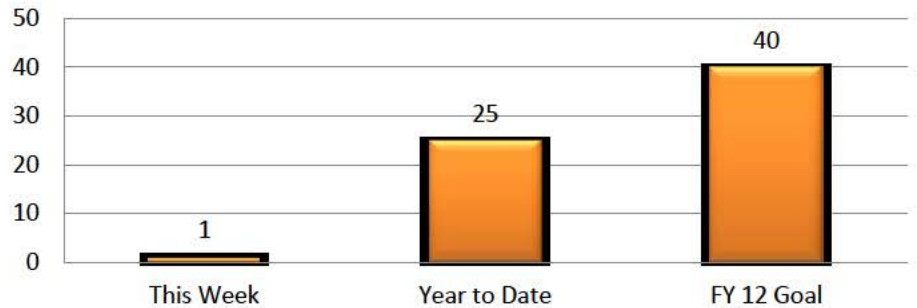
Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

April 6, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

On April 9, 2012, SA (b) (6), (b) (7)(A) will present this case to the District Attorney's Office in Philadelphia, PA, for criminal prosecution. (Philly DA/WEX/I1233596)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

11162408)

Denver (JI-8)

During the week of April 9, 2012, SA (b) (7)(D), (b) (6) and AUSA (b) (7)(D), (b) (6) will be coordinating and facilitating negotiations with Am-Gard Inc. Investigation determined that Am-Gard failed to pay GSA Industrial Funding Fees per the terms of their GSA contract. (DCO/False Claims/I0881164)

Dallas/FT Worth (JI-7)

Nothing significant to report



JI Updates

April 6, 2012

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

HOTLINES

Complaint received via OIG Hotline from (b) (6), (b)(7)(C) . (b)(6), (b)(7)(C) alleges possible contract fraud, hiring of illegal aliens on government contracts, and Davis Bacon wage violations.

(Referred to JI-W/H12W3610)

FAR

The Investigations Operations Division received one new FAR disclosure this week from (b) (7)(D) . To date, we have received a total of 62 disclosures.

ARRA

Nothing significant to report

ARRA CASE DATA

Total Allegations Received:	42
Allegations Open:	3
Allegations closed without action:	21
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	9
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	27
Open I Cases accepted for prosecution:	12

SIGNIFICANT ITEM

Case Title: CABLExpress-Qui Tam

Case Number: I0920355

Case Agent: (b) (6), (b)(7)(C)

On March 29, 2012, Cablexpress Corporation, Syracuse, NY, agreed to pay the United States Government \$2,000,000 to settle allegations that it violated the False Claims Act by selling non-TAA compliant products and counterfeit products to government customers through their GSA Multiple Award Schedule. The counterfeit products consisted of gigabit interface converters (GBICs) which Cablexpress claimed were manufactured by various well known corporations, including Cisco Systems (Cisco), Nortel Networks (Nortel), and Extreme Networks (Extreme); when in fact, the GBICs were counterfeits, manufactured by companies other than Cisco, Nortel and Extreme.

Background

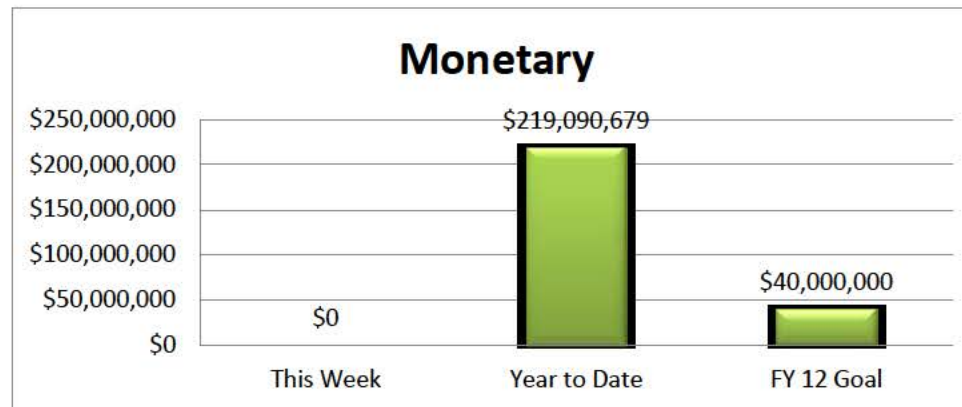
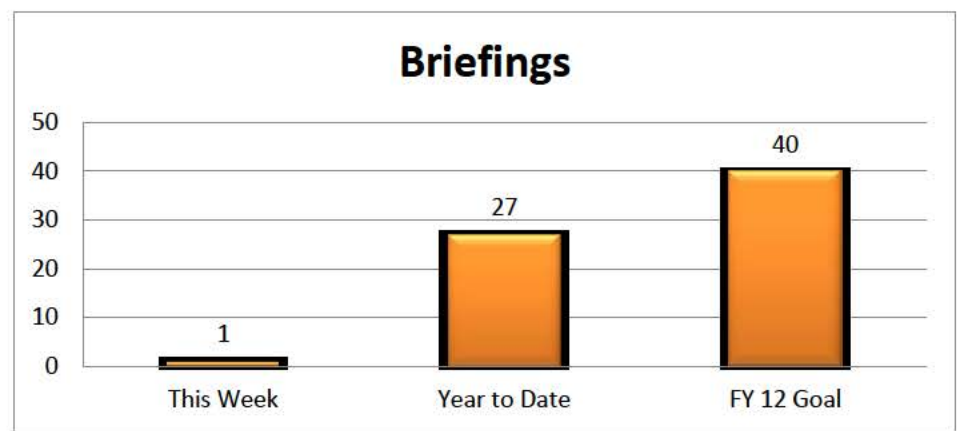
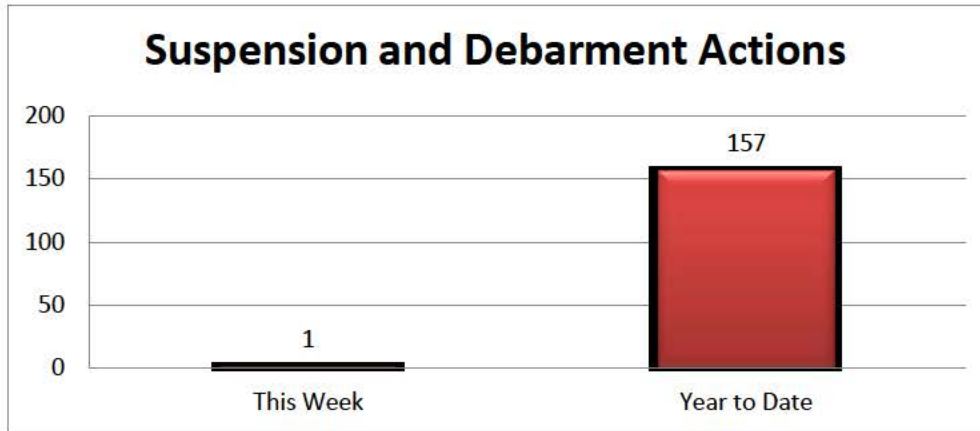
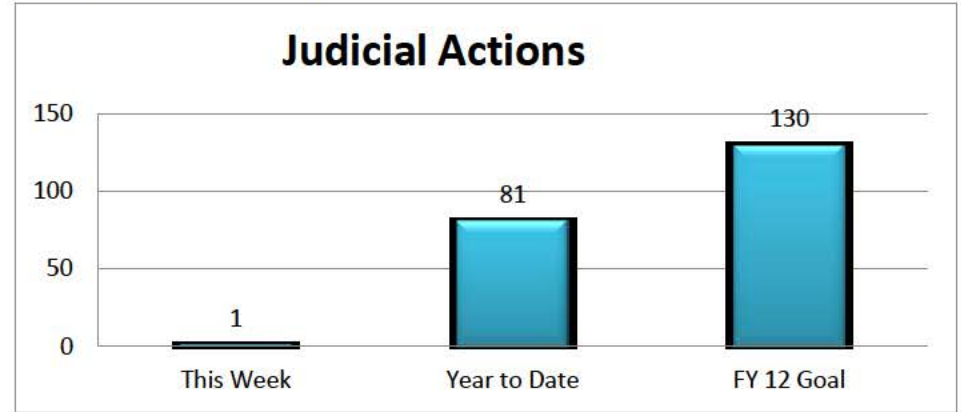
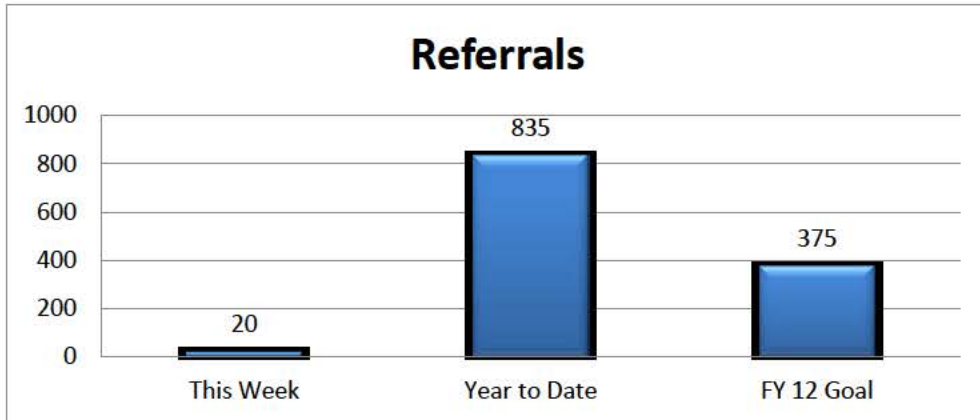
On November 18, 2008, (b) (6), (b)(7)(C) (Relator), filed a qui tam action (UNDER SEAL) in the U.S. District Court for the Northern District of New York (NDNY) captioned, United States ex tel. (b) (6), (b)(7)(C) v. Cablexpress Corp., No. 08CV1239, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b). JI-2's investigation disclosed that between the period of January 2003 and December 2009, Cablexpress sold certain computer cables through their GSA Multiple Award Schedule contract(GS-35F-0315N) that were not made in the United States or other designated countries, as required by the TAA and the contract. These cables were made in China or other non-TAA compliant countries. Also, certain GBICs sold under the contract were not Cisco or Nortel products as represented by Cablexpress, but were actually counterfeit goods also manufactured in China.

On March 29, 2012, DOJ officially intervened and reached a settlement agreement with Cablexpress for \$2,000,000. This settlement was negotiated by (b) (6), (b)(7)(C), Trial Attorney, Civil Division, Commercial Litigation Branch, DOJ, (b) (6), (b)(7)(C), AUSA, USAO NDNY; and (b) (6), (b)(7)(C), Attorney, JC. This investigation was worked jointly with the Defense Criminal Investigative Service. (b) (6), (b)(7)(C), Auditor, JA-2, provided support throughout the investigation.



(b) (6), (b)(7)(C)
SPECIAL AGENT IN CHARGE
GSA/OFFICE OF INSPECTOR GENERAL
MID-ATLANTIC REGIONAL INVESTIGATIONS OFFICE
PHILADELPHIA, PA
(b) (6), (b)(7)(C) OFFICE
(215) 861-3560 FAX

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 6, 2012 - APRIL 12, 2012





JI Updates

April 13, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

On April 17, 2012, SA (b) (6), (b)(7)(C) will be conferring with AUSA (b) (6), (b)(7)(C), District of New Hampshire, the relator in a qui-tam action and (b) (6), (b)(7)(C) attorney to negotiate a tentative civil settlement agreement with GSA MAS contractor Ward Diesel Filter Systems, Inc. Also, participating in the negotiation telephonically will be a U.S. DOJ attorney and OIG JC attorney. The qui-tam lawsuit alleges that Ward Diesel violated the defective pricing and/or price reduction clause of their GSA contract. (DNH/Fraud/I1010491)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report



JI Updates

April 13, 2012

Auburn (JI-10)

Nothing significant to report

JI-I

On Monday, April 16, 2012, SA (b) (6), (b)(7)(C) returns from FLETC training to rejoin the Internal Operations team. SA (b) (6), (b)(7)(C) received the following awards: Academic Award, Firearms Expert Qualification 298 of 300, and the Driver Training Award.

HOTLINES

The following complaint was received via the OIG Hotline, the Facilities Maintenance & Hardware Acquisition Center, Region 6 received a kickback of several hundred thousand "bonus" hotel points for scheduling their event at the Hyatt St Louis, MO. According to the complaint, Region 6 officials held it at the Hyatt St. Louis, MO without competition. (Referred to JI-6/H1263637)

The following complaint was received via the OIG Hotline. The complaint alleges mismanagement and contract violations by Region 5 employees in charge of the FM conference. The complaint also alleges improper disclosure of contract pricing, excessive spending at the JCK Federal Building, 230 S. Dearborn, Chicago, IL, 60604. (Referred to JI-5/H1253635)

The following complaint was received via the OIG Hotline. (b) (6), (b)(7)(C) reported mismanagement of an All-Hands meeting in San Francisco. (b) (6), (b)(7)(C) added that many of the employees who attended the All Hands meeting agreed that there was no training at all and it was just a waste of tax payer money. (Referred to JI-9/H1293649)

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 63 disclosures.

ARRA

On April 19, 2012, SA (b) (6), (b)(7)(C) and the investigative team will meet with officials of Hunter Roberts Construction Group at the USAO EDNY. The purpose of this meeting is to determine how widespread is the practice of inflating work hours on construction projects at various federal and state funded projects in the New York City metropolitan area by local construction companies. This investigation has already identified one construction company, Bovis Lend Lease, engaged in this conduct. Additionally, Bovis received ARRA funding on some of the projects. (EDNY/False Claims/I0920875)



JI Updates

April 13, 2012

ARRA CASE DATA

Total Allegations Received:	42
Allegations Open:	3
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Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
Total of V, I, or Z actions closed without action:	9
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	27
Open I Cases accepted for prosecution:	12

Law Enforcement Sensitive

SIGNIFICANT ITEM

Case Title: MRC-QTR, Fraud / False Statements

Case #: I10-0-0226

Case Agent: (b) (6), (b)(7)(C)

On March 21, 2012, in the U.S. District Court for the District of Idaho, an information was filed (under seal) charging Construction Service Corporation (CSC) with violating 18 USC 1343, Wire Fraud and 18 USC 1001, False Statement. The information charged 1) that CSC and others devised a scheme to defraud federal agencies by making false representations and certifications to the Government in order to unlawfully obtain contracts through the HUBZone program; and 2) that CSC made false statements and representations related to property acquisitions through GSA's Federal Surplus Property Donation Program. On March 28, 2012, CSC pled guilty to the charges. A sentencing hearing has been scheduled for June 6, 2012.

The case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was based on a complaint from the U.S. Government Accountability Office (GAO). The GAO had received a hotline complaint alleging fraud concerning the service disabled veteran-owned small business (SDVOSB) contracts that were awarded to MCR/QTR Joint Venture.

In the course of investigating the complaint against MCR/QTR Joint Venture, CSC, a company located in Emmett, ID, was identified as a company involved in fraudulent schemes to obtain federal contracts through the HUBZone set-aside program. Through witness interviews, document reviews, and search warrant operations, the investigation determined that CSC, in order to be certified as a HUBZone business, had falsely reported its principal place of business and had falsely represented that the company met the HUBZone's employee residency requirements. The investigation also revealed that CSC made false representations via its electronic submissions to GSA's ORCA database and that the company had failed to adhere to the rules of GSA's Federal Surplus Property Donation Program.

To date, the investigation has revealed that CSC and others have obtained millions of dollars in contracts and surplus property through schemes to defraud and deceive the Government through use of false representations. This is an ongoing investigation, and it is expected that additional entities will be charged.

JI-10 is working this investigation with SBA OIG, IRS CI, DOI OIG, USDA OIG, VA OIG, DCIS and Army CID (MPFU).

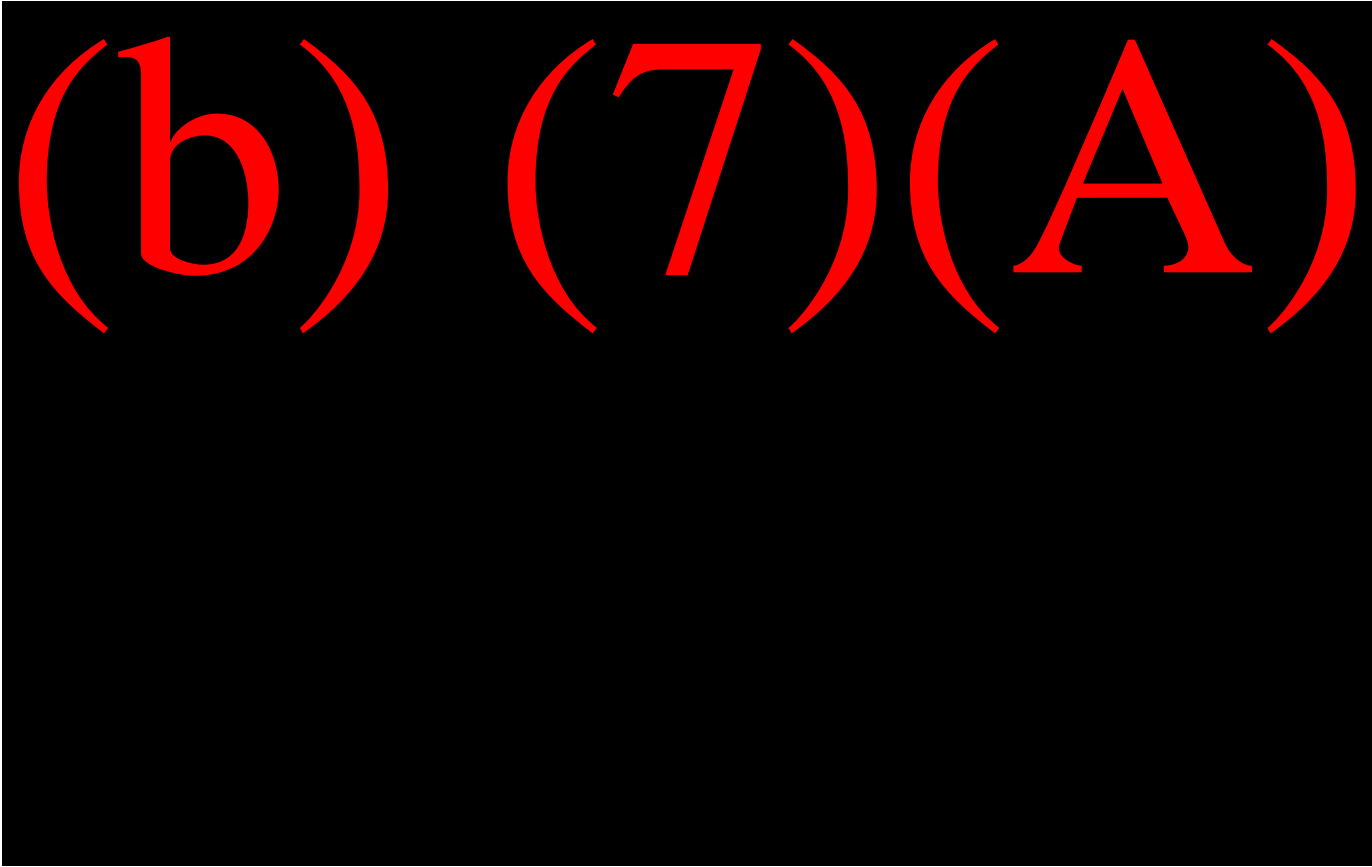
(b) (6), (b)(7)(C)

Special Agent in Charge
Office of Inspector General
General Services Administration
Northwest / Arctic Region (JI-10)

(b) (6), (b)(7)(C)

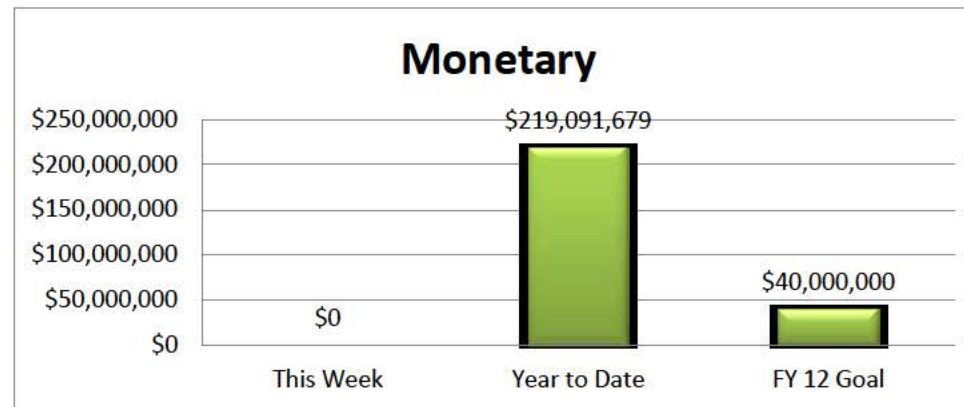
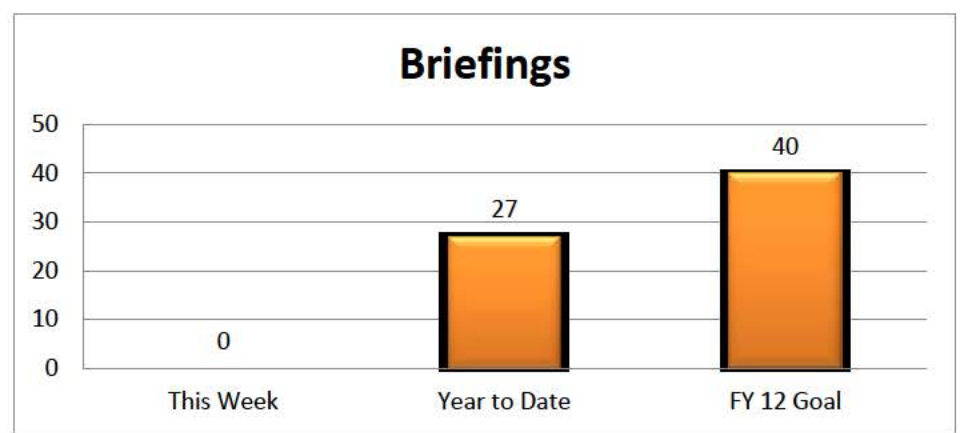
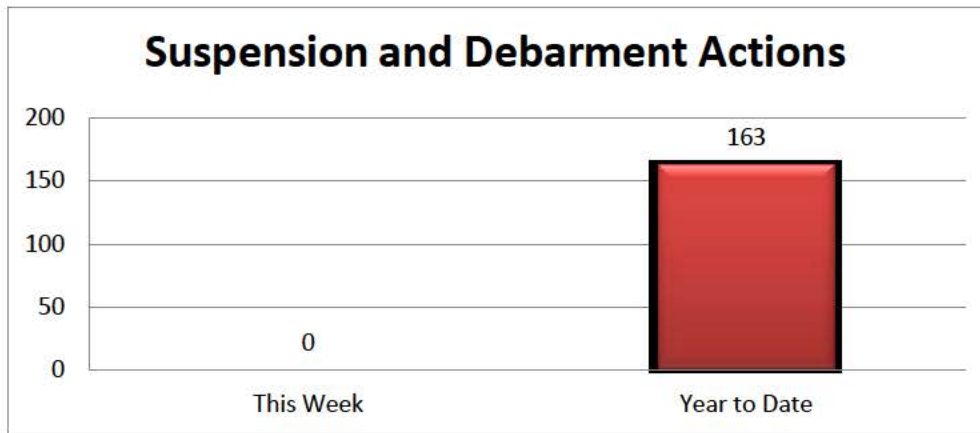
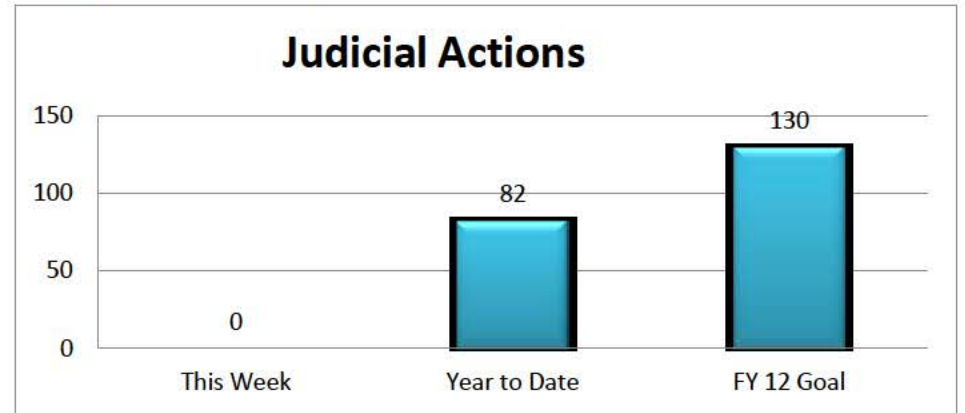
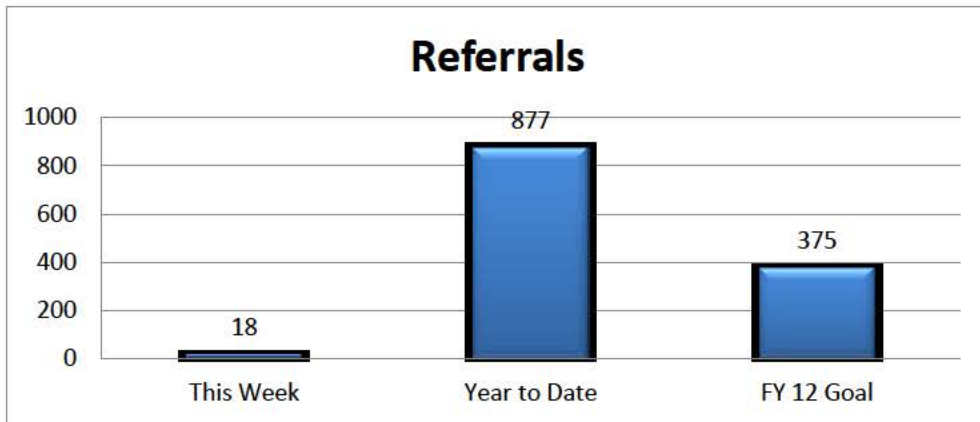
SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case Num: 11162408
Case Agent: SA (b) (6), (b)(7)(C)



(b) (6), (b)(7)(C)
Special Agent in Charge
Office of Inspector General
General Services Administration

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 13, 2012 - APRIL 19, 2012





JI Updates

April 20, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On May 2, 2012, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will be recognized by U.S. Attorney (b) (6), (b)(7)(C) at the 2012 EDVA (Newport News) - Public Service Awards Ceremony. They will be recognized for their work on the (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) \$300,000 Fleet Credit Card fraud investigation.

Boston (JI-1)

(b) (7)(A)

1010835)

On April 26, 2012, SA (b) (6), (b)(7)(C) will attend a pre-trial hearing for (b) (6), (b)(7)(C), a Veterans Resource and Recovery Transition Program employee, assigned to the Department of Veterans Affairs Medical Center, Providence, RI. (b) (6), (b)(7)(C) previously admitted to police he stole a GSA leased Chevrolet Pickup Truck from the VAMC and used the vehicle to commit a burglary at a local bar in Providence, RI. (DRI/Fraud/I1213135)

New York (JI-2)

On April 20, 2012, SA (b) (6), (b)(7)(C) and the assigned AUSA will meet with Computer Associates (CA) legal counsel at the USAO EDNY. The purpose of this meeting is to initiate settlement negotiations regarding the allegations contained in the qui tam (FILED UNDER SEAL) against CA. (EDNY/Qui tam/I1070058)

On April 24, 2012, SA (b) (6), (b)(7)(C) will attend a plea hearing for (b) (6), (b)(7)(C), Former Senior Vice President and Principle in Charge of New York Operations, Bovis Lend Lease (BOVIS) at the USDC EDNY. (b) (6), (b)(7)(C) is expected to plead guilty to an Information charging (b) (6), (b)(7)(C) with violating 18 U.S.C. 1341, Wire Fraud. Additionally, Bovis is expected to enter into a deferred prosecution agreement with the USAO EDNY that will include monetary restitution of approximately \$35 million. This multi-agency investigation disclosed Bovis inflated foreman overtime hours on construction projects at various federal and state funded projects in the New York City metropolitan area. (EDNY/False Claims/I0920875)

On April 26, 2012, SAC (b) (6), (b)(7)(C) is scheduled to participate in a Region 2 Town Hall meeting with (b) (6), (b)(7)(C) Regional Administrator.

Philadelphia (JI-3)

During the week of April 23, 2012, SA (b) (6), (b)(7)(C) will meet with Captain (b) (6), (b)(7)(C), Assistant Staff Judge Advocate General, Dover AFB, Dover, DE, for trial preparation for the case against



JI Updates

April 20, 2012

Sgt (b) (6), (b)(7)(C). Trial is scheduled to begin on April 30, 2012. (DE/WEX Fraud/I1232096)

Atlanta (JI-4)

During the week of April 23, 2012, SA [REDACTED] will travel to Augusta, GA, to serve a GSA OIG subpoena on (b) (6), (b)(7)(C), President, Beacon Auto Parts on behalf of JI-7.

Chicago (JI-5)

(b) (7)(A)

(WDWI/Fraud/I070019)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

11192222)

Auburn (JI-10)

Nothing significant to report

FAR

The Investigations Operations Division received one new FAR disclosure this week from (b) (7)(D). To date, we have received a total of 64 disclosures.



JI Updates

April 20, 2012

ARRA CASE DATA

Total Allegations Received:	42
Allegations Open:	3
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Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	59
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Number of Open Z Actions:	5
Number of Open I Actions:	27
Open I Cases accepted for prosecution:	12

Law Enforcement Sensitive

Significant Item

Case Title: Suspension and Debarment (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), GSA Auction Participants

Case Number: I1192502

Case Agent: (b) (6), (b)(7)(C)

On March 15, 2012, the GSA Suspension and Debarment Official (SDO) issued a Notice of Proposed Debarment to (b) (6), (b)(7)(C), and Fleshtone Color Labs (owned and operated by (b) (6), (b)(7)(C))

Background

On September 7, 2011, JI-9 recommended the GSA SDO consider debarring (b) (6), (b)(7)(C), and Fleshtone Color Labs based on a JI-9 investigation that revealed (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) attempted to defraud GSA of \$29,301 after purchasing three government surplus vehicles in one transaction and then canceling payment to GSA after taking possession of the vehicles. The investigation did not result in any criminal charges being filed against either individual; however, it eventually prompted (b) (6), (b)(7)(C) to pay GSA the outstanding debt in full. Furthermore, both (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) repeatedly demonstrated a lack of candor during the investigation, and (b) (6), (b)(7)(C) revealed a surplus vehicle purchasing scheme (b) (6), (b)(7)(C) devised that benefited Fleshtone Color Labs while possibly violating California law regarding vehicle sales.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration Office of Inspector General

Pacific Rim Regional Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

Case Title: Hillsboro – Federal Surplus Property

Case Number: I1050561

Case Agent: SA (b) (6), (b)(7)(C)

On April 11, 2012, (b) (6), (b)(7)(C) entered into an Agreement For Pre-Trial Diversion for having committed an offense against the United States on or about January 15, 2010 in violation of 18 USC 1001. Per the Pre-Trial Diversion (b) (6), (b)(7)(C) is ordered to pay restitution in the amount of \$1000 and return items to the CMS Surplus Property Warehouse that were valued in excess of \$25,000.

BACKGROUND

This case was initiated based on information received from (b) (6), (b)(7)(C), Director, Federal Surplus Property Program, Central Management Services, State of Illinois. (b) (6), (b)(7)(C) provided information to JI-5 that unauthorized individuals were obtaining equipment from the Federal Surplus Property Program under the guise of being employees of the Town of Hillsboro.

On December 21, 2010 (b) (6), (b)(7)(C) admitted to federal agents that (b) (6) would sign the name of other individuals in order to gain access, and ultimately purchase goods, from the CMS Federal Surplus Property warehouse.

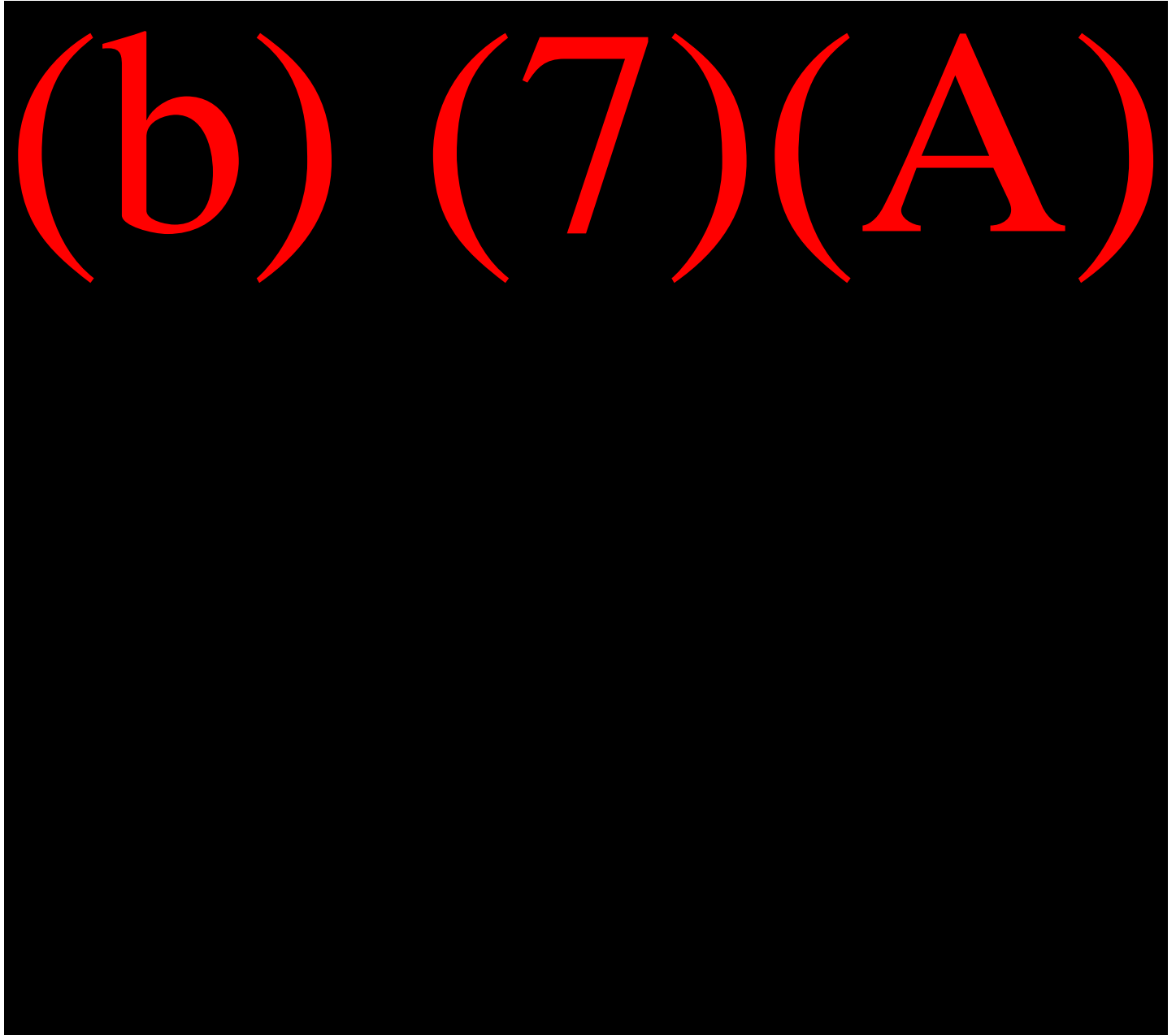
/s/ (b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (JI-5)
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case No: 11000790

Case Agent: SA (b) (6), (b)(7)(C)



(b) (6), (b)(7)(C)

Special Agent in Charge
Office of Inspector General
General Services Administration
Northwest / Arctic Region (JI-10)

(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: SSGT (b) (6), (b)(7)(C) – Fraudulent use of the FLEET card

File Number: I1232096

Case Agent: (b) (6), (b)(7)(C)

On March 23, 2012, charges against Staff Sergeant (SSgt) (b) (6), (b)(7)(C) USAF, Dover AFB, were referred for General Court Martial. SSgt (b) (6), (b)(7)(C) was charged with 2 counts of violating UCMJ Article 121 (Larceny and Wrongful Appropriation) for (b) (6), (b)(7)(C) fraudulent use of various FLEET cards assigned to the Dover AFB, Dover, DE. A General Court Martial has been scheduled for April 30, 2012.

The prosecution has been assigned to Captain (b) (6), (b)(7)(C), Office of the Staff Judge Advocate, USAF, Dover, DE.

BACKGROUND

On or about August 26, 2010, the GSA Fleet Loss Prevention Office provided information to JI-3 that approximately 13 FLEET cards assigned to Dover AFB, Dover, DE, may have been fraudulently used at various gas stations in the Dover AFB area; to include a Royal Farms located at 6 Lebanon Rd, Dover, DE. Surveillance videos obtained from the Royal Farms disclosed a light color (silver or tan) pick-up truck was often at the fuel pumps when several of the suspicious transactions occurred. During some of the transactions, the driver, a white (b) (6), (b)(7)(C) wearing military fatigues, was captured on surveillance video entering the store to make additional purchases inside. JI-3 was unable to identify the white (b) (6), (b)(7)(C) and eventually the investigation slowed after the suspicious transactions appeared to have stopped in or around January 2011.

In January, 2012, JI-3 received information that detectives from the Dover AFB Police Department arrested SSgt (b) (6), (b)(7)(C) for fraudulently using a FLEET card at the aforementioned Royal Farms and at an AFFES facility located on the Dover AFB. JI-3 coordinated with the detectives and determined that SSgt (b) (6), (b)(7)(C) was the same individual captured on surveillance video the previous year. It was also determined that SSgt (b) (6), (b)(7)(C) had been deployed overseas from approximately January 2011 to September 2011, which explained why the fraudulent activity had stopped for a while. The loss to the government is approximately \$3,300.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

(D) (b) (6), (b)(7)(C)

(F) 215- 861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 20, 2012 - APRIL 26, 2012

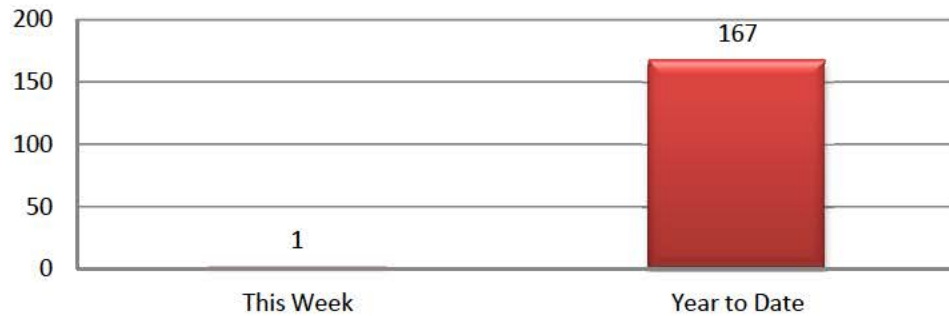
Referrals



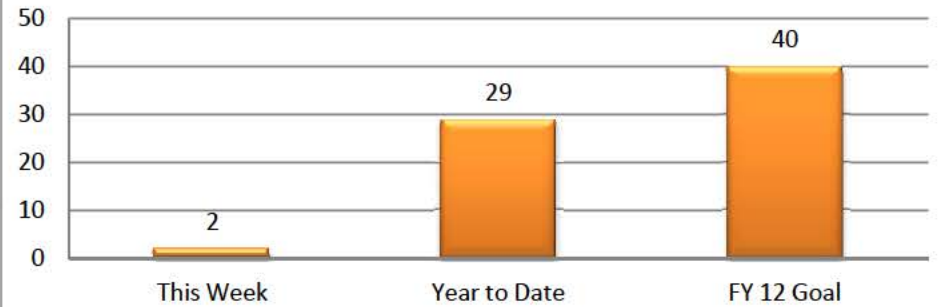
Judicial Actions



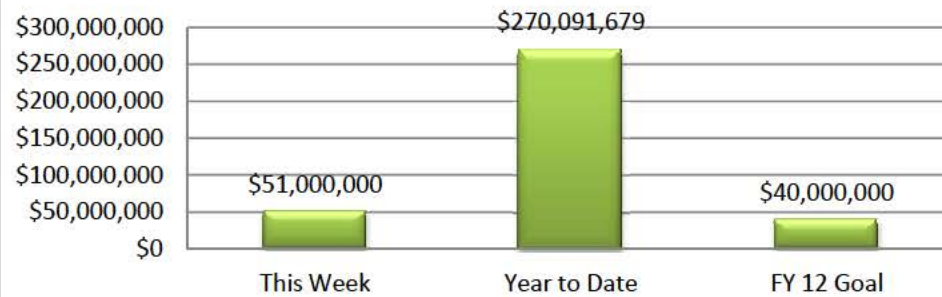
Suspension and Debarment Actions



Briefings



Monetary





JI Updates

April 27, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On April 30, 2012, ASAC (b)(7)(C), (b)(6) will coordinate with AUSA (b)(7)(C), (b)(6), USAO, Southern Division of Maryland, to attempt to obtain an arrest warrant for a contractor that provided bribes to a GSA Building Manager. (MD/Criminal/I10W0106)

(b)(7)(A)

(WDC/Criminal/I10W0941)

On May 2, 2012, SAs (b)(6), (b)(7)(C) and (b)(6), (b)(7)(C) will be recognized by U.S. Attorney (b)(6), (b)(7)(C) at the 2012 EDVA (Newport News), Public Service Awards Ceremony. They will be recognized for their work on the (b)(6), (b)(7)(C) and (b)(7)(D), (b)(6) \$300,000 FLEET card fraud investigation.

On May 11, 2012, SA (b)(6), (b)(7)(C) will be recognized by U.S. Attorney (b)(6), (b)(7)(C) at the 2012 EDVA (Alexandria), Public Service Awards Ceremony. (b)(6), (b)(7)(C) will be recognized for (b)(6), (b)(7)(C) work on the (b)(7)(D), (b)(6) and JDC Networking, Inc. fraud investigation, involving counterfeit Cisco products.

Boston (JI-1)

On April 27, 2012, SAC (b)(6), (b)(7)(C) is scheduled to participate in a Region 1 Town Hall meeting with (b)(6), (b)(7)(C), Regional Administrator.

New York (JI-2)

On April 30, 2012, (b)(6), (b)(7)(C) is scheduled to appear in the Commonwealth of Virginia General District Court, and plead guilty to violating the Code of Virginia, Section 18.2-195 (Credit Card Fraud). (b)(6), (b)(7)(C) was previously arrested on October 20, 2011 by JI-3 SAs and the Virginia Beach Police Department for making approximately \$5,240 in fraudulent purchases with a FLEET card assigned to the Navy. (EDVA/WEX/I1233059)

Philadelphia (JI-3)

On April 30, 2012, SA (b)(6), (b)(7)(C) is scheduled to testify at the trial of Sgt (b)(6), (b)(7)(C), which will be held before the Judge Advocate General for the Dover Air Force Base, Dover, DE. Sgt (b)(6), (b)(7)(C) is charged with violating UCMJ Article 121 Larceny and Wrongful Appropriation for (b)(6), (b)(7)(C) theft and fraudulent use of FLEET cards assigned to the Air Force. (DDE/WEX/I1232096)



JI Updates

April 27, 2012

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

(b) (7)(A)

WDWI/Fraud/1070019)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

On May 1, 2012, SAC [REDACTED] is scheduled to participate in a Region 10 Town Hall meeting with (b) (6), (b)(7)(C), Regional Administrator

ARRA CASE DATA

Total Allegations Received: 42

Allegations Open: 3

Allegations closed without action: 21

Allegations closed via case conversion: 12

Allegations closed after being referred to GSA, RATB, etc: 6

Total of V, I, or Z actions initiated: 60

Total of V, I, or Z actions closed without action: 10

Total of V, I, or Z actions after being referred to GSA, RATB, etc: 5

Number of Open V Actions: 13

Number of Open Z Actions: 4

Number of Open I Actions: 28

Open I Cases accepted for prosecution: 12

SIGNIFICANT ITEM

Case Title: Bovis Lend Lease LMB, Inc.

File Number: I0920875

Case Agent: SA (b) (6), (b)(7)(C)

On April 24, 2012, (b) (6), (b)(7)(C), former Principal in Charge, Bovis Lend Lease LMB, Inc. (Bovis), New York office, voluntarily surrendered to law enforcement officers and appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C), USDC EDNY. (b) (6), (b)(7)(C) pled guilty to a one-count Information charging (b) (6), (b)(7)(C) with violating 18 U.S.C. 1349, Conspiracy To Commit Mail and Wire Fraud. (b) (6), (b)(7)(C) was released on a \$500,000 bond. Sentencing is yet to be determined.

Additionally, on April 24, 2012, Bovis entered into a deferred prosecution agreement with the USAO EDNY and the New York County District Attorney's Office in which Bovis admitted to fraudulently overbilling clients for over 10 years. Bovis also admitted to defrauding two of its public clients by falsely misrepresenting the work performed by its minority business enterprise partners, thus fraudulently obtaining payments on lucrative contracts. The deferred prosecution agreement requires Bovis to pay up to \$56 million in penalties to the federal government and restitution to victims; and to institute far reaching corporate reforms designed to eliminate future problems and enforce best industry practices. During a press conference, U.S. Attorney (b) (6), (b)(7)(C), USAO EDNY, stated this is the largest construction-fraud settlement in New York City history.

This is a joint investigation with JI-2, FBI, DOL OIG, NY NJ Port Authority OIG, and the NYC DOI. This case is being prosecuted by AUSA's (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), USAO EDNY.

BACKGROUND

On March 5, 2009, JI-2 received information from the USAO EDNY that GSA contractor Bovis had allegedly been fraudulently inflating the work hours of their employees currently working at various federal and state funded construction projects throughout the New York City area. This practice of fraudulently inflating Bovis employee work hours is referred to as receiving ghost/gratis pay. It was believed that for every 8 hours worked by a Bovis labor foreman, additional hours were automatically added by Bovis to that foreman's certified payroll, which were often not worked; and these costs were ultimately passed to Bovis clients.

The investigation revealed that Bovis fraudulently overbilled and/or participated in MBE fraud on the following major NYC area projects: U.S. Courthouse (GSA), Brooklyn, NY; U.S. Post Office/Bankruptcy Court (GSA), Brooklyn, NY; Citifield, Flushing, NY; Grand Central Terminal, NY, NY; Deutsche Bank Building, NY, NY; Bronx Criminal Courthouse, Bronx, NY; and various school construction projects funded under the New Jersey Schools Development Authority.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

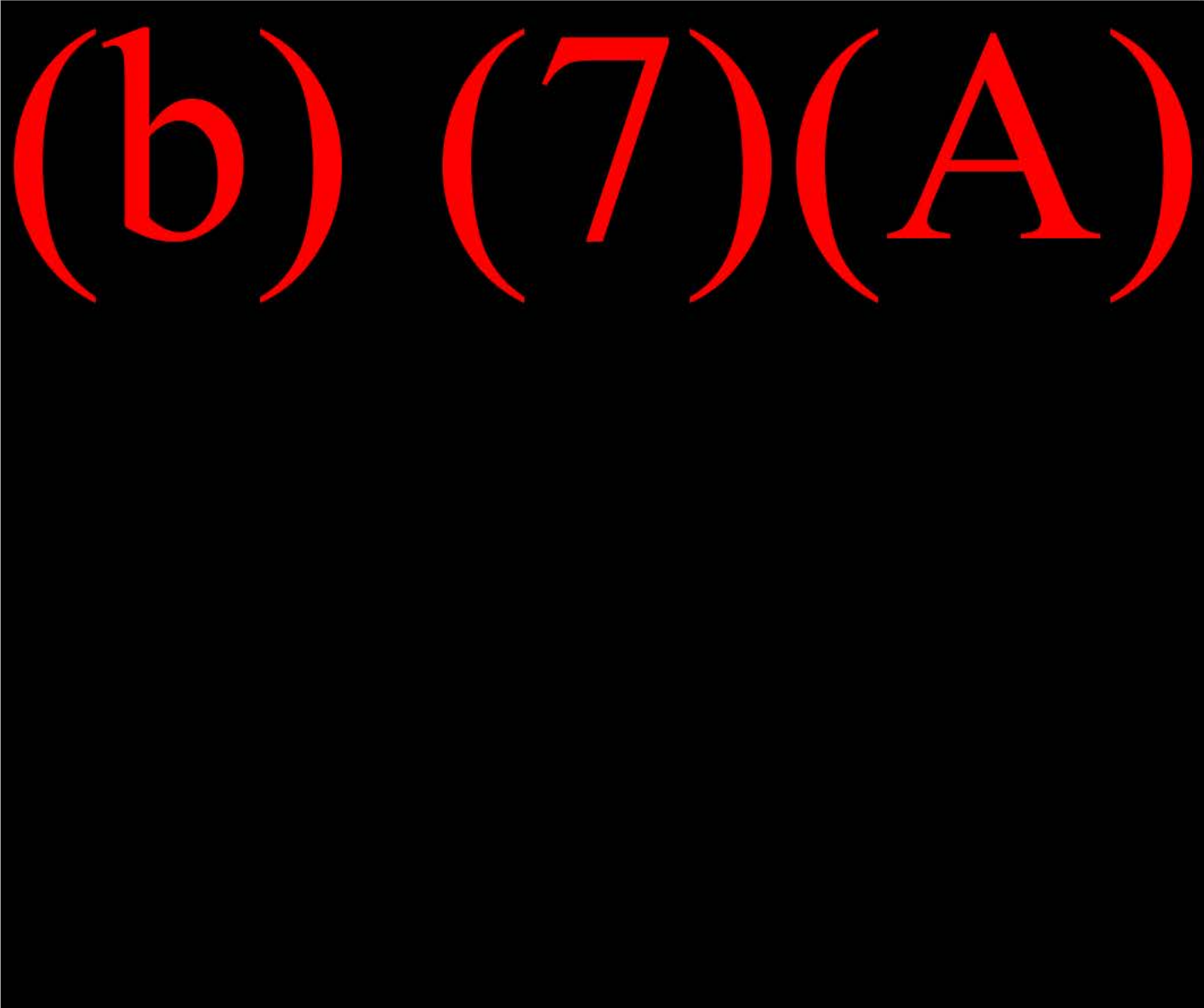
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

(D) (b) (6), (b)(7)(C)

(F) 215- 861-3560

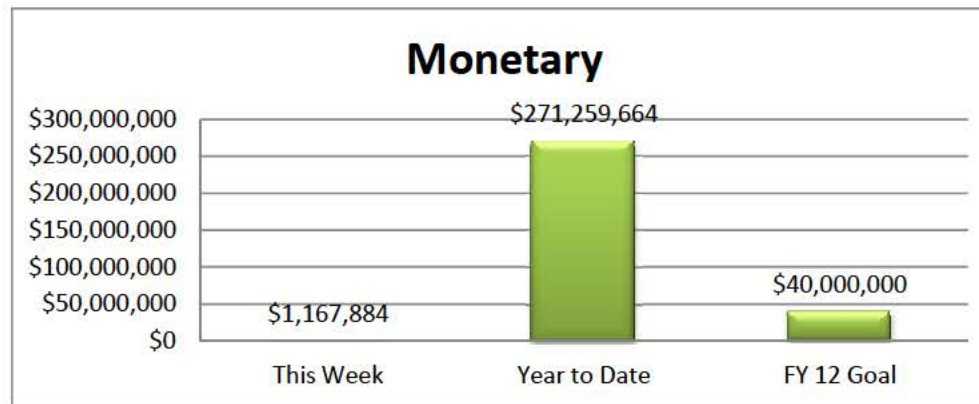
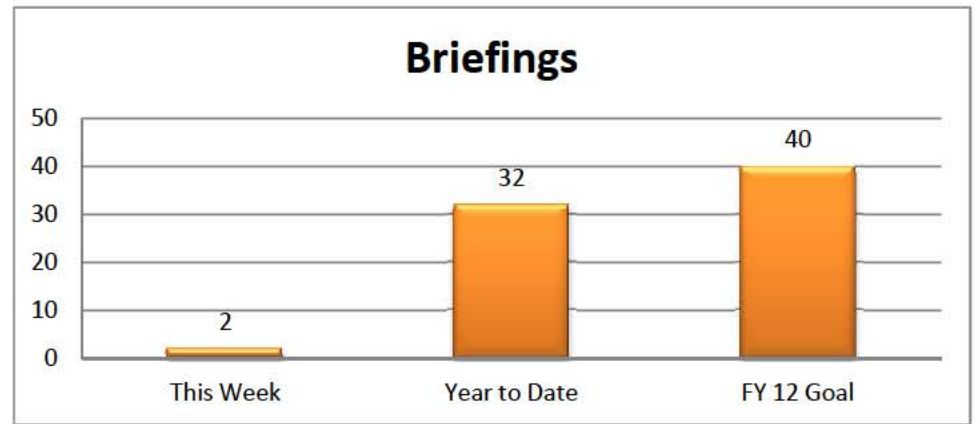
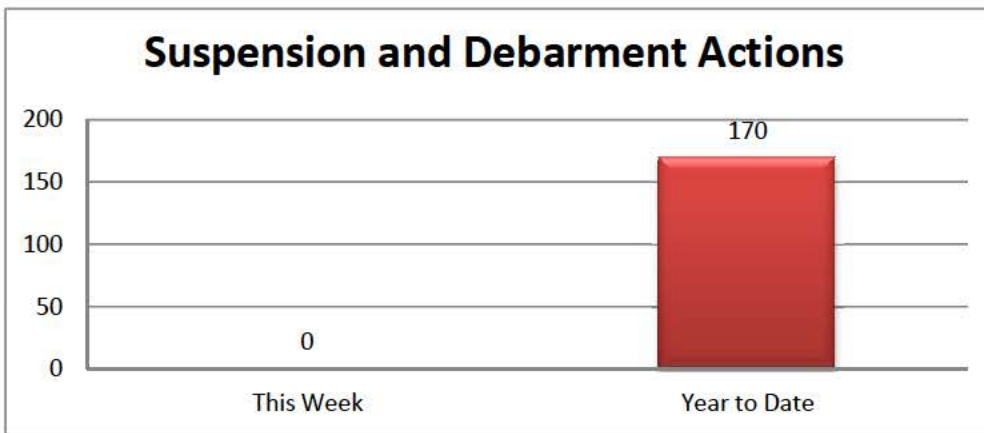
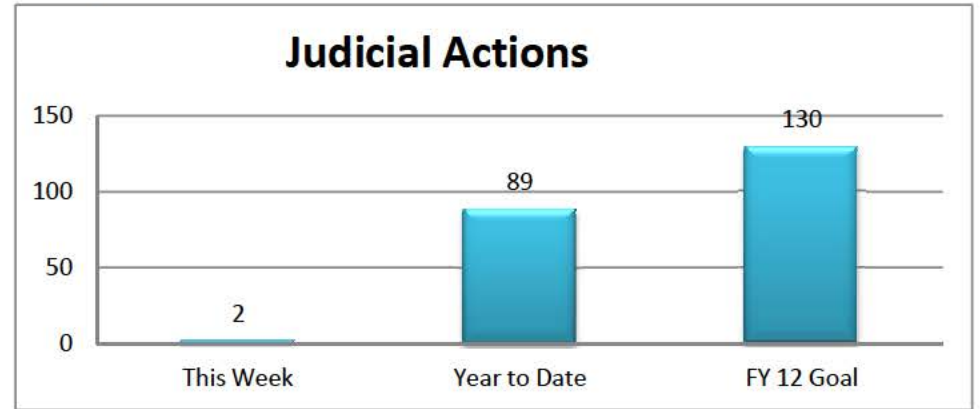
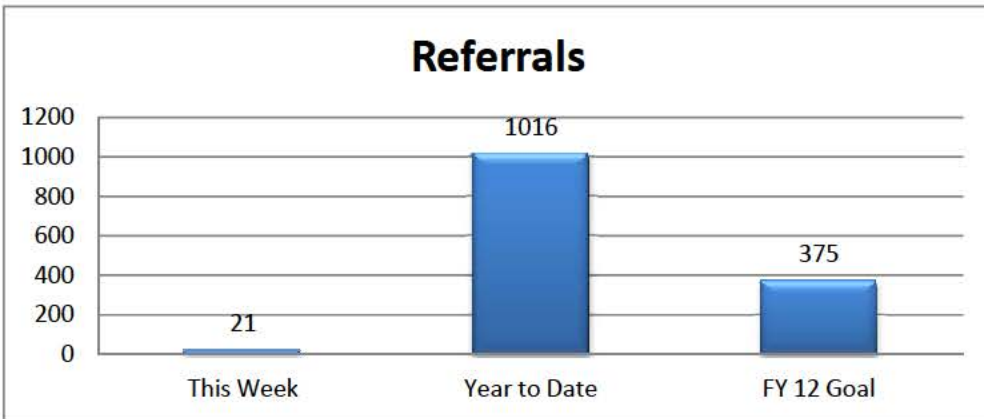
SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case Number: 1070019
Case Agent: (b) (6), (b)(7)(C)



/s/ (b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (JI-5)
(b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - APRIL 27, 2012 - MAY 3, 2012





JI Updates

May 4, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/I111W2425)

On May 11, 2012, SA (b) (6), (b)(7)(C) will be recognized by U.S. Attorney (b) (6), (b)(7)(C) at the 2012 EDVA (Alexandria) - Public Service Awards Ceremony. (b) (6), (b)(7)(C) will be recognized for (b) (6), (b)(7)(C) work on the (b) (7)(D), (b) (6) and JDC Networking, Inc. fraud investigation, involving counterfeit Cisco products.

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

On May 7, 2012, SA (b) (6), (b)(7)(C) will attend the plea hearing for (b) (6), (b)(7)(C) who is scheduled to appear before Magistrate Judge (b) (6), (b)(7)(C), U.S. District Court, Middle District of Pennsylvania, (MDPA). (b) (6), (b)(7)(C) previously admitted to the theft and fraudulent use of FLEET cards assigned to GSA vehicles at the Lebanon VA Hospital. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), U.S. Attorney's Office, MDPA. (MDPA/FLEET Fraud/I1233413)

On May 9, 2012, SA (b) (6), (b)(7)(C) and the investigative team will conduct a reverse proffer with (b) (6), (b)(7)(C) Owner, Capital Construction, Inc., and (b) (6), (b)(7)(C) attorneys. (DMD/False Statements/I1130723)

On May 10, 2012, SAC (b) (6), (b)(7)(C) is scheduled to participate in a GSA Region 3 Town Hall Meeting.

Atlanta (JI-4)

During the week of May 7, 2012, ASAC (b) (6), (b)(7)(C) will coordinate with special agents from the FBI, JTTF and U.S. Attorney's Office, Middle District of Florida, Orlando Florida, in drafting multiple arrest and search warrants. (MDFL/Unauthorized DODAAC Purchases/I12M3099)

Chicago (JI-5)

Nothing significant to report



JI Updates

May 4, 2012

Kansas City (JI-6)

On May 8, 2012, SA (b) (6), (b)(7)(C) will be travelling to St. Louis, MO, to attend the sentencing of (b) (6), (b)(7)(C) pursuant to the CJMS investigation. In February, (b) (6), (b)(7)(C) pled guilty to conspiracy with respect to bribery, major fraud, mail fraud, wire fraud, and false statements. (EDMO/SDVOSB Fraud/I1160742)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

During the week of May 7, 2012, ASAC (b) (6), (b)(7)(C) will participate in the civil investigative demand testimony of three individuals with DOJ and the USAO-CDCA with regard to a qui tam filed under seal against GSA MAS contractor American Kal Enterprises. (CDCA/False Claims/Z1192594)

Auburn (JI-10)

Nothing significant to report

JI-1

Nothing significant to report

HOTLINES

Hotline received alleging that the (b) (7)(D), (b) (6) in 4A held a partisan event in the Federal building. It is a violation of the Hatch Act to conduct partisan political activities on federally-owned property and significant costs were incurred by closing the federal building to hold this event. (Referred to JI-4/H1243764)

Hotline received alleging excessive spending in Region 9 BFMD Leadership, San Francisco, CA. Anonymous complaint alleges that division staff are outraged from the developments happening in our region, and feel compelled to provide further information regarding BFMD management and (b) (6), (b)(7)(C) practices. (Referred to JI-9/H1293793)

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 64 disclosures.



JI Updates

May 4, 2012

ARRA CASE DATA

Total Allegations Received: 42

Allegations Open: 3

Allegations closed without action: 21

Allegations closed via case conversion: 12

Allegations closed after being referred to GSA, RATB, etc: 6

Total of V, I, or Z actions initiated: 60

Total of V, I, or Z actions closed without action: 10

Total of V, I, or Z actions after being referred to GSA, RATB, etc: 5

Number of Open V Actions: 13

Number of Open Z Actions: 4

Number of Open I Actions: 28

Open I Cases accepted for prosecution: 12

Law Enforcement Sensitive

SIGNIFICANT ITEM

Case Title: SSGT (b) (6), (b)(7)(C) – Fraudulent use of the FLEET card

File Number: I1232096

Case Agent: (b) (6), (b)(7)(C)

On April 30, 2012, Staff Sergeant (SSgt) (b) (6), (b)(7)(C), USAF, Dover AFB, appeared before Judge (b) (6), (b)(7)(C), Lt. Col, USAFR, and pled guilty to two counts of violating UCMJ, Article 121 (Larceny and Wrongful Appropriation) for (b) (6), (b)(7)(C) fraudulent use of various FLEET cards assigned to the Dover AFB, Dover, DE. SSGT (b) (6), (b)(7)(C) was sentenced to: 1) reduction in rank to E3; 2) forfeiture of pay of \$1,000 per month for three months; 3) fine of \$3,500; and 4) three months hard labor without confinement.

The prosecution was assigned to Captain (b) (6), (b)(7)(C) and Captain (b) (6), (b)(7)(C) Office of the Staff Judge Advocate, USAF, Dover, DE.

BACKGROUND

On or about August 26, 2010, the GSA Fleet Loss Prevention Office provided information to JI-3 that approximately 13 FLEET cards assigned to Dover AFB, Dover, DE, may have been fraudulently used at various gas stations in the Dover AFB area; to include a Royal Farms located at 6 Lebanon Rd, Dover, DE. Surveillance videos obtained from the Royal Farms disclosed a light color (silver or tan) pick-up truck was often at the fuel pumps when several of the suspicious transactions occurred. During some of the transactions, the driver, a white (b) (6), (b)(7)(C) wearing military fatigues, was captured on surveillance video entering the store to make additional purchases inside. JI-3 was unable to identify the white (b) (6), (b)(7)(C) and eventually the investigation slowed after the suspicious transactions appeared to have stopped in or around January 2011.

In January, 2012, JI-3 received information that detectives from the Dover AFB Police Department arrested SSgt (b) (6), (b)(7)(C) for fraudulently using a FLEET card at the aforementioned Royal Farms and at an AFFES facility located on the Dover AFB. JI-3 coordinated with the detectives and determined that SSgt (b) (6), (b)(7)(C) was the same individual captured on surveillance video the previous year. It was also determined that SSgt (b) (6), (b)(7)(C) had been deployed overseas from approximately January 2011 to September 2011, which explained why the fraudulent activity had stopped for a while. The loss to the government is approximately \$3,300.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

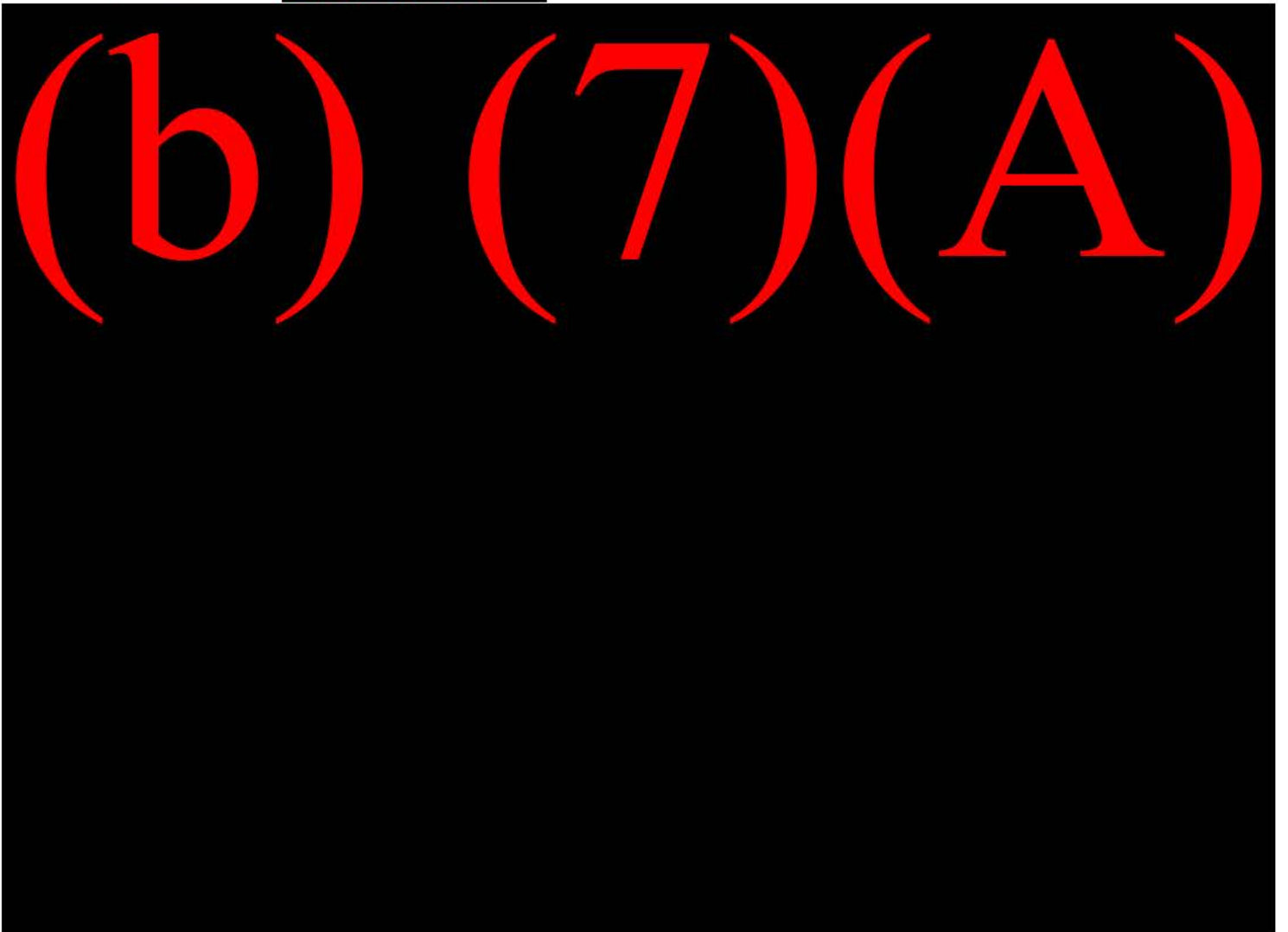
Mid-Atlantic Regional Investigations Office (JI-3)

Direct (b) (6), (b)(7)(C)

Fax (215) 861-3560

SIGNIFICANT ITEM

Case Title: (b) (7)(A)
Case Number: 1070019
Case Agent: (b) (6), (b)(7)(C)



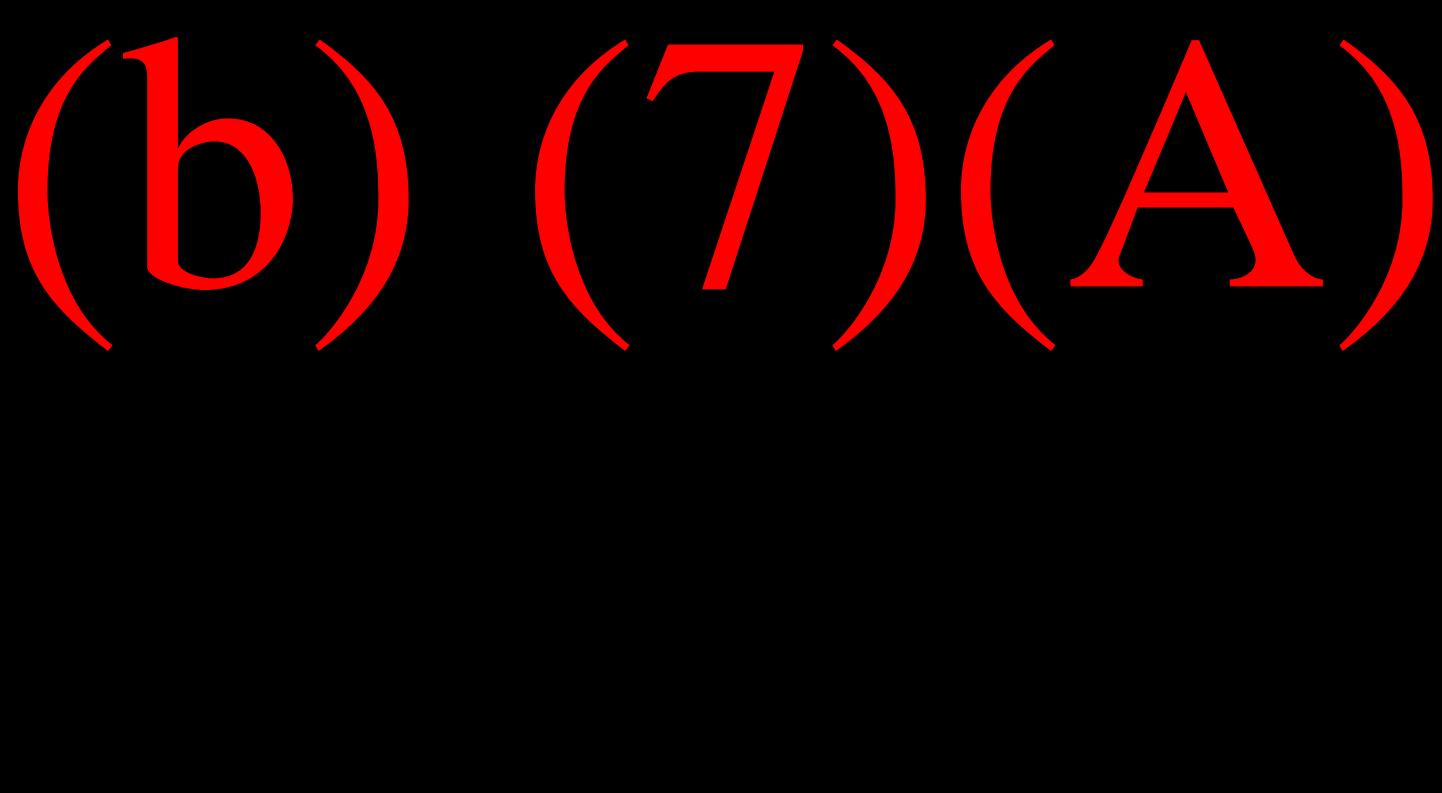
(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Central Regional Investigations Office (JI-5)
Suite (b) (6), (b)(7)(C)
230 South Dearborn Street
Chicago, Illinois 60604
(b) (6), (b)(7)(C)
(b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

Case Title: (b) (7)(A) .

Case Number: 1070064

Case Agent: (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C)



(b) (6), (b)(7)(C)

Assistant Special Agent in Charge

GSA/OIG

26 Federal Plaza, Room (b) (6), (b)(7)(C)

New York, NY 10278

SIGNIFICANT ITEM

Case Title: Bovis Lend Lease LMB, Inc.

File Number: I0920875

Case Agent: SA (b) (6), (b)(7)(C)

On May 3, 2012, (b) (6), (b)(7)(C) former General Superintendent/Director of Field Operations, Bovis Lend Lease LMB, Inc. (Bovis), NYC Office, voluntarily surrendered to JI-2 and FBI Special Agents. (b) (6), (b)(7)(C) appeared before U.S. District Judge (b) (6), (b)(7)(C), USDC EDNY, and pled guilty to an information charging (b) (6), (b)(7)(C) with violating 18 U.S.C. 1349, Conspiracy To Commit Mail and Wire Fraud. (b) (6), (b)(7)(C) was released on an unsecured \$250,000 bond. Sentencing is scheduled for September 5, 2012.

BACKGROUND

On March 5, 2009, JI-2 received information from the USAO EDNY that GSA contractor Bovis had allegedly been fraudulently inflating the work hours of their employees currently working at various federal and state funded construction projects throughout the New York City area. This practice of fraudulently inflating Bovis employee work hours is referred to as receiving ghost/gratis pay. It was believed that for every 8 hours worked by a Bovis labor foreman, additional hours were automatically added by Bovis to that foreman's certified payroll, which were often not worked. These extra hours were ultimately billed to Bovis clients, to include GSA.

The investigation disclosed that Bovis used this scheme to overbill their clients for over ten years. Additionally, the investigation disclosed that Bovis defrauded two of its public clients by falsely misrepresenting the work performed by its minority business enterprise (MBE) partners, thus fraudulently obtaining payments on lucrative contracts. Bovis fraudulently overbilled and/or participated in MBE fraud on the following major NYC area projects: U.S. Courthouse (GSA), Brooklyn, NY; U.S. Post Office/Bankruptcy Court (GSA), Brooklyn, NY; Citifield, Flushing, NY; Grand Central Terminal, NY, NY; Deutsche Bank Building, NY, NY; Bronx Criminal Courthouse, Bronx, NY; and various school construction projects funded under the New Jersey Schools Development Authority.

This is a joint investigation with JI-2, FBI, DOL OIG, NY NJ Port Authority OIG, and the NYC DOI. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), USAO EDNY.

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

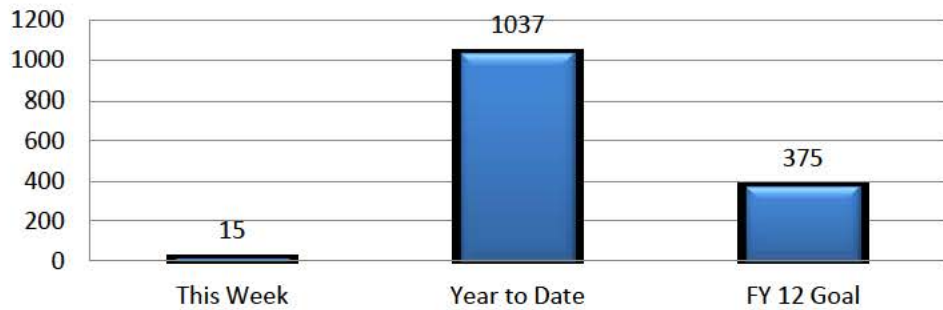
Mid-Atlantic Regional Investigations Office (JI-3)

Direct (b) (6), (b)(7)(C)

Fax (215) 861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MAY 4, 2012 - MAY 10, 2012

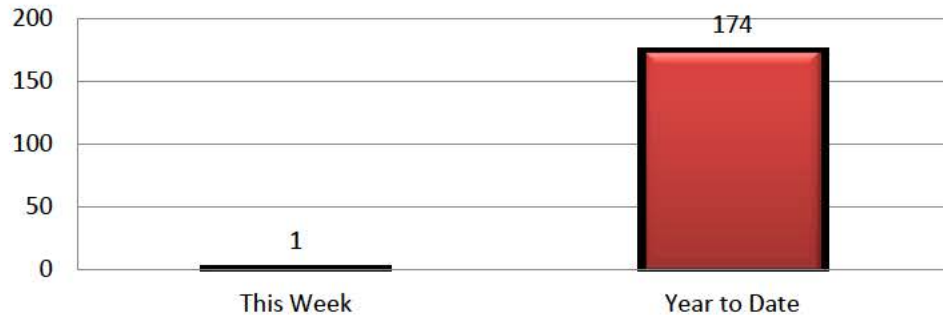
Referrals



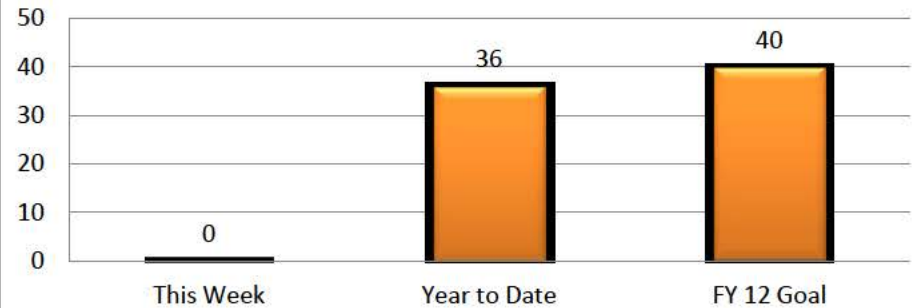
Judicial Actions



Suspension and Debarment Actions



Briefings



Monetary





JI Updates

May 11, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing significant to report

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

During the week of May 14, 2012, GSA OIG, FBI, JTTF and Army CID (MPFU) Special Agents, in conjunction with the USAO, Middle District of Florida, Orlando, Florida, will conduct multiple arrests and search warrants in relation to the (b) (6), (b) (7) (MDFL/Unauthorized DODAAC Purchases/I12M3099)

Chicago (JI-5)

(b) (7)(A)

/I070019)

Kansas City (JI-6)

On May 15, 2012, (b) (6), (b)(7)(C) will be sentenced pursuant to the CJMS investigation. In February, (b) (6), (b)(7)(C) pled guilty to conspiracy to commit bribery, major fraud, mail fraud, wire fraud, and false statements. (EDMO/SDVOSB Fraud/I1160742)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report



JI Updates

May 11, 2012

San Francisco (JI-9)

During the week of May 14, 2012, all JI-9 SAs, except for SA (b) (6), (b)(7)(C) will attend the JI All Hands Training in Colorado Springs, CO. SA (b) (6), (b)(7)(C) is scheduled to testify in Los Angeles, CA on a case (b) (6), (b)(7)(C) worked while employed by VA OIG.

Auburn (JI-10)

Nothing significant to report

JI-I

Nothing significant to report

HOTLINES

Hotline received alleging that The Office of Personal Property Management, Sales Program Division, was recently advised that a bidder, originally registered as (b) (6), (b)(7)(C) via GSA Auctions has most recently participated in fraudulent activity against the government. It was determined that (b) (6), (b)(7)(C) has numerous bidder identification numbers (Bidder ID's). (b) (6), (b)(7)(C) was able to obtain the IDs by changing the information in (b) (6), (b)(7)(C) original GSA Auction registration, or parts of it. (Referred to JI-2/ H1223818)

Hotline complaint alleging issues of contract irregularities, questionable overtime, and mismanagement at the Ronald Dellums Federal Building, Oakland CA. (Referred to JI-9/H1293822)

JI-B

FAR

One FAR disclosure was received from (b) (7)(D) to date, we have received 46 disclosures.

ARRA CASE DATA

Total Allegations Received:	42
Allegations Open:	3
Allegations closed without action:	21
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	61
Total of V, I, or Z actions closed without action:	10
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	28
Open I Cases accepted for prosecution:	12

SIGNIFICANT ITEM

Case Title: CJMS Contracting, LLC
Case Number: I1160742
Case Agent: (b) (6), (b)(7)(C)

On May 8, 2012, (b) (6), (b)(7)(C), consultant and co-owner of CJMS Contracting, was sentenced, in the U.S. District Court, Eastern District of Missouri, to two years in prison and one year of supervised release, as well as ordered to pay \$1.5 million in restitution, a \$50,000 fine and a \$100 court assessment. On February 15, 2012, (b) (6), (b)(7)(C) pled guilty to an information, charging (b) (6), (b)(7)(C) with conspiracy to commit bribery, mail and wire fraud, and making false statements to the U.S. Government pursuant to the Service-Disabled Veteran-Owned Small Business (SDVOB) program. This case was prosecuted by AUSA (b) (6), (b)(7)(C)

BACKGROUND

This investigation was initiated based on information from the VA OIG regarding allegations that VA Chief Engineer (b) (6), (b)(7)(C) accepted gifts and gratuities from contractors who performed work on federal projects.

Investigative efforts revealed that in 2007, (b) (6), (b)(7)(C) recommended to (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) friend, to find a SDV and start up a SDVOSB company so that (b) (6), (b)(7)(C) could get set-aside and sole source contracts. (b) (6), (b)(7)(C) subsequently found an SDV named (b) (6), (b)(7)(C) and formed CJMS. (b) (6), (b)(7)(C) a friend of (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and a co-conspirator in the scheme, provided financial support, bonding, and an office to run the company out of. (b) (6), (b)(7)(C) also owned a company named Gateway Contractors that worked out of the same office and performed the vast majority of the CJMS's federal contract work.

The investigation revealed that (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) paid bribes to (b) (6), (b)(7)(C) in the form of cash, entertainment by exotic dancers at a gentlemen's club, St. Louis Cardinal's tickets, lunches, drinks, and dinners. In exchange, (b) (6), (b)(7)(C) recommended CJMS and assisted them obtain \$3.4 million in set-aside and sole-source federal construction contracts, and one American Recovery and Reinvestment Act funded contract in the amount of \$654,095. Furthermore, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) inflated the total amount of these contracts so that CJMS would have a larger profit margin.

Pursuant to these contracts, (b) (6), (b)(7)(C) submitted false statements in GSA's Central Contractor Registration and made false certifications in the On-line Representations and Certifications Application databases by stating that CJMS was a legitimate SDVOSB. SDV (b) (6), (b)(7)(C) did not control any aspect of the company and did not receive anywhere near the majority of the profits from the company, as required under the SDVOSB program. Additionally, CJMS did not have any employees and the contract work was "passed through" to Gateway, who built in an additional profit margin so they could make even more money.

(b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) received over \$1.6 million in profits out of the \$3.4 million that was contracted to CJMS. This case was worked jointly with GSA OIG, VA OIG and SBA OIG.

(b) (6), (b)(7)(C)

Special Agent In Charge
GSA Office of Inspector General

SIGNIFICANT ITEM

Case Title: (b)(7)(C), (b) (6) -- WEXFCC Fraud
Case No: 11102458
Case Agent: SA (b)(7)(C), (b) (6)

On April 16, 2012, in the United States District Court for the Eastern District of Washington (Yakima), (b)(7)(C), (b) (6) was sentenced after pleading guilty to three counts of violating 18 USC 641, Theft of Government Funds. (b)(7)(C), (b) (6) was sentenced to one year of probation and ordered to pay restitution in the amount of \$4,006.40.

The case was prosecuted by AUSA (b)(7)(C), (b) (6).

BACKGROUND:

In January 2011, JI-10 was notified that a U.S. Army Corps of Engineers (USACE) employee was suspected of using multiple FLEET cards to fuel privately-owned vehicles.

JI-10 agents identified (b)(7)(C), (b) (6), a civilian employee of the USACE, as the subject of the investigation. As part of (b)(7)(C) job duties, (b)(7)(C), (b) (6) was entrusted with the use of a GSA vehicle, leased to the USACE, to complete maintenance tasks around the Tri-Cities area in Eastern Washington.

In March 2011, (b)(7)(C), (b) (6) was interviewed by JI-10 agents and admitted to the fraudulent use of multiple FLEET cards for (b)(7)(C) personal gain. The investigation revealed a loss to the US Government of at least \$4,000.

(b)(7)(C), (b) (6)
Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA
(b)(7)(C), (b) (6)

Significant Item

Case Title: Debarment – (b) (6), (b)(7)(C) – Las Vegas, NV

Case Number: I1293104

Case Agent: (b) (6), (b)(7)(C)

On May 10, 2012, the GSA Suspension and Debarment Official (SDO) debarred (b) (6), (b)(7)(C) a former U.S. Department of Veterans Affairs (VA) employee that was convicted in U.S. District Court along with a co-conspirator of defrauding the government of nearly \$28,000 via a Fleet card. The debarment will end on January 23, 2015.

Background

On January 24, 2012, the GSA SDO issued a Notice of Proposed Debarment to (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) co-conspirator, after receiving an October 27, 2011 JI-9 recommendation that (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) be debarred based upon the following results of a joint JI-9 and VA OIG Fleet card misuse investigation:

- On August 1, 2011, U.S. District Judge (b) (6), (b)(7)(C), District of Nevada, Las Vegas, NV, found (b) (6), (b)(7)(C) guilty of violating 18 U.S.C. § 371, Conspiracy, and 18 U.S.C. § 641, Theft of Government Property, (one count each) based on the terms of a May 3, 2011 plea agreement. Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to five years probation per count to run concurrently and ordered (b) (6), (b)(7)(C) to pay a \$200 special assessment fee and \$27,767.94 in restitution.
- On September 7, 2011, Judge (b) (6), (b)(7)(C) found (b) (6), (b)(7)(C) who was not affiliated with the U.S. Government, guilty of violating 18 U.S.C. § 371 and 18 U.S.C. § 641 (one count each) based on the terms of a May 12, 2011 plea agreement. Judge (b) (6), (b)(7)(C) also sentenced (b) (6), (b)(7)(C) to five years probation per count to run concurrently and ordered (b) (6), (b)(7)(C) to pay a \$200 special assessment fee and \$27,767.94 in restitution.
- Both Judgment Orders identified (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) jointly responsible for 100% of the restitution. In addition, the restitution is payable to the VA.

The GSA SDO has yet to make a final ruling regarding (b) (6), (b)(7)(C) proposed debarment.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

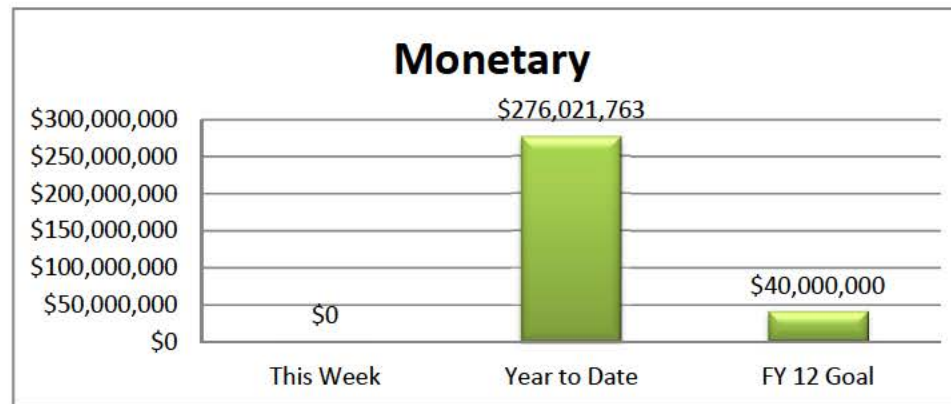
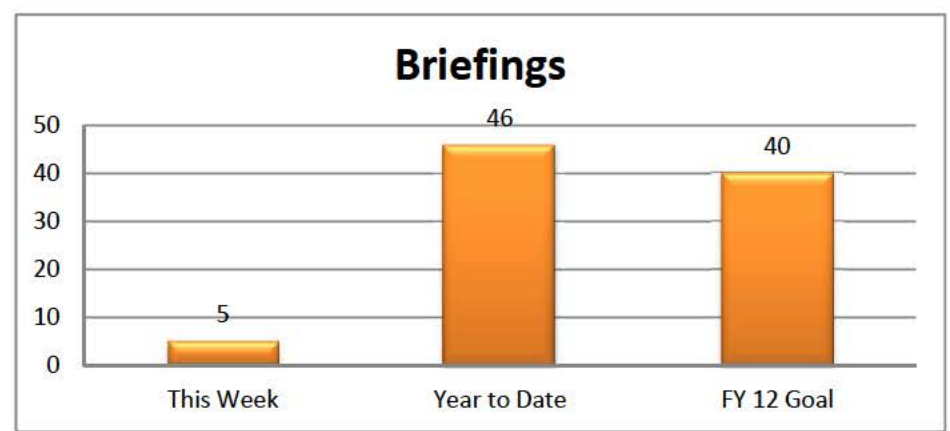
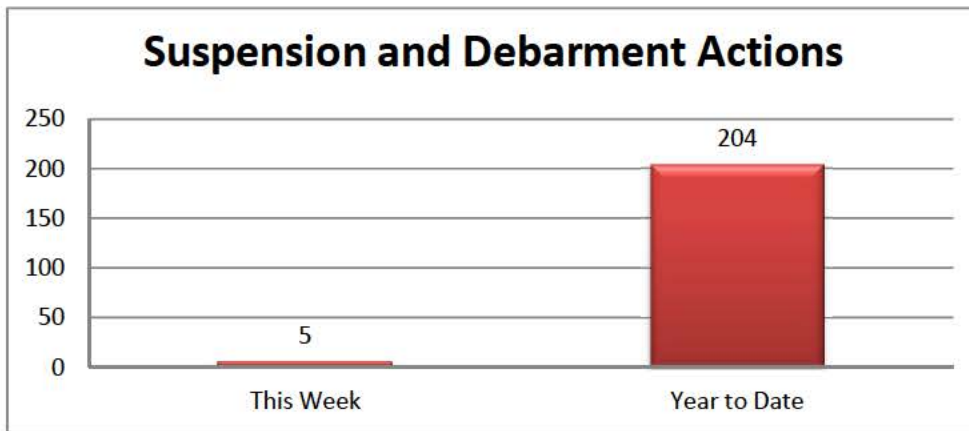
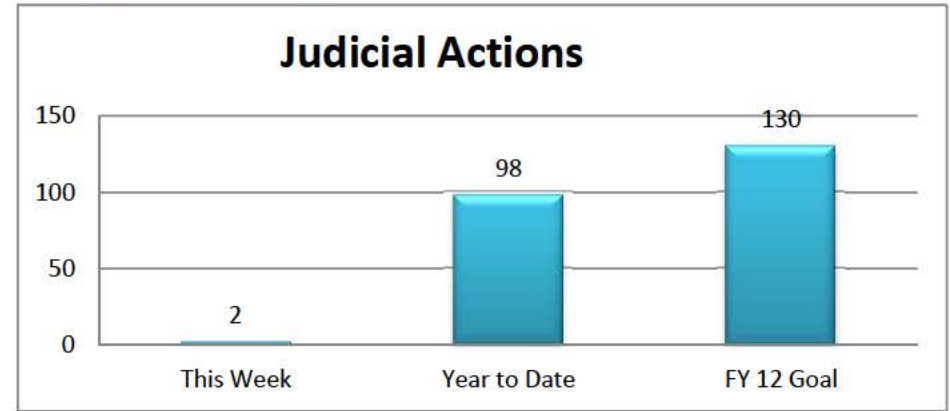
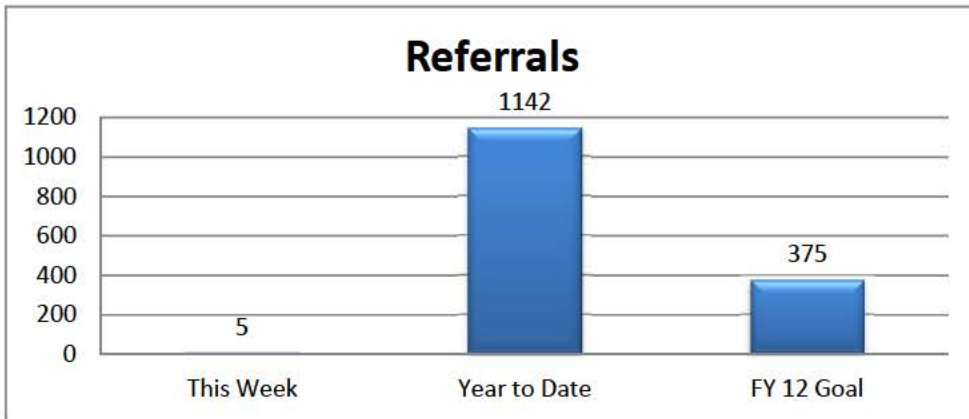
Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - MAY 25, 2012 - MAY 31, 2012





JI Updates

June 1, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/112W2565)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

(b) (7)(A)

11020748)

Philadelphia (JI-3)

On June 5, 2012, SA (b) (6), (b) (7)(C) is scheduled to present the investigative findings regarding potential violations of the SDVOSB program and false certifications by Burr Business Solutions to the DOJ Anti-Trust Division, EDPA. (EDPA/Fraud/11233292)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report



JI Updates

June 1, 2012

Auburn (JI-10)

(b) (7)(A) [REDACTED] (11102814)

JI-I

HOTLINES

(b) (7)(A) [REDACTED] (/H12H3708)

JI-B

FAR

The Investigations Operations Division received two new FAR disclosures this week from (b) (7)(D) [REDACTED] and (b) (7)(D) [REDACTED]. To date, we have received a total of 72 disclosures.

Civil Enforcement

(b) (7)(D) [REDACTED] (/111H2706)

ARRA

On June 6, 2012, SA (b) (6), (b) (7)(C) [REDACTED] will attend an OIG-FBI Corruption Working Group Meeting sponsored by the FBI, Meriden, CT, to discuss ARRA projects in CT. (DCT/Fraud/V10101482)

ARRA CASE DATA

Total Allegations Received:	42
Allegations Open:	2
Allegations closed without action:	22
Allegations closed via case conversion:	12
Allegations closed after being referred to GSA, RATB, etc:	6
Total of V, I, or Z actions initiated:	61
Total of V, I, or Z actions closed without action:	10
Total of V, I, or Z actions after being referred to GSA, RATB, etc:	5
Number of Open V Actions:	13
Number of Open Z Actions:	5
Number of Open I Actions:	28
Open I Cases accepted for prosecution:	12

Significant Item

Case Title: Debarment – (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) – Las Vegas, NV
Case Number: I1293104
Case Agent: (b) (6), (b)(7)(C)

On May 25, 2012, the GSA Suspension and Debarment Official (SDO) debarred (b) (6), (b)(7)(C) a private citizen who along with former U.S. Department of Veterans Affairs (VA) employee (b) (6), (b)(7)(C) was convicted in U.S. District Court of defrauding the government of nearly \$28,000 via a Fleet card. The debarment will end on January 23, 2015.

Background

On January 24, 2012, the GSA SDO issued a *Notice of Proposed Debarment* to (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) after receiving an October 27, 2011 JI-9 recommendation that they be debarred based upon the following results of a joint JI-9 and VA OIG Fleet card misuse investigation:

- On August 1, 2011, U.S. District Judge (b) (6), (b)(7)(C), District of Nevada, Las Vegas, NV, found (b) (6), (b)(7)(C) guilty of violating 18 U.S.C. § 371, *Conspiracy*, and 18 U.S.C. § 641, *Theft of Government Property*, (one count each) based on the terms of a May 3, 2011 plea agreement. Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to five years probation per count to run concurrently and ordered (b) (6), (b)(7)(C) to pay a \$200 special assessment fee and \$27,767.94 in restitution.
- On September 7, 2011, Judge (b) (6), (b)(7)(C) found (b) (6), (b)(7)(C) who was not affiliated with the U.S. Government, guilty of violating 18 U.S.C. § 371 and 18 U.S.C. § 641 (one count each) based on the terms of a May 12, 2011 plea agreement. Judge (b) (6), (b)(7)(C) also sentenced (b) (6), (b)(7)(C) to five years probation per count to run concurrently and ordered (b) (6), (b)(7)(C) to pay a \$200 special assessment fee and \$27,767.94 in restitution.
- Both Judgment Orders identified (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) jointly responsible for 100% of the restitution. In addition, the restitution is payable to the VA.

On May 10, 2010, the GSA SDO debarred (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) debarment will also end on January 23, 2015.

(b) (6), (b)(7)(C)

Special Agent in Charge
GSA Office of Inspector General
Pacific Rim Region Investigations Office (JI-9)
450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)
San Francisco, CA 94102
Office: (b) (6), (b)(7)(C)
Fax: (415) 522-2760
Cell: (b) (6), (b)(7)(C)
E-mail: (b) (6), (b)(7)(C)@gsaig.gov

Significant Item

Case Number: I12L3319

Case Title: G43-1688D – U.S. Department of Veterans Affairs, Los Angeles, CA

Case Agent: (b) (6), (b)(7)(C)

On May 25, 2012, Deputy District Attorney (b) (6), (b)(7)(C), Los Angeles County District Attorney's Office, filed a felony complaint against Veterans Affairs Medical Center (VAMC) employee (b) (6), (b)(7)(C) in the Superior Court of California, County of Los Angeles, charging (b) (6), (b)(7)(C) with one count of violating California Penal Code § 484g (b), *Grand Theft*, in connection with the unauthorized use of a Fleet card. The court issued a warrant for (b) (6), (b)(7)(C) arrest and set (b) (6), (b)(7)(C) bail at \$20,000.

Background

On January 10, 2012, JI-9 received information from the GSA Fleet Management Division Loss Prevention Team regarding suspected fraudulent activity associated with the Fleet card assigned to government vehicle number G43-1688D, a 2006 Chevrolet C3500 stake bed truck that is operated by the VAMC Recycling Department in West Los Angeles, CA. According to the Loss Prevention Team, the irregular activity on the Fleet card included multiple same-day transactions, odd odometer readings, low mileage per gallon readings, and excessive declined authorization alerts.

Subsequent surveillance video reviews and interviews identified (b) (6), (b)(7)(C) as the subject of the investigation. In April 2012, (b) (6), (b)(7)(C) confessed during two voluntary interviews to fraudulently using the Fleet card assigned to G43-1688D since August 2011 and the card assigned to G43-3330L since February 2012 for various reasons. For example, (b) (6), (b)(7)(C) used the cards to purchase fuel for (b) (6), (b)(7)(C) personal vehicle, in exchange for cash from unknown individuals at various gas stations in Los Angeles, and to fuel a vehicle rented by (b) (6), (b)(7)(C) housemate in exchange for rides to work. (b) (6), (b)(7)(C) identified 82 fraudulent transactions (b) (6), (b)(7)(C) conducted and signed a sworn affidavit admitting same. The fraudulent fuel purchases for both Fleet cards totals \$3,430.31.

The VA Police Department is supporting JI-9 in this investigation.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

Significant Item

Case Number: I12L3044

Case Title: WEX FRAUD – G61-12851 – U.S. NAVY – EL CENTRO, CA

Case Agent: (b) (6), (b)(7)(C)

On May 28, 2012, (b) (6), (b)(7)(C), a Naval Facilities Engineering Command employee at the U.S. Naval Air Facility in El Centro, CA (NAF El Centro), was served with three U.S. District Court Violation Notices charging (b) (6), (b)(7)(C) with one misdemeanor count each of violating 18 U.S. C. § 641, *Theft of Public Money, Property or Records*, 18 U.S.C. § 654, *Officer or Employee of U.S. Converting Property of Another*, and 15 U.S.C. § 1644, *Fraudulent Use of a Credit Card*. (b) (6), (b)(7)(C) court appearance date is pending.

Background

In October 2011, JI-9 initiated an investigation based on a referral from the GSA Fleet Management Loss Prevention Team regarding possible fraudulent transactions associated with the Fleet card assigned to government vehicle number G61-12851, which is assigned to NAF El Centro. The investigation, which obtained significant evidence using numerous investigative techniques, found that (b) (6), (b)(7)(C) was suspected of using the Fleet card for (b) (6), (b)(7)(C) personal use. In April 2012, (b) (6), (b)(7)(C) admitted during a voluntary interview that (b) (6), (b)(7)(C) used the Fleet card to illegally purchase approximately \$3,169.66 in fuel for (b) (6), (b)(7)(C) personal vehicles between July 2011 and April 2012 at the NAF El Centro gas station.

Assistant U.S. Attorney (b) (6), (b)(7)(C), Southern District of California, El Centro Branch, is prosecuting this case.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

**OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 1 - JUNE 8, 2012**

Referrals



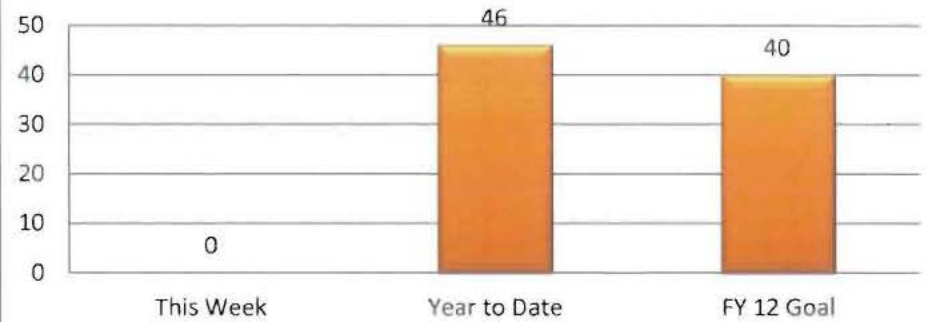
Judicial Actions



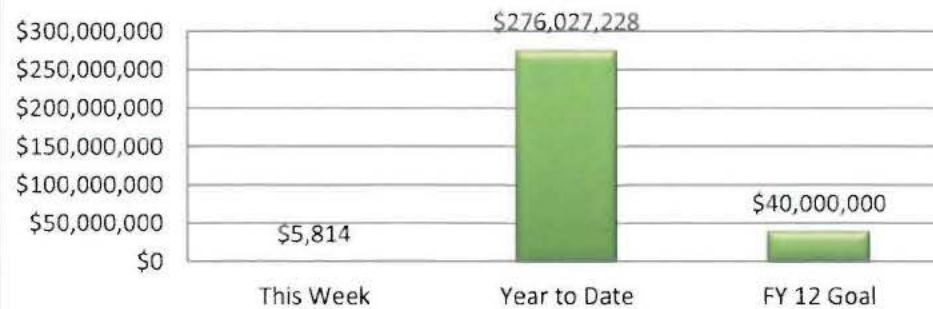
Suspension and Debarment Actions



Briefings



Monetary





JI Updates

June 8, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On June 19, 2012, (b) (6), (b)(7)(C) is scheduled to be sentenced in U.S. District Court in the Southern District of Maryland. (b) (6), (b)(7)(C) was convicted of assaulting a federal agent. (SDMD/Assault/I11W3009)

Boston (JI-1)

On June 12, 2012, a proffer is scheduled with a subject of the investigation involving SDVOSB fraud by B&J Multi Service Corporation. (DMA/Fraud/I1010156)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

During the week of June 11, 2012, SA (b) (6), (b)(7)(C) is scheduled to present evidence and seek arrest warrants at the USAO, Miami, FL, concerning a FLEET fraud investigation involving the U.S. Marine Corps. (SDFL/WEX Fraud/I12M3897)

(b) (7)(A)

(b) (7)(A)

I12M3939)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

(b) (7)(A)

/I09D0653)



JI Updates

June 8, 2012

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Inspector General Miller and Acting GSA Administrator Tangherlini are scheduled to visit Region 9.

Auburn (JI-10)

(b) (7)(A)

(DOR/Product Substitution/I1000606)

JI-1

Nothing significant to report

JI-B

Nothing significant to report

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 72 disclosures.

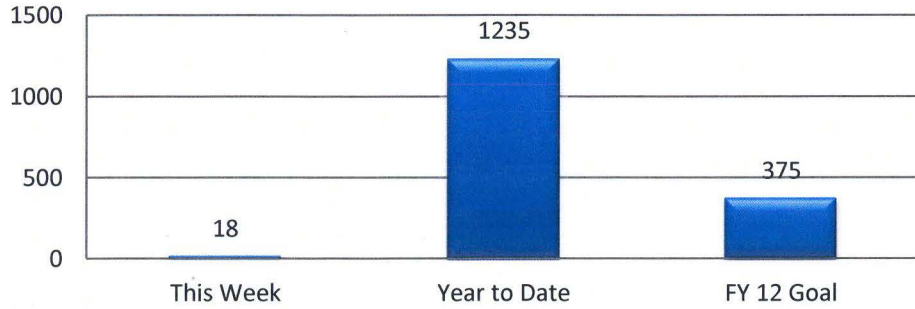
Civil Enforcement

Nothing significant to report

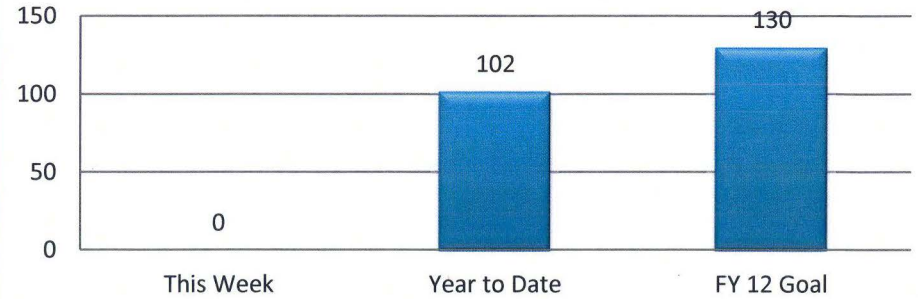
Law Enforcement Sensitive

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 8 - JUNE 15, 2012

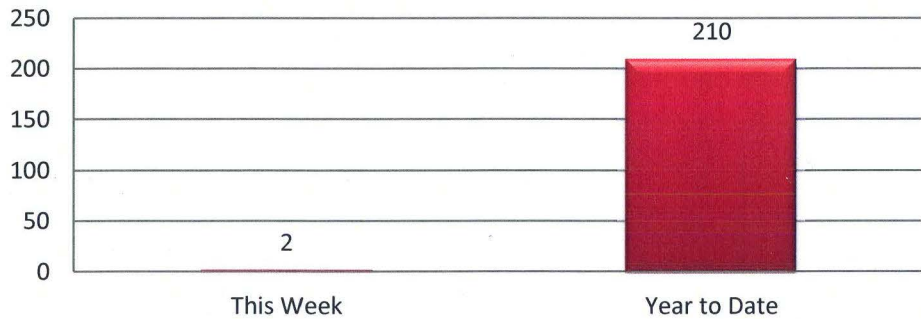
Referrals



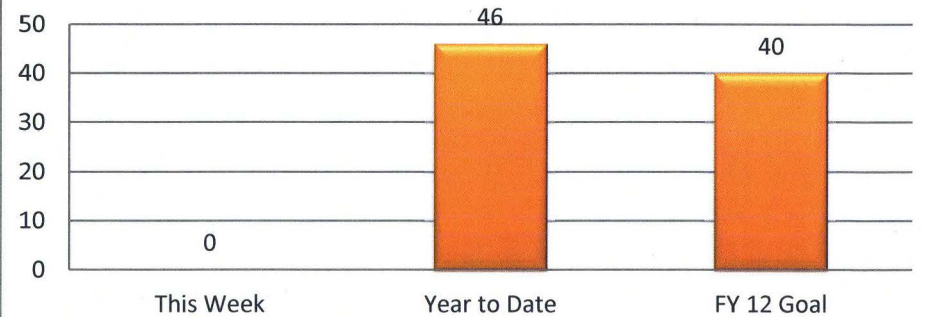
Judicial Actions



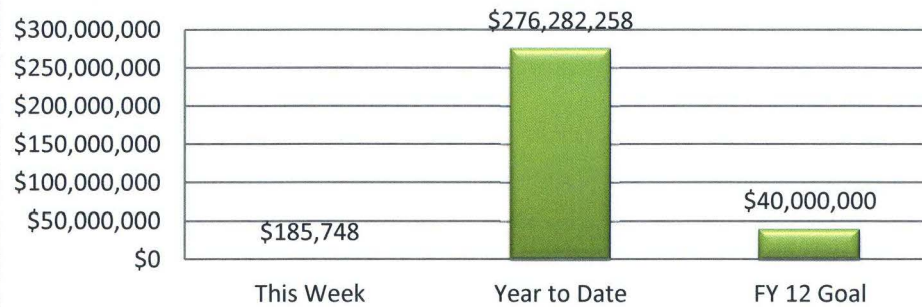
Suspension and Debarment Actions



Briefings



Monetary





JI Updates

June 15, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On June 19, 2012, (b) (6), (b)(7)(C) will be sentenced in U.S. District Court in the Southern District of Maryland. (b) (6), (b)(7)(C) was convicted by a jury for assaulting a federal agent. (SDMD/Assault/I11W3009)

Boston (JI-1)

On June 21, 2012, SA (b) (6), (b)(7)(C) is scheduled to present (b) (6), (b)(7)(C) case to the USAO, District of Massachusetts, regarding an employee of GSA contractor Emcor, who is alleged to have submitted fraudulent bid proposals to obtain GSA contracts. Emcor maintains a Mechanical and Operations Maintenance contract for the John W. McCormack Federal Building, Boston, MA. (DMA/Fraud/I1213941)

New York (JI-2)

On June 15, 2012, (b) (6), (b)(7)(C) Owner, Over The Hill Repair Auto Repair, Calcium, NY, is scheduled to plead guilty to an information charging (b) (6), (b)(7)(C) with violating 18 U.S.C. 641, Theft of Government Money. The investigation disclosed that this repair facility routinely billed GSA for repairs not performed as well as fraudulently over-billing for other repairs. (NDNY/WEX-False Claims/I1122268)

Philadelphia (JI-3)

On June 20, 2012, SA (b) (6), (b)(7)(C) and the investigative team will participate in a proffer interview of (b) (6), (b)(7)(C) Vice President, Platinum One Contracting, Inc., Edgewater, MD (DMD/False Statements/I1130723).

On June 21, 2012, (b) (6), (b)(7)(C) an (b) (6), (b)(7)(C) Summer Intern, will attend the plea hearing for (b) (6), (b)(7)(C) who is scheduled to appear in the Commonwealth of Pennsylvania, Court of Common Pleas, First Judicial District. (b) (6), (b)(7)(C) was arrested for breaking into an Army recruiting office and stealing two GSA vehicles. (Philly ADA/Theft/I1233162)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report



JI Updates

June 15, 2012

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

On June 18, 2012, SA [REDACTED] will attend the (b) (6), (b) (7) plea/sentencing hearing at the U.S. District Court for the Western District of Washington. (b) (6), confessed to illegally using a FLEET card assigned to the Army. (WDWA/FLEET card fraud/I1203057)

JI-1

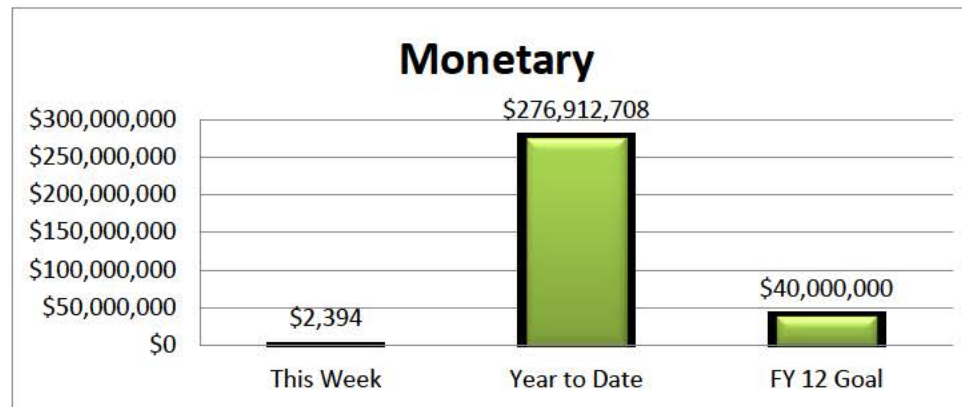
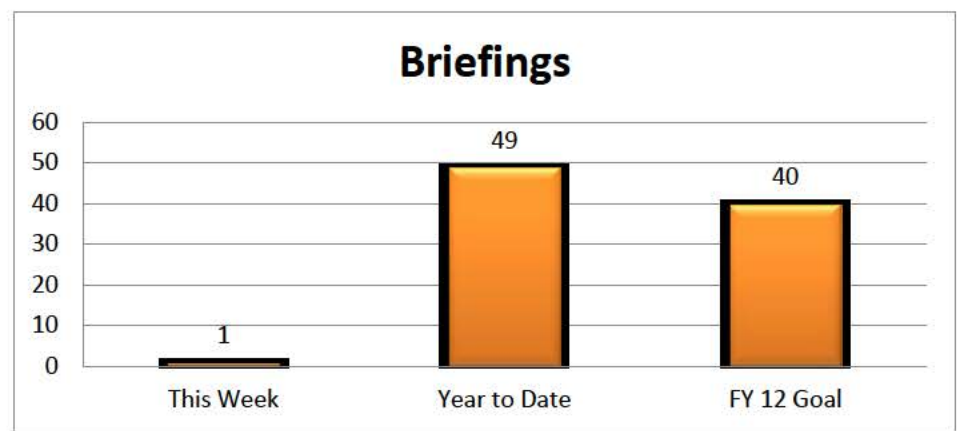
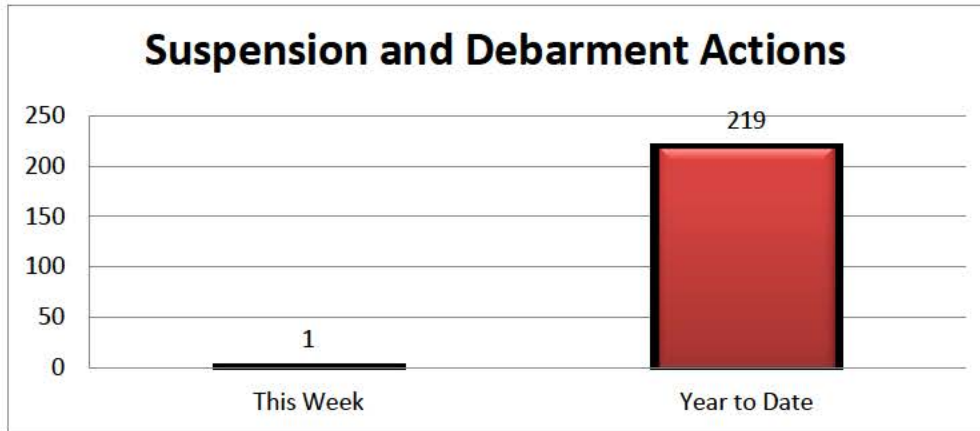
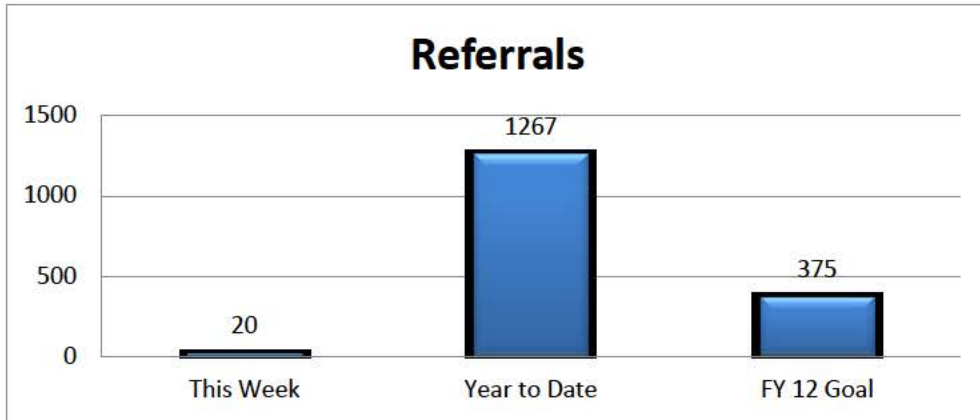
Nothing significant to report

FAR

The Investigations Operations Division received two new FAR disclosures this week from (b) (7)(D) and (b) (7)(D). To date, we have received a total of 74 disclosures.

Law Enforcement Sensitive

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 15, 2012 - JUNE 21, 2012





JI Updates

June 22, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Please see ARRA below

Boston (JI-1)

During the week of June 25, 2012, SA [REDACTED] will attempt to conduct a (b) (7)(E) [REDACTED] regarding an investigation involving fraudulent bid proposals and possible kickbacks. (DMA/Fraud/I1213941)

On June 25, 2012, SA [REDACTED] and the AUSA are scheduled to meet with a subject of this investigation and defense counsel to discuss a potential plea agreement. The investigation involves violations of the SDVOSB program by B&J Multi Service Corporation. (DMA/Fraud/I1010156)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A) [REDACTED]

[REDACTED] /I10W0941)

On July 2, 2012, SA [REDACTED] will be retiring after more than 32 years of government service.

Atlanta (JI-4)

On June 26, 2012, SAC [REDACTED] and Trial Attorneys from DOJ and MDFL will conduct CID depositions in Tampa, Florida. (MDFL/Qui Tam/I0940681)

Chicago (JI-5)

For the period June 26 through 28, 2012, JI-5 SAs are scheduled to assist JI-W SAs with the planning, logistics, and execution of a search warrant in the Chicagoland area (see ARRA below).

Kansas City (JI-6)

On June 25, 2012, [REDACTED] will be sentenced in the Eastern District of Missouri. In March 2012, [REDACTED] pled guilty to bribery for receiving money, gifts, and gratuities in exchange for influencing the issuance of sole-source and set-aside contracts to an illegitimate SDVOSB. (EDMO/Bribery/I1160742)



JI Updates

June 22, 2012

Denver (JI-8)

(b) (7)(A)

(b) (7)(A) (09D0653)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

(b) (7)(A)

(b) (7)(A)

(b) (7)(A)

(/11203334)

JI-I

HOTLINES

THE COMPLAINANT ALLEGES THAT (b) (6), (b)(7)(C), A SENIOR ACCOUNT REP. FOR A GSA VENDOR, VETERAN TONERS, HAS SENT SOLICITING EMAILS IN AN ATTEMPT TO BRIBE POTENTIAL BUYERS. (JI-9/H1293990)

JI-B

FAR

The Investigations Operations Division received one new FAR disclosure this week from

(b) (7)(D)

. To date, we have received a total of 75 disclosures.

ARRA

(b) (7)(A)

(110W0941)

SIGNIFICANT ITEM

Case Title: Ward Diesel Filter Company
Case #: I1010491
Case Agent: (b) (6), (b)(7)(C)

On June 13, 2012, Ward Diesel Filter Company agreed to pay \$628,000 to the U.S. Government for conduct related to the defective pricing and price reduction clauses of their GSA Multiple Award Schedule contract. Ward Diesel provides and installs a diesel exhaust removal system for fire trucks to federal agencies pursuant to this contract. A settlement agreement was signed after negotiations with (b) (6), (b)(7)(C), President, Ward Diesel (through (b) (6), (b)(7)(C) Counsel, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C), Trial Attorney, DOJ, Commercial Litigation Branch, and AUSA (b) (6), (b)(7)(C), District of New Hampshire. Legal counsel was also provided by JC Attorney (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was initiated on April 14, 2010 based upon a qui-tam filed on March 22, 2010 in U.S. District Court, District of NH, alleging that Ward Diesel had misrepresented its commercial pricing information during contract negotiations with GSA which deprived government customers of the favorable deals Ward Diesel extended to city government customers. In addition, it was alleged that Ward Diesel further failed to comply with the contract's price reduction clause by failing to adjust its GSA pricing to reflect discounts provided to city government customers during the life of the contract. The United States intervened in the Civil Action on February 15, 2012. The matter was unsealed on June 18, 2012.

The government's investigation confirmed and substantiated the allegations. While Ward Diesel expressly denied the allegations and contentions, they agreed to compensate the government \$628,000 to avoid the delay, uncertainty, inconvenience, and expense of protracted litigation. In addition, Ward Diesel agreed to pay \$30,000 directly to the relator for expenses and attorney's fees/costs. The agreement further stipulates that the relator was entitled to \$94,200 from the settlement amount.

JI-1 worked the investigation with DCIS, AFOSI, Army CID, and NCIS. Audit assistance was provided by DCAA.

For information regarding this Sig Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) on (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
General Services Administration
Office of Inspector General
O'Neill Federal Office Building
10 Causeway St., Room (b) (6), (b)(7)(C)
Boston, MA 02222
Office: (b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C) - ASSAULT ON FEDERAL LEO

Case #: 111W3009

Case Agent: SA (b) (6), (b)(7)(C) ■■■■■

On June 19, 2012, in U.S. District Court for the District of Maryland (Greenbelt), the Honorable Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to five months imprisonment, five months of home confinement, one year of supervised release, and ordered (b) (6), (b)(7)(C) to pay a \$5,000 fine and a \$25 special assessment fee.

The case was prosecuted by Special Assistant United States Attorney (b) (6), (b)(7)(C).

BACKGROUND

The case originated as a surveillance operation related to another case being worked by (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were conducting surveillance of (b) (6), (b)(7)(C) residence. SA (b) (6), (b)(7)(C) was parked on the shoulder of the road in the vicinity of the residence. SA (b) (6), (b)(7)(C) was on the shoulder of the road positioning (b) (6), (b)(7)(C) vehicle nose to nose with SA (b) (6), (b)(7)(C) vehicle (LEV).

SA (b) (6), (b)(7)(C) made several attempts to distance (b) (6), (b)(7)(C) LEV from (b) (6), (b)(7)(C) vehicle, but (b) (6), (b)(7)(C) prevented SA (b) (6), (b)(7)(C) from moving (b) (6), (b)(7)(C) LEV. SA (b) (6), (b)(7)(C) identified himself as a law enforcement officer and activated (b) (6), (b)(7)(C) emergency lights.

Eventually, (b) (6), (b)(7)(C) was able to block SA (b) (6), (b)(7)(C) vehicle from moving. SA (b) (6), (b)(7)(C) activated (b) (6), (b)(7)(C) emergency sirens, exited (b) (6), (b)(7)(C) vehicle, displayed (b) (6), (b)(7)(C) badge and again identified (b) (6), (b)(7)(C) as a law enforcement officer.

(b) (6), (b)(7)(C) vehicle continued to block SA (b) (6), (b)(7)(C) exit route. SA (b) (6), (b)(7)(C) approached (b) (6), (b)(7)(C) vehicle ordering (b) (6), (b)(7)(C) to exit (b) (6), (b)(7)(C) vehicle. At that time, (b) (6), (b)(7)(C) rolled up (b) (6), (b)(7)(C) window and SA (b) (6), (b)(7)(C) could not see (b) (6), (b)(7)(C) right hand. SA (b) (6), (b)(7)(C) then attempted to open (b) (6), (b)(7)(C) driver door but it was locked. SA (b) (6), (b)(7)(C) then used (b) (6), (b)(7)(C) extendible ASP baton and struck (b) (6), (b)(7)(C) driver side window.

(b) (6), (b)(7)(C) backed up (b) (6), (b)(7)(C) vehicle and maneuvered (b) (6), (b)(7)(C) car effectively placing SA (b) (6), (b)(7)(C) in the roadway in front of (b) (6), (b)(7)(C) vehicle. (b) (6), (b)(7)(C) accelerated forward toward SA (b) (6), (b)(7)(C), forcing SA (b) (6), (b)(7)(C) to leap out of the way and draw (b) (6), (b)(7)(C) firearm. At that time (b) (6), (b)(7)(C) stopped (b) (6), (b)(7)(C) vehicle within 3 feet of striking SA (b) (6), (b)(7)(C), placing (b) (6), (b)(7)(C) hands above (b) (6), (b)(7)(C) steering wheel facing the windshield.

SA (b) (6), (b)(7)(C) responded to the location from (b) (6), (b)(7)(C) surveillance point and placed (b) (6), (b)(7)(C) under arrest at the scene in violation of 18 USC §111, Assault on a Federal Law Enforcement Officer.

On March 7, 2012, after a two day trial in the U.S. District Court for the District of Maryland (Greenbelt), a jury found (b) (6), (b)(7)(C) guilty of assaulting SA (b) (6), (b)(7)(C), in violation of 18 U.S.C. 111(a).

For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

SIGNIFICANT ITEM

Case Title: WEX FLEET FRAUD-(b) (6), (b)(7)(C)-USMC RECRUITING STATION MIAMI, FL
Case #: I12M3897
Case Agent: SA (b) (6), (b)(7)(C)

On June 15, 2012, based on a federal arrest warrant, GSA OIG special agents arrested (b) (6), (b)(7)(C) without incident in Hialeah, Florida for violations of 18 USC. 641, Theft of Government Property/Funds. During the arrest, agents recovered three retailer gift cards in (b) (6), (b)(7)(C) possession that were re-encoded with stolen GSA Fleet account information. (b) (6), (b)(7)(C) was transported to the Federal Detention Center in Miami, Florida.

On June 18, 2012, (b) (6), (b)(7)(C) appeared before the Honorable (b) (6), (b)(7)(C), U.S. Magistrate Judge, SDFL, for (b) (6), (b)(7)(C) initial appearance. A Pre-Trial Detention Hearing was scheduled for June 21, 2012.

This is a joint investigation by GSA OIG and the USSS. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a Fleet card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible Fleet card fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. GSA OIG and the USSS conducted interviews and surveillance operations that disclosed at least four Fleet cards issued to GSA vehicles assigned to a USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified (b) (6), (b)(7)(C) as one subject fraudulently using re-encoded cards with Fleet account information. The loss to the government is approximately \$40,000.00.

On June 5, 2012, this case was presented and accepted by the Miami USAO for criminal prosecution.

On June 14, 2012, a GSA OIG Special Agent swore in a Probable Cause Affidavit detailing the investigative findings of this case. On the same date, the Honorable (b) (6), (b)(7)(C), U.S. Magistrate Judge, SDFL, signed a federal warrant against (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

SIGNIFICANT ITEM

Case Title: FALSE CLAIMS: OVER THE HILL AUTO REPAIR SHOP
File Number: I1122268
Case Agent: (b) (6), (b)(7)(C)

On June 15, 2012, (b) (6), (b)(7)(C), Owner, Over the Hill Auto Repair (OTH), Calcium, NY, appeared before the Honorable (b) (6), (b)(7)(C) U.S. District Court Judge for the Northern District of New York (NDNY), and pled guilty to an Information charging (b) (6), (b)(7)(C) with one count of violating 18 U.S.C. 287, False Claims. The Information stated that from approximately 2009 until March 2011, (b) (6), (b)(7)(C) made and presented claims totaling approximately \$30,000 upon the GSA, knowing such claims to be false, fictitious and fraudulent. These claims sought payment for repairs to GSA vehicles being leased by the Army at Ft. Drum, NY, which were unnecessary or had not been performed. (b) (6), (b)(7)(C) is scheduled to be sentenced on November 16, 2012.

This was a joint investigation by GSA OIG and Army CID. This case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND

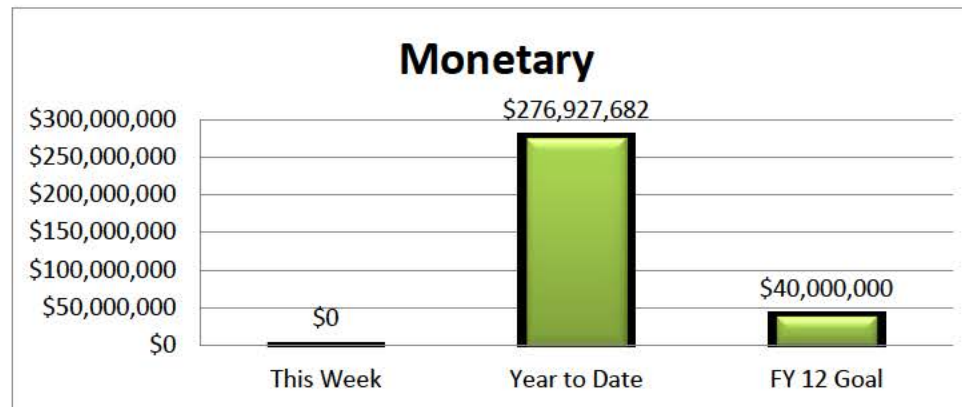
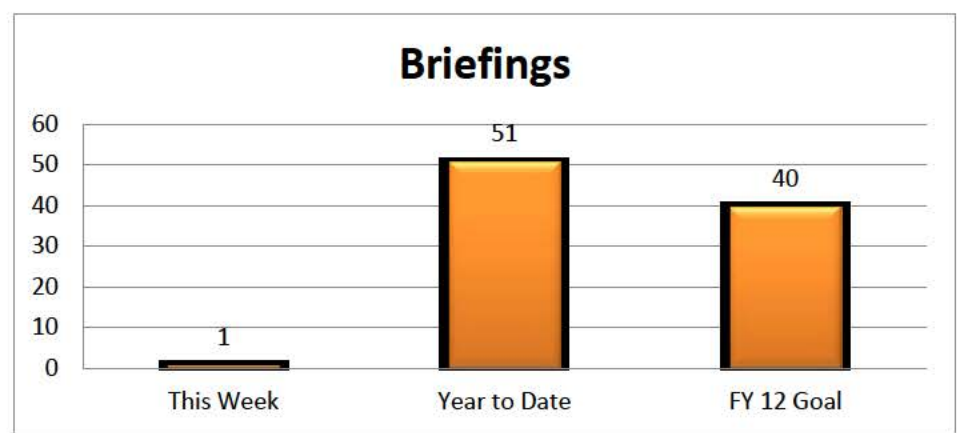
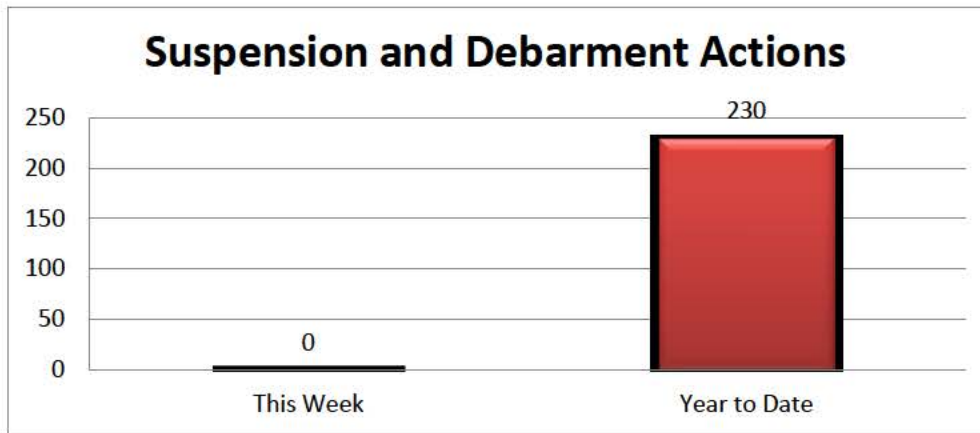
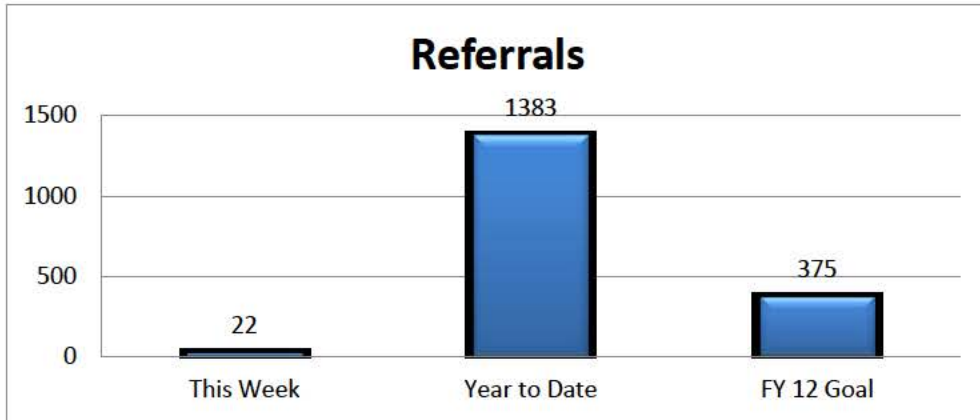
This investigation was initiated based on information received from the GSA Region 2 Fleet Management Services Division that OTH may have been charging GSA for repair work not performed on vehicles being leased to the Army at Ft. Drum, NY. Through interviews and other investigative techniques, GSA OIG and Army CID Special Agents were able to substantiate the allegations and ultimately obtained a confession from (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) admitted to charging GSA for work not performed as well as performing repairs that were unnecessary.

In January 2012, (b) (6), (b)(7)(C) was sent a target letter by the USAO NDNY.

For information regarding this SIG ITEM, please contact Special Agent in Charge, (b) (6), (b)(7)(C) (b) (6), (b)(7)(C), on (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Mid-Atlantic/Northeast Regional Investigations Offices (JI-3/2)
Direct (b) (6), (b)(7)(C)
Fax (215) 861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 29, 2012 - JULY 5, 2012





JI Updates

July 6, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

Z11W2978)

Boston (JI-1)

During the week of July 9, 2012, a JI-1 SA will conduct a subject interview regarding false bid proposals that were submitted to GSA. (DMA/Fraud/I1213941)

During the week of July 9, 2012, SA (b) (6), (b)(7)(C) will be TDY to D.C.

New York (JI-2)

On July 14, 2012, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will be leaving GSA OIG and transferring to DCIS in Edison, NJ.

Philadelphia (JI-3)

On July 13, 2012, SA (b) (6), and the investigative team will participate in a proffer interview of (b) (6), (b) (7)(C) /Platinum One Contracting, Inc., Edgewater, MD. (DMD/False Statements/I1130723)

Atlanta (JI-4)

On July 13, 2012, SAC (b) (6), will attend a meeting at DOJ Washington, D.C. for a briefing by SAIC counsel regarding the ongoing investigation. AUSA (b) (6), (b) (7)(C), MDFL, and Senior Trial Attorney (b) (6), (b) (7)(C), DOJ, will also be in attendance at the meeting.

(b) (7)(A) /10940681, (b) (7)(A)

(b) (7)(A)

/I10M0370/False

Claims)

Chicago (JI-5)

During the week of July 9, 2012, SA (b) (6), (b)(7)(C) and JA-5 Auditor (b) (6), (b)(7)(C) will travel to Belden, Mississippi and Cleveland, Ohio to interview former Tremco employees relative to a qui tam investigation. (WDC/Qui Tam/I11W0797)



JI Updates

July 6, 2012

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

On July 11, 2012, Public Works Department employee (b) (6), (b)(7)(C), Naval Air Facility, El Centro, CA, is scheduled for [REDACTED] initial appearance in U.S. District Court for the Southern District of California after being cited on May 28, 2012 for three misdemeanor violations in connection with \$3,169.99 in fraudulent charges to a Fleet card assigned to [REDACTED] unit. (DCA/Theft/Z12L3044)

Auburn (JI-10)

Nothing significant to report.

Internal Operations

Hotline

Hotline Contacts - 43

Hotline Referrals - 17

Investigations

Nothing significant to report.

JI-B

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received a total of 75 disclosures.

ARRA

(b) (7)(A)

(b) (7)(A)

[REDACTED] (I12W3895)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: FLEET FRAUD-(b) (6), (b)(7)(C) USMC RECRUITING STATION MIAMI, FL
Case #: I12M3897
Case Agent: SA (b) (6), (b)(7)(C)

On June 29, 2012, (b) (6), (b)(7)(C) was indicted in the SDFL, on one count of 18 USC 641, Theft of Government Property/Funds, the value which exceeded \$1,000.00, one count of 18 USC 1029(a)(1), using one or more counterfeit access devices with the intent to defraud, one count of 18 USC 1029(a)(2), using and trafficking in one or more unauthorized access devices in a one year period to obtain anything of value aggregating \$1,000.00, and one count of 18 USC 1029(b)(2), knowingly and willfully combine, conspire, confederate, and agree with others to commit violations of 18 USC 1029(a).

This is a joint investigation by GSA OIG and the USSS. This case is being prosecuted by AUSA (b) (6), (b)(7)(C) SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a FLEET card assigned to the Marine Corps Recruiting Command (Marines) in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible FLEET card fraud related to GSA vehicles assigned to the Marines in Plantation, Florida. GSA OIG and the USSS conducted interviews and surveillance operations regarding this case. The investigation disclosed that four FLEET cards issued to GSA vehicles assigned to the Marines in Miami, Florida, were re-encoded with GSA FLEET account information and being used fraudulently. GSA OIG agents later identified (b) (6), (b)(7)(C) as the subject using the re-encoded cards fraudulently. The loss to the government is approximately \$40,000.00.

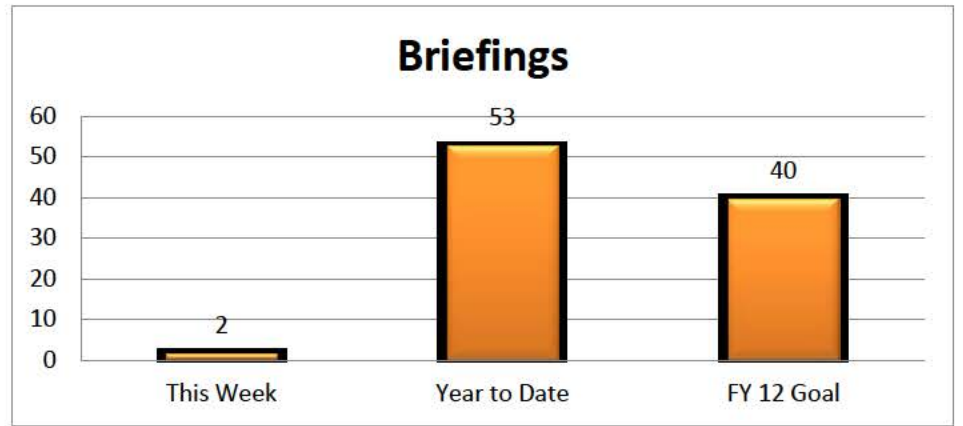
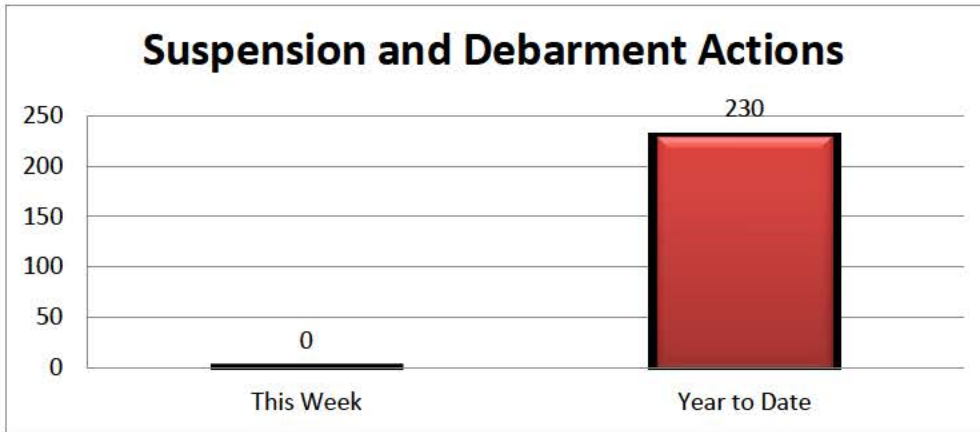
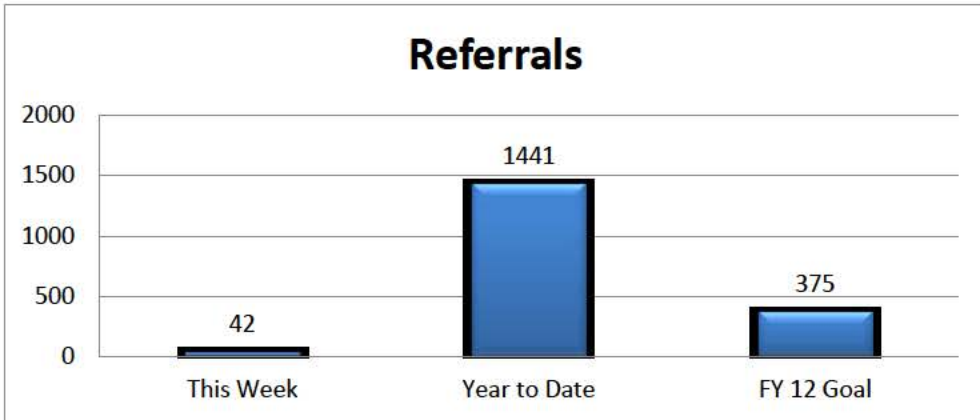
On June 15, 2012, based on a federal arrest warrant, GSA OIG special agents arrested (b) (6), (b)(7)(C) without incident in Hialeah, Florida for violations of 18 USC 641, Theft of Government Property/Funds. During the arrest, agents recovered three retailer gift cards in (b) (6), (b)(7)(C) possession that were re-encoded with the stolen GSA FLEET account information.

(b) (6), (b)(7)(C)

Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JULY 6, 2012 - JULY 13, 2012





JI Updates

July 13, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

(WDC/Criminal/I12W3895)

On July 19, 2012, SAs from JI-W will be testifying in the Court-Martial of Airman (b) (6), (b)(7)(C) regarding (b) (6), (b)(7)(C) fraudulent use of Fleet Credit Cards assigned to Langley Air Force Base.
(WDC/Criminal/I12W3503)

Boston (JI-1)

During the week of July 16, 2012, SA (b) (6), (b)(7)(C) will be TDY to Las Vegas, NV, to attend a fraud training course.

On July 18, 2012, SAC (b) (6), (b)(7)(C) will attend a New England SAC meeting held in Boston, MA.

New York (JI-2)

(b) (7)(A)

(b) (6), (b)(7)(C) 11223818)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

During the week of July 16, 2012, SA (b) (6), (b)(7)(C) will coordinate with USSS and the USAO in Miami, Florida, for additional arrests related to the (b) (6), (b)(7)(C) FLEET card case.
(SDFL/FLEET Fraud/I12M3897)

Chicago (JI-5)

On July 19, 2012, SA (b) (6), (b)(7)(C) and an Indianapolis Army CID SA will conduct an interview with the owner of The Portable Warehouse in reference to counterfeit Cisco products.
(SDIN/fraud/I1152911)



JI Updates

July 13, 2012

Kansas City (JI-6)

(b) (7)(A)
(b) (7)(A) [040114]

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will interview numerous individuals regarding an allegation that a contract employee at the Ronald V. Dellums Federal Building in Oakland, CA sexually harassed and exposed (b) (6), (b)(7)(C) to one or more employees. (NDCA/Lewd Conduct/Z1294063)

ASAC (b) (6), (b)(7)(C) will participate in an indictment review at the USAO in San Diego, CA regarding three targets of an on-going multi-agency investigation concerning a bribery scheme involving U.S. Navy civilian personnel and GSA and Navy contractors associated with the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program at Naval Air Station North Island in San Diego. (SDCA/Bribery/I10L0762)

Auburn (JI-10)

On July 16, 2012, SA (b)(7)(C), (b) (6) will attend the sentencing hearing for (b)(7)(C), (b) (6) in the U.S District Court for the District of Idaho (Coeur D' Alene). (b)(7)(C), (b) (6) will be sentenced for violating 18 USC 641 (Theft of Government Property) and 18 USC 1001 (False Statements). (DID/FLEET Card Fraud/I1000129)

On July 16, 2012, in the U.S. District Court for the District of Idaho (Boise), McDonald Roofing and Construction will be sentenced for violating 18 USC 1343. (DID/Fraud/I1000226)

Internal Operations

Hotline

Hotline Contacts - 37

Hotline Referrals - 42



JI Updates

July 13, 2012

ARRA

No statistical changes.

(b) (7)(A)

/11253305)

Investigations

Nothing significant to report

JI-B

FAR

The Investigations Operations Division received two new FAR disclosures this week from (b) (7)(D) (b) (7)(D) and (b) (7)(D) (b) (7)(D). To date, we have received a total of 77 disclosures.

Civil Enforcement

(b) (7)(A)

/112H3618)

Law Enforcement Sensitive

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)

Case Number: I10W0507

Case Agent: Branch Chief (b) (6), (b)(7)(C), JIB-C, Special Agent (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) Intern

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

This case is being prosecuted by (b) (6), (b)(7)(C), Trial Attorney, DOJ, Commercial Litigation Branch and (b) (6), (b)(7)(C), AUSA, U.S. Attorney's Office, District of Columbia.

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), Branch Chief, JIB-C, Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.



(b) (6), (b)(7)(C) Special Agent
U.S. General Services Administration
Office of Inspector General
Investigations Operations Division/Civil Enforcement Branch (JIB-C)
26 Federal Plaza, Room (b) (6), (b)(7)(C) New York, NY 10278
Office (b) (6), (b)(7)(C) Cell (b) (6), (b)(7)(C) Fax (212) 264-7154

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) – FLEET Card Fraud
Case Number: 112-0-3057
Case Agent: SA (b) (6), (b)(7)(C)

On June 18, 2012, in the United States District Court for the Western District of Washington (Tacoma), (b) (6), (b) (7)(C) pled guilty to violating 18 U.S.C. 641, Theft of Government Property. (b) (6), was subsequently sentenced by District Court Judge (b) (6), (b) (7)(C). (b) (6), was sentenced to probation for one year; ordered to pay restitution of \$1,034.50; and was fined \$300.00.

The case was prosecuted by AUSA (b) (6), (b) (7)(C).

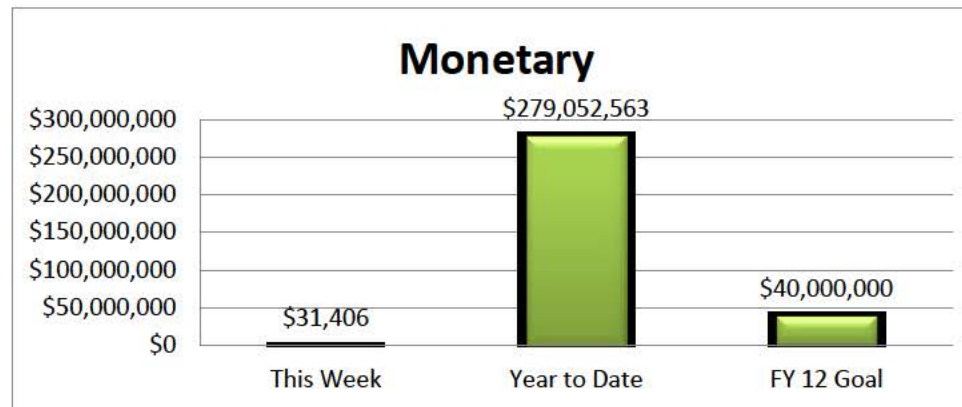
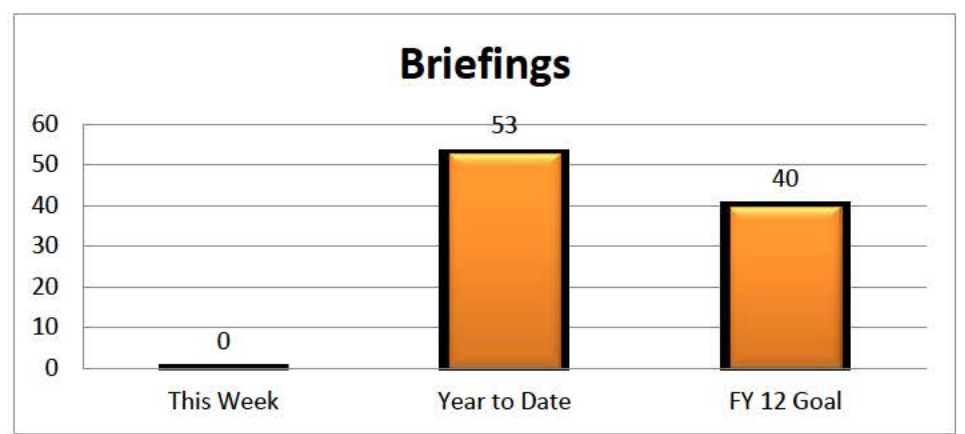
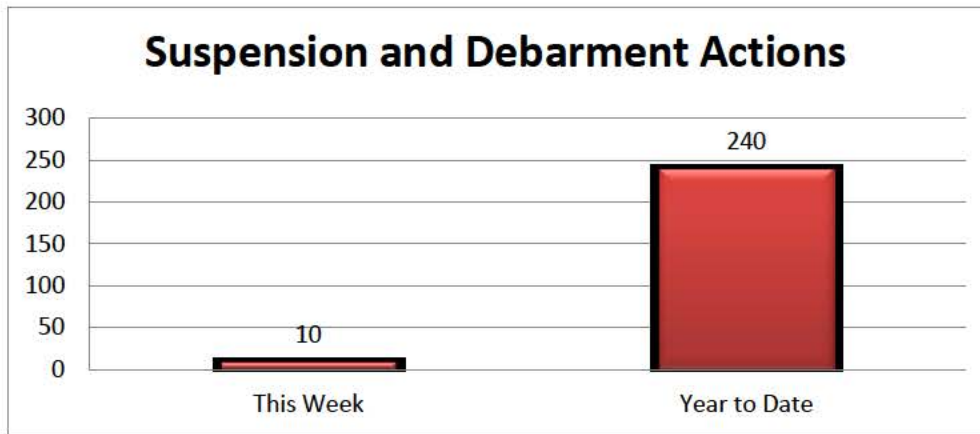
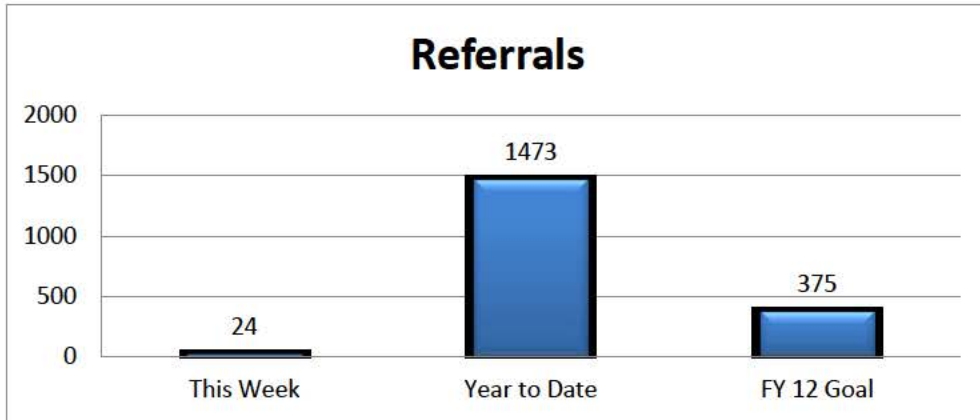
BACKGROUND:

This investigation was initiated after the GSA Fleet Loss Prevention Team notified JI-10 of the suspected fraudulent use of the FLEET Card assigned to G11-2662G, leased to the U.S. Army Transportation Division, Motor Pool Transportation Branch, Joint Base Lewis McChord (JBLM). JI-10 agents identified (b) (6), (b) (7), a former Intelligence Instructor with the Special Forces Group, JBLM, as the subject of the investigation. (b) (6), was interviewed by JI-10 agents, and (b) (6) confessed to illegally using the FLEET Card assigned to G611-2662G for (b) (6) personal use.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JULY 13, 2012 - JULY 19, 2012





JI Updates

July 20, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Nothing to significant to report

Boston (JI-1)

Nothing to significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

During the week of July 23, 2012, SA [REDACTED] will be attending the IG Undercover Investigations Training Program in Newnan, GA.

Atlanta (JI-4)

During the week of July 23, 2012, SA De [REDACTED] will coordinate with the USSS and the USAO in Miami, Florida, to conduct additional arrests related to the (b) (6), (b)(7)(C) FLEET card case. (SDFL/FLEET Fraud/I12M3897)

Chicago (JI-5)

Nothing to significant to report

Kansas City (JI-6)

Nothing to significant to report

Denver (JI-8)

Nothing to significant to report

Dallas/FT Worth (JI-7)

Nothing to significant to report

San Francisco (JI-9)

Nothing to significant to report

Auburn (JI-10)



JI Updates

July 20, 2012

On July 26, 2012, (b)(7)(C), (b)(6) will be sentenced in the U.S. District Court for the Eastern District of Washington. On April 26, 2012, (b)(7)(C), (b)(6) pled guilty to charges of wire fraud, mail fraud, and witness tampering. (EDWA/Securities Fraud/11102474)

Hotline

Hotline Contacts - 15

Hotline Referrals - 7

[Note: The Hotline Office attended training. Stats do not reflect a complete account of this week's volume]

ARRA

Nothing significant to report No statistical changes

Investigations

SA (b)(6), (b)(7)(C) and SCIA (b)(6), (b)(7)(C) will conduct interviews relating to the 2010 FAS Awards Ceremony.

JI-B

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 77 disclosures.

Civil Enforcement

On July 20, 2012, a meeting will be held with (b)(7)(D) officials to discuss an ongoing FAR disclosure investigation. (DOJ Commercial Litigation/Civil/112H4133)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 112H3399
Case Agent: Branch Chief (b) (6), (b)(7)(C), Special Agent (b) (6), (b)(7)(C)
and (b) (6), (b)(7)(C), Intern, (b) (6), (b)(7)(C)



The facts surrounding the disclosure are being investigated jointly with the EPA/OIG and the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, Special Agent (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.



(b) (6), (b)(7)(C) Special Agent
U.S. General Services Administration
Office of Inspector General
Investigations Operations Division/Civil Enforcement Branch (JIB-C)
26 Federal Plaza, Room [redacted] New York, NY 10278
Office (b) (6), (b)(7)(C) Cell (b) (6), (b)(7)(C) Fax (212) 264-7154

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Title: Debarment – (b) (6), (b)(7)(C)

Case Number: I1293101

Case Agent: (b) (6), (b)(7)(C)

On July 13, 2012, the GSA Suspension and Debarment Official (SDO) issued a *Notice of Proposed Debarment* to (b) (6), (b)(7)(C), a private citizen residing in southern California.

Background

On October 27, 2011, GSA OIG recommended the GSA SDO consider debarring (b) (6), (b)(7)(C) based upon the following summary details of a multiple agency Fleet card misuse investigation.

- On January 5, 2010, GSA OIG initiated a Fleet card misuse investigation after receiving information from the GSA Fleet Loss Prevention.
- On January 13, 2010, California Highway Patrol (CHP) arrested (b) (6), (b)(7)(C) for violating California Penal Code (PC) 484(E), *Acquire Access Card without Consent with Intent to Sell, Etc.*, based on incriminating information uncovered by GSA OIG, Federal Protective Service, and CHP.
- On March 22, 2010, (b) (6), (b)(7)(C) entered a plea of not guilty in the Superior Court of California to four felony charges related to the alleged misuse of the Fleet card.
- On June 23, 2010, (b) (6), (b)(7)(C) entered a plea of guilty to violating California PC 487(A), *Grand Theft: Property, Etc. (Over \$400)*. The court agreed to dismiss the remaining three charges.
- On July 22, 2010, the Honorable Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to six months in jail and three years probation for violating California PC 487(A).
- On September 17, 2010, Judge (b) (6), (b)(7)(C) ordered (b) (6), (b)(7)(C) to pay \$27,822.40 in restitution to GSA.

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (415) 522-2750 or (b) (6), (b)(7)(C) [@gsaig.gov](mailto:(b) (6), (b)(7)(C)@gsaig.gov).

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C) [@gsaig.gov](mailto:(b) (6), (b)(7)(C)@gsaig.gov)

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Title: Suspension and Debarment - (b) (6), (b)(7)(C) - GSA Auction Participants

Case Number: I1192502

Case (b) (6), (b)(7)(C)

On July 13, 2012, the GSA Suspension and Debarment Official (SDO) issued a *Notice of Debarment* to (b) (6), (b)(7)(C), and Fleshtone Color Labs (owned and operated by (b) (6), (b)(7)(C)). The debarments will terminate on March 14, 2015.

Background

On September 7, 2011, GSA OIG recommended the SDO consider debarring (b) (6), (b)(7)(C) and Fleshtone Color Labs based on an OIG investigation that revealed (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) attempted to defraud GSA of \$29,301 after purchasing three government surplus vehicles in one transaction and then canceling payment to GSA after taking possession of the vehicles. The investigation did not result in any criminal charges being filed against either individual; however, it eventually prompted (b) (6), (b)(7)(C) to pay GSA the outstanding debt in full. Furthermore, both (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) repeatedly demonstrated a lack of candor during the investigation, and (b) (6), (b)(7)(C) revealed a surplus vehicle purchasing scheme (b) (6) devised that benefited Fleshtone Color Labs while possibly violating California law regarding vehicle sales.

On March 15, 2012, the SDO issued a *Notice of Proposed Debarment* to (b) (6), (b)(7)(C) and Fleshtone Color Labs.

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C) gsaig.gov.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C) gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Title: Silver Sails or Silver Sales, a Debarred Business Doing Business as WMA Packaging and Design, LLC

Case File Number: I1192487

Case Agent: (b) (6), (b)(7)(C)

On July 12, 2012, the Defense Logistics Agency Suspension and Debarment Official (DLA SDO) issued a *Notice of Proposed Debarment Extension* to:

1. Silver Sails Inc., aka Silver Sails Travel Inc.
2. BJC Sales Inc.
3. (b) (6), (b)(7)(C), aka (b) (6), (b)(7)(C), aka (b) (6), (b)(7)(C)

[REDACTED] **Debarment to:**

1. WMA Packaging & Design, LLC
2. (b) (6), (b)(7)(C), Owner, WMA Packaging and Design, LLC
3. Norex Group, LLC
4. (b) (6), (b)(7)(C), Owner, Norex Group, LLC

Background

In March 2011, GSA OIG received an anonymous letter alleging (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) (Silver Sails, Inc.) were debarred from doing business with the U.S. Government until July 22, 2013. However, the (b) (6), (b)(7)(C) were deceiving the government and doing business with several government agencies under the name of WMA Packaging and Design, LLC, as well as serving as consultants to companies and individuals on U.S. Government contracts in order to circumvent their debarment and receive monetary payments for services rendered. Between March 2011 and June 2012, a joint GSA OIG and Defense Criminal Investigative Service investigation substantiated the allegations via admissions of guilt and obtaining other forms of evidence.

The findings of the joint investigation were presented to the U.S. Attorney's Office for the Central District of California; however, prior to prosecutorial action being initiated, (b) (6), (b)(7)(C) died of natural causes in June 2012 and, consequently, the U.S. Attorney closed the criminal case. No civil referrals were made in this investigation. Administrative action was subsequently initiated with DLA due to the fact that the agency had overseen the original debarment proceedings of Silver Sails Inc. and (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C) [y@gsaig.gov](mailto:(b) (6), (b)(7)(C)y@gsaig.gov).

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

E: (b) (6), (b)(7)(C) [@gsaig.gov](mailto:(b) (6), (b)(7)(C)@gsaig.gov)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: WPA Painting, "Lakeview Terrace", by Joseph Ersek
Case Number: I1152940
Case Agent: SA (b) (6), (b)(7)(C)

On July 18, 2012, JI-5 was notified that the GSA, Arts in Architecture, Fine Arts Division valued the recovered painting "Lakeview Terrace" at \$10,000.00. This painting was recovered from the home of a private citizen who had possession of the painting for a number of years. Lakeview Terrace was a Works Progress Administration (WPA) painting, produced between 1937 and 1939, with dimensions of 47" X 49.5", and is an oil painting on masonite.

BACKGROUND:

This investigation was initiated based on a referral from JI-3. A field visit to the home of the possessor, identified the painting as Lakeview Terrace. The painting is now in the possession of the GSA Fine Arts Division in Washington, D.C. for restoration.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)



(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of Inspector General
230 South Dearborn Street
Chicago, Illinois 60604

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: MRC-QTR, Fraud / False Statements

Case #: 110-0-0226

Case Agent: (b) (6), (b)(7)(C)

On March 15, 2012, in the U.S. District Court for the District of Idaho, McDonald Roofing and Construction (MRC) pled guilty to violating 18 USC 1343, Wire Fraud. On July 16, 2012, MRC was sentenced to three years of probation and fined \$5,000. MRC pled guilty to executing a scheme to defraud federal agencies by making materially false representations and certifications to the Government in order to unlawfully obtain contracts through the HUBZone program. MRC obtained approximately \$219,000 in contracts it was not entitled to receive.

The case was prosecuted by AUSA (b) (6), (b)(7)(C)

BACKGROUND:

This investigation was based on a complaint from the U.S. Government Accountability Office (GAO). The GAO had received a hotline complaint alleging fraud concerning the Service Disabled Veteran-Owned Small Business contracts that were awarded to MCR/QTR Joint Venture (JV).

In the course of investigating the complaint against MRC/QTR JV, MRC, a company located in Boise, ID, was identified as a company involved in fraudulent schemes to obtain federal contracts through the HUBZone set-aside program. MRC was not eligible to receive set-aside contracts because the daily operations of the company were not controlled by the service disabled veteran majority owner.

Through witness interviews, document reviews, and search warrant operations, the investigation determined that MRC, in order to be eligible to obtain federal contracts through the HUBZone set-aside program, had falsely reported its principal place of business and had falsely represented that the company met the HUBZone's employee residency requirements. The investigation also determined that MRC made false representations via its electronic submissions to GSA's Online Representation and Certification Administration database.

The investigation revealed that MRC and others have obtained several federal contracts and numerous pieces of federal surplus property through schemes to defraud and deceive the government through use of false representations and certifications.

JI-10 worked the investigation with SBA OIG, IRS CI, DOI OIG, USDA OIG, VA OIG, DCIS, AFOSI, and Army CID (MPFU).

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent-In-Charge

GSA/Office of Inspector General

Auburn, WA

(b) (6), (b)(7)(C)

SIGNIFICANT ITEM:

Case Title:

(b) (7)(A)

Case Number:

11253414

Case Agent:

SA (b) (6), (b)(7)(C)

(b) (7)(A)

(b) (6), (b)(7)(C)

Special Agent In Charge
U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
Suite [REDACTED]
230 South Dearborn Street
Chicago, Illinois 60604

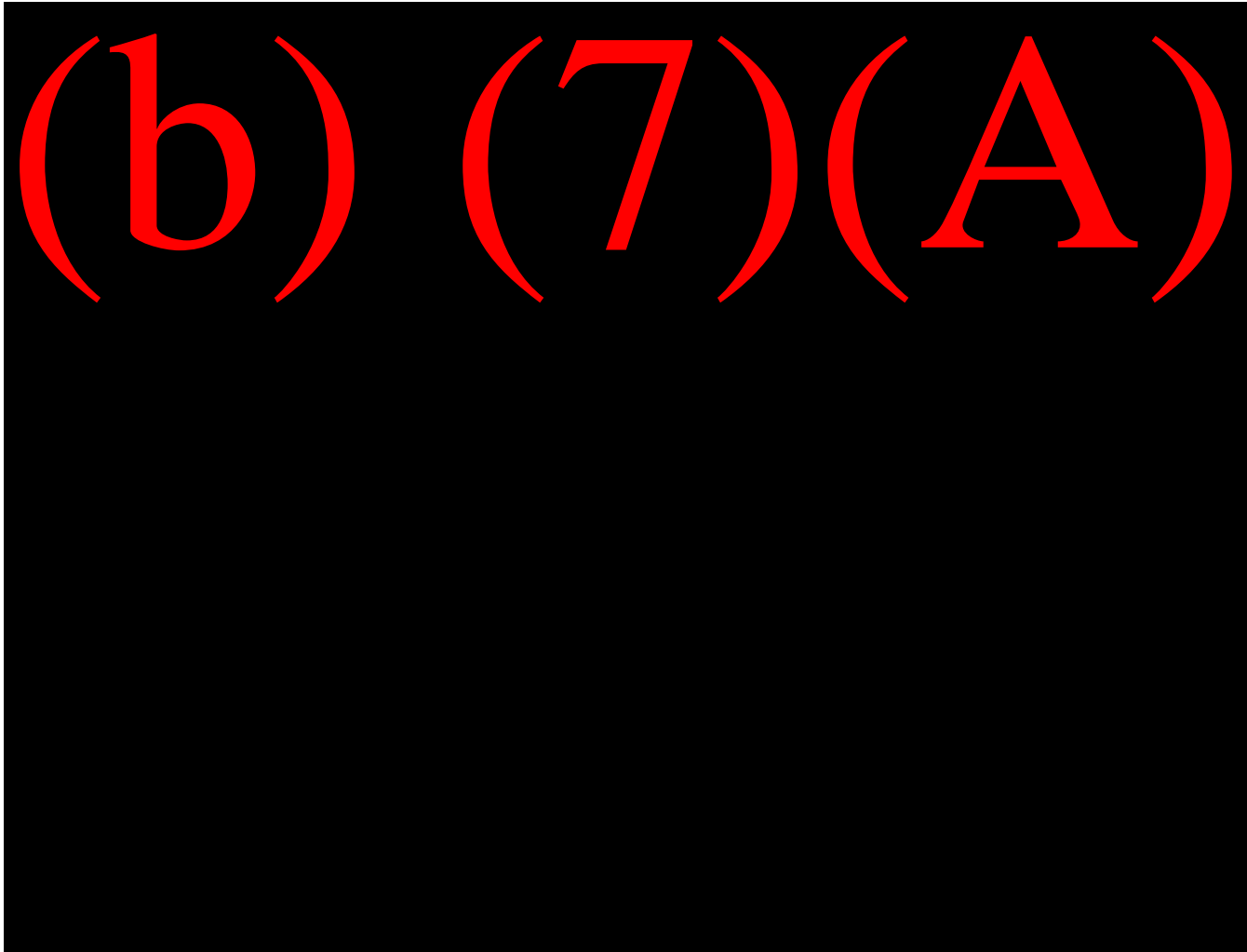
(b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)@gsaig.gov

SIGNIFICANT ITEM

AGENCY DISTRIBUTION AUTHORIZED

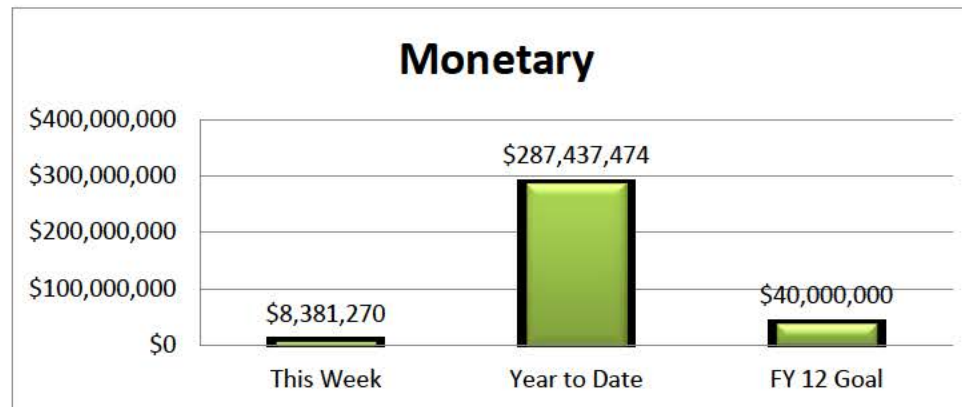
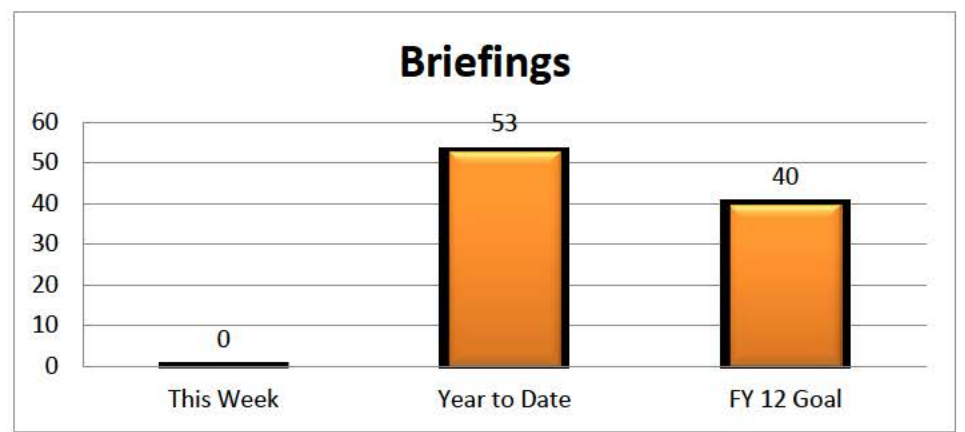
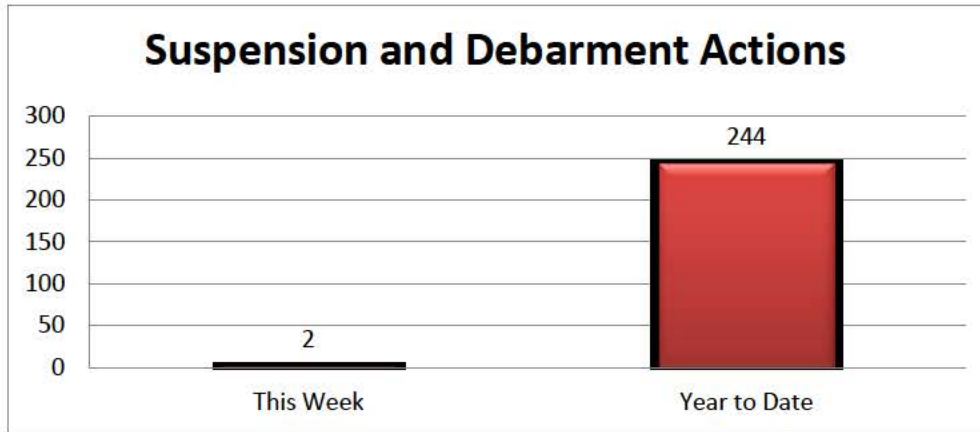
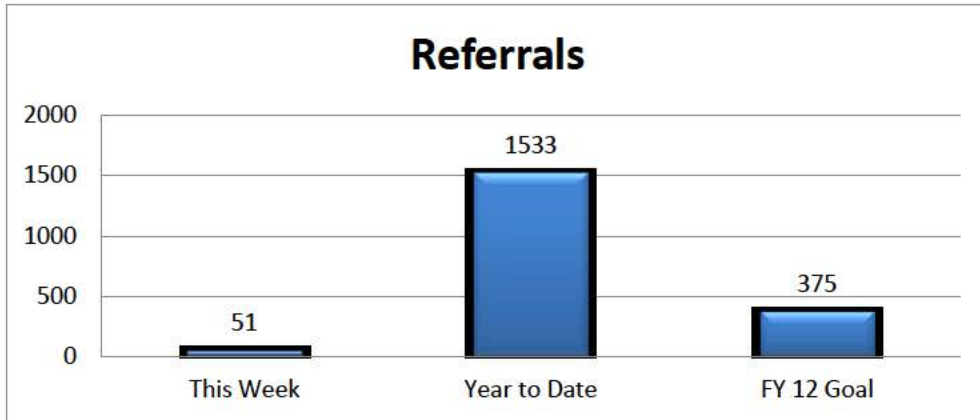
Case Title: (b) (7)(A)
File No.: 11243197
Case Agent: SA (b) (6), (b)(7)(C)



For information regarding this Sig Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C), on (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JULY 20, 2012 - JULY 26, 2012





JI Updates

July 27, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

I/112W3895)

On July 30, 2012, (b) (7)(E)

The owner is suspected of destroying and fabricating documentation that was requested through an IG subpoena. (EDVA/Criminal/I111W2304)

(b) (7)(A)

I/111W3070)

Boston (JI-1)

On August 2, 2012, SA (b) (7)(D), (b) (6) will meet with the Acquisition Fraud Counsel, Office of Staff Judge Advocate, Hanscom, AFB, MA.

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

On August 1, 2012, SA (b) (7)(D), (b) (6) and JA-5 Auditor (b) (7)(D), (b) (6) will travel to New Jersey to interview a former Tremco employee. (WDC/Qui Tam/I111W0797)

Kansas City (JI-6)

During the next two weeks beginning July 30, 2012, SA (b) (7)(D), (b) (6) will be TDY at FLETC attending the Network Computer Forensics training course.

Denver (JI-8)

(b) (7)(A)

I12D3506)



JI Updates

July 27, 2012

Dallas/FT Worth (JI-7)

On August 1, 2012, Staff Sergeant (b) (6), (b)(7)(C) will enter a guilty plea in the U.S. District Court, Western District of Texas, El Paso Division for violating 18 U.S.C. 641. The case was initiated based on information from Marathon Watch Company, LTD regarding the eBay sales of Marathon watches purchased under GSA MAS Contract, GS-14F-0027K. (WDTX/Theft/I1172279)

San Francisco (JI-9)

(b) (6), (b)(7)(C) (owner of Centerline Industrial, Inc.), (b) (6), (b)(7)(C) (owner of L&N Industrial), and Centerline Industrial, Inc. are scheduled to be indicted on August 2, 2012, on charges of conspiracy to commit bribery, wire fraud, money laundering and asset forfeiture in the Southern District of California. (SDCA/Bribery/I10L0762)

Auburn (JI-10)

Nothing significant to report

JI-I

ARRA - No statistical changes

(b) (7)(A)

/I10W0941)

(b) (7)(A)

/I10W0941)

Investigations

Nothing significant to report

Hotline

52 hotline contacts, 8 referrals

JI-B

FAR

No new disclosures were received this week. To date, the Investigations Operations Division has received 77 disclosures.

Civil Enforcement

On August 2, 2012, interviews of two (b) (7)(D) employees will be conducted to obtain information regarding an ongoing FAR Disclosure investigation. (DOJ Commercial Litigation/Civil/I11H2790)

INTERNAL DISTRIBUTION ONLY

Significant Item

Case Number: I12L3319

Case Title: G43-1688D – U.S. DEPARTMENT OF VETERANS AFFAIRS – Los Angeles, CA

Case Agent: (b) (6), (b)(7)(C)

On July 16, 2012, U.S. Department of Veterans Affairs employee (b) (6), (b)(7)(C) surrendered to and subsequently was arraigned by the Los Angeles County (CA) Superior Court in response to an outstanding arrest warrant that was issued on May 31, 2012, after being charged with one count of violating California Penal Code 484g (b), Grand Theft, in connection with the unauthorized use of an access card. The bench warrant was recalled and (b) (6), (b)(7)(C) was released on (b)(7)(C) own recognition.

The case was filed by Deputy District Attorney (b) (6), (b)(7)(C), Airport Branch, Los Angeles County District Attorney's Office, Los Angeles, CA.

Background

This investigation was initiated based on a referral from the GSA Fleet Management Loss Prevention Team regarding possible fraudulent transactions associated with the Fleet card assigned to U.S. Government vehicle number G42-1688D, which is assigned to the Veterans Affairs Medical Center in West Los Angeles, CA. The investigation found that (b) (6), (b)(7)(C) was suspected of using the Fleet card for (b)(6), (b)(7)(C) personal use. (b) (6), (b)(7)(C) admitted to GSA OIG agents that (b)(6), (b)(7)(C) used the card, plus a second Fleet card assigned to (b)(6), (b)(7)(C) unit, to illegally purchase approximately \$3,430.31 in fuel in exchange for cash and free transportation. (b) (6), (b)(7)(C) indicated (b)(6), (b)(7)(C) willingness to cooperate in the investigation.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

(b)(6), (b)(7)(C)@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Number: I12L3044

Case Title: WEX FRAUD - G61-12851 – U.S. NAVY – EL CENTRO, CA

Case Agent: (b) (6), (b)(7)(C)

On July 19, 2012, an Information was filed in U.S. District Court in the Southern District of California charging (b) (6), (b)(7)(C) Engineering Technician, Naval Facilities Engineering Command, U.S. Naval Air Facility, El Centro, CA, (NAF El Centro) with one misdemeanor count of violating 18 U.S.C. § 641, Theft of Government Funds.

On July 20, 2012, as part of a plea agreement, (b) (6), (b)(7)(C) appeared before U.S. Magistrate Judge (b) (6), (b)(7)(C) and pled guilty to the charges as filed. As a result of (b) (6), (b)(7)(C) guilty plea, Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to pay \$3,169.66 in restitution to GSA, a \$500 fine, a \$100 special assessment fee, and serve 6 months formal probation.

Assistant U.S. Attorney (b) (6), (b)(7)(C), El Centro Branch, Southern District of California, prosecuted this case.

Background

This investigation was initiated based on a referral from the GSA Fleet Management Loss Prevention Team regarding possible fraudulent transactions associated with the Fleet card assigned to U.S. Government vehicle number G61-12851, which is assigned to NAF El Centro. The investigation found that (b) (6), (b)(7)(C) was suspected of using the Fleet card for (b) (6), (b)(7)(C) personal use. (b) (6), (b)(7)(C) admitted to GSA OIG agents that (b) (6), (b)(7)(C) used the card to illegally purchase approximately \$3,169.66 in fuel for (b) (6), (b)(7)(C) personal vehicles between July 2011 and April 2012 at the NEXCOM Fuel Station located at NAF El Centro. (b) (6), (b)(7)(C) indicated (b) (6), (b)(7)(C) willingness to cooperate in the investigation.

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C)@gsaig.gov.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C) 2

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) (b) (6), (b)(7)(C)

Cell: (b) (6), (b)(7)(C)

E: (b) (6), (b)(7)(C)@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: USAF LANGLEY BASE - WEX FRAUD

File No.: I12W3503

Case Agent: SA (b) (6), (b)(7)(C)

On July 20, 2012, following testimony by SA (b) (6), (b)(7)(C), Airman First Class (E-3) (b) (6), (b)(7)(C) was found guilty by Military Court Martial of violating Article 92 of the Uniform Code of Military Justice (UCMJ), dereliction of duty and Article 121 of the UCMJ, theft of U.S. Air Force Property in relation to his fraudulent use of up to ten GSA WEX credit cards. Following the conviction, (b) (6), (b)(7)(C) was ordered to 45 days confinement, 90 days hard labor without confinement, 2 month restriction to Langley Air Force Base, reduction in grade to E-1, and a fine of \$781. GSA Fleet will be issuing a bill-back to the USAF for \$5,579.09 in fraudulent charges. The Air Force Office of Special Investigations (AFOSI) provided assistance with this case. The case was prosecuted by Captain (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) Judge Advocate General Corps (JAG), Langley AFB.

BACKGROUND

This investigation was initiated after (b) (6), (b)(7)(C), Loss Prevention Specialist, GSA, advised JI-W of anomalies in the data being input for the WEX credit card of vehicle G42 1934D. JI-W agents gathered and analyzed video surveillance tapes from service stations associated with the anomalies. From the videos, a description of a subject and subject vehicle was obtained. Working with local law enforcement and the AFOSI, (b) (6), (b)(7)(C) was identified as a subject. During an interview with JI-W Special Agents, (b) (6), (b)(7)(C) admitted to using the WEX credit card to fuel (b) (6), (b)(7)(C) personally owned vehicle. Analysis of WEX reports for all vehicles in the BOAC, showed the anomaly noted by (b) (6), (b)(7)(C) applied to a total of ten vehicles which (b) (6), (b)(7)(C) had access to. SA (b) (6), (b)(7)(C) worked with AFOSI and the Langley JAG office to bring the charges against (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) was charged on May 30, 2012.

For information regarding this Signification Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C), at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Mid-Atlantic Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)

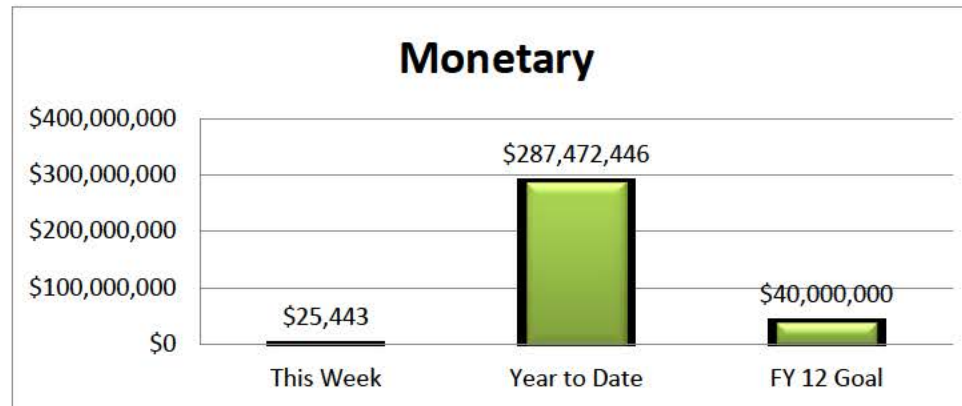
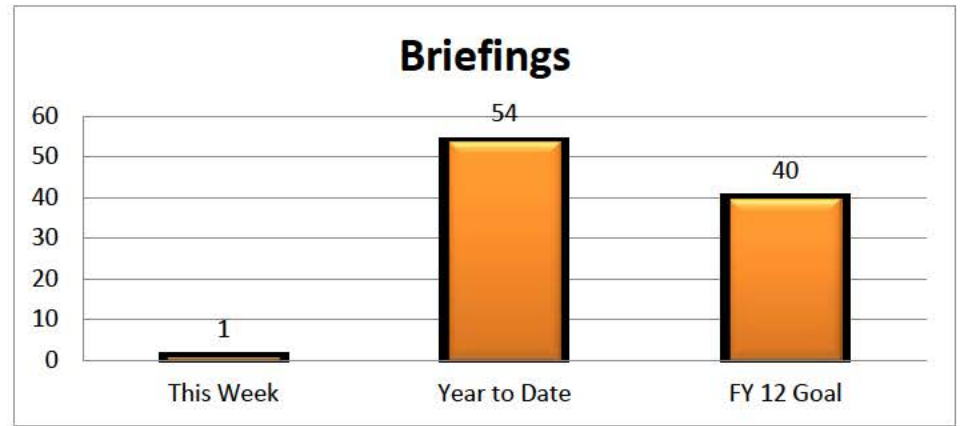
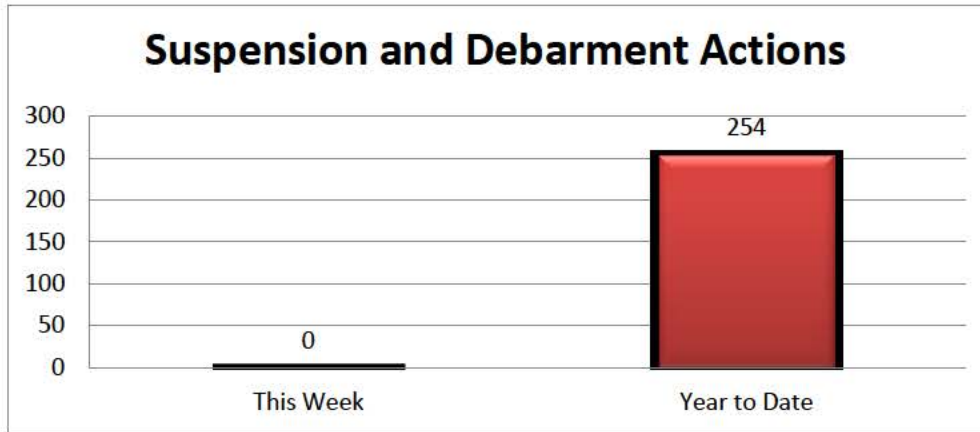
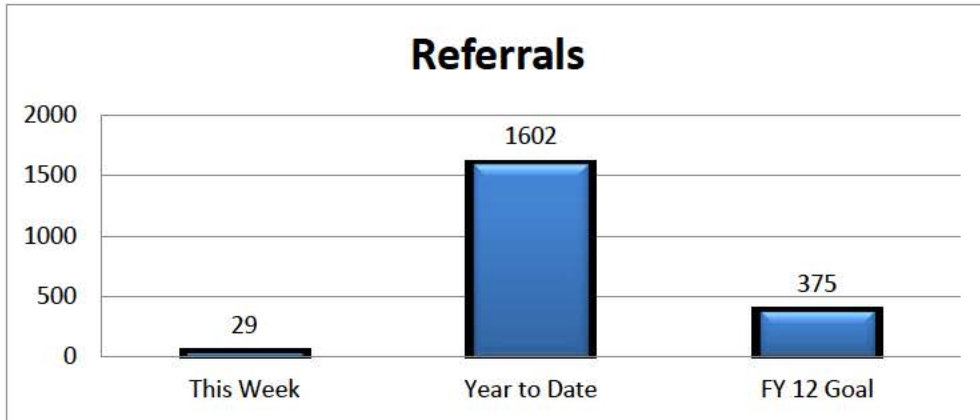
Case Number: T12H3686

Case Agent: Branch Chief (b) (6), (b)(7)(C) Special Agent (b) (6), (b)(7)(C)
and (b) (6), (b)(7)(C), (b) (6), (b)(7)(C)

(b) (7)(D)

(b) (6), (b)(7)(C)
Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
Washington, DC Office (b) (6), (b)(7)(C)
New York Office (b) (6), (b)(7)(C) 7394

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JULY 27, 2012 - AUGUST 2, 2012





JI Updates

August 3, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

Please see ARRA below.

Boston (JI-1)

During the week of August 6, 2012, SA [REDACTED] will contact the USAO, District of Rhode Island, and attempt to obtain an arrest warrant for a subject of a FLEET card investigation. (DRI/FLEET/I1214202)

On August 7, 2012, a subject of this matter is scheduled to plead guilty at U.S. District Court, Worcester, MA, to a one count criminal information for violating 18 USC 371, Conspiracy to Commit Wire Fraud. The investigation involves violations of the SDVOSB program by B&J Multi Service Corporation. (DMA/Fraud/I1010156)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

On August 8, 2012, SAC [REDACTED] and SA [REDACTED] will travel to [REDACTED] WI at the request of the U.S. Attorney, Western District of Wisconsin, for recognition pursuant to the successful investigation and prosecution of a payphone fraud scheme worked in conjunction with IRS CID, where three individuals were involved in a conspiracy to defraud government agencies and businesses in excess of \$1,000,000. (WDWI/Fraud/I070019)

Kansas City (JI-6)

(b) (7)(A)

[REDACTED]
/I1263377)

Denver (JI-8)

Nothing significant to report



JI Updates

August 3, 2012

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (6), (b)(7)(C) (owner of Centerline Industrial, Inc.), (b) (6), (b)(7)(C) (owner of L&N Industrial), and Centerline Industrial, Inc. are scheduled to be indicted on August 9, 2012 on charges of conspiracy to commit bribery, wire fraud, money laundering and asset forfeiture in the Southern District of California. The indictments were originally scheduled to occur on August 2, 2012. (SDCA/Bribery/I10L0762)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts - 50

Hotline Referrals - 1

ARRA

No statistical changes.

On August 8, 2012, SA (b) (6), (b)(7)(C) is scheduled to swear out a search warrant in EDVA. SA (b) (6), (b)(7)(C) will also continue to have a confidential witness meet (b) (7)(E). The owner is suspected of destroying and fabricating documentation that was requested through an IG subpoena. The investigation involves ARRA funds. (EDVA/Criminal/I11W2304)

(b) (7)(A)

/I10W0941)

(b) (7)(A)

/I12W3895)

JI-B

FAR

The Investigations Operations Division received one new FAR disclosure this week from (b) (7)(D) (b) (7)(D), Incorporated. To date, we have received a total of 78 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (6), (b)(7)(C) – FLEET Card Fraud (G63-2004D)
Case Number: 110-0-0129
Case Agent: SA (b) (6), (b)(7)(C)

On November 21, 2011, after a five-day jury trial in the U.S. District Court for the District of Idaho – Coeur d’Alene, (b) (6), (b)(7)(C) was convicted of violating 18 U.S.C. 641, Theft of Government Property. On July 16, 2012, (b) (6), (b)(7)(C) was sentenced to five months in prison, followed by five months home confinement; three years of supervised release; and was ordered to pay \$15,806.43 in restitution.

The case was prosecuted by AUSA (b) (6), (b)(7)(C)

BACKGROUND:

This investigation was initiated after the GSA Fleet Loss Prevention Team notified JI-10 about the suspected fraudulent use of the FLEET cards assigned to G63 2004D, which was leased to the Nez Perce Tribe, Lapwai, ID.

JI-10 agents conducted surveillance operations, obtained store surveillance video, and interviewed witnesses. (b) (6), (b)(7)(C), a Conservation Enforcement Officer with the Nez Perce Tribe, was identified as the subject of the investigation. Agents interviewed (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) confessed and provided a sworn statement.

The investigation revealed that between 2004 and 2010, (b) (6), (b)(7)(C) used multiple FLEET cards to make over \$20,000 in illegal purchases.

(b) (6), (b)(7)(C) was indicted on December 14, 2010.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA
(b) (6), (b)(7)(C)

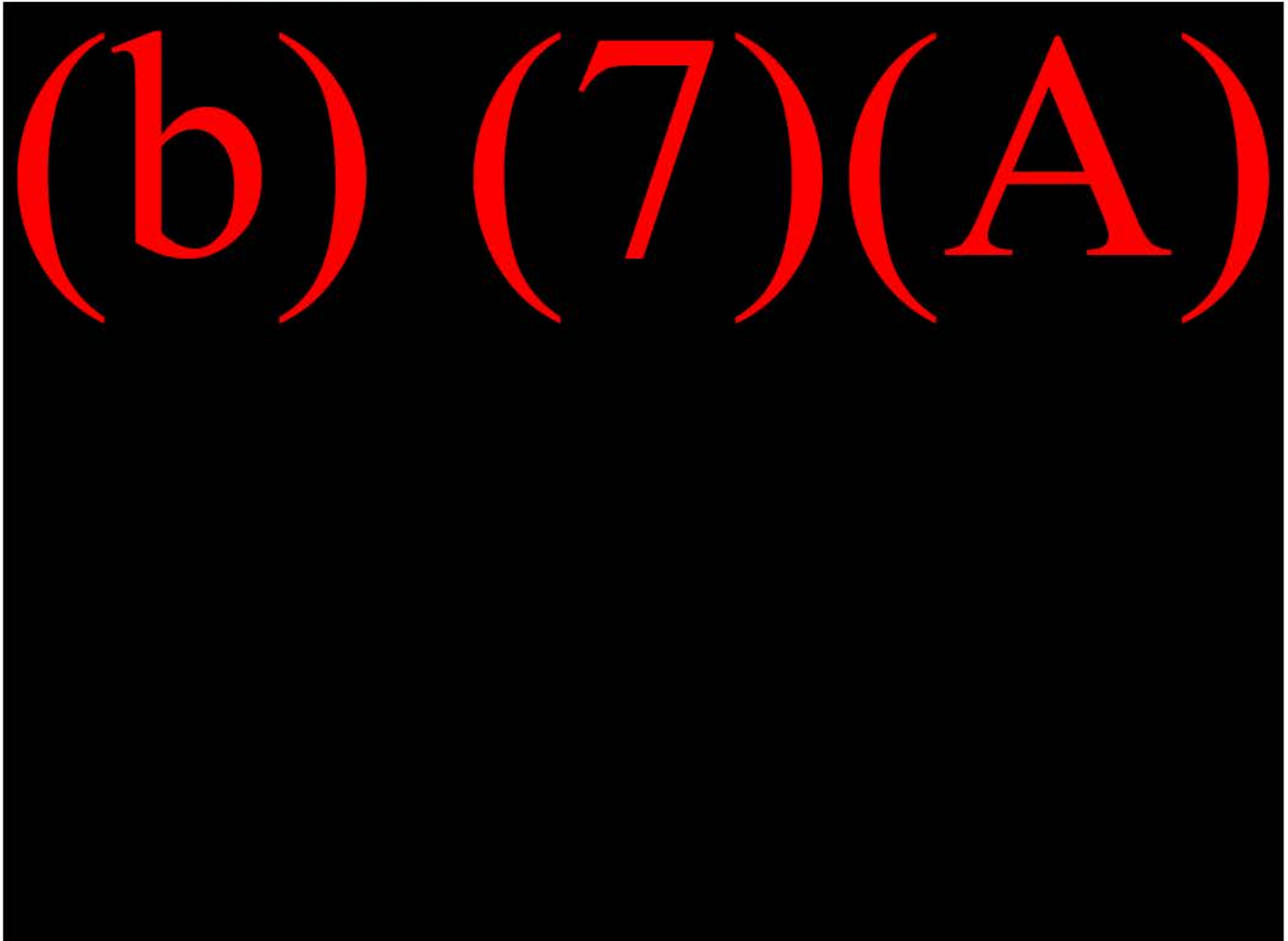
INTERNAL DISTRIBUTION ONLY

Significant Item

Case Number: I1292047

Case Title: (b) (7)(A)

Case Agent: (b) (6), (b)(7)(C)



(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: GSA purchased Marathon watches sold on e-Bay – Fort Bliss, TX

Case Number: I1172279

Case Agent: SA (b) (6), (b)(7)(C)

On August 1, 2012, Staff Sergeant (SSgt) (b) (6), (b)(7)(C) pled guilty to violating Title 18, USC 641, Theft of Government Property in the Western District of Texas, El Paso Division. The case is being prosecuted by AUSA (b) (6), (b)(7)(C), Western District of Texas. The case is being prosecuted by AUSA (b) (6), (b)(7)(C), Western District of Texas. This is a joint investigation with the Army CID MPFU.

BACKGROUND

On January 4, 2011, (b) (6), (b)(7)(C), assistant to the vice-president, Marathon Watch Company (MWC), notified JI-7 a Marathon CSAR 300m chronograph men's wrist watch was currently being sold on e-Bay. (b) (6), (b)(7)(C) stated the watch advertised on e-Bay displayed the serial number (s/n) 1162 and the s/n was part of a shipment of 85 watches to Fort Bliss, TX. The watches were purchased through GSA MAS Contract No. GS-14F-0027K with MWC. GSA was billed \$111,078.00 for the eighty-five watches and subsequently billed an Army unit at Fort Bliss, TX, for \$1,515.89 per watch for a total of \$128,850.65.

On January 20, 2011, JI-7 conducted an undercover operation resulting in a controlled purchase of one Marathon Watch, s/n 1160, from (b) (6), (b)(7)(C). On February 19, 2011, SAs completed a controlled purchase of one Marathon Watch, Serial Number 1186, from eBay seller identified as "be4uc1910" via an eBay auction. The eBay user profile and PayPal account were verified as belonging to (b) (6), (b)(7)(C). The watch, s/n 1186, was confirmed to be part of the order placed by (b) (6), (b)(7)(C) on November 25, 2010.

On July 6, 2011, SSgt (b) (6), (b)(7)(C) admitted (b) (6), (b)(7)(C) had lied during a previous interview regarding knowledge regarding the Marathon watches. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was approached by SSgt (b) (6), (b)(7)(C), who instructed (b) (6), (b)(7)(C) on how to place the order in the Army Property Book Unit Enhanced Supply System. (b) (6), (b)(7)(C) explained how to subsequently alter the information in the system to conceal the nature of the items ordered and prevent the unit command from learning of the orders. (b) (6), (b)(7)(C) stated upon receipt of the shipment (b) (6), (b)(7)(C) met with (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) and provided them approximately half of the watch shipment. (b) (6), (b)(7)(C) also provided three or four Marathon watches to Cordero. JI-7 has identified 175 Marathon watches that were fraudulently ordered, which resulted in an approximate loss to the Government of \$265,000.00.

On October 19, 2011, SSgt (b) (6), (b)(7)(C), SSgt (b) (6), (b)(7)(C), First Sergeant (1Sgt) (b) (6), (b)(7)(C), and 1Sgt (b) (6), (b)(7)(C) were indicted in the Western District of Texas, El Paso Division with violating one count of 18 USC 371, Conspiracy and one count of 18 USC 641, Theft of Government Property.

On June 18, 2012, 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) each pled guilty to violating Title 18, USC 641, Theft of Government Property in the Western District of Texas, El Paso Division.

On June 20, 2012, Sergeant First Class (b) (6), (b)(7)(C) was indicted in the Western District of Texas, El Paso Division, for violating one count of 18 USC 371, Conspiracy and one count of 18 USC 641, Theft of Government Property.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

FOR OFFICIAL USE ONLY

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Number: I12L3319

Case Title: (b) (6), (b)(7)(C) - U.S. DEPARTMENT OF VETERANS AFFAIRS – Los Angeles, CA

Case Agent: (b) (6), (b)(7)(C)

On July 30, 2012, U.S. Department of Veterans Affairs employee (b) (6), (b)(7)(C) plead *nolo contendere* to one count of violating California Penal Code 484g (b), grand theft in connection with the unauthorized use of an access card. Superior Court Judge (b) (6), (b)(7)(C) accepted the plea and sentenced (b) (6), (b)(7)(C) to 3 years of formal probation, 60 days of community service, 2 days of incarceration, and ordered (b) (6), (b)(7)(C) to pay \$3,430.31 in restitution to GSA, \$80.00 in special assessment fees, and a \$240.00 fine.

The case was filed by Deputy District Attorney (b) (6), (b)(7)(C), Airport Branch, Los Angeles County District Attorney's Office, Los Angeles, CA.

Background

This investigation was initiated based on a referral from the GSA Fleet Management Loss Prevention Team regarding possible fraudulent transactions associated with the Fleet card assigned to U.S. Government vehicle number G42-1688D, which is assigned to the Veterans Affairs Medical Center in West Los Angeles, CA. The investigation found that (b) (6), (b)(7)(C) was suspected of using the Fleet card for (b) (6), (b)(7)(C) personal use. (b) (6), (b)(7)(C) admitted to GSA OIG agents that (b) (6), (b)(7)(C) used the card, plus a second Fleet card assigned to (b) (6), (b)(7)(C) unit, to illegally purchase approximately \$3,430.31 in fuel in exchange for cash and free transportation. (b) (6), (b)(7)(C) indicated (b) (6), (b)(7)(C) willingness to cooperate in the investigation.

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C)@gsaig.gov.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

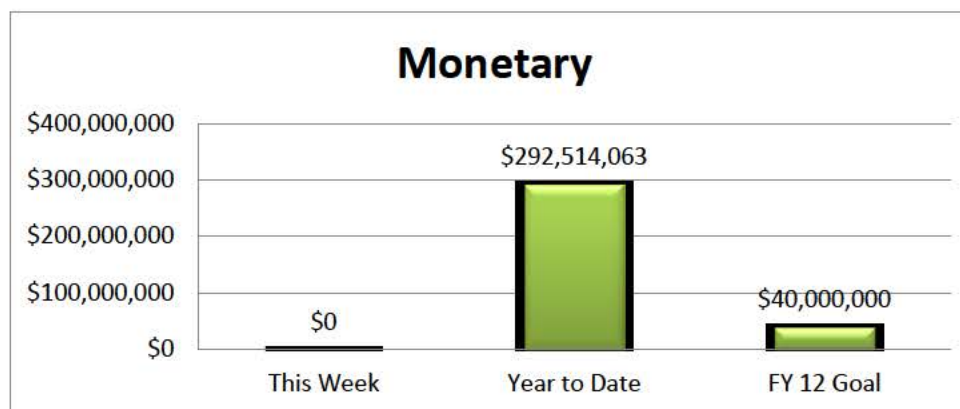
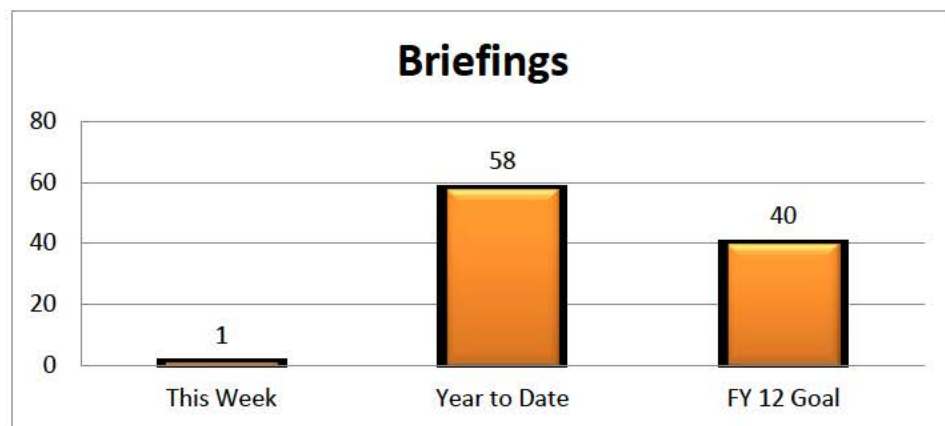
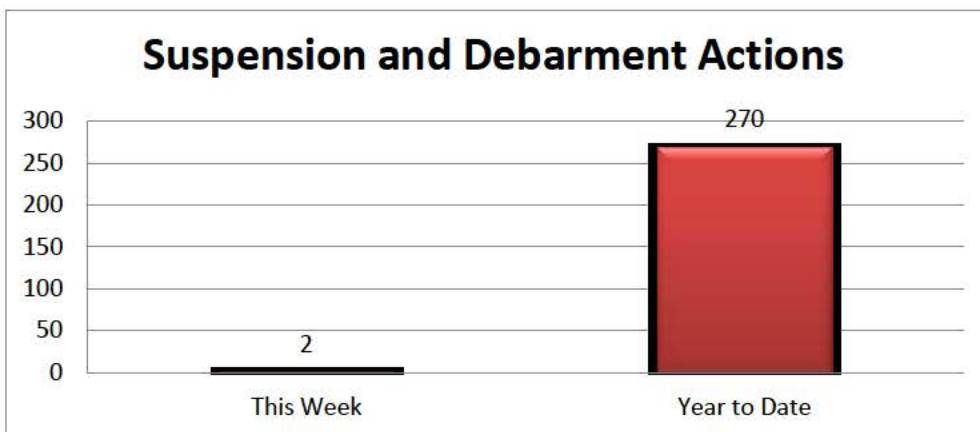
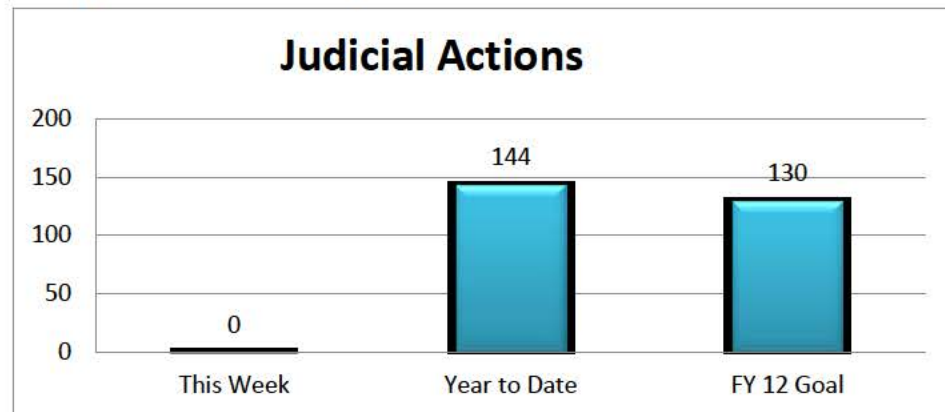
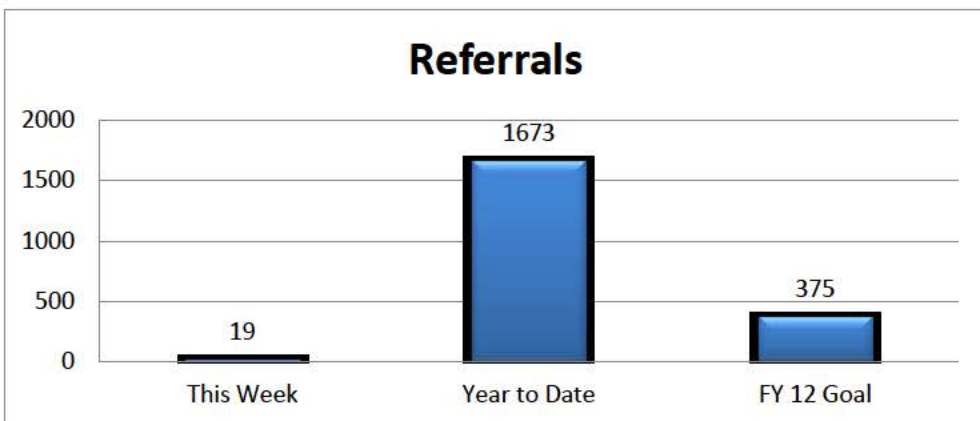
Office (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 10, 2012 - AUGUST 16, 2012





JI Updates

August 17, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of August 20, 2012, ASAC (b) (6), (b)(7)(C) will swear out an arrest warrant for a contractor who paid bribe payments to a GSA employee. (DMD/Criminal/I12W4013)

During the week of August 20, 2012, SA (b) (6), (b)(7)(C) will participate in a proffer session with (b) (6), (b)(7)(C), Comptroller, Persaud Companies Inc. (EDVA/Obstruction/I11W2304)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

On August 16, 2012, SA (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), Audit Manager (JA-2), will meet with Computer Associates officials at CA's HQ in Islandia, NY. The purpose of the meeting is to discuss JA-2's analysis and calculations about the potential loss suffered by the federal government stemming from the allegations contained in the qui tam (FILED UNDER SEAL) against CA. (EDNY/Qui Tam/I070058)

Philadelphia (JI-3)

(b) (7)(A)

11030806)

(b) (7)(A)

1234147)

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report



JI Updates

August 17, 2012

Kansas City (JI-6)

(b) (7)(A)

Fraud/I1263462)

Denver (JI-8)

(b) (7)(A)

109D0653)

Dallas/FT Worth (JI-7)

On August 20, 2012, SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) FBI, will travel to San Antonio, TX, to brief CPT (b) (6), (b)(7)(C) Judge Advocate, 5th Recruiting Brigade, on the facts and circumstances surrounding the investigation into (b) (6), (b)(7)(C), U.S. Army. (b) (6), (b)(7)(C) is the subject of an ongoing investigation where (b) (6), (b)(7)(C) alleged to have utilized (b) (6), (b)(7)(C) position as a soldier to traffic large quantities of cocaine from Texas to Georgia in (b) (6), (b)(7)(C) assigned government vehicle. (BJA/Narcotics Trafficking Conspiracy/I1273031)

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts - 49

Hotline Referrals - 9

Investigations

Three critical-sensitive and four noncritical-sensitive background investigations are in progress for JI, JC, and JA candidates.



JI Updates

August 17, 2012

ARRA

(b) (7)(A)

110W0941)

(b) (7)(A)

112W3895)

JI-B

FAR

The Investigations Operations Division received two new disclosures this week from

(b) (7)(D) The total received thus far is 82.

Civil Enforcement

(b) (7)(D)

112H3399)

Law Enforcement + Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: MRC-QTR SDVOSB Contract Fraud

Case #: 110-0-0226

Case Agent: (b) (6), (b)(7)(C), JI-10

On July 31, 2012, (b) (6), (b)(7)(C) appeared in U.S. District Court for the District of Idaho (Boise) on an indictment charging (b) (6), (b)(7)(C) with 14 counts of wire fraud, mail fraud, false statements, and money laundering. (b) (6), (b)(7)(C) was indicted by a federal grand jury on February 14, 2012; the indictment was unsealed in late July. A jury trial has been set for September 24, 2012.

The indictment alleges that from 2003 to 2010, (b) (6), (b)(7)(C) executed a scheme to defraud government agencies in order to unlawfully obtain \$925,000 in contracts. It is also alleged that (b) (6), (b)(7)(C) made false statements and representations to unlawfully acquire property through GSA's Federal Surplus Property Donation Program.

The case is being prosecuted by AUSA (b) (6), (b)(7)(C).

BACKGROUND:

This investigation was initiated in response to a complaint from the U.S. Government Accountability Office (GAO). The GAO had received a hotline complaint alleging fraud concerning the service disabled veteran-owned small business (SDVOSB) contracts that were awarded to MCR/QTR Joint Venture. It was alleged that MRC, a company located in Boise, ID, was ineligible to receive set-aside contracts because the daily operations of the company were not controlled by the service disabled veteran majority owner, as they were controlled by (b) (6), (b)(7)(C) owner of QTR. The GAO's initial investigation supported the allegations of non-veteran company control, and a referral was made to the GSA OIG as MRC/QTR Joint Venture had been awarded a GSA contract under the SDVOSB program.

Information gathered through witness interviews, document reviews, and search warrant operations showed that from 2003 to 2010, (b) (6), (b)(7)(C) made false and fraudulent representations to government agencies in order to unlawfully acquire contracts through the HUBZone program and the SDVOSB program. The investigation also determined that (b) (6), (b)(7)(C) unlawfully acquired property through GSA's Federal Surplus Property Donation Program.

JI-10 is working the investigation with SBA OIG, IRS CI, DOI OIG, USDA OIG, VA OIG, DCIS and Army CID (MPFU).

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA

(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: **WEX FRAUD (b) (6), (b)(7)(C) -USMC RECRUITING STATION MIAMI, FL**

Case #: **I12M3897**

Case Agent: SA **(b) (6), (b)(7)(C)**

On August 9, 2012, based on a federal arrest warrant, GSA OIG and USSS arrested **(b) (6), (b)(7)(C)** without incident in Miami, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds. During the arrest, agents recovered a Green Dot Debit Master Card in **(b) (6), (b)(7)(C)** possession that was re-encoded with the stolen GSA FLEET account information. **(b) (6), (b)(7)(C)** was interviewed and then transported to the Federal Detention Center in Miami, Florida.

On August 10, 2012, **(b) (6), (b)(7)(C)** appeared before the Honorable **(b) (6), (b)(7)(C)**, U.S. Magistrate Judge, SDFL, for **(b) (6), (b)(7)(C)** initial appearance. Bond was set at \$150,000.00 Personal Surety Bond.

This is a joint investigation by GSA OIG and the USSS. This case is being prosecuted by AUSA **(b) (6), (b)(7)(C)**, SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a Fleet card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible Fleet fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. The investigation disclosed that four Fleet cards issued to GSA vehicles assigned to a USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified **(b) (6), (b)(7)(C)** as one subject using the re-encoded cards fraudulently. The loss to the government is approximately \$40,000.00.

On June 15, 2012, based on a federal arrest warrant, GSA OIG special agents arrested **(b) (6), (b)(7)(C)** without incident in Hialeah, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds.

The investigation also revealed that **(b) (6), (b)(7)(C)** had obtained and used a re-encoded credit card with information from a Fleet card assigned to the USMC. On August 9, 2012, a GSA OIG special agent swore in a Probable Cause Affidavit detailing the investigative findings of this case. On the same date, the Honorable **(b) (6), (b)(7)(C)**, U.S. Magistrate Judge, SDFL, signed a federal warrant against **(b) (6), (b)(7)(C)**

(b) (6), (b)(7)(C)

Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia

(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: WEX FRAUD-(b) (6), (b)(7)(C)-USMC RECRUITING STATION MIAMI, FL
Case #: I12M3897
Case Agent: SA (b) (6), (b)(7)(C)

On August 10, 2012, based on a federal arrest warrant, GSA OIG and USSS arrested (b) (6), (b)(7)(C) without incident in Plantation, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds and for 18 U.S.C. 1029(b)(2), Conspiracy to Traffic in an Unauthorized/Counterfeit Access Device.

This is a joint investigation by GSA OIG and the USSS. This case is being prosecuted by AUSA (b) (6), (b)(7)(C) SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a Fleet card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible Fleet fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. The investigation disclosed that four Fleet cards issued to GSA vehicles assigned to a USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified (b) (6), (b)(7)(C) as the subject using the re-encoded cards fraudulently. The loss to the government is approximately \$40,000.00.

On June 15, 2012, based on a federal arrest warrant, GSA OIG special agents arrested (b) (6), (b)(7)(C) without incident in Hialeah, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds.

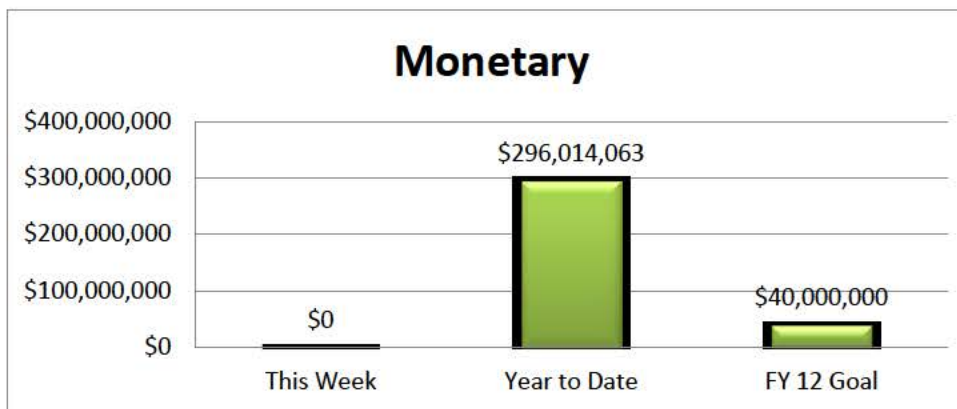
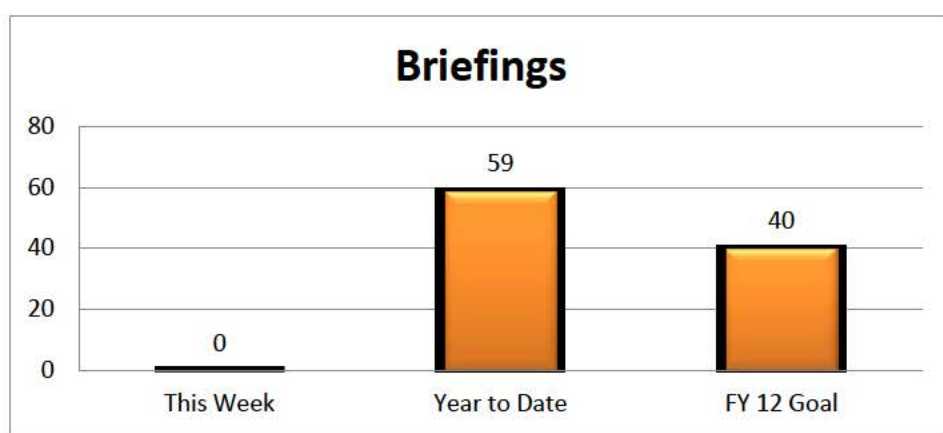
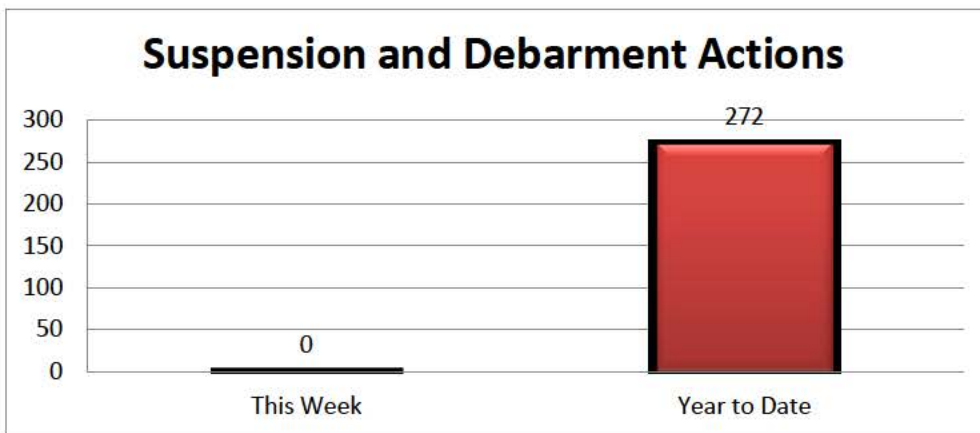
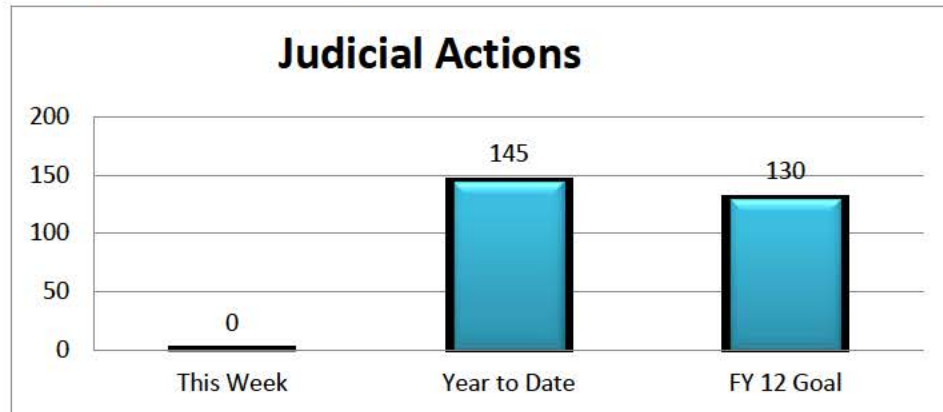
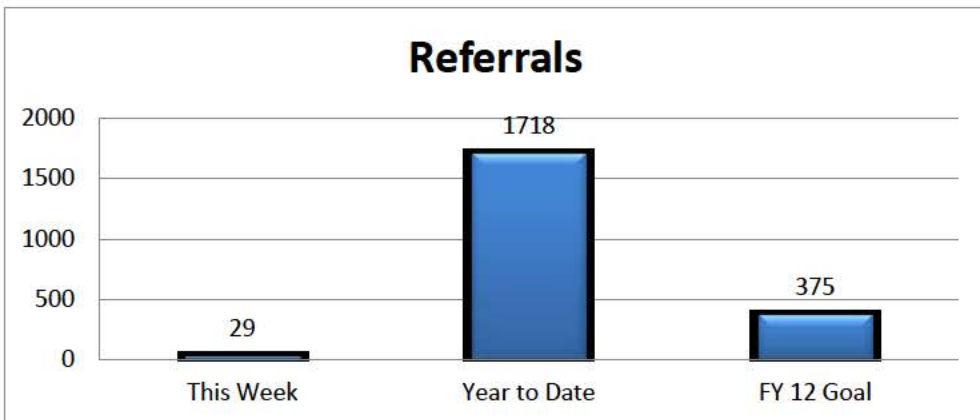
The investigation also revealed that (b) (6), (b)(7)(C), a USMC recruiter with access to the Fleet cards, sold the information for Fleet cards assigned to the recruiter's station to (b) (6), (b)(7)(C). On August 9, 2012, a GSA OIG special agent swore in a Probable Cause Affidavit detailing the investigative findings of this case. On the same date, the Honorable (b) (6), (b)(7)(C) U.S. Magistrate Judge, SDFL, signed a federal warrant against (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 17, 2012 - AUGUST 23, 2012





JI Updates

August 24, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of August 27, 2012, SA (b) (6), (b)(7)(C) will participate in a second proffer session with (b) (6), (b)(7)(C), Comptroller, Persaud Companies Inc. and an official from Georgetown Bank at EDVA. (EDVA/Obstruction/I11W2304)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)

/I0930072)

Atlanta (JI-4)

On August 27, 2012, SA (b) (6), (b)(7)(C) is scheduled to attend a change of plea hearing by (b) (6), (b)(7)(C) at the U.S. District Court, Miami, Florida. (b) (6), (b)(7)(C) is one of three codefendants related to the (b) (6), (b)(7)(C) FLEET card case. (SDFL/FLEET Fraud/I12M3897)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

/I1263462)

Denver (JI-8)

Nothing significant to report



JI Updates

August 24, 2012

Dallas/FT Worth (JI-7)

During the week of August 27, 2012, SA (b) (6), (b)(7)(C) will attend the sentencing of 1st Sergeant (b) (6), (b)(7)(C) and 1st Sergeant (b) (6), (b)(7)(C). On June 18, 2012, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) pled guilty to one count of 18 USC 641 Receipt of Stolen Government Property. (WDTX/Theft/I1172279)

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

On August 27, 2012, in the U.S. District Court for the District of Idaho (Boise), (b) (6), (b)(7)(C) is scheduled to plead guilty to wire fraud charges. (DID/Fraud /I1000226)

Internal Operations

Hotline

Hotline Contacts - 66

Hotline Referrals - 22

Investigations

Nothing significant to report

ARRA

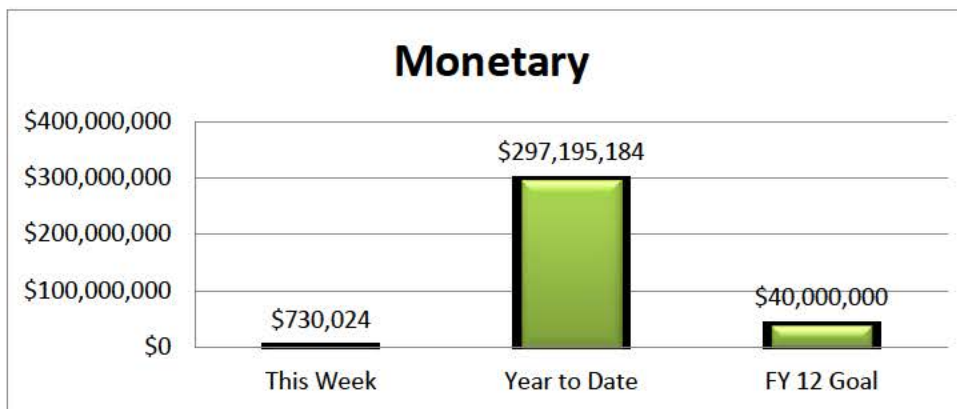
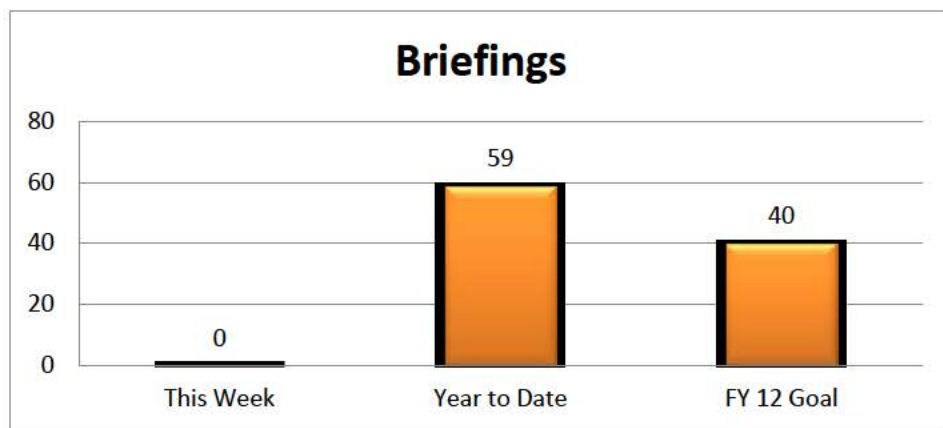
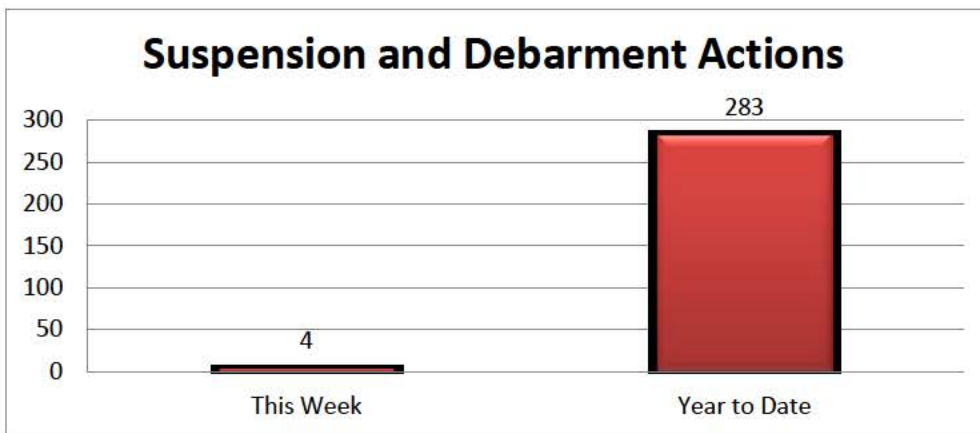
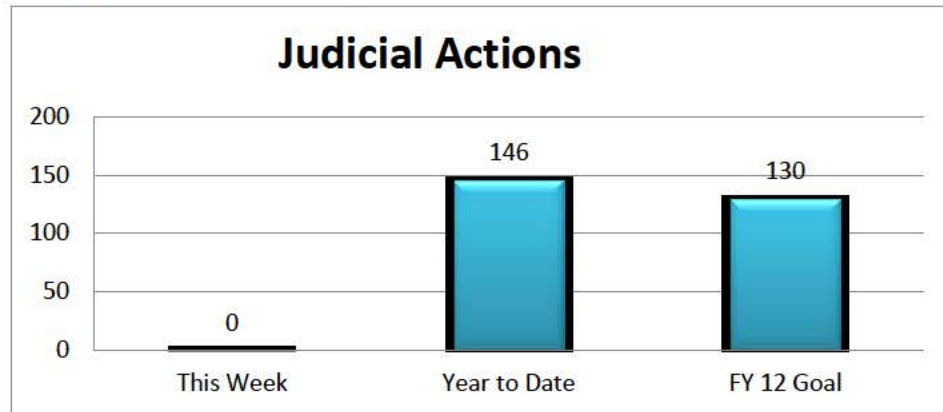
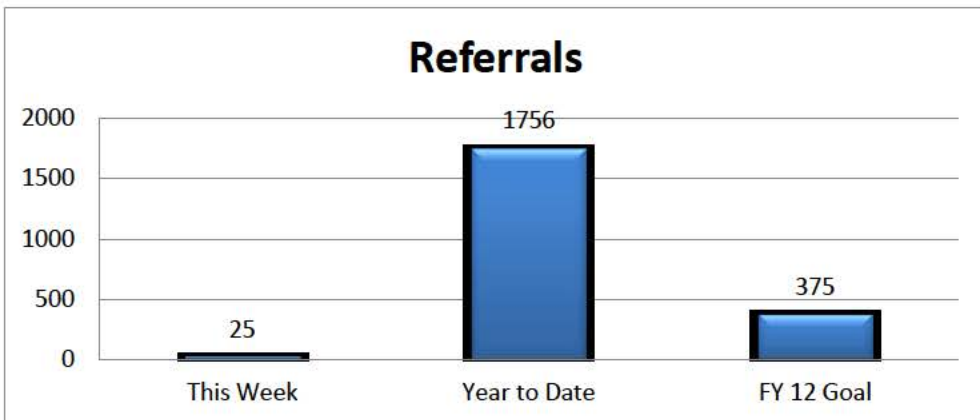
(b) (7)(A) [Redacted]
[Redacted] (I/112W3895)

JI-B

FAR

The Investigations Operations Division received four new FAR disclosures this week from (b) (6), (b)(7)(D) [Redacted]. To date, we have received a total of 86 disclosures.

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 24, 2012 - AUGUST 30, 2012





JI Updates

August 31, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On September 4, 2012, SA (b) (6), (b)(7)(C) will participate in a second proffer session with (b) (6), (b)(7)(C), Comptroller, Persaud Companies Inc. at EDVA. On September 5, 2012, SA (b) (6), (b)(7)(C) will interview and serve an IG subpoena for (b) (6), (b)(7)(C), owner/operator of an HVAC company DBA United HVAC Services, in Miramar, FL. JI-4 will be assisting on the matter. (EDVA/Obstruction/I11W2304).

Boston (JI-1)

During the week of September 4, 2012, a one count criminal information is expected to be filed against a subject, in U.S. District Court, Worcester, MA, for violating 18 USC 371, Conspiracy to Commit Wire Fraud. The investigation involves violations of the SDVOSB program by B&J Multi Service Corporation. (DMA/Fraud/I1010156)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

On September 4, 2012, (b) (6), (b)(7)(C), Rowan University, and (b) (6), (b)(7)(C), Cabrini College, will begin their Fall 2012 Internship with the JI-3 office.

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

On September 6, 2012, SA (b) (6), (b)(7)(C) will be attending a pre-trial hearing regarding Titan Office Products, and its former owner (b) (6), (b)(7)(C). (b) (6), (b)(7)(C) is being charged with theft of government property pursuant to a GSA contract as well as federal unemployment fraud. (WDMO/Fraud/I0861049)

Denver (JI-8)

On September 6, 2012, SA (b) (6), (b)(7)(C) will be deposed regarding a matter involving the WRC investigation and a MSPB action. SA (b) (6), (b)(7)(C) will be assisted by counsel from JC and a representative of GSA OGC.



JI Updates

August 31, 2012

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

On Friday, September 7, 2012, the IG will visit JI-9's Sacramento office.

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts - 59

Hotline Referrals - 0

Investigations

Nothing significant to report

ARRA

Nothing significant to report, no statistical changes.

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 85 disclosures.

Civil Enforcement

On September 10, 2012, Program Manager (b) (6), (b)(7)(C) is scheduled to meet with GSA SDO (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) staff to discuss on-going suspension and debarment related matters.

INTERNAL DISTRIBUTION ONLY

Significant Item

Case Title: (b)(7)(C), (b) (6) - Bribery/ Computer Pornography - Las Vegas, NV

Case Number: I1090908

Case Agent: (b)(7)(C), (b) (6)

On August 16, 2012, GSA OIG agents, with the assistance of VA OIG agents and the Las Vegas, NV Police Department, arrested former GSA employee (b)(7)(C), (b) (6) without incident at (b)(7)(C), (b) (6) home in Las Vegas. On the same day, (b)(7)(C), (b) (6) made (b)(7)(C), (b) (6) initial appearance in U.S. District Court for the District of Nevada and was subsequently released on (b)(7)(C), (b) (6) own recognizance. (b)(7)(C), (b) (6) trial is scheduled for October 16, 2012.

The arrest followed an August 15, 2012 Grand Jury indictment of (b)(7)(C), (b) (6) on two counts of violating 18 U.S.C. 1001 (False Statement) and one count of violating 18 U.S.C. 1512(b) (Witness Tampering) related to an on-going GSA OIG investigation of (b)(7)(C), (b) (6) and others initiated prior to (b)(7)(C), (b) (6) recent voluntary early retirement from federal service.

This case is being prosecuted by the U.S. Attorneys' Offices in the Central District of California and the District of Nevada.

(b)(7)(C), (b) (6)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b)(7)(C), (b) (6)

San Francisco, CA 94102

Office: (b)(7)(C), (b) (6)

Fax: (415) 522-2760

Cell (b)(7)(C), (b) (6)

E-mail: [\(b\)\(7\)\(C\), \(b\) \(6\)@gsaig.gov](mailto:(b)(7)(C), (b) (6)@gsaig.gov)

INTERNAL DISTRIBUTION ONLY

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On August 23, 2012, (b) (6), (b)(7)(C), the owner and president of Poway, CA defense contractor L&N Industrial Tool & Supply Inc.; (b) (6), (b)(7)(C), the owner and operator of Poway defense contractor Centerline Industrial Inc.; and Centerline were indicted in the U.S. District Court for the Southern District of California on multiple counts of committing bribery and conspiring with U.S. Navy officials to commit bribery, wire fraud, and money laundering at the Naval Air Station North Island in Coronado, CA. All three pled not guilty.

The U.S. Attorney's Office in the Southern District of California is prosecuting this case.

Background

This is a joint investigation with the FBI, DCIS, NCIS, and IRS-CI. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations it received alleging the existence of a long-running bribery scheme at the Naval Air Station North Island. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: FORT POLK FLEET CARD FRAUD - G62-3538D

Case Number: I1273543

Case Agent: SA (b) (6), (b)(7)(C)

On August 10, 2012, Captain (b) (6), (b)(7)(C) Army Staff Judge Advocate, Fort Polk, filed charges against Private First Class (b) (6), (b)(7)(C) for fraudulent use of a FLEET card assigned to GOV G62-3538D. (b) (6), (b)(7)(C) was charged with violating the UCMJ, Article 121, Larceny and Wrongful Appropriation, 15 counts and UCMJ Article 92, Failure to obey order or regulation, 1 count.

BACKGROUND

On March 6, 2012, our office received information from (b) (6), (b)(7)(C), GSA, Fort Polk fleet representative, pertaining to the apparent fraudulent use of a FLEET card assigned to G62-3538D. (b) (6), (b)(7)(C) explained the questionable transactions included numerous back to back fuel transactions, premium fuel purchases, incorrect odometer entries, after duty hour transactions and over the tank capacity transactions. GOV G62-3538D was leased to Headquarters and Headquarters Company, Joint Readiness Training Center, Operations Group Fort Polk, LA

Preliminary investigation determined the FLEET card was apparently fraudulently being used to purchase fuel in the Leesville and Fort Polk, LA area. Analysis of video surveillance obtained from AAFES loss prevention identified (b) (6), (b)(7)(C) as the vehicle being fueled during various fraudulent transactions. Witness interviews disclosed (b) (6), (b)(7)(C) was the primary driver of the aforementioned vehicle.

In addition, an analysis of the historical FLEET card transactions determined transactions were conducted on specific dates and times which coincided with leave taken by (b) (6), (b)(7)(C). Approximate loss to the government was \$2,034.96.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 110W0662
Case Agent: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C
and Branch Chief (b) (6), (b)(7)(C), JIB-C

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, Special Agent (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

(b) (6), (b)(7)(C)
Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: U.S. COAST GUARD MIAMI AIR STATION WEX FRAUD; (b) (6), (b)(7)(C)

Case #: I12M3617

Case Agent: SA (b) (6), (b)(7)(C)

On August 22, 2012, in the Southern District of Florida, before the Honorable (b) (6), (b)(7)(C) U.S. District Judge (b) (6), (b)(7)(C) was sentenced to 22 months incarceration, 36 months supervised release, \$100.00 in fines and \$77,085.88 Joint and Several restitution for one count in violation of 18 U.S.C. § 1029(a)(1) Production, Use, or Trafficking in Counterfeit Devices.

This case was prosecuted by (b) (6), (b)(7)(C), Assistant United States Attorney, USAO, SDFL and investigated by agents from the GSA OIG, DHS OIG and the USSS.

Background

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a FLEET card assigned to the USCG Air Station in Opa Locka, Florida.

Surveillance video from gasoline stations in Miami-Dade County, Hialeah, and Opa Locka, Florida, revealed that a (b) (6), (b)(7)(C) identified as (b) (6), (b)(7)(C) was selling gasoline using the GSA issued FLEET card. On June 24, 2011, GSA OIG, DHS OIG and USSS special agents arrested (b) (6), (b)(7)(C) for violations of Title 18, U.S.C. § 641.

On July 21, 2011, (b) (6), (b)(7)(C) was indicted. On December 2, 2011, in the U.S. District Court, SDFL, (b) (6), (b)(7)(C) was sentenced to one year and one day incarceration, 5 years supervised release, ordered to pay \$77,085.88 Joint and Several restitution and a \$300.00 special assessment. As part of (b) (6), (b)(7)(C) plea-agreement, (b) (6), (b)(7)(C) agreed to provide cooperation. At a debrief, (b) (6), (b)(7)(C) informed the agents that (b) (6), (b)(7)(C) had obtained the FLEET card information from a USCG employee later identified as (b) (6), (b)(7)(C).

On February 8, 2012, GSA OIG and DHS OIG special agents interviewed (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) residence. During the interview, (b) (6), (b)(7)(C) admitted to fraudulently using the FLEET card for personal purchases and to sell gasoline at various gasoline stations throughout South Florida.

On April 17, 2012, the USAO, SDFL, filed an Information charging (b) (6), (b)(7)(C) with one count of 18 U.S.C. § 1029(a)(1) and one count of 18 U.S.C. § 1029(a)(2). On April 19, 2012, special agents from GSA OIG and DHS OIG arrested (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) residence.

For information regarding this Signification Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge
Office of the Inspector General
General Services Administration
Atlanta, Georgia

(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: FLEET FRAUD-(b) (6), (b) (7)(C)-USMC RECRUITING STATION MIAMI, FL

Case #: I12M3897

Case Agent: SA (b) (6), (b)(7)(C)

On August 29, 2012, (b) (6), (b)(7)(C) appeared before the Honorable (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) U.S. Magistrate Judge, SDFL, and pled guilty to the four counts of the indictment. (b) (6), (b)(7)(C) pled guilty to one count of Title 18, U.S.C 641, theft of government property/funds, one count of Title 18 U.S.C. 1029(a)(1), using one or more counterfeit access devices with the intent to defraud, one count of Title 18 U.S.C. 1029(a)(2), using and trafficking in one or more unauthorized access devices, and one count of Title 18 U.S.C. 1029(b)2), knowingly and willfully combine, conspire, confederate, and agree with others to commit violations of Title 18 U.S.C. 1029(a).

This is a joint investigation by GSA OIG and the USSS. This case is being prosecuted by AUSA (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a FLEET card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible FLEET card fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. GSA OIG and the USSS conducted interviews and surveillance operations that disclosed at least four FLEET cards issued to GSA vehicles assigned to a USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified (b) (6), (b)(7)(C) as one subject fraudulently using re-encoded cards with FLEET account information.

On June 15, 2012, based on a federal arrest warrant obtained by GSA OIG, special agents arrested (b) (6), (b)(7)(C) without incident in Hialeah, Florida for violations of 18 U.S.C. 641, theft of government property/funds. During the arrest, agents recovered three retailer gift cards in (b) (6), (b)(7)(C) possession that were re-encoded with stolen GSA FLEET account information.

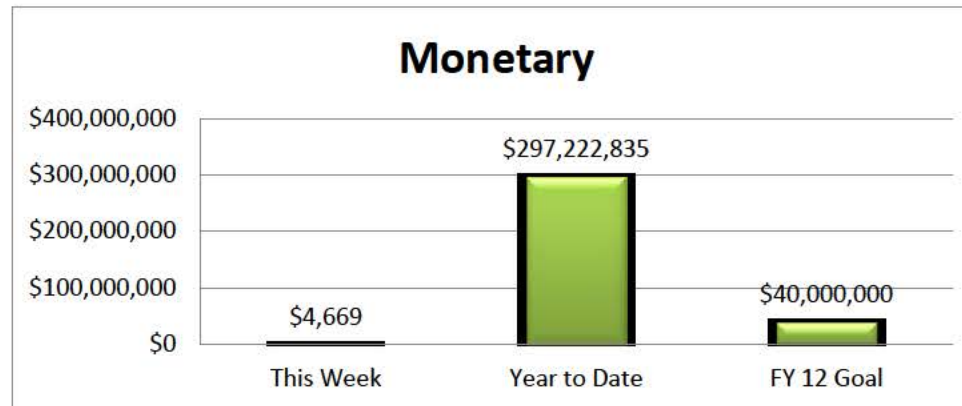
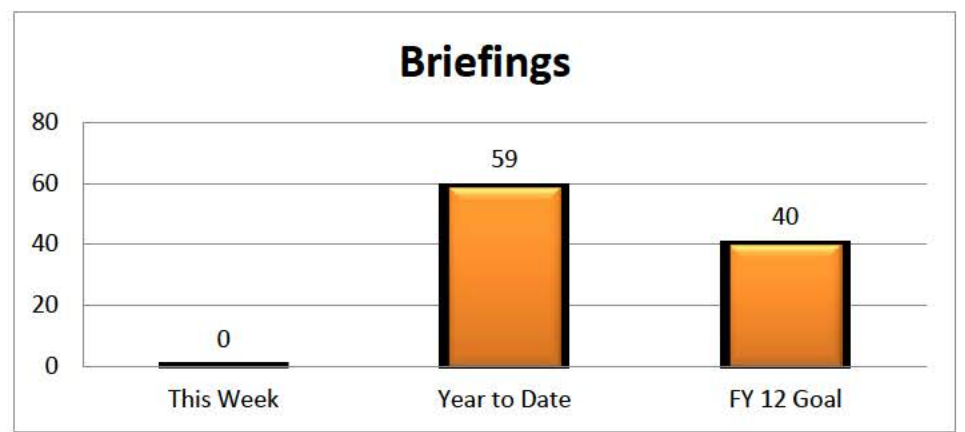
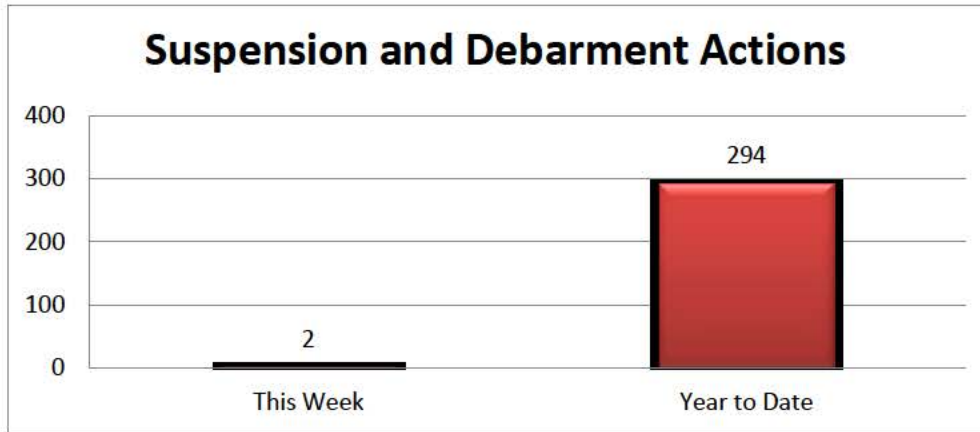
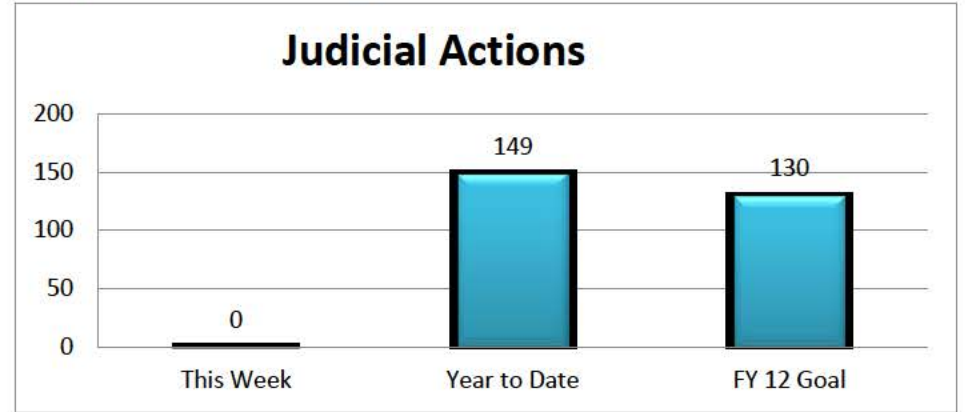
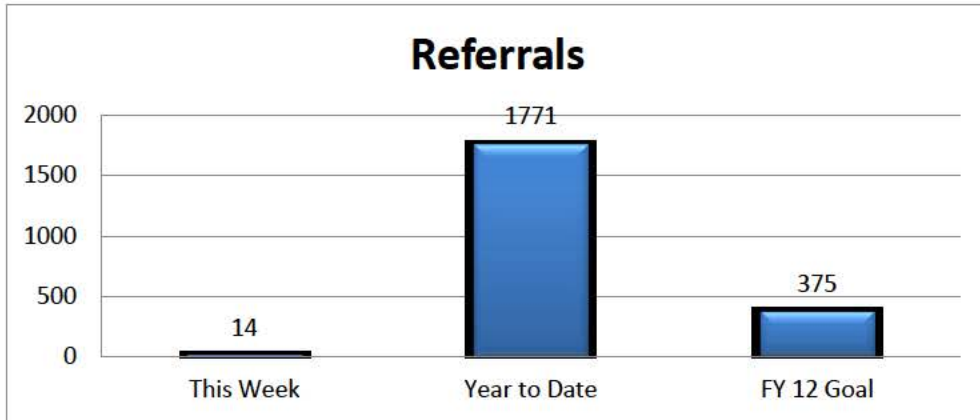
On June 29, 2012, (b) (6), (b)(7)(C) was indicted in the SDFL on one count of Title 18, U.S.C., Section 641, theft of government property/funds, one count of Title 18, U.S.C., Section 1029(a)(1), using one or more counterfeit access devices with the intent to defraud, one count of Title 18, U.S.C., Section 1029(a)(2), using and trafficking in one or more unauthorized access devices, and one count of Title 18, U.S.C., Section 1029(b)2), knowingly and willfully combine, conspire, confederate, and agree with others to commit violations of Title 18, U.S.C., Section 1029(a).

(b) (6), (b)(7)(C)

Special Agent in Charge
Office of the Inspector General
General Services Administration
Atlanta, Georgia

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 31, 2012 - SEPTEMBER 6, 2012





JI Updates

September 7, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On September 13, 2012, (b) (6), (b)(7)(C), a GSA employee (WHSC), will plead guilty to one count of felony stalking (47 USC 223) and one count of felony theft (18 USC 641) in U.S. District Court for the Eastern District of Virginia. On December 7, 2011, a search warrant was executed at (b) (6), (b)(7)(C) residence where numerous items belonging to GSA were seized. (EDVA/theft/I11W2926)

Boston (JI-1)

(b) (7)(A)

1213767)

New York (JI-2)

On September 10, 2012, JA-2 Auditor, (b) (6), (b)(7)(C), will join JI-2 as a special agent and report to FLETC to attend the Criminal Investigator Training Program, class 229, until December 5, 2012.

Philadelphia (JI-3)

On September 10, 2012, SA (b) (6), (b)(7)(C), GS-13, will be reporting for duty at JI-3. SA (b) (6), (b)(7)(C) an attorney, transferred from the HHS OIG and was a special agent with the Secret Service.

Atlanta (JI-4)

(b) (7)(A)

11142172)

(b) (7)(A)

1243419)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

1040114)



JI Updates

September 7, 2012

Denver (JI-8)

(b) (7)(A)

/I09D0653)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

/Fraud/I1192800)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts - 64

Hotline Referrals - 0

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

/I12W3895)

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 85 disclosures.

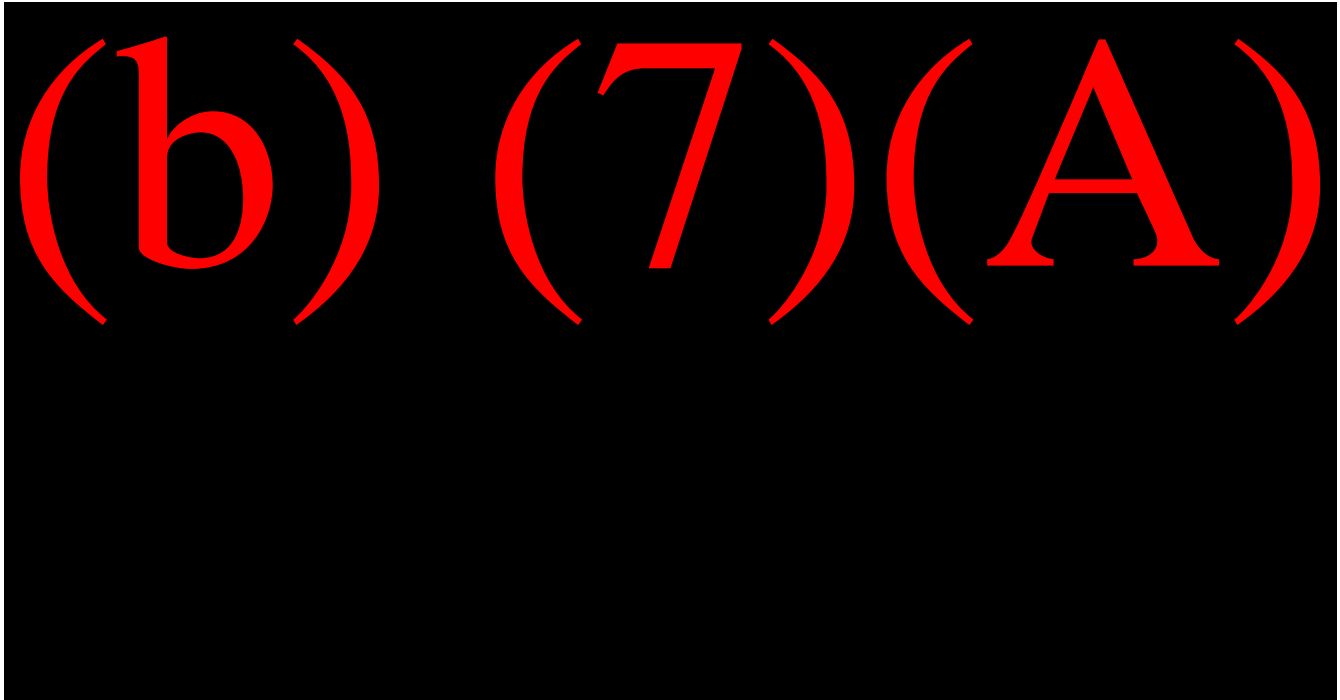
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Number: 1123-4105

Case Agent: (b) (6), (b)(7)(C)



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) (b) (6), (b)(7)(C), at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

U.S. General Services Administration

Office of Inspector General

Mid-Atlantic/Northeast Regional Investigations Offices (JI-3/2)

Direct (b) (6), (b)(7)(C)

Fax (215) 861-3560

AGENCY DISTRIBUTION AUTHORIZED

Significant Item

Case Title: Silver Sails or Silver Sales, a Debarred Business Doing Business as WMA Packaging and Design, LLC
Case File Number: I1192487
Case Agent: (b) (6), (b)(7)(C)

On August 24, 2012, the Defense Logistics Agency Suspension and Debarment Official (DLA SDO) issued a *Notice of Debarment Extension* to:

1. **Silver Sails Incorporated,**
2. **Silver Sails Travel Incorporated,**
3. **BJC Sales Incorporated,**
4. **(b) (6), (b)(7)(C)**
5. **(b) (6), (b)(7)(C), and**
6. **(b) (6), (b)(7)(C)**

The debarment extensions expire on July 22, 2023.

On the same day, the DLA SDO issued a *Notice of Debarment* to:

1. **WMA Packaging & Design, LLC and**
2. **(b) (6), (b)(7)(C), Owner, WMA Packaging and Design, LLC.**

The debarments expire on July 11, 2015.

The DLA SDO also previously issued a *Notice of Proposed Debarment* to the Norex Group, LLC and (b) (6), (b)(7)(C), Owner, Norex Group, LLC, but opted to not take further action against either party.

Background

In March 2011, GSA OIG received an anonymous letter alleging (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) Sails, Inc.) were debarred from doing business with the U.S. Government until July 22, 2013. However, the (b) (6), (b)(7)(C) were deceiving the government and doing business with several government agencies under the name of WMA Packaging and Design, LLC, and BJC sales Incorporated as well as serving as consultants to companies and individuals on U.S. Government contracts in order to circumvent their debarment and receive monetary payments for services rendered. Between March 2011 and June 2012, a joint GSA OIG and Defense Criminal Investigative Service investigation substantiated the allegations via admissions of guilt and obtaining other forms of evidence.

The findings of the joint investigation were presented to the U.S. Attorney's Office for the Central District of California; however, prior to prosecutorial action being initiated, (b) (6), (b)(7)(C) died of natural causes in June 2012 and, consequently, the U.S. Attorney closed the criminal case. No civil referrals were made in this investigation. Administrative action was subsequently initiated with DLA due to the fact that the agency had overseen the original debarment proceedings of Silver Sails Inc. and (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

For information regarding this matter, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C) @gsaig.gov.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C) @gsaig.gov

INTERNAL DISTRIBUTION ONLY

Significant Item

Case Title: B&J Multi Service Corporation/J&W Company

Case Number: I1010156

Case Agent: (b) (6), (b)(7)(C)

On August 30, 2012, the U. S. Attorney's Office, District of Massachusetts (USAO/DMA) filed a Criminal Information in U.S. District Court (USDC) charging (b) (6), (b)(7)(C) President, B&J Multi Service Corporation, with a one-count violation of 18 U.S.C. § 371, Conspiracy to Commit Wire Fraud, and seeking forfeiture of at least \$38,000 of (b) (6), (b)(7)(C) assets. On the same date, a parallel plea agreement was filed in USDC; (b) (6), (b)(7)(C) has agreed to plead guilty to the aforementioned Information. The government's investigation disclosed that (b) (6), (b)(7)(C) submitted false statements to the SBA and other government agencies including GSA, representing that a minority and service-disabled veteran owned and managed the daily operations of the business when, in fact, this was not the case, in order to obtain federal government contracts set aside for, or preferentially awarded to, disadvantaged minority and service-disabled veteran-owned and operated businesses.

Previously, (b) (6), (b)(7)(C), Vice President, B&J Multi Service Corporation, pled guilty on August 7, 2012, to a related one-count violation of 18 U.S.C. § 371, Conspiracy to Commit Wire Fraud, in USDC. (b) (6), (b)(7)(C) is scheduled to be sentenced on October 30, 2012. This is a joint investigation by GSA OIG, VA OIG, SBA OIG, Army CID, and DOL OIG. This case is being prosecuted by AUSA's (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), USAO/DMA.

Background

This investigation was initiated on December 10, 2009, based upon a referral from the U.S. Government Accountability Office alleging that (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) submitted statements to the SBA and other government agencies, including GSA, falsely representing that B&J Multi Service Corporation was a disadvantaged minority and/or service-disabled veteran-owned business, in order to obtain federal government contracts set aside for, or preferentially awarded to, such entities.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General

New England Regional Investigations Office

O'Neill Federal Office Building

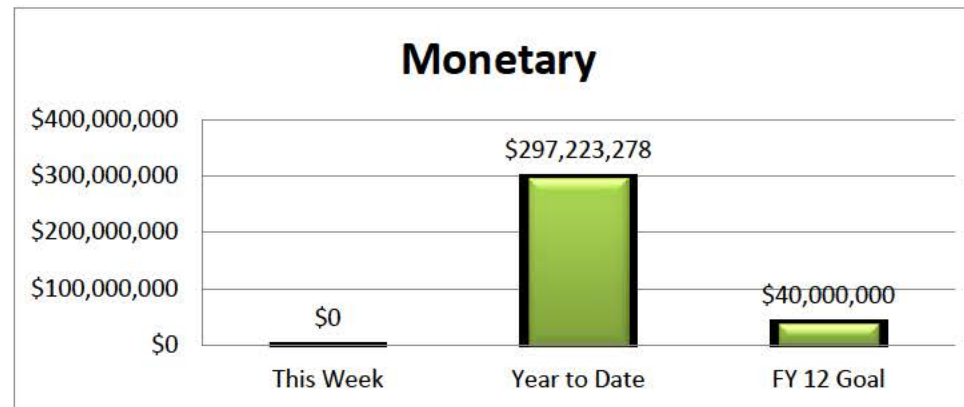
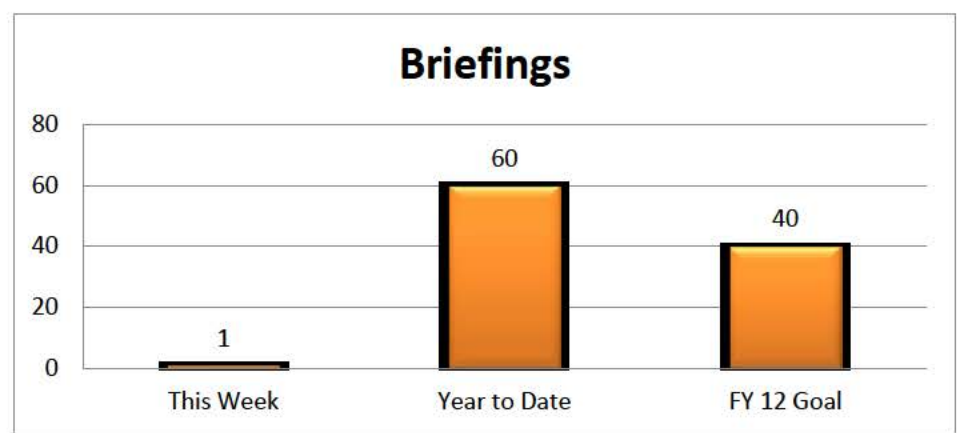
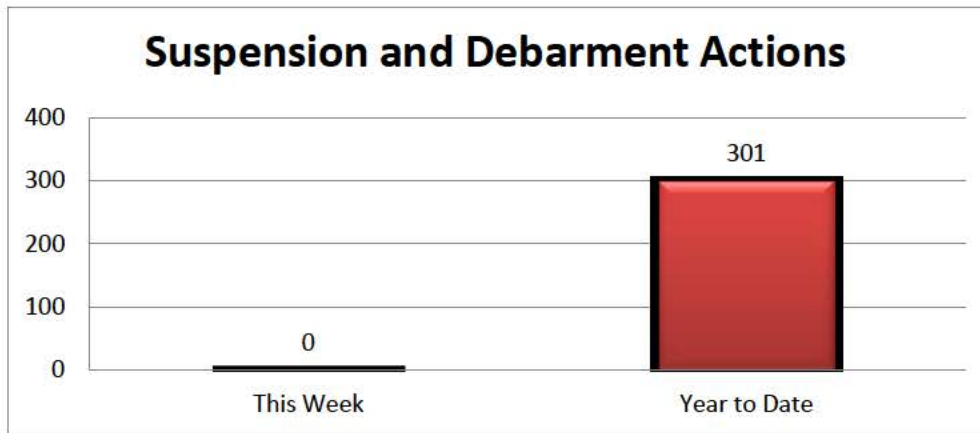
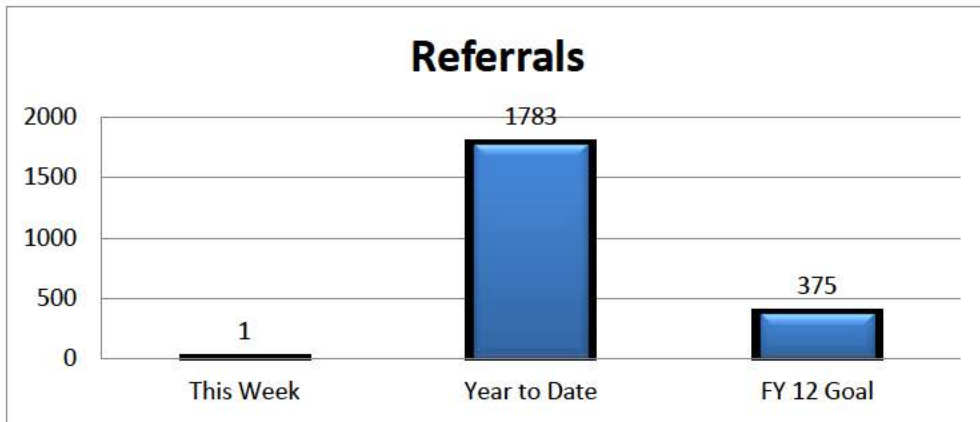
10 Causeway St., Room (b) (6), (b)(7)(C)

Boston, MA 02222

Direct: (b) (6), (b)(7)(C)

Mobile: (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - SEPTEMBER 7, 2012 - SEPTEMBER 13, 2012





JI Updates

September 14, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of September 17, 2012, SA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C) will be meeting with the attorney representing (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) Companies, Inc., to discuss (b) (6), (b)(7)(C) client's possible criminal exposure. (EDVA/Obstruction/I11W2304)

On September 19, 2012, SA (b) (6), (b)(7)(C) will be interviewing (b) (6), (b)(7)(C), Supervisory General Engineer, regarding (b) (6), (b)(7)(C) possible involvement in steering contracts to contractors at the Heating, Operations, and Transmission Division building. (WDC/Z11W0273)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

On September 20, 2012, SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will give an Integrity Awareness Briefing to new GSA Region 2 employees.

Philadelphia (JI-3)

On September 19, 2012, JI-3 and JI-2 SAs will conduct their 4th quarter firearms qualifications in Westampton, NJ.

Atlanta (JI-4)

Nothing significant to report

Chicago (JI-5)

(b) (7)(A) [REDACTED] 11293625)

Kansas City (JI-6)

September 18, 2012, through September 19, 2012, SA (b) (6), (b)(7)(C) will be TDY in Montgomery, Alabama, to testify at a suppression hearing. (Main Justice/Major Fraud/I0960379)

Denver (JI-8)

(b) (7)(A) [REDACTED] /I09D0653)

Dallas/FT Worth (JI-7)

On September 18 and 19, 2012, SAC (b) (6), (b)(7)(C) will be attending the curriculum review conference for Introduction to Fraud Investigation and Financial Forensics Techniques training programs at FLETC.



JI Updates

September 14, 2012

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

On September 18, 2012, Inspector General Brian Miller will visit the JI-10 office.

On September 18, 2012, in the U.S. District Court for the District of Idaho (Boise), (b) (6), (b)(7)(C) is scheduled to plead guilty to wire fraud charges. (DID/Contract Fraud/I1000226)

On September 18, 2012, (b)(7)(C), (b) (6) will be sentenced in the U.S. District Court for the Eastern District of Washington (Spokane). On April 26, 2012, (b)(7)(C), (b) (6) pled guilty to charges of wire fraud, mail fraud, and witness tampering. (WDWA/Securities Fraud/I1102474)

On September 20, 2012, Inspector General Brian Miller and SAC (b) (6), (b)(7)(C) will meet with AUSA (b) (6), (b)(7)(C) Deputy Criminal Chief, at the USAO in Anchorage, AK.

Internal Operations

Hotline

Hotline Contacts - 76

Hotline Referrals - 26

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

(I112W3895)

JI-B

FAR

The Investigations Operations Division received three new FAR disclosures this week from (b) (7)(D), (b) (7)(D) and (b) (7)(D). To date, we have received a total of 88 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: WEX FRAUD-(b) (6), (b) (7)(C)-USMC RECRUITING STATION MIAMI, FL
Case #: I12M3897
Case Agent: SA (b) (6), (b)(7)(C)

On September 10, 2012, Information was filed against (b) (6), (b)(7)(C) in the Southern District of Florida (SDFL). The Information charged (b) (6), (b)(7)(C) with one count of Title 18 U.S.C. 641, Theft of Government Property/Funds, the value which exceeded \$1,000.00, and one count of Title 18 U.S.C. 1029(a)(1), using one or more counterfeit access devices with the intent to defraud.

This is a joint investigation by GSA OIG and the USSS. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a FLEET card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible FLEET fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. The investigation disclosed that four FLEET cards issued to GSA vehicles assigned to a USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified (b) (6), (b)(7)(C) as one subject using the re-encoded cards fraudulently. The loss to the government is approximately \$68,000.00.

On June 15, 2012, based on a federal arrest warrant, GSA OIG special agents arrested (b) (6), (b)(7)(C) without incident in Hialeah, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds.

The investigation also revealed that (b) (6), (b)(7)(C) had obtained and used a re-encoded credit card with information from a FLEET card assigned to the USMC.

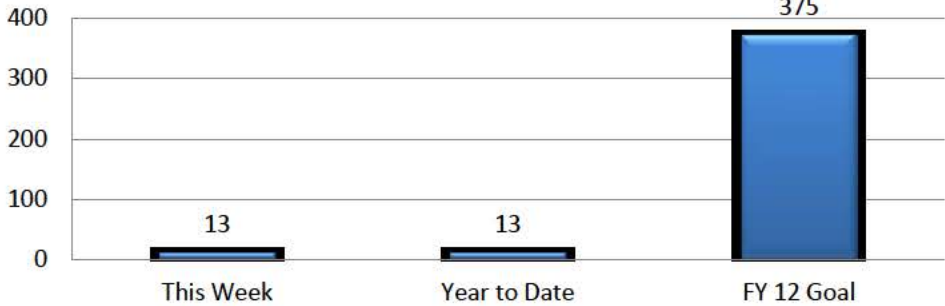
On August 9, 2012, based on a federal arrest warrant, GSA OIG and USSS agents arrested (b) (6), (b)(7)(C) without incident in Miami, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds. During the arrest, agents recovered a Green Dot Debit Master Card in (b) (6), (b)(7)(C) possession that was re-encoded with the stolen GSA FLEET account information. (b) (6), (b)(7)(C) was interviewed and then transported to the Federal Detention Center in Miami, Florida.

For information regarding this Signification Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - SEPTEMBER 28, 2012 - OCTOBER 4, 2012

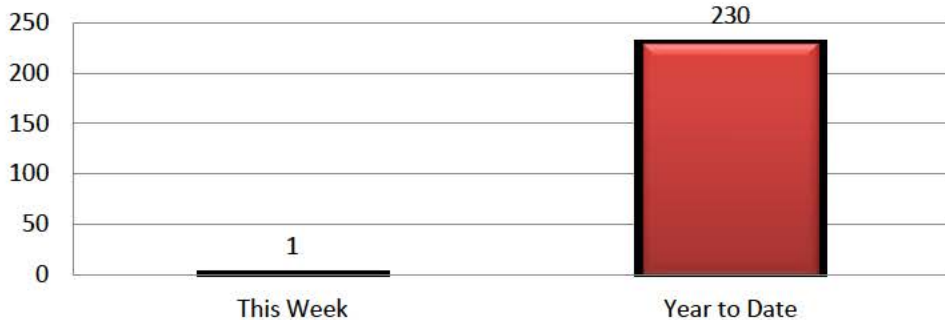
Referrals



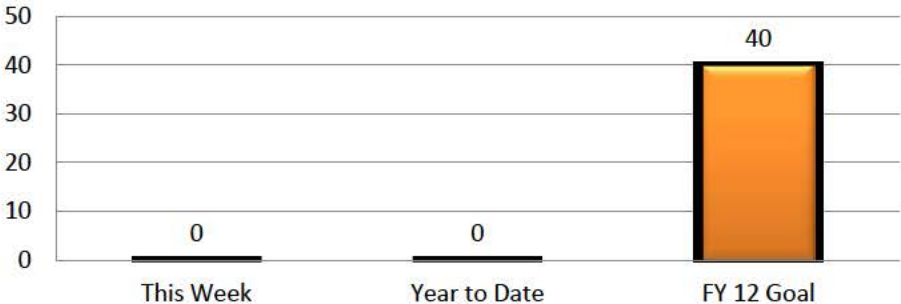
Judicial Actions



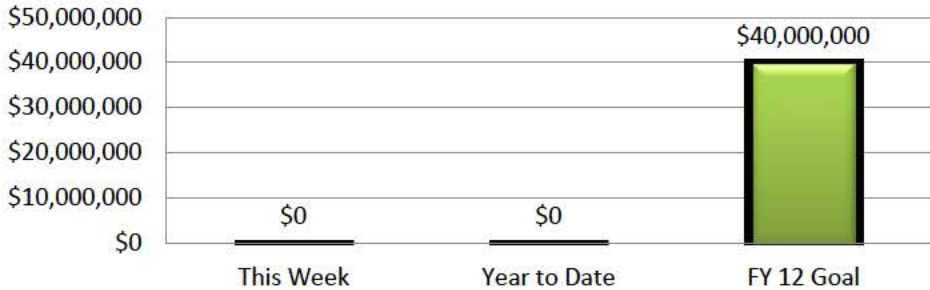
Suspension and Debarment Actions



Briefings



Monetary





JI Updates

October 5, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On October 5, 2012, SAC (b) (6), (b)(7)(C) will be attending a newly formed contract fraud working group being hosted at the Norfolk FBI. The USAO (Norfolk) will be present.

Boston (JI-1)

(b) (7)(A)

/11010856)

New York (JI-2)

On October 11, 2012, ASAC (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will attend the Federal Law Enforcement Forum at the USAO SDNY in White Plains, NY.

Philadelphia (JI-3)

(b) (7)(A)

/11030806)

Atlanta (JI-4)

(b) (7)(A)

/11142172)

Chicago (JI-5)

(b) (7)(A)

/1292909)

Kansas City (JI-6)

Nothing significant to report



JI Updates

October 5, 2012

Denver (JI-8)

(b) (7)(A)

(b) (7)(A) (109D0653)

Dallas/FT Worth (JI-7)

During the week of October 8, 2012, SA (b) (6), (b)(7)(C) will attend a hearing and debriefing of Sergeant First Class (b) (6), (b)(7)(C), who is expected to enter a guilty plea to 18 USC 641, Theft of Government Property. The case was initiated based on information from Marathon Watch Company, Ltd regarding the eBay sales of Marathon watches purchased under a GSA MAS contract, GS-14F-0027K. (WDTX/Theft/I1172279)

San Francisco (JI-9)

During the week of October 9, 2012, SA (b) (6), (b)(7)(C) and a NASA OIG Special Agent will interview (b) (6), (b)(7)(C), owner and President of (b) (6), (b)(7)(C) of Hawthorne, CA, regarding allegations that over several years, (b) (6), (b)(7)(C) falsely certified (b) (6), (b)(7)(C) as a woman-owned small business concern on the Online Representations and Certifications Application, a GSA-owned database, when it appeared that (b) (6), (b)(7)(C) management and daily business operations are actually controlled by (b) (6), (b)(7)(C). (CDCA/False Statements/Z12L3942)

During the week of October 9, 2012, Defendants (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) will be sentenced by U.S. District Court Judge (b) (6), (b)(7)(C). All seven defendants pled guilty on March 28, 2012 to a variety of charges including, bribery, conspiracy and filing a false tax return. (SDCA/Bribery/I10L0762)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 47

Hotline Referrals – 2

ARRA

(b) (7)(A)

(b) (7)(A) (I12W3895)

JI-B

No new disclosures were received. To date, the Investigations Operations Division has received 92 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Number: I060117

Case Title: C. HENDERSON CONSULTING, INC – False Claims

Case Agent: SA (b) (6), (b)(7)(C)

On September 18, 2011, the Consent Judgment was granted and entered against (b) (6), (b)(7)(C) former executive vice president, C. Henderson Consulting, Inc. (CHC), in the amount of \$285,000. The Consent Judgment was accepted by District Judge (b) (6), (b)(7)(C), Middle District of Louisiana. This settled the civil complaint against (b) (6), (b)(7)(C) which alleged CHC representatives falsely billed the FEMA \$1,971,600 for ambulances it did not provide during the relief efforts following hurricanes Katrina and Rita. This case was prosecuted by AUSA (b) (6), (b)(7)(C). DHS OIG, Office of Investigations and Office of Audits assisted in the investigation.

Background:

In February 2006, our office received information from GSA OIG, Office of Audits indicating CHC failed to pay some of its employees for services rendered in the relief effort following hurricanes Katrina and Rita. In March 2006, our office was provided an email containing a Congressional Investigation Request from U.S. Senator (b) (6), (b)(7)(C) regarding CHC's failure to pay its employees. The allegations were made in regard to a contract awarded by GSA for FEMA in support of the hurricane relief effort.

During the course of the investigation, the nonpayment issue was resolved; however, our office identified potential false claims by CHC in billing FEMA. CHC leased a total of approximately 50 ambulances from Goldstar Emergency Medical Service, Bonham Fire Department, Texas Vital Care, and Lone Star Ambulance Service. However, CHC had consistently billed FEMA for between 60 and 70 ambulances per day. To determine the amount CHC over billed FEMA, our office reviewed the contract, CHC payroll, ambulance assignment sheets, employee time sheets, and invoices. AUSA (b) (6), (b)(7)(C) requested an audit by DHS OIG, Office of Audits to verify the amount of false claims. The audit verified the investigative determination that CHC over-billed FEMA \$1,971,600 for 636 ambulances that were claimed and not provided for a day.

On April 16, 2010, a civil complaint was filed in the Middle District of Louisiana, against CHC; (b) (6), (b)(7)(C) owner and president; and (b) (6), (b)(7)(C) former executive vice president, for violating Title 31 USC 3729, False Claims. The complaint alleged CHC representatives falsely billed the FEMA \$1,971,600 for ambulances that were not provided to the Government. The complaint requests treble damages in the amount of \$5,914,800, civil penalties of \$5,500 to \$11,000 for each false claim, and interest.

On February 23, 2011, a Consent Judgment was granted and entered against (b) (6), (b)(7)(C) in the amount of \$2,957,400. The Consent Judgment was accepted by District Judge (b) (6), (b)(7)(C)

On October 11, 2011, an Order of Default Judgment was rendered in favor of the United States Government against CHC, in the amount of \$6,178,800. The Default Judgment was accepted by District Judge (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent In Charge
GSA/Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

INTERNAL DISTRIBUTION ONLY

Significant Item

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On October 4, 2012, (b) (6), (b)(7)(C), a U.S. Navy Deputy Program Manager employed at the Fleet Readiness Center located at the Naval Air Station North Island in Coronado, CA, made (b) (6), (b)(7)(C) initial appearance before U.S. Magistrate Judge (b) (6), (b)(7)(C), Southern District of California. (b) (6), (b)(7)(C) agreed to plead guilty to one count of conspiracy to commit bribery (18 USC 371) and one count of bribery (18 USC 201). Though arraigned on this date, Judge (b) (6), (b)(7)(C) did not take the guilty plea and scheduled it for October 18, 2012. The judge set a signature bond of \$20,000.

The U.S. Attorney's Office in the Southern District of California is prosecuting this case.

Background

This is a joint investigation with the FBI, DCIS, NCIS, and IRS-CI. GSA OIG initiated its investigation based on a referral from DCIS regarding anonymous allegations it received alleging the existence of a long-running bribery scheme at the Naval Air Station North Island. The allegations suggested the bribery scheme was focused on the Naval Air Systems Command E-2 Hawkeye and C-2 Greyhound Program (E2C2), as well as indicated that \$7M to \$10M had been paid in bribes by GSA and Navy contractors to Navy employees of the E2C2 program in exchange for contract work with the U.S. Government.

The on-going investigation determined that from November 1, 2007 and continuing through January 2011, (b) (6), (b)(7)(C) personally received benefits fraudulently charged to and paid for by the U.S. Government amounting to over \$10,000. (b) (6), (b)(7)(C) received \$550 in theatre tickets; \$3,000 in electronics and jewelry from Costco; \$5,000 in electronics from Best Buy; as well as \$2,000 in cash. In exchange for these items, (b) (6), (b)(7)(C) and others engaged in a scheme to defraud the government by accepting and approving invoices they knew to be false that ultimately resulted in payments to the contractors who were providing (b) (6), (b)(7)(C) and others with items of value. In addition to fraudulently providing the U.S. Government false invoices, the contractor co-conspirators also charged the government a "mark-up" in the amount of 25% or more. The Navy co-conspirators originated, approved, and/or accepted fraudulent orders; received items of value from the contractor co-conspirators and misappropriated such items for personal use; and caused the government to make payments for the fraudulent orders.

To date, numerous individuals and entities identified during the investigation have pled guilty to criminal informations, been indicted, and/or convicted and sentenced.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

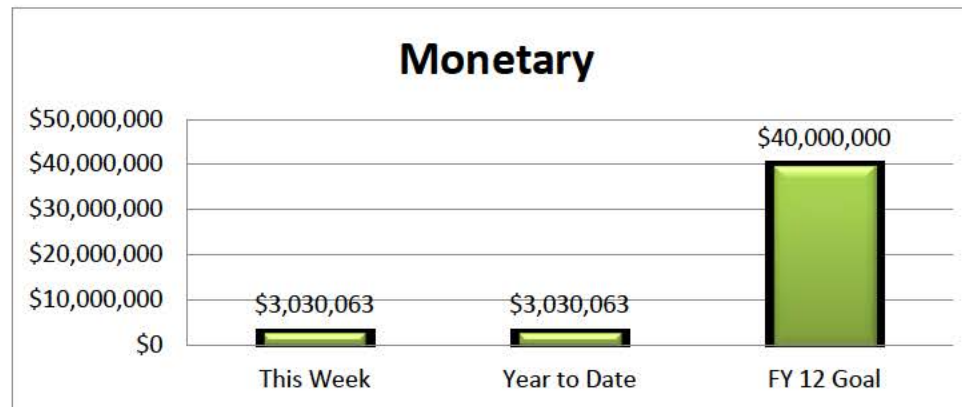
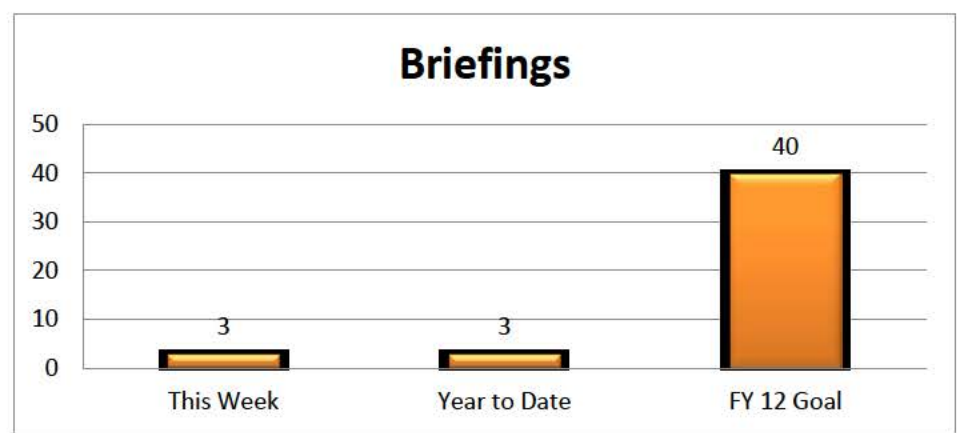
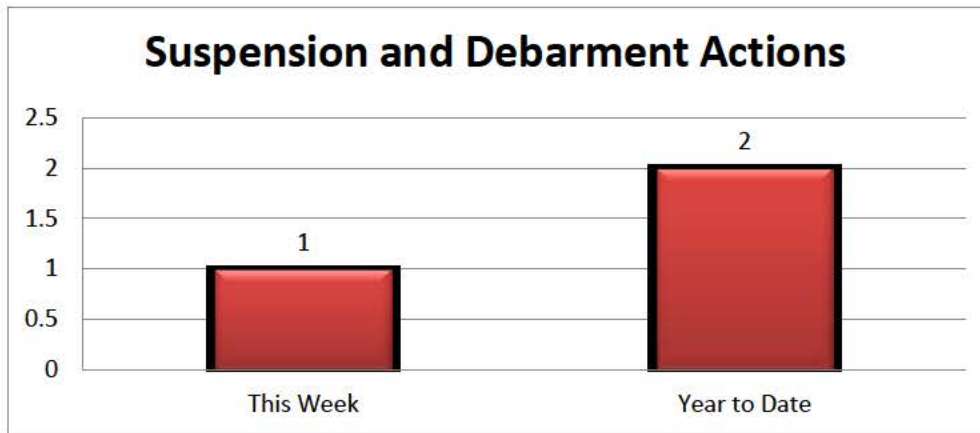
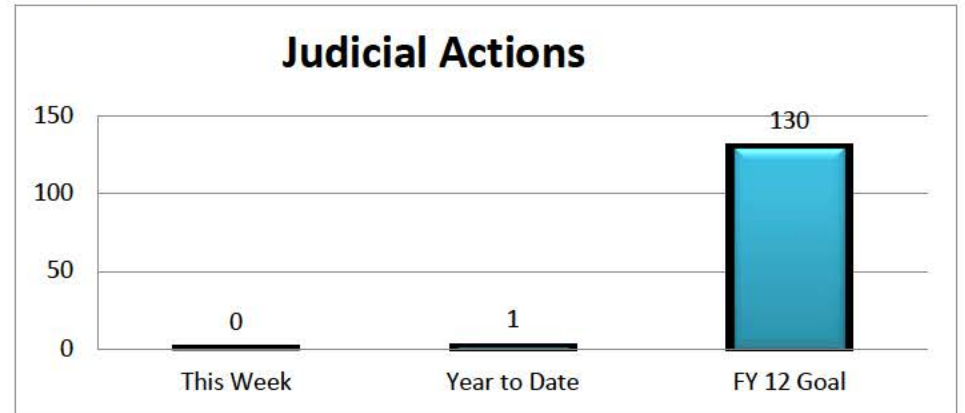
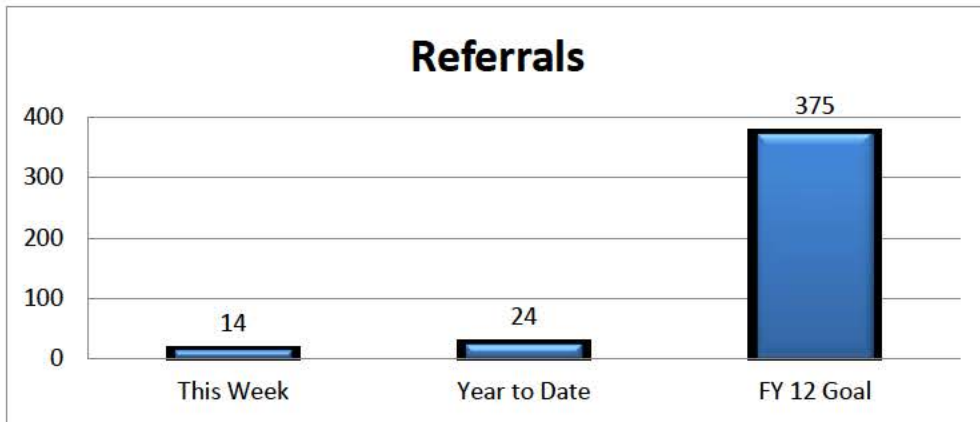
450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

Office (b) (6), (b)(7)(C)

Cell (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - OCTOBER 5, 2012 - OCTOBER 11, 2012





JI Updates

October 12, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On October 15, 2012, SA (b) (6), (b)(7)(C) will swear to a federal search warrant in U.S. District Court, for emails associated to Young Professionals Forum (YPF). Under false pretenses, YPF has received approximately \$624,614 in computer equipment from various government agencies through the Computer for Learning Program. (MD/Criminal/I12W3450)

On October 16, 2012, SA (b) (6), (b)(7)(C) is scheduled to receive a CIGIE award for (b) (6), (b)(7)(C) JDC Networking Inc. investigation involving Cisco counterfeit equipment.

Boston (JI-1)

On October 15, 2012, SA (b) (6), (b)(7)(C) the AUSA assigned to B&J Multi Service Corporation, and the investigative team, are scheduled to debrief owners of SDVOSB companies located in New England that are willing to provide information regarding other SDVOSB companies contracting with the government that are violating the SDVOSB program requirements. (DMA/Fraud/I1010156)

New York (JI-2)

On October 16, 2012, SA (b) (6), (b)(7)(C) is scheduled to receive a CIGIE Group Award recognizing (b) (6), (b)(7)(C) contribution to the Bovis Lend Lease investigation and prosecution.

(b) (7)(A)

/I1224307)

Philadelphia (JI-3)

(b) (7)(A)

/I0930072)

On October 18, 2012, SAC (b) (6), (b)(7)(C) and RIGA (b) (6), (b)(7)(C), JA-3, will meet with the new Regional Administrator for Region 3. The purpose of the meeting is to explain the OIG's role with the region and to answer any questions (b) (6), (b)(7)(C) may have regarding GSA OIG procedures and operations.

(b) (7)(A)



JI Updates

October 12, 2012

(b) (7)(A)

1030806)

Atlanta (JI-4)

(b) (7)(A)

11142172)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

(b) (7)(A) 1040114)

Denver (JI-8)

(b) (7)(A)

109D0653)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 49



JI Updates

October 12, 2012

Hotline Referrals – 9

Investigations

Nothing significant to report

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 92 disclosures.

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: WEX FRAUD-(b) (6), (b)(7)(C)-USMC RECRUITING STATION MIAMI, FL
Case #: I12M3897
Case Agent: SA (b) (6), (b)(7)(C)

On October 3, 2012, (b) (6), (b) (7) appeared before the Honorable (b) (6), (b)(7)(C), U.S. District Judge, Southern District of Florida (SDFL), and pled guilty to the information. (b) (6), (b)(7)(C) pled guilty to one count of 18 U.S.C. 641, Theft of Government Property/Funds, and one count of 18 U.S.C. 1029(a)(1), Using one or more counterfeit access devices with the intent to defraud.

This is a joint investigation by GSA OIG and the USSS. This case is being prosecuted by AUSA (b) (6), (b)(7)(C), SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a FLEET card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible FLEET fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. The investigation disclosed that four FEET cards issued to GSA vehicles assigned to a USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified (b) (6), (b)(7)(C) as one subject using the re-encoded cards fraudulently. The loss to the government is approximately \$68,000.00.

On June 15, 2012, based on a federal arrest warrant, GSA OIG special agents arrested (b) (6), (b)(7)(C) without incident in Hialeah, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds.

The investigation also revealed that (b) (6), (b)(7)(C) had obtained and used a re-encoded credit card with information from a FLEET card assigned to the USMC.

On August 9, 2012, based on a federal arrest warrant, GSA OIG and USSS agents arrested (b) (6), (b)(7)(C) without incident in Miami, Florida for violations of 18 U.S.C. 641, Theft of Government Property/Funds. During the arrest, agents recovered a Green Dot Debit Master Card in (b) (6), (b)(7)(C) possession that was re-encoded with the stolen GSA FLEET account information. (b) (6), (b)(7)(C) was interviewed and then transported to the Federal Detention Center in Miami, Florida.

On September 10, 2012, Information was filed against (b) (6), (b)(7)(C) in the SDFL. The Information charged (b) (6), (b)(7)(C) with one count of 18, U.S.C. 641, Theft of Government Property/Funds, and one count of Title 18 U.S.C. 1029(a)(1), Using one or more counterfeit access devices with the intent to defraud.

For information regarding this Signification Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of the Inspector General
Atlanta, Georgia
(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Number: I070123

Case Title: NCED - Qui Tam

Case Agent: SA (b) (6), (b)(7)(C)

On September 24, 2012, ReadyOne Industries, Inc. (formerly known as the National Center for the Employment of the Disabled (NCED)), agreed to pay the United States \$5 million to settle allegations that it violated the False Claims Act by knowingly submitting false certifications regarding annual percentages of direct labor hours performed by people with severe disabilities. The negotiations for this matter were handled jointly by the Civil Division of the Department of Justice and the USAO for the Eastern Division of Virginia.

Background

This investigation was initiated by a *qui tam* filed in the Eastern District of Virginia on June 20, 2006. The complaint alleged that, between 2000 and 2006, NCED employed a large number of non-disabled employees to work on contracts for the manufacture of archival boxes, apparel and other items, and did not appropriately account for their hours as part of the overall ratios it certified and submitted to the government. NCED had a GSA contract under the AbilityOne Program to supply GSA Records Storage Boxes, National Stock Number - 8115-00-117-8249.

The AbilityOne Program creates employment opportunities for people who are blind or have other significant disabilities in the manufacture and delivery of products and services to the federal government. The program uses the purchasing power of the federal government to buy approved products and services from participating, community based nonprofit agencies nationwide. These community based nonprofit agencies, like NCED, must ensure and certify that 75 percent of all annual direct labor hours on certain government contracts are performed by employees who are blind or severely disabled.

For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

(b) (6), (b)(7)(C)

AGENCY DISSEMINATION AUTHORIZED

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On October 9, 2012, U.S. District Court Judge (b) (6), (b)(7)(C) sentenced the following seven retired/former government and U.S. Government contractor personnel for their participation in a long-running bribery scheme at the Naval Air Station North Island (NASNI) in Coronado, CA:

- I. (b) (6), (b)(7)(C), a retired U.S. Navy official previously employed at the NASNI Fleet Readiness Center, was sentenced to 30 consecutive weekends in prison, five years supervised probation, restitution of \$60,600, and a penalty of \$100. (b) (6), (b)(7)(C) previously pled guilty on March 28, 2012 to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343), all in violation of 18 USC 1349. (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets which constitute or were derived from proceeds traceable to (b) (6), (b)(7)(C) violation of 18 USC 1349.
- II. (b) (6), (b)(7)(C), the owner of U.S. Government contractor X&D Supply, Inc. in Carlsbad, CA, was sentenced to 18 months in prison, three years supervised release, a \$200 penalty, and restitution of \$510,000 to the U.S. Navy and \$112,181 to the Internal Revenue Service. (b) (6), (b)(7)(C) previously pled guilty on March 28, 2012 to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343), all in violation of Title 18 USC 1349, and one count of aiding and assisting the preparation of a false tax return (26 USC 7206 (2)).
- III. (b) (6), (b)(7)(C), a former sales manager for U.S. Government contractor Centerline Industrial, Inc. in Poway, CA, was sentenced to 18 months in prison, three years supervised release, a \$200 penalty, and \$300,000 restitution to the U.S. Navy. (b) (6), (b)(7)(C) previously pled guilty on March 28, 2012 to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343), all in violation of 18 USC 1349, and one count of conspiracy to commit bribery (18 USC 201 (b)(2)(A), all in violation of 18 USC 371.
- IV. (b) (6), (b)(7)(C), a former U.S. Navy official previously employed at the NASNI Fleet Readiness Center, was sentenced to 30 consecutive weekends in prison, five years supervised release, restitution of \$66,400, and a penalty of \$100. (b) (6), (b)(7)(C) previously pled guilty on March 28, 2012 to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343), all in violation of 18 USC 1349. (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets which constitute or were derived from proceeds traceable to (b) (6), (b)(7)(C) violation of 18 USC 1349.
- V. (b) (6), (b)(7)(C), a former U.S. Navy official previously employed at the NASNI Fleet Readiness Center, was sentenced to 30 months in prison, three years supervised release, a penalty of \$200, and restitution of \$718,549 to the U.S. Navy and the Internal Revenue Service. (b) (6), (b)(7)(C) previously pled guilty on March 28, 2012 to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343) and filing a false tax return (Title 26 USC 7206 (1)). (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets which constitute or were derived from proceeds traceable to (b) (6), (b)(7)(C) conspiracy to commit wire fraud violation.

- VI. (b) (6), (b)(7)(C), a sales manager and former owner of U.S. Government contractor L&N Industrial Tool in Poway, CA, (b) (6), (b)(7)(C) remained with the company after he sold it) was sentenced to 18 months in prison, three years supervised release, a penalty of \$100, and restitution of \$759,937 to the U.S. Navy. (b) (6), (b)(7)(C) previously pled guilty on March 28, 2012 to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343).
- VII. (b) (6), (b)(7)(C), a former U.S. Navy official previously employed at the NASNI Fleet Readiness Center, was sentenced to 41 months in prison, three years supervised release, a penalty of \$300, and restitution of \$413,500 to the U.S. Navy and \$87,596.59 to the Internal Revenue Service. (b) (6), (b)(7)(C) previously pled guilty on March 28, 2012 to a criminal information charging (b) (6), (b)(7)(C) with one count of conspiracy to commit wire fraud (18 USC 1343), one count of conspiracy to commit bribery (18 USC 201(b)(2)(A) and 18 USC 371), and one count of filing a false tax return (Title 26 USC 7206 (1)). (b) (6), (b)(7)(C) also agreed to the forfeiture of numerous assets which constitute or were derived from proceeds traceable to (b) (6), (b)(7)(C) conspiracy to commit wire fraud violation.

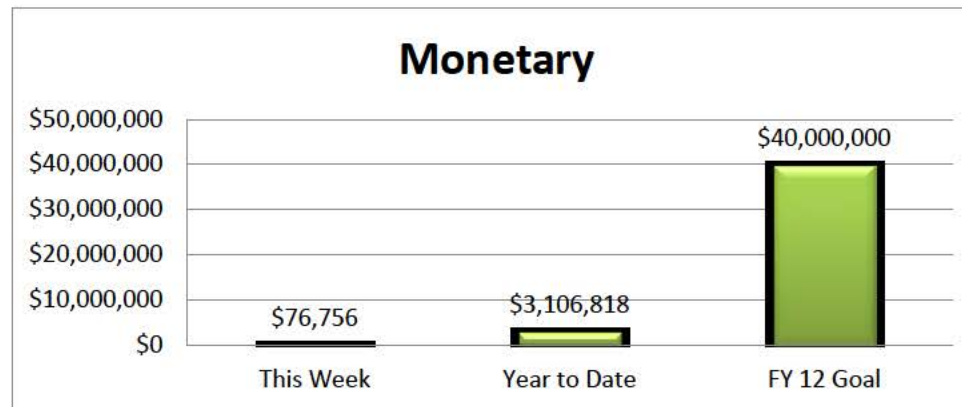
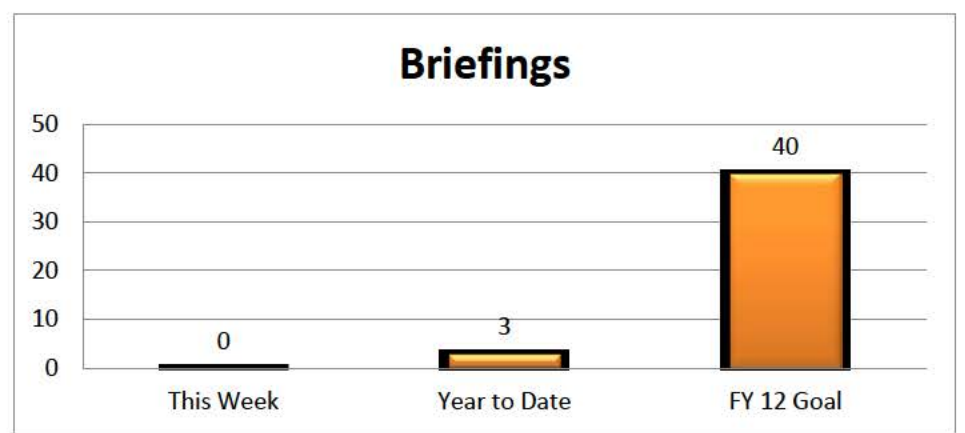
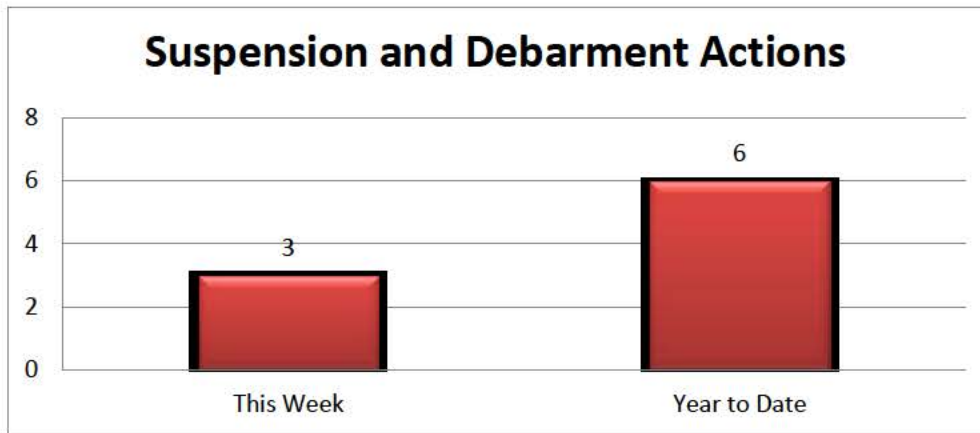
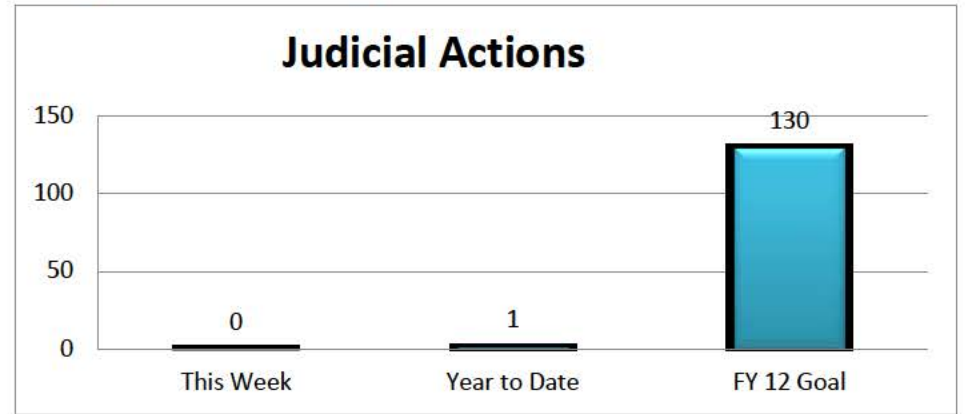
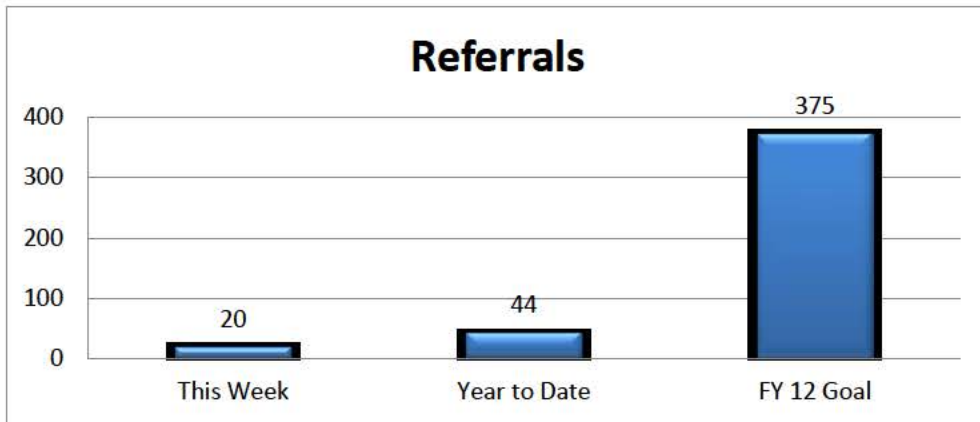
The on-going investigation is being conducted jointly by GSA OIG, DCIS, NCIS, IRS-CI, and the FBI. The U.S. Attorney's Office in the Southern District of California is prosecuting this case.

Background

Please direct any questions or concerns regarding this investigation to Assistant Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C)@gsaig.gov.

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA Office of Inspector General
Pacific Rim Region Investigations Office (JI-9)
450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)
San Francisco, CA 94102
Office: (b) (6), (b)(7)(C)
Fax: (415) 522-2760
Cell: (b) (6), (b)(7)(C)
E-mail: (b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - OCTOBER 12, 2012 - OCTOBER 18, 2012





JI Updates

October 19, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of October 22, 2012, ASAC (b)(7)(C), (b)(6) will plan to execute an arrest warrant on an individual indicted for providing kickbacks as they related to a GSA contract. The individual was recorded providing kickbacks to a cooperating defendant. (MD/Criminal/I10W0106)

Boston (JI-1)

On October 23, 2012, SA (b)(6), (b)(7)(C) and SA (b)(6), (b)(7)(C) are scheduled to attend the Trade Based Money Laundering and Terrorist Financing Training at the U.S. Naval War College in Rhode Island. This training is sponsored by the USAO, District of Rhode Island.

(b)(7)(A)

d/I1010856)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b)(7)(A)

1234147)

Atlanta (JI-4)

On October 26, 2012, SA (b)(6), (b)(7)(C) is planning to attend a status hearing at the Miami Dade County Circuit Court regarding the (b)(6), (b)(7)(C) case. This case involves a ponzi scheme where (b)(6), (b)(7)(C) falsified GSA Certificates to Obtain Titles for excess GOVs and modified them to reflect the information of privately or bank owned luxury vessels, vehicles and real estate. (b)(6), (b)(7)(C) then advertised and sold these luxury items to unsuspecting buyers without ever providing the product. (MDSA0/Forgery/Grand Theft/I10M0368)

(b)(7)(A)

(WDTN/Fraud/I1142172)



JI Updates

October 19, 2012

During the week of October 22, 2012, SAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) will travel to Columbus, Georgia to conduct surveillance in the Fort Benning area in relation to the fraudulent use of a Fleet card assigned to (b) (6), (b)(7)(C). (MDGA/Fleet credit card fraud/I1344399)

Chicago (JI-5)

On October 22, 2012, SA (b) (6), (b)(7)(C) JA-5 Auditor (b) (6), (b)(7)(C), JC Attorney (b) (6), (b)(7)(C), and the USAO, District of Columbia, will participate in a conference with TREMCO's counsel to discuss potential damages under the false claims act. This investigation stems from a qui tam, in which the Relator alleged that Tremco violated the price requirements of their GSA roofing contracts. (WDC/qui tam/I11W0797)

Kansas City (JI-6)

(b) (7)(A)

I1142172)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

On October 24, 2012, Sergeant First Class (b) (6), (b)(7)(C) and Staff Sergeant (b) (6), (b)(7)(C) are expected to enter guilty pleas to violating 18 USC 641, Theft of Government Property. The case was initiated based on information from Marathon Watch Company, Ltd regarding eBay sales of Marathon watches purchased under a GSA MAS contract, GS-14F-0027K. (WDTX/Theft/I1172279)

San Francisco (JI-9)

(b) (7)(A)

I1292909/I1192222)

Auburn (JI-10)

On October 24, 2012, JI-10 will participate in a procurement fraud working group meeting held at the Army CID-MPFU office in Federal Way, Washington. Attendees will include special agents from local OIG offices, IRS CI, FBI, and the Defense Criminal Investigative Organizations. (WDWA/Liaison Activity)



JI Updates

October 19, 2012

Internal Operations

Hotline

Hotline Contacts – 61

Hotline Referrals – 8

Investigations

ARRA

On October 24, 2012, SA [REDACTED] will interview a GSA Project Manager regarding a \$22 million ARRA project awarded to Berglund Construction for the John C. Kluczynski Federal Plaza. (NDIL/ARRA/I1152794)

JI-B

Civil Enforcement

FAR

No disclosures received this week. To date, the Investigations Operations Division has received 92 disclosures.

On October 23, 2012, Branch Chief [REDACTED] and SA [REDACTED] are scheduled to meet with [REDACTED] officials to discuss an on-going FAR Disclosure. (DOJ Commercial Litigation/Civil/I12W4294)

[REDACTED] (b) (7)(A)

[REDACTED] /I12H4218)

Suspension and Debarment

On October 25, 2012, the GSA Suspension & Debarment Official will conduct a nationwide webinar on Suspensions & Debarments for all JI offices.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 112H3948
Case Agent: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C,
and Branch Chief (b) (6), (b)(7)(C) JIB-C

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C) Counsel to the IG, JC.

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

AGENCY DISSEMINATION AUTHORIZED

SIGNIFICANT ITEM

Case Number: I10L0762

Case Title: X & D SUPPLY (ET AL)

Case Agent: (b) (6), (b)(7)(C)

On October 18, 2012, (b) (6), (b)(7)(C), a U.S. Navy Deputy Program Manager employed at the Fleet Readiness Center located at the Naval Air Station North Island in Coronado, CA, pled guilty to one count of conspiracy to commit bribery (18 USC 371) and one count of bribery (18 USC 201) before U.S. Magistrate Judge (b) (6), (b)(7)(C), Southern District of California.

The on-going investigation is being conducted jointly by GSA OIG, DCIS, NCIS, IRS-CI, and the FBI. The U.S. Attorney's Office in the Southern District of California is prosecuting this case.

Background

Please direct any questions or concerns regarding this investigation to Assistant Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) or (b) (6), (b)(7)(C)@gsaig.gov.

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Pacific Rim Region Investigations Office (JI-9)

450 Golden Gate Avenue, Suite (b) (6), (b)(7)(C)

San Francisco, CA 94102

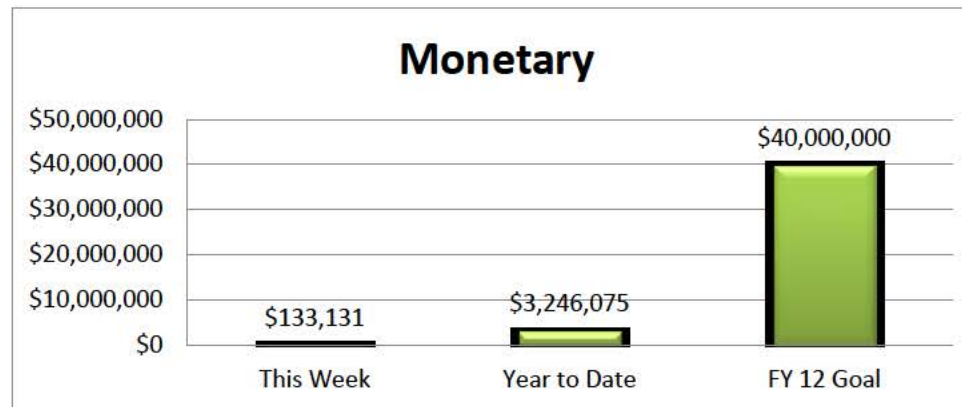
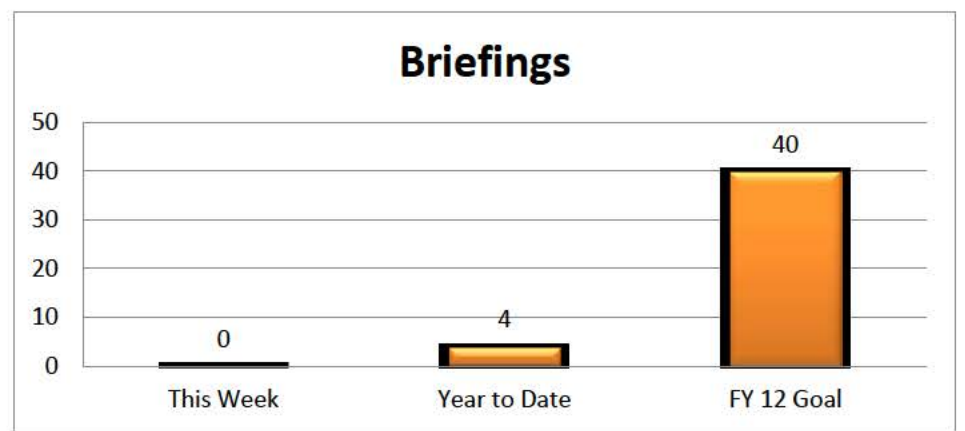
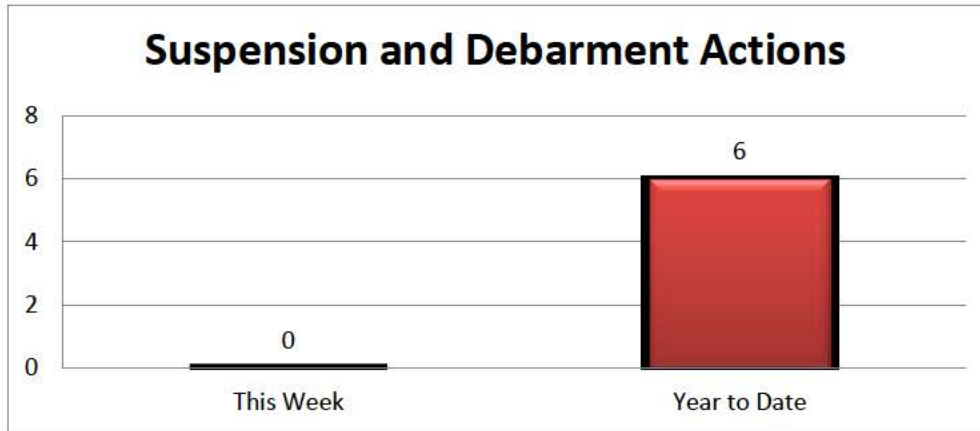
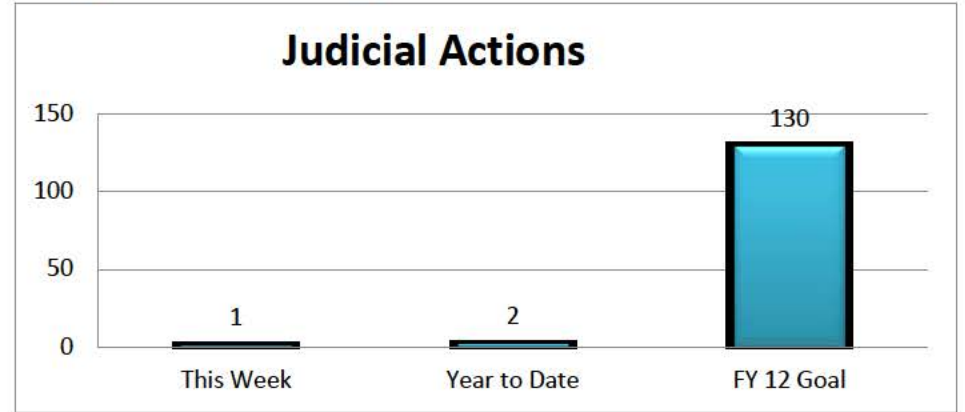
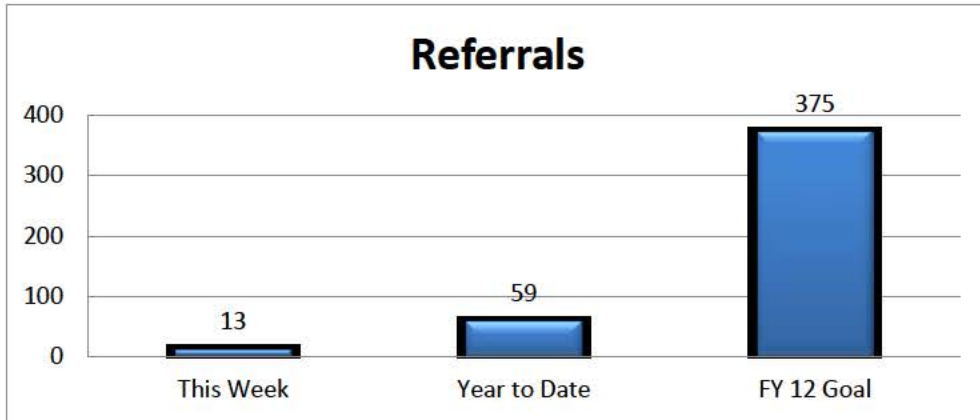
Office: (b) (6), (b)(7)(C)

Fax: (415) 522-2760

Cell: (b) (6), (b)(7)(C)

E-mail: (b) (6), (b)(7)(C)@gsaig.gov

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - OCTOBER 19, 2012 - OCTOBER 25, 2012





JI Updates

October 26, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

(b) (7)(A)

/I11W2295)

Boston (JI-1)

(b) (7)(A)

/I070025)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

(b) (7)(A)

/I1142172)

During the week of October 29, 2012, GSA OIG and Army MPFU Special Agents will conduct surveillance operations in Savannah, Georgia, This case involves an enlisted Army supply officer who is defrauding the military by using the DODAC to purchase items from GSA Advantage, having them delivered to his residence and selling them for personal gain (SDG/Theft of GOV Property/I13M4421)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report



JI Updates

October 26, 2012

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

Z1293314)

(b) (7)(A)

/111L2847)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 75

Hotline Referrals – 10

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

The Investigations Operations Division received one new disclosure this week from (b) (7)(D). To date, we have received a total of 93 disclosures.

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 110W0786
Case Agent: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C,
and Branch Chief (b) (6), (b)(7)(C), JIB-C

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

(b) (6), (b)(7)(C)

Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: Z12H3345
Case Agent: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C,
and Branch Chief (b) (6), (b)(7)(C), JIB-C

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

(b) (6), (b)(7)(C)
Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (7)(A)

Case No: 110-0-0790

Case Agent: SA (b) (6), (b)(7)(C)

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA

(b) (6), (b) (7)(C)

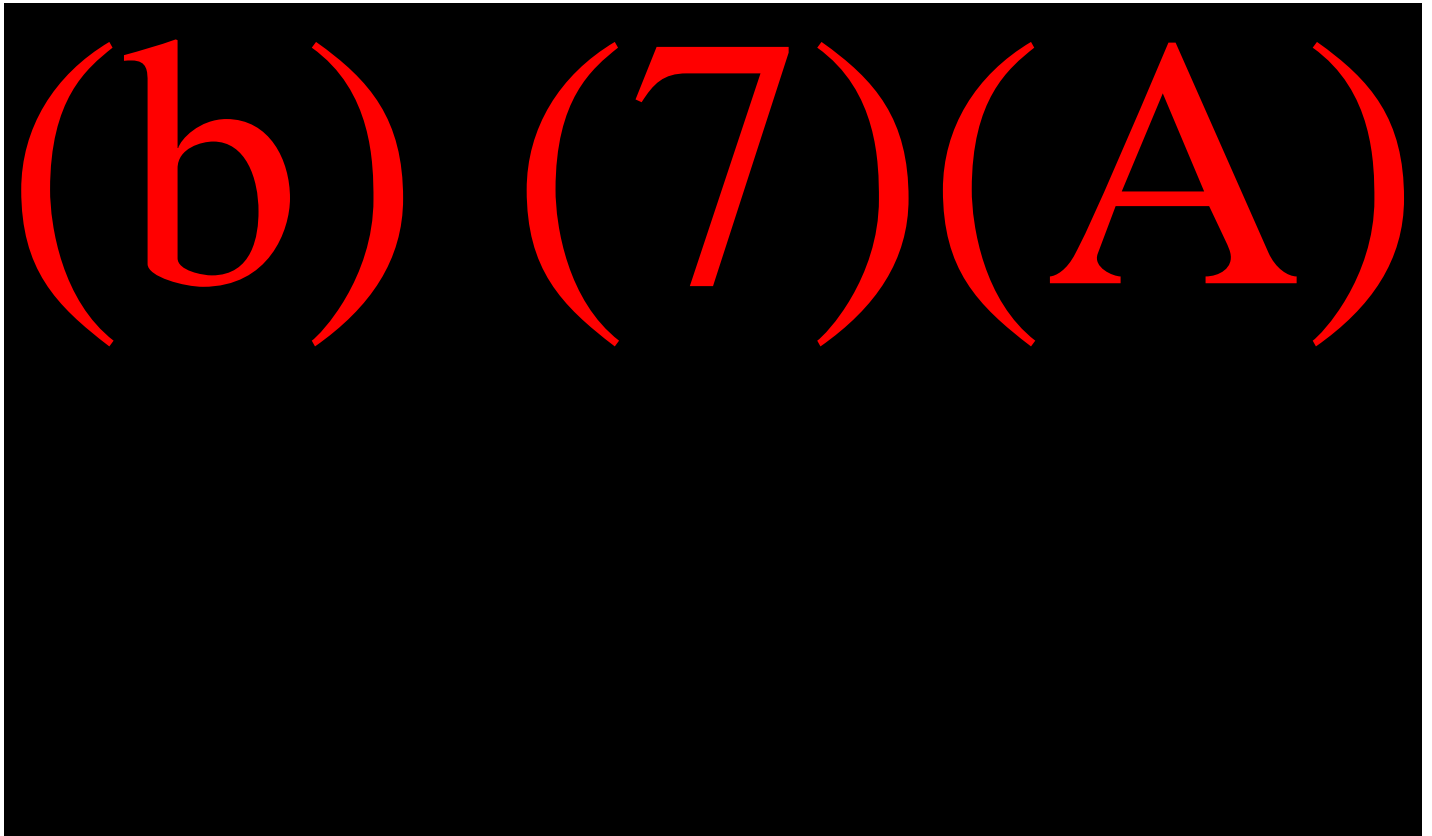
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Number: I1010856

Case Agent: SA (b) (6), (b)(7)(C)



For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA/Office of Inspector General

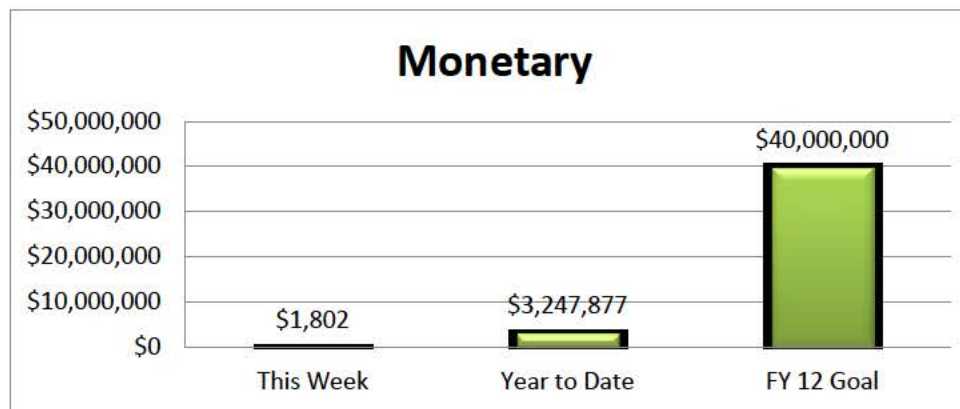
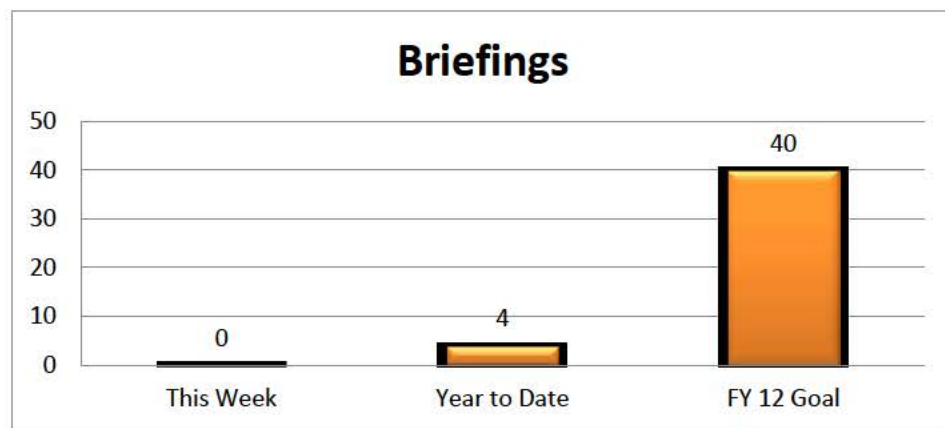
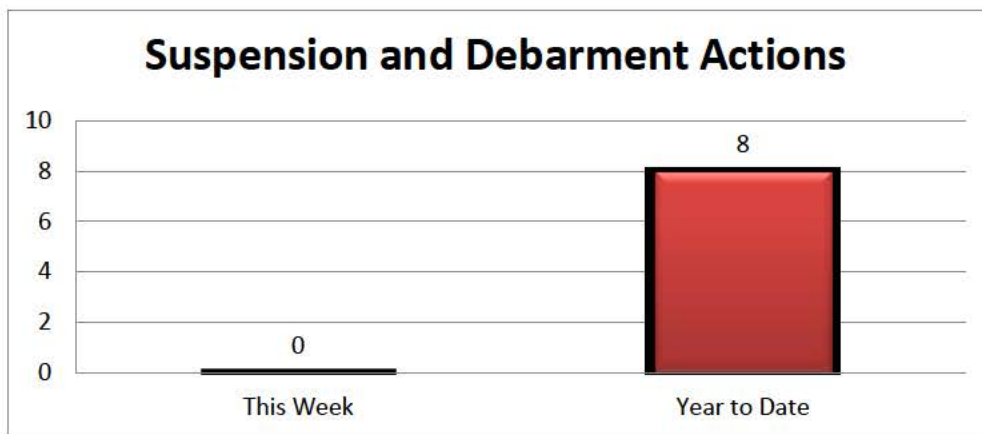
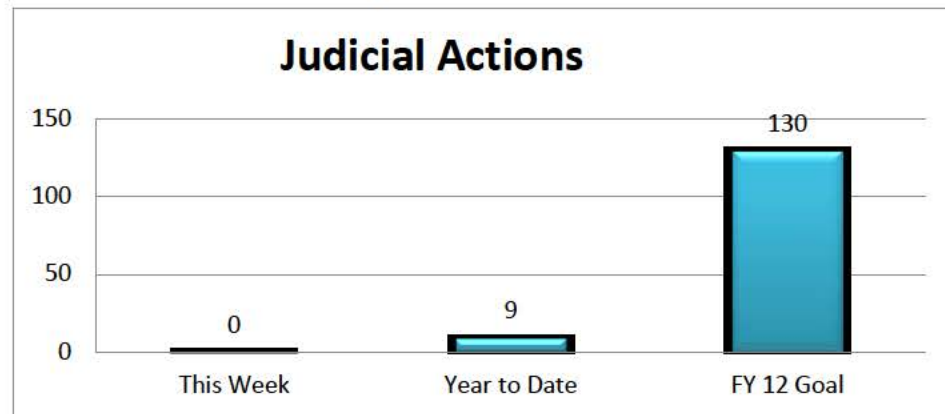
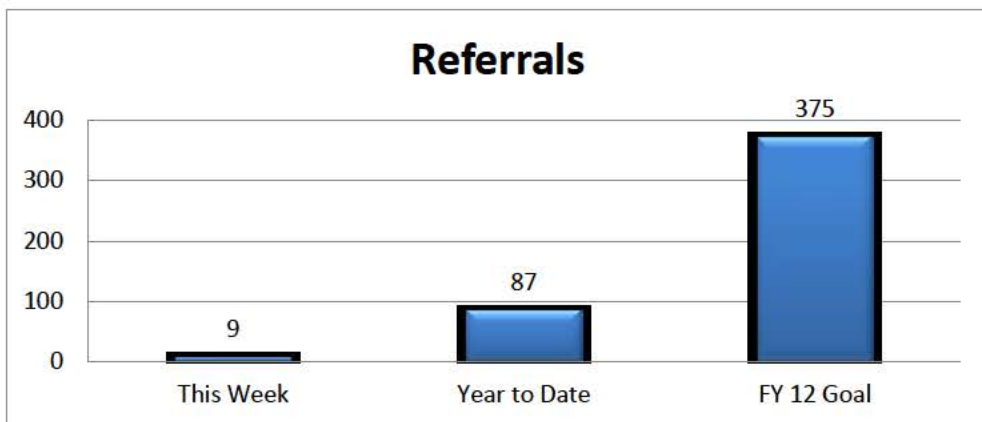
10 Causeway St., Room (b) (6), (b)(7)(C)

Boston, MA 02222

Direct (b) (6), (b)(7)(C)

Mobile: (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - OCTOBER 26, 2012 - NOVEMBER 1, 2012





JI Updates

November 2, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On November 2, 2012, SA (b) (6), (b)(7)(C), the FBI, and EDVA AUSA (b) (6), (b)(7)(C) will be meeting with the attorney representing (b) (6), (b)(7)(C) Persaud Companies, Inc., to discuss (b) (6), (b)(7)(C) client's criminal exposure relating to financial loss and information (b) (6), (b)(7)(C) may have relating to other criminal activity. The investigation originated from a qui-tam alleging (b) (6), (b)(7)(C) had fraudulently inflated contracts in order to maximize (b) (6), (b)(7)(C) company's profit. (EDVA/Obstruction/I11W2304)

On November 7, 2012, (b) (6), (b)(7)(C) will be indicted in the EDVA in violation of Title 18, U.S.C., Section 1030, Fraud and related activity in connection with computers. (b) (6), (b)(7)(C) is being investigated for the possible theft of trade secrets from Platinum Solutions, (b) (6), (b)(7)(C) former employer. (b) (6), (b)(7)(C) is suspected of accessing the email boxes of former employees and viewing emails related to clients and potential contracts. (EDVA/Fraud/I11W2908)

(b) (7)(A)

/I11W2295)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

On November 6, 2012, SA (b) (6), (b)(7)(C) will attend the sentencing hearing for (b) (6), (b)(7)(C), who is scheduled to appear before Magistrate Judge (b) (6), (b)(7)(C), U.S. District Court, MDPA. (b) (6), (b)(7)(C) previously admitted to the theft and fraudulent use of FLEET credit cards assigned to GSA vehicles at the Lebanon VA Hospital. (MDPA/WEX Fraud/I1233413)

Atlanta (JI-4)

During the week of November 5, 2012, GSA OIG, and Army CID (MPFU) SAs plan to conduct additional surveillance, then execute search and arrest warrants in Savannah, Georgia. This case involves an enlisted Army supply officer who is defrauding the military by using the military DODAC to purchase large quantities of items from GSA Advantage and having them delivered to personal residences. (SDG/Theft of GOV Property/I13M4421)



JI Updates

November 2, 2012

Chicago (JI-5)

On November 1, 2012, SA (b) (6), (b) (7)(C) will interview a witness regarding the possible bribery of a GSA national broker. SA (b) (6), (b) (7)(C) will seek cooperation from the witness in the form of (b) (7)(E). This case involves the possible bribery of a GSA national broker in order to win favoritism on being selected for a leased property. (WDMI/Bribery/I1354437)

Kansas City (JI-6)

On November 7, 2012, SAC (b) (6), (b) (7)(C) will attend a Procurement Fraud Working Group meeting at the USAO, Kansas City, MO.

Denver (JI-8)

On November 8, 2012, SA (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), AUSA (b) (6), (b) (7)(C), VA OIG, SBA OIG, and Army CID (MPFU) will meet with the relator pursuant to a qui tam complaint filed in the District of Colorado. The complaint alleges that Diamond Hills Services, Inc. established and operated a fraudulent SDVOB that was awarded federal set aside contracts. (DCO/False Statements/I12D3257)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A) [REDACTED] 11192222)

Auburn (JI-10)

(b) (7)(A) [REDACTED] 10800042)

(b) (7)(A) [REDACTED] 11203367)



JI Updates

November 2, 2012

Internal Operations

Hotline

Hotline Contacts – 49

Hotline Referrals – 1

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures received by the Investigations Operations Division. To date, we have received 93 disclosures.

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: GSA purchased Marathon watches sold on eBay – Fort Bliss, TX

Case Number: I1172279

Case Agent: SA (b) (6), (b)(7)(C)

On October 24, 2012, Staff Sergeant (SSgt) (b) (6), (b)(7)(C) and Sergeant First Class (SFC) (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641, Theft of Government Property. Additionally, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 371, Conspiracy. The case is being prosecuted by AUSA (b) (6), (b)(7)(C) and AUSA (b) (6), (b)(7)(C), Western District of Texas. This is a joint investigation with Army CID MPFU.

BACKGROUND

On January 4, 2011, (b) (6), (b)(7)(C), assistant to the vice-president, Marathon Watch Company (MWC), notified JI-7 a Marathon CSAR 300m chronograph men's wrist watch was currently being sold on eBay. (b) (6), (b)(7)(C) stated the watch advertised on eBay displayed the serial number (s/n) 1162 and the s/n was part of a shipment of 85 watches to Fort Bliss, TX. The watches were purchased through GSA MAS Contract No. GS-14F-0027K with MWC. GSA was billed \$111,078 for the eighty-five watches and subsequently billed an Army unit at Fort Bliss, TX, for \$1,515.89 per watch for a total of \$128,850.65.

On January 20, 2011, JI-7 conducted an undercover operation resulting in a controlled purchase of one Marathon Watch, s/n 1160, from (b) (6), (b)(7)(C). On February 19, 2011, a controlled purchase was made of one Marathon Watch, Serial Number 1186, from eBay seller identified as "be4uc1910" via an eBay auction. The eBay user profile and PayPal account were verified as belonging to (b) (6), (b)(7)(C). The watch, s/n 1186, was confirmed to be part of the order placed by SSgt (b) (6), (b)(7)(C) on November 25, 2010.

On July 6, 2011, SSgt (b) (6), (b)(7)(C) admitted (b) (6), (b)(7)(C) had lied during a previous interview regarding (b) (6), (b)(7)(C)'s knowledge regarding the Marathon watches. (b) (6), (b)(7)(C) said (b) (6), (b)(7)(C) was approached by SSgt (b) (6), (b)(7)(C) who instructed (b) (6), (b)(7)(C) on how to place the order in the Army Property Book Unit Enhanced Supply System. (b) (6), (b)(7)(C) explained how to subsequently alter the information in the system to conceal the nature of the items ordered and prevent the unit command from learning of the orders. (b) (6), (b)(7)(C) stated upon receipt of the shipment (b) (6), (b)(7)(C) met with (b) (6), (b)(7)(C) and provided them approximately half of the watch shipment. (b) (6), (b)(7)(C) also provided three or four Marathon watches to (b) (6), (b)(7)(C). JI-7 has identified 175 Marathon watches that were fraudulently ordered, which resulted in an approximate loss to the Government of \$265,000.00.

On October 19, 2011, SSgt (b) (6), (b)(7)(C), SSgt (b) (6), (b)(7)(C), First Sergeant (1Sgt) (b) (6), (b)(7)(C), and 1Sgt (b) (6), (b)(7)(C) were indicted for violating 18 USC 371 and 18 USC 641.

On June 18, 2012, 1Sgt (b) (6), (b)(7)(C) and 1Sgt (b) (6), (b)(7)(C) each pled guilty to violating 18 USC 641.

On June 20, 2012, SFC (b) (6), (b)(7)(C) was indicted for violating 18 USC 371 and 18 USC 641.

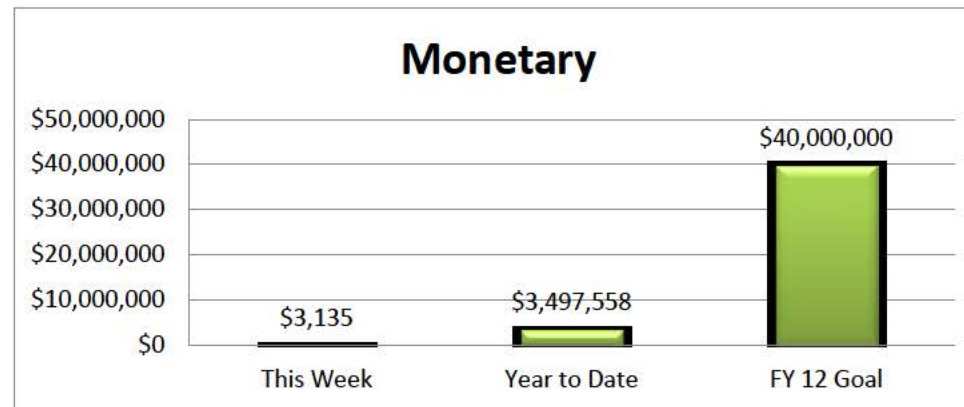
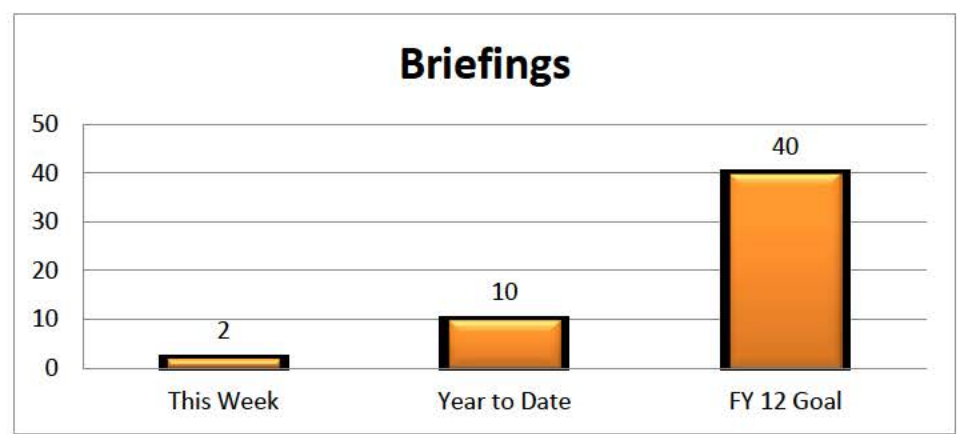
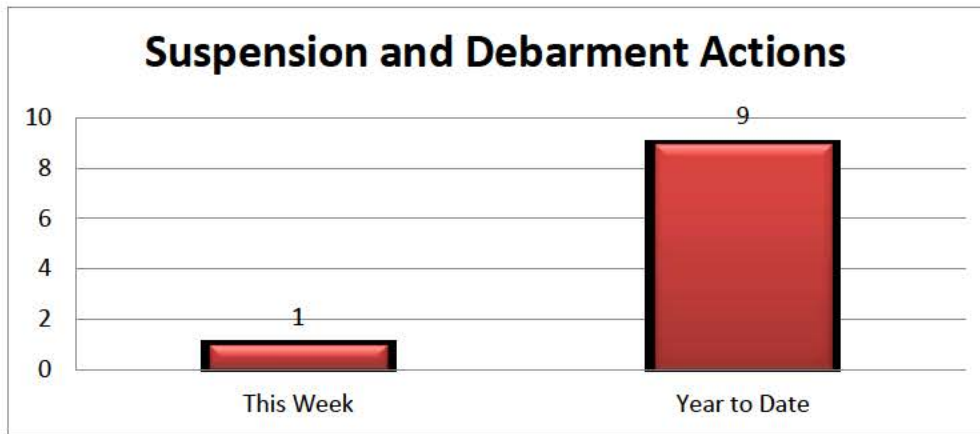
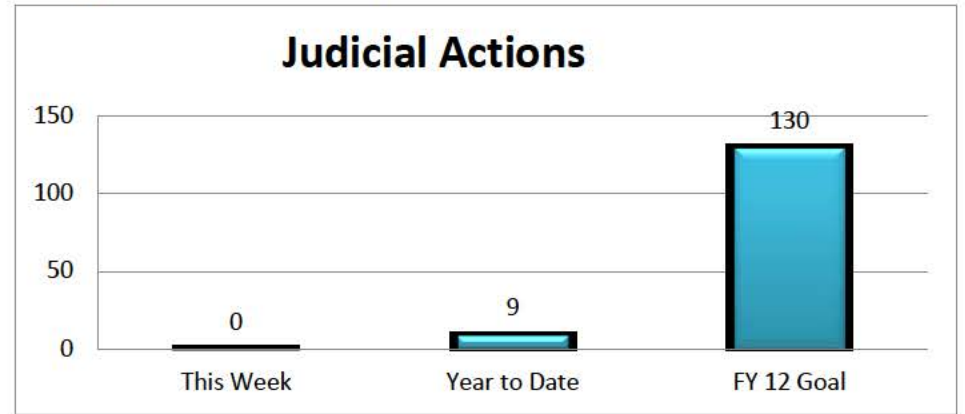
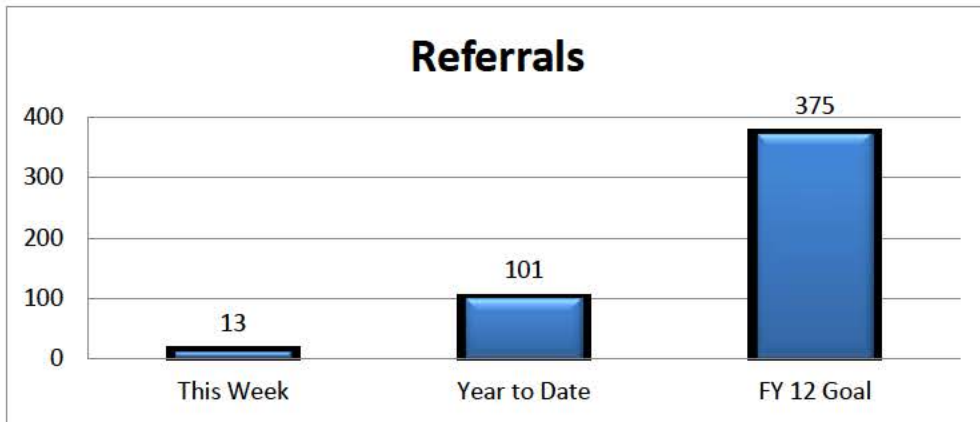
On August 1, 2012, SSgt (b) (6), (b)(7)(C) pled guilty to violating 18 USC 641.

(b) (6), (b)(7)(C)

Special Agent In Charge
GSA/Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102

(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 2, 2012 - NOVEMBER 8, 2012





JI Updates

November 9, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

During the week of November 13, 2012, SA (b) (6), (b)(7)(C) will execute a search warrant with Prince William County Police (VA) at the residence of (b) (6), (b)(7)(C) for weapons. If weapons are recovered, Prince William County Police will arrest (b) (6), (b)(7)(C). At that time, U.S. Probation will be notified and will contact the Federal Magistrate Judge to revoke (b) (6), (b)(7)(C)'s federal bond. (b) (6), (b)(7)(C) was convicted in September for two felonies (stalking and theft) and is scheduled to be sentenced in December. SA (b) (6), (b)(7)(C) received information that (b) (6), (b)(7)(C) retained a weapon after being informed by (b) (6), (b)(7)(C) Probation Officer and (b) (6), (b)(7)(C) attorney that (b) (6), (b)(7)(C) is legally prohibited from having access to firearms. (EDVA/Theft/I11W2926)

On November 19, 2012, (b) (6), (b)(7)(C), former Executive Vice President of (b) (6), (b)(7)(C), will be sentenced by U.S. District Court (b) (6), (b)(7)(C), in the District of Columbia, for (b) (6), (b)(7)(C) involvement in a conspiracy to commit wire fraud. (b) (6), (b)(7)(C) conspired with (b) (6), (b)(7)(C), Executive Vice President, Med Trends Inc., to defraud the federal government by submitting fraudulent past performance information to GSA. The false information submitted to GSA resulted in Med Trends Inc. being awarded approximately \$17 million in federal contracts. (WDC/Fraud/I11W2162)

Boston (JI-1)

(b) (7)(A)
[Redacted]
[Redacted] d/I1010592)

During the week of November 12, 2012, SA (b) (6), (b)(7)(C) will be conducting surveillance of several gas stations in conjunction with Amtrak OIG SAs to attempt to identify subject(s) fraudulently using Fleet cards assigned to Amtrak in Massachusetts and Rhode Island. (DMA/Fleet/Z1213964)

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

(b) (7)(A)
[Redacted]
[Redacted] I1030806)



JI Updates

November 9, 2012

Atlanta (JI-4)

During the week of November 12, 2012, GSA OIG and Army MPFU SAs will travel to Savannah, GA to meet with (b) (6), (b)(7)(C), AUSA, SDG, and the Honorable (b) (6), (b)(7)(C), U.S. Magistrate Judge, in order to provide search warrant returns in relation to the (b) (6), (b)(7)(C) case. The SAs will also conduct additional interviews and investigative activity. This case involves an enlisted Army supply officer who defrauded the U.S. Army by using the military DODAAC to purchase large quantities of luxury electronics, copper bars and other miscellaneous items from GSA Advantage and having them shipped to (b) (6), (b)(7)(C) personal residence (SDG/Theft of GOV Property/I13M4421)

Chicago (JI-5)

During the week of November 11, 2012, SA (b) (6), (b)(7)(C) will attempt to (b) (7)(E) (b) (6), (b)(7)(C) between the cooperator and subject of the investigation. This case involves the possible bribery of a GSA national broker in order to win favoritism on being selected for a leased property. (WDMI/Bribery/I1354437)

On November 15, 2012, SA (b) (6), (b)(7)(C) and SA (b) (6), (b)(7)(C) will interview a subject regarding the submission of fraudulent travel invoices to the GSA. SA (b) (6), (b)(7)(C) will then seek cooperation and attempt a (b) (7)(E) (b) (6), (b)(7)(C) between two subjects under investigation. (SDIL/False Claims/I1354401)

Kansas City (JI-6)

(b) (7)(A)

(b) (7)(A) 040114)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)

(I1192222)



JI Updates

November 9, 2012

(b) (7)(A)

(b) (7)(A) (111L2847)

Auburn (JI-10)

(b) (7)(A)

(b) (7)(A) (1102814)

On November 13, 2012, SA (b) (6), (b)(7)(C) will testify at the UCMJ Article 32 hearing involving an active duty (b) (6), (b)(7)(C). The SGT previously admitted to (b) (6), (b)(7)(C) involvement in the fraudulent use of multiple FLEET cards assigned to Joint Base Lewis-McChord. (WDWA/FLEET Card Fraud/I1203106)

Internal Operations

Hotline

Hotline Contacts – 63

Hotline Referrals – 10

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

The Investigations Operations Division received four new disclosures this week from (b) (7)(D) (b) (7)(D), and two from (b) (7)(D). To date, we have received a total of 97 disclosures.

Suspension & Debarment

On November 16, 2012, SA (b) (6), (b)(7)(C) will attend the 2012 Suspension and Debarment Workshop in Alexandria, VA, hosted by the CIGIE Suspension and Debarment Working Group and the Interagency Suspension and Debarment Committee.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: Salvaged Vehicles – Title Washing

Case Number: I1070847

Case Agent: SA (b) (6), (b)(7)(C)

On October 10, 2012, U.S. District Court Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) to 5 years of probation, restitution of \$3,925, fines of \$2,000 and a \$200 special assessment. (b) (6), (b)(7)(C) previously plead guilty to violating 18 USC 1341, Mail Fraud, 18 USC 2, Aiding and Abetting, and 18 USC 554, Smuggling Goods Outside the U.S. (b) (6), (b)(7)(C) was sentenced in the District of New Jersey after (b) (6), (b)(7)(C) consented to have the case was transferred from the Western District of Texas. AUSA (b) (6), (b)(7)(C) prosecuted the case against (b) (6), (b)(7)(C). The investigation was worked jointly with the FBI, US Postal Inspection Service, and Texas Department of Public Safety.

BACKGROUND

On August 18, 2010, (b) (6), (b)(7)(C), Deputy Director, Fleet Management Division, notified JI-7 that (b) (6), (b)(7)(C) office received information that salvaged vehicles being sold at GSA auctions as not for highway use, were obtaining clear titles through fraudulent means. Our office worked with the participating agencies to identify GSA salvaged vehicles being sold that later had clear titles. It was alleged that between June 2009 and October 2010, the defendants, were associated with obtaining over 600 fraudulent vehicle titles issued by the Texas Department of Motor Vehicles.

On November 3, 2010, (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were indicted by a grand jury in the Western District of Texas. (b) (6), (b)(7)(C) of San Antonio, was indicted on 11 counts of mail fraud and aiding and abetting. (b) (6), (b)(7)(C) of Swedesboro, New Jersey, was indicted on four counts of mail fraud and aiding and abetting, and one count of smuggling goods from the US. (b) (6), (b)(7)(C) of San Antonio, was indicted on two counts of mail fraud and aiding and abetting. (b) (6), (b)(7)(C) of Sayerville, New Jersey, was indicted on three counts of mail fraud and aiding and abetting. (b) (6), (b)(7)(C) of Rowlett, Texas, was indicted on two counts of mail fraud and aiding and abetting.

On December 7, 2010, (b) (6), (b)(7)(C) consented to enter a guilty plea and transfer (b) (6), (b)(7)(C) case from the Western District of Texas to the District of New Jersey. On December 16, 2010, (b) (6), (b)(7)(C) entered a guilty plea before U.S. District Court Judge (b) (6), (b)(7)(C) to mail fraud, aiding and abetting, and smuggling goods from the US.

On September 21, 2011, a federal jury in the Western District of Texas convicted (b) (6), (b)(7)(C) of two counts of mail fraud for knowingly receiving two fraudulently obtained Texas vehicle titles. Co-defendants (b) (6), (b)(7)(C), had previously pled guilty. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) were sentenced in 2011.

On December 9, 2011, the amended judgment was filed in the November 8 sentencing of (b) (6), (b)(7)(C) by U.S. District Court (b) (6), (b)(7)(C) was sentenced to 18 months of imprisonment, 3 years supervised release, and ordered to pay \$66,174 in restitution jointly and severally with (b) (6), (b)(7)(C). On November 15, 2011, (b) (6), (b)(7)(C) was sentenced to 3 years of probation by Judge (b) (6), (b)(7)(C). On October 25, (b) (6), (b)(7)(C) was sentenced to 5 years of probation by Judge (b) (6), (b)(7)(C).

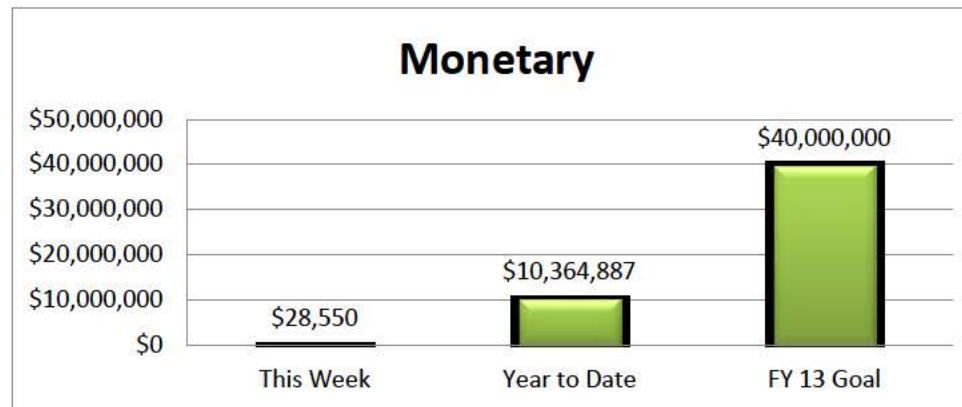
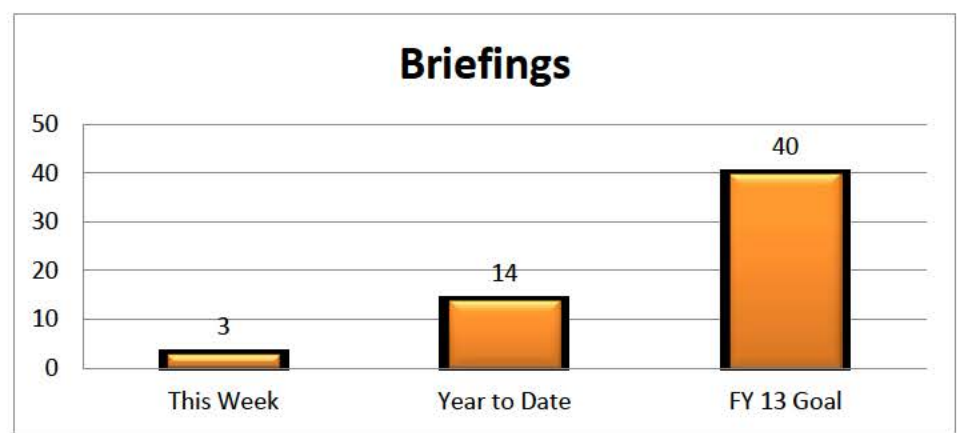
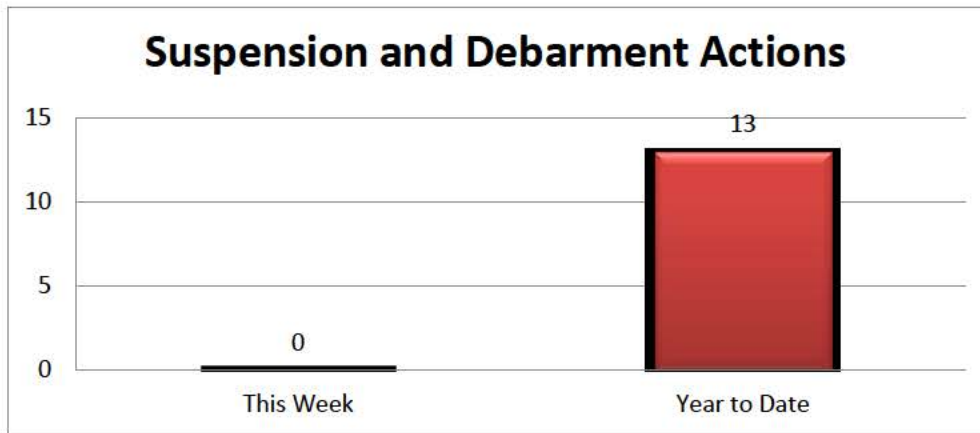
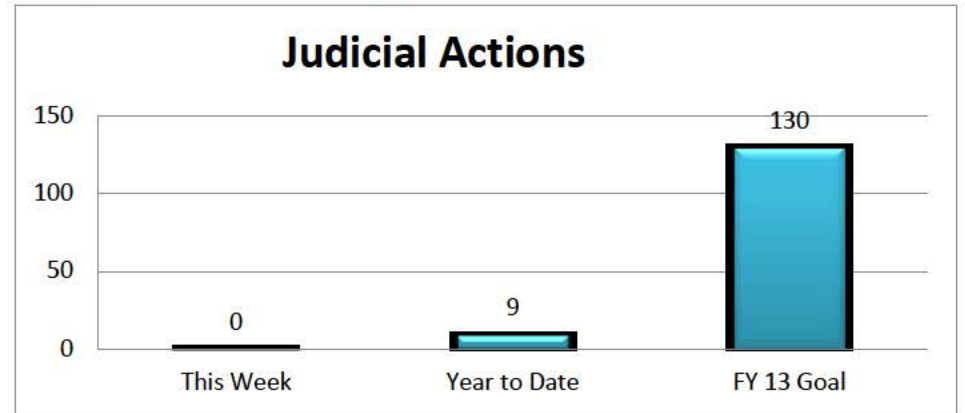
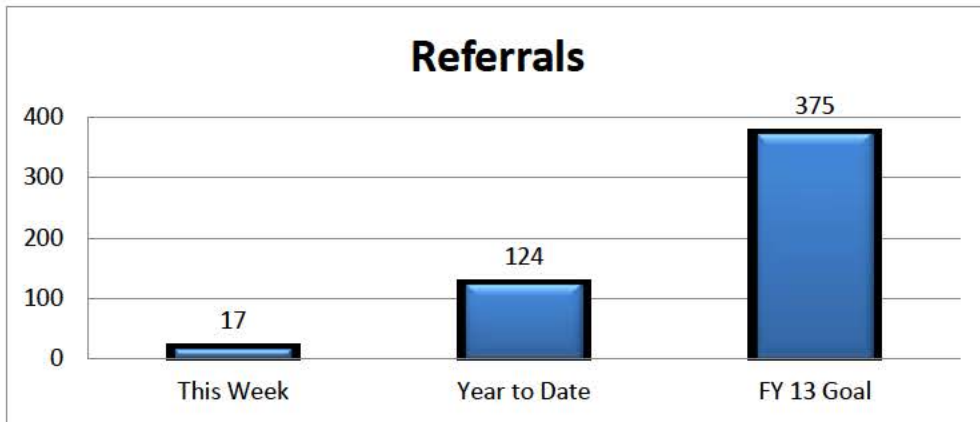
Additionally, the Court ordered (b) (6), (b)(7)(C) to pay \$79,559 in restitution jointly and severally with (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C).

On January 10, 2012, U.S. District Court Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to 24 months of imprisonment, and 3 years supervised release. The court ordered (b) (6), (b)(7)(C) to pay \$356.54 in restitution and a \$200.00 special assessment. (b) (6), (b)(7)(C) was ordered to surrender (b) (6), (b)(7)(C) by March 12, 2012. AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), Western District of Texas, prosecuted this case.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 9, 2012 - NOVEMBER 15, 2012





JI Updates

November 16, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On November 19, 2012, (b) (6), (b)(7)(C), former Executive Vice President of Med Trends Inc., will be sentenced by U.S. District Court Judge (b) (6), (b)(7)(C), in the District of Columbia, for (b) (6), (b)(7)(C) involvement in a conspiracy to commit wire fraud. (b) (6), (b)(7)(C) conspired with (b) (6), (b)(7)(C), Executive Vice President, Med Trends Inc., to defraud the federal government by submitting fraudulent past performance information to GSA. The false information submitted to GSA resulted in Med Trends Inc. being awarded \$17 million in federal contracts. (WDC/Fraud/I11W2162)

Boston (JI-1)

(b) (7)(A)

/I1314466)

(b) (7)(A)

213767)

New York (JI-2)

On November 16, 2012, ASAC (b) (6), (b)(7)(C) and the investigative team will conduct a proffer interview of (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) HJ Enterprises, LLC (HJ) at the USAO DNJ. The interview will focus on allegations that HJ falsely represented themselves as a service disabled veteran owned small business in order to obtain federal and state contracts. (DNJ/False Statements/I1020746)

On November 20, 2012, SA (b) (6), (b)(7)(C) will attend the sentencing for (b) (6), (b)(7)(C) former Principal in Charge of Bovis' New York Office, at the USDC EDNY. Previously on April 24, 2012, (b) (6), (b)(7)(C) pled guilty to an Information charging (b) (6), (b)(7)(C) with violating 18 U.S.C. 1341, Wire Fraud. (b) (6), (b)(7)(C) played a critical role in Bovis' scheme to over-bill federal, state and private customers on construction projects throughout the New York City metropolitan area by inflating foreman overtime hours. (EDNY/False Claims/I0920875)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

Nothing significant to report



JI Updates

November 16, 2012

Chicago (JI-5)

During the week of November 19, 2012, SA [REDACTED] will perform a Group III, Casual Undercover Activity, involving the meeting of potential lessors for a market survey requested by the CBP. This case involves the possible bribery of a GSA national broker in order to win favoritism on being selected for a leased property. (WDMI/Bribery/I1354437)

(b) (7)(A)

[REDACTED] (0950658)

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 52

Hotline Referrals – 0

Investigations

Director [REDACTED] and SCIA [REDACTED] will meet with SAUSA [REDACTED] at the USAO EDVA concerning the [REDACTED]



JI Updates

November 16, 2012

ARRA

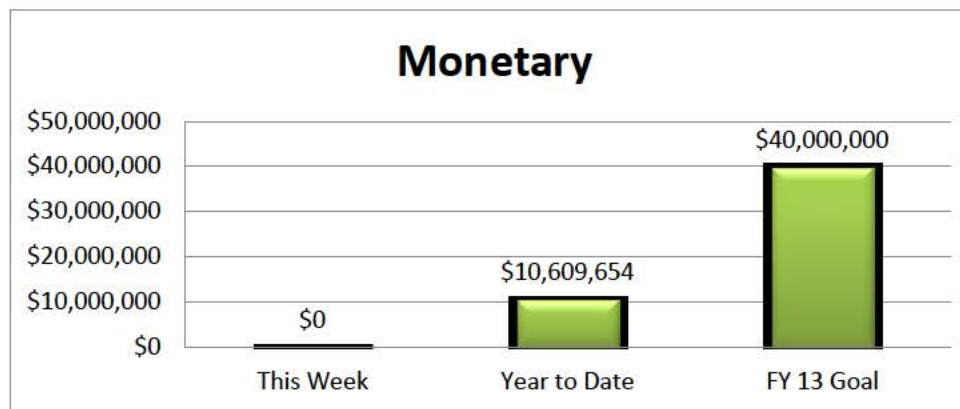
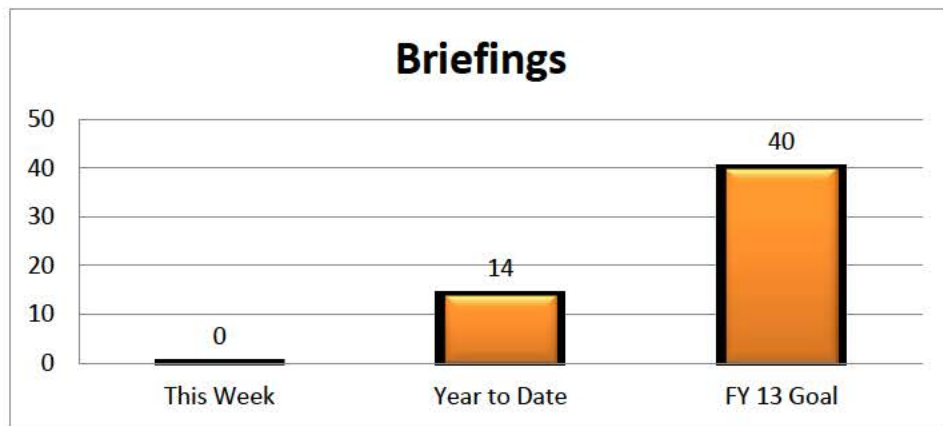
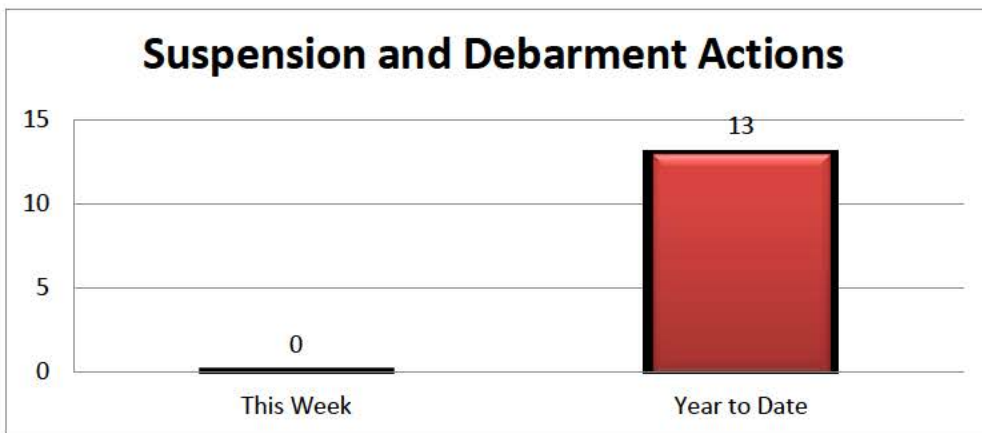
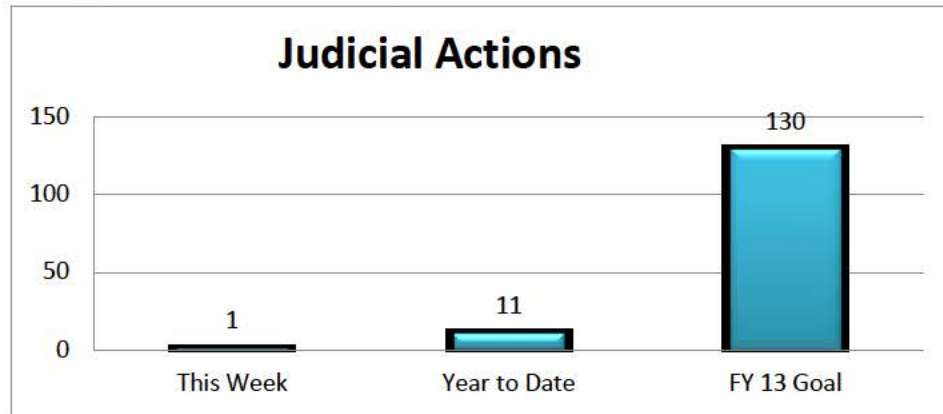
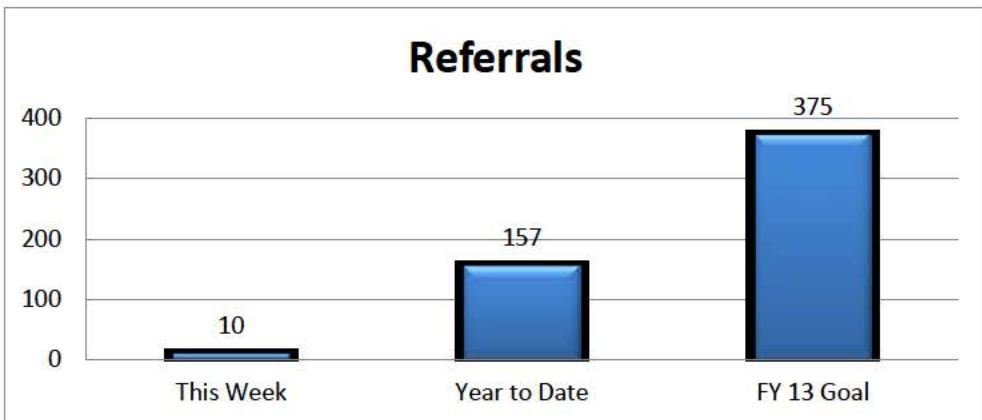
JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 97 disclosures.

Law Enforcement Sensitive

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 23, 2012 - NOVEMBER 29, 2012





JI Updates

November 30, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On December 10, 2012, Inspector General Brian Miller will be in Newport News, VA, to present an IG Award, recognizing the individuals responsible for the prosecution of (b) (6), (b)(7)(C) - (b) (6), (b)(7)(C). They were convicted for their part in a \$300,000 Fleet credit card fraud scheme. The individuals to be recognized are AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), Hampton PD, and SA (b) (6), (b)(7)(C), FBI.

Boston (JI-1)

(b) (7)(A)

On November 30, 2012, SA (b) (6), (b)(7)(C) and VA OIG SAs will attempt to interview a subject for fraudulently using a Fleet card assigned to the VA Hospital, Bedford, MA. (DMA/Fleet/11314466)

During the week of December 3, 2012, SA (b) (6), (b) will conduct investigative interviews in Burlington, VT, concerning potential SDVOSB Fraud. This investigation was initiated based on information received from GSA PBS, New England Region. (DVT/Fraud/11213212)

New York (JI-2)

On December 3, 2012, SA (b) (6), (b)(7)(C) will graduate from CITP at FLETC.

On December 6, 2012, SA (b) (6), (b)(7)(C) will assist JI-W with search warrant operations.

Philadelphia (JI-3)

(b) (7)(A)

(11334147)

(b) (7)(A)

(1030806)



JI Updates

November 30, 2012

On December 6, 2012, SAs (b) (6), (b)(7)(C) will assist JI-W with search warrant operations.

Atlanta (JI-4)

On December 6, 2012, SAC (b) (6) will travel to Washington, D.C. to attend a meeting with representatives of SAIC at DOJ Headquarters. SAIC was the sole contractor under a GSA BPA performing test and evaluation projects for various DOD agencies. (b) (6), (b) (7), through a fictitious DOD entity named Trusted Agent, participated in the GSA BPA as an independent COTR for the original BPA and subsequent task orders awarded to SAIC under the BPA. SAIC was paid approximately \$12 million over 3 years under this GSA BPA. (MDFL/DOJ (b) (6) False Claims Act/I0940681)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

/I040114)

During the week of December 3, 2012, it is anticipated that Caddell Construction will sign a non-prosecution agreement with DOJ, pursuant to the Mountain Chief Management Services investigation. As part of this agreement, Caddell will pay \$2 million in criminal restitution. Caddell used Mountain Chief, a minority, to fraudulently claim money under certain government incentive programs. (DOJ/Major Fraud/I0960379)

Denver (JI-8)

(b) (7)(A)

H12D4360)

Dallas/FT Worth (JI-7)

On December 5, 2012, First Sergeant (b) (6), (b)(7)(C) and First Sergeant (b) (6), (b)(7)(C) will be sentenced for violating 18 USC 641, Theft of Government Property. The case was initiated based on information from Marathon Watch Company, Ltd regarding the eBay sales of Marathon watches purchased under a GSA MAS contract, GS-14F-0027K. (WDTX/Theft/I1172279)



JI Updates

November 30, 2012

San Francisco (JI-9)

(b) (7)(A)

Z1293314)

Auburn (JI-10)

On December 5, 2012, JI-10 SAs will interview a subject involved with the fraudulent use of FLEET cards assigned to the Navy Recruiting District, Seattle, WA. (WDWA/FLEET Card Fraud/I1304500)

Internal Operations

Hotline

Hotline Contacts – 41

Hotline Referrals – 11

Investigations

Nothing significant to report

ARRA

(b) (7)(A)

I12W3895)

JI-B

FAR

Three new disclosures were received from (b) (7)(D). All involve compliance issues with the Price Reduction Clause of their GSA contracts resulting in overpayments by the government. To date, the Investigations Operations Division has received 100 disclosures.

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

Case Title: (b) (7)(A)
Case Number: 111-02814
Case Agent: SA (b) (6), (b)(7)(C)

On November 13, 2012, in the United States District Court for the Eastern District of Washington (Yakima), (b) (6), (b) (7)(C) was sentenced to 30 days imprisonment and ordered to pay \$24,000 in restitution for violating 18 USC 641, Theft of Government Funds.

The case was prosecuted by AUSAs (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C).

BACKGROUND:

This investigation was predicated on the suspected fraudulent use of the FLEET card assigned to G63 0582H, leased to the Bureau of Indian Affairs, Yakama Agency, Forestry Management, Toppenish, WA. The fraudulent use was identified through JI-10 investigation I10-00875. During I10-00875, a JI-10 (b) (7)(E) where fraudulent transactions were being conducted with other FLEET cards assigned to the Yakama Indian Nation (YIN). Based on reviews of (b) (7)(E), the case agent identified that the FLEET card assigned to G63 0582H was being used to fuel privately-owned vehicles.

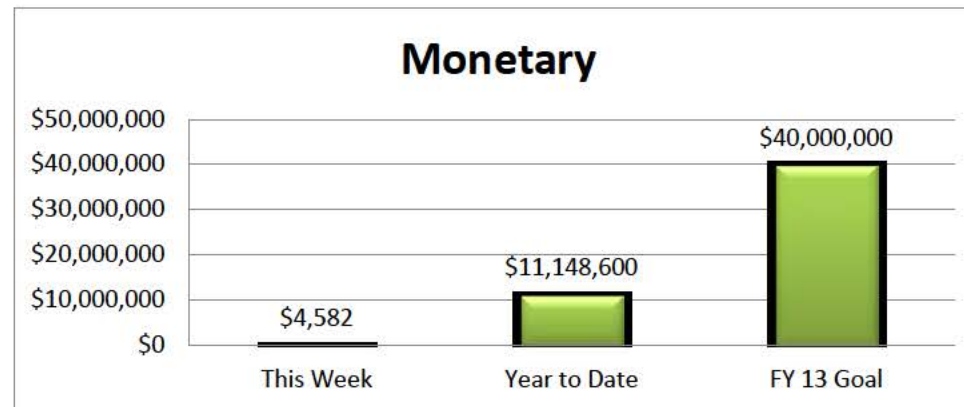
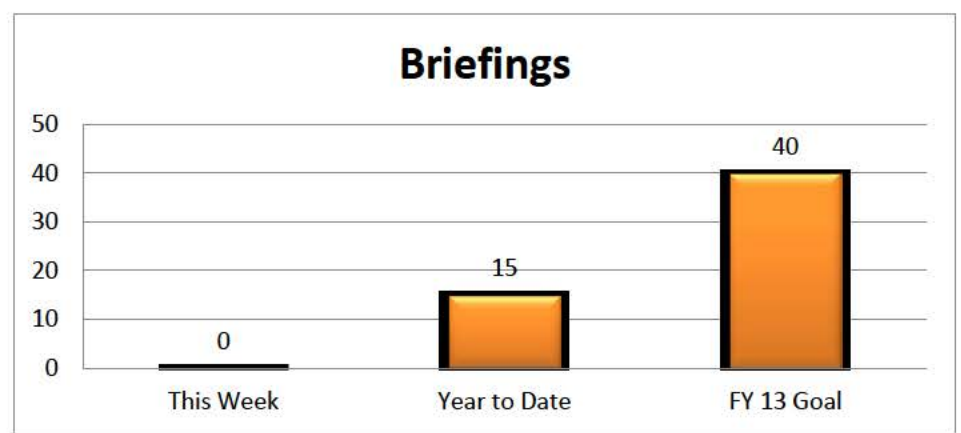
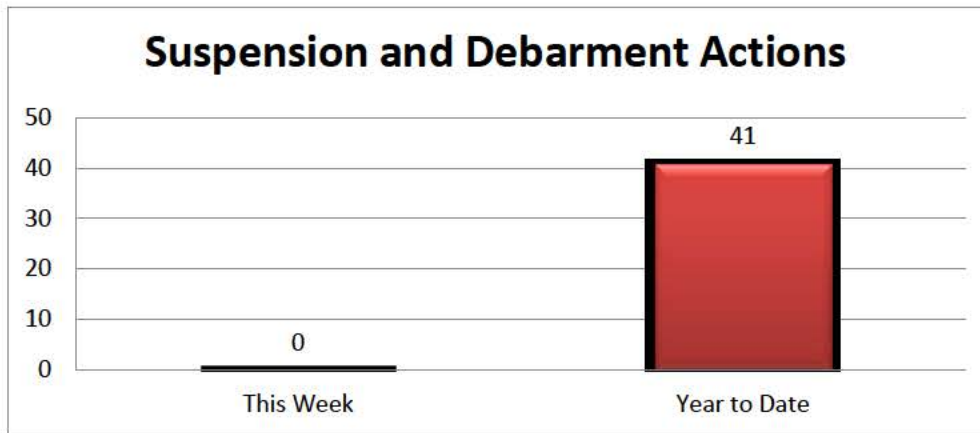
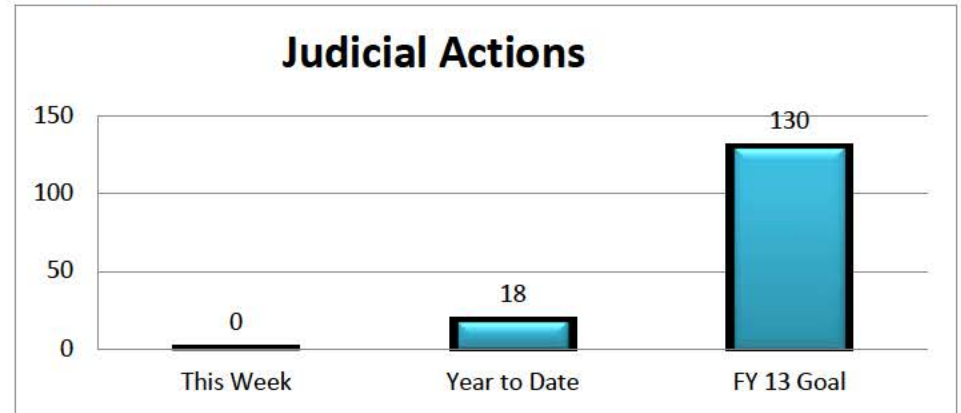
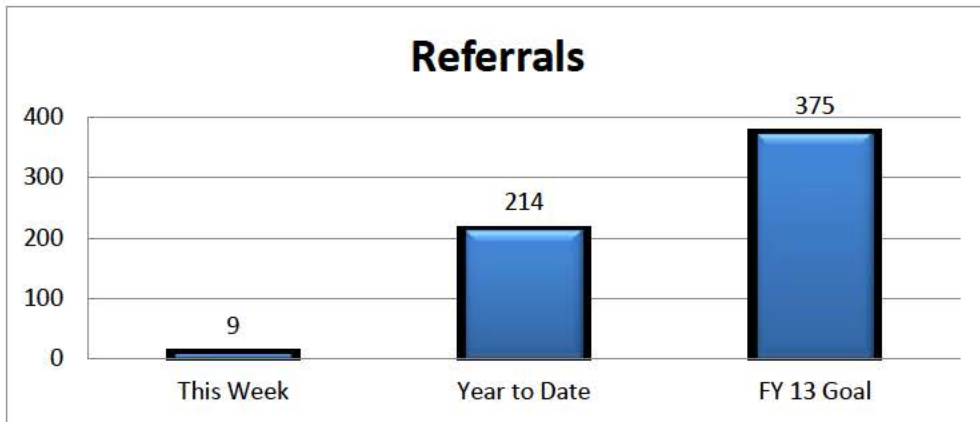
JI-10 agents later identified (b) (6), (b) (7)(C) a former YIN employee, as the subject of the investigation. JI-10 agents conducted surveillance operations, obtained store surveillance video, interviewed witnesses, and ultimately interviewed Strong to confirm the fraudulent activity. During the interview, (b) (6), (b) (7) confessed and provided a sworn statement admitting to the fraudulent use.

The investigation revealed (b) (6), (b) (7) fraudulently used multiple FLEET cards to rack up approximately \$24,000 charges between February 2008 and May 2011.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b)(7)(C)

(b) (6), (b)(7)(C)
Special Agent-In-Charge
Office of Inspector General
General Services Administration
Auburn, WA
(b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - DECEMBER 14, 2012 - DECEMBER 20, 2012





JI Updates

December 21, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On December 21, 2012, SA (b) (6), (b) (7)(C), FBI, and EDVA AUSA (b) (6), (b) (7)(C) will participate in a proffer session with (b) (6), (b) (7)(C), Persaud Companies, Inc., and (b) (6), (b) (7)(C) defense counsel, to discuss (b) (6), (b) (7)(C) criminal exposure relating to financial loss and information (b) (6), (b) (7)(C) may have relating to other criminal activity. The investigation originated from a qui-tam alleging (b) (6), (b) (7)(C) had fraudulently inflated contracts in order to maximize (b) (6), (b) (7)(C) company's profit. (EDVA/Criminal/111W2304)

(b) (7)(A)

(WDC/False Claims/111W2425)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

On December 21, 2012, SA (b) (6), (b) (7)(C) is scheduled to attend a change of plea hearing by (b) (6), (b) (7)(C) at the Miami Dade County Circuit Court. This case involves a ponzi scheme where (b) (6), (b) (7)(C) falsified GSA Certificates to Obtain Titles for excess GOV's and modified them to reflect the information of privately or bank owned luxury vessels, vehicles and real estate. (b) (6), (b) (7)(C) then advertised and sold these luxury items to unsuspecting buyers without ever providing the product. (MDSAO/Forgery/Grand Theft/110M0368).

During the week of January 7th, 2012, GSA OIG and Army MPFU SAs will travel to Savannah, GA to attend initial hearings in the Southern District of Georgia (SDG) for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). The SAs will also meet with (b) (6), (b) (7)(C), AUSA, SDG, and conduct additional investigative activity. This case involves (b) (6), (b) (7)(C) an enlisted Army supply officer and (b) (6), (b) (7)(C) who defrauded the U.S. Army by using the military DODAAC to purchase large quantities of luxury electronics, copper bars, and other miscellaneous items from GSA Advantage and having them shipped to their personal residence. (SDG/Theft of GOV Property/113M4421)



JI Updates

December 21, 2012

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

During the week of December 24, 2012, it is anticipated that Caddell Construction will sign a non-prosecution agreement with Main Justice, pursuant to our Mountain Chief Management Services investigation. As part of this agreement, Caddell will pay \$2 million dollars in criminal restitution. Caddell used Mountain Chief, a minority, to fraudulently claim money under certain government incentive programs. Afterward, it is anticipated that Main Justice will then pursue civil restitution. (Main Justice/Major Fraud/10960379)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 62

Hotline Referrals – 12

Investigations

Nothing significant to report

ARRA

Nothing significant to report

No statistical changes

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 113H4456
Case Agent: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C,
and Branch Chief (b) (6), (b)(7)(C), JIB-C

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

(b) (6), (b)(7)(C)
Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: VA Medical Center, Bay Pines, Florida, FLEET Fraud; (b) (6), (b)(7)(C)
Oneal
Case #: I12M4239
Case Agent: ASAC (b) (6), (b)(7)(C)

On November 13, 2012, (b) (6), (b)(7)(C) appeared before the Honorable (b) (6), (b)(7)(C) U.S. Magistrate Judge, MDFL, and pled guilty to the Information. (b) (6), (b)(7)(C) pled guilty to one count of 18 USC 641, Theft of Government Property/Funds, and one count of 18 USC 1029(a)(2), Using and trafficking in one or more unauthorized access devices with the intent to defraud.

This case was investigated by GSA OIG and VA OIG. This case was prosecuted by AUSA (b) (6), (b)(7)(C), MDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back and over the tank transactions for a FLEET card assigned to the VA Medical Center (VAMC) in Bay Pines, Florida.

The GSA OIG and the VA OIG conducted an investigation into possible FLEET fraud related to GSA vehicles assigned to the VAMC, Bay Pines, Florida. Agents conducted surveillance operations and collected video from gasoline stations which helped identify (b) (6), (b)(7)(C) as the VA employee who was fraudulently using the FLEET card.

On August 16, 2012, (b) (6), (b)(7)(C) was arrested for violations of 18 USC 641, Theft of Government Property/Funds and 18 U.S.C. 1029(a)(2), Using and trafficking in one or more unauthorized access devices with the intent to defraud. During the arrest, agents recovered the GSA issued FLEET credit card in (b) (6), (b)(7)(C) possession.

On October 15, 2012, Information was filed against (b) (6), (b)(7)(C) in the MDFL. The Information charged (b) (6), (b)(7)(C) with one count of 18 USC 641, Theft of Government Property/Funds and 18 USC 1029(a)(2), Using and trafficking in one or more unauthorized access devices with the intent to defraud.

For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C)

Case #: I11W2926

Case Agent: SA (b) (6), (b)(7)(C)

On December 14, 2012 (b) (6), (b)(7)(C), former GSA Air Conditioning Equipment Mechanical Leader, appeared before the Honorable (b) (6), (b)(7)(C), U.S. District Court Judge, Eastern District of Virginia (Alexandria), and was sentenced to six months in prison, two years supervised release, and a \$100 special assessment fine.

This case was prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C) Eastern District of Virginia.

BACKGROUND

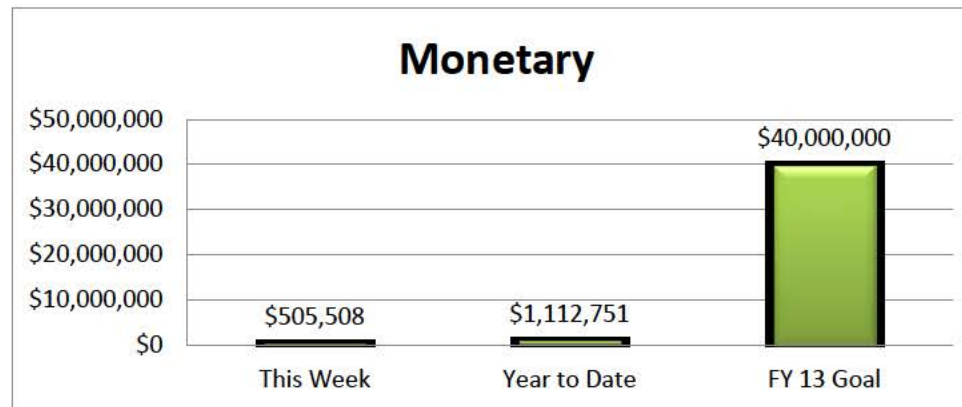
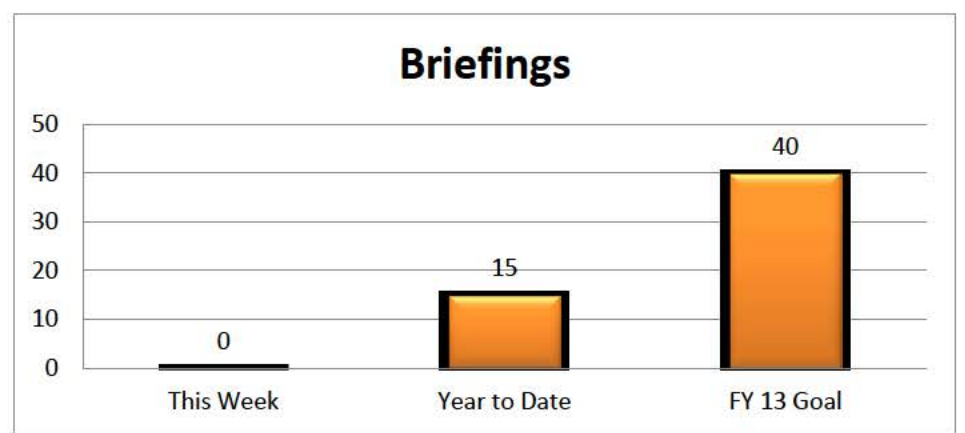
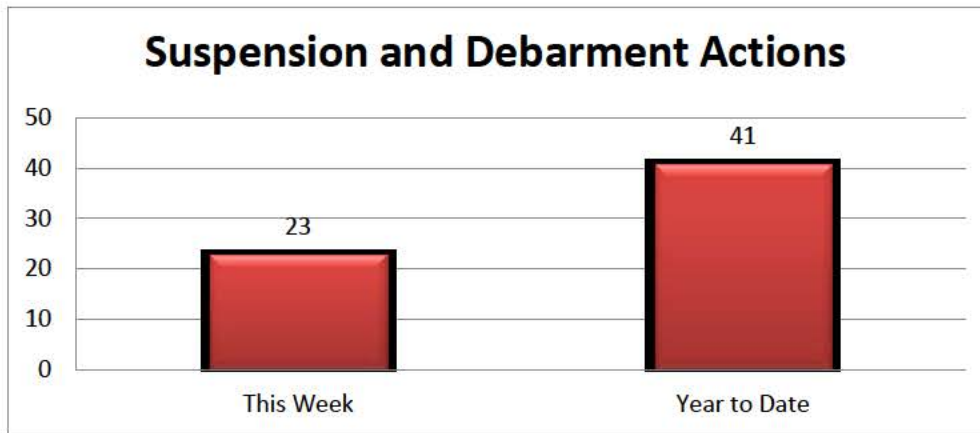
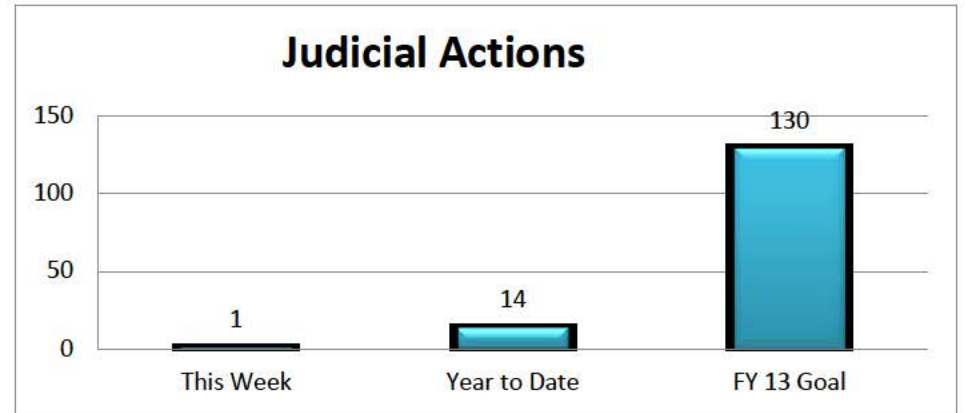
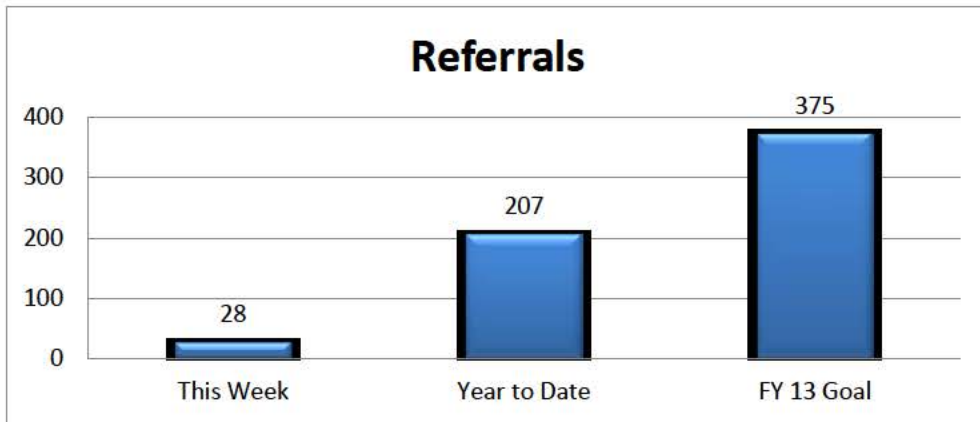
This investigation was initiated based on information received from (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) alleging that (b) (6), (b)(7)(C) was stalking and harassing (b) (6), (b)(7)(C) via interstate wire. (b) (6), (b)(7)(C) was assigned to the White House Service Center as an air conditioning repair technician. (b) (6), (b)(7)(C) was responsible for maintaining the air conditioning units in the east and west wings of the White House. The investigation revealed that (b) (6), (b)(7)(C) threatened (b) (6), (b)(7)(C) former (b) (6), (b)(7)(C) and a friend of (b) (6), (b)(7)(C) who was a Pennsylvania Correctional Officer. (b) (6), (b)(7)(C) also harassed the (b) (6), (b)(7)(C) by sending hundreds of unwanted text messages and phone calls at all hours of the night. Additional investigation revealed that (b) (6), (b)(7)(C) took more than \$10,000 in GSA property (air conditioning units, supplies, and tools). On December 7, 2012, a federal search warrant was executed at (b) (6), (b)(7)(C) farm. Numerous items of stolen GSA property was recovered. (b) (6), (b)(7)(C) White House access was revoked at the time of the search warrant. On September 13, 2012 (b) (6), (b)(7)(C) pled guilty to 47 USC 223 - felony harassment/stalking and 18 USC 641, felony theft of government property.

For information regarding this Signification Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Assistant Special Agent in Charge
US General Services Administration
Office of Inspector General
National Capital Regional Investigations Office

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - DECEMBER 7, 2012 - DECEMBER 13, 2012





JI Updates

December 14, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On December 14, 2012, former GSA employee (b) (6), (b)(7)(C) will appear before U.S. District Court Judge (b) (6), (b)(7)(C) for sentencing. On September 13, 2012, (b) (6), (b)(7)(C) pled guilty to theft of government property and stalking/harassment. (EDVA/Theft/I11W2926)

On December 17, 2012, Deputy Inspector General Bob Erickson will present CIGIE Awards recognizing the team responsible for investigating and prosecuting JDC Networking, Inc. The presentation will be conducted at the U.S. Attorney's Senior Staff Management meeting. The individuals to be recognized are AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), ICE SA (b) (6), (b)(7)(C), and GSA OIG SA (b) (6), (b)(7)(C).

(b) (7)(A)

/I12W3895)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

(b) (7)(A)

/I1020748)

On December 20, 2012, SA (b) (6), (b)(7)(C) will attend the sentencing for (b) (6), (b)(7)(C), former Senior VP and Director of Field Operations of Bovis' New York Office. Previously, (b) (6), (b)(7)(C) pled guilty to an Information charging (b) (6), (b)(7)(C) with violating 18 USC 1349, Conspiracy to Commit Mail and Wire Fraud. (b) (6), (b)(7)(C) played a critical role in Bovis' scheme to over-bill federal, state and private customers on construction projects throughout the New York City metropolitan area by inflating foreman overtime hours. (EDNY/False Claims/I0920875)

Philadelphia (JI-3)

Nothing significant to report



JI Updates

December 14, 2012

Atlanta (JI-4)

(b) (7)(A)

110M0370)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

Nothing significant to report

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

On December 19, 2012, First Sergeant (b) (6), (b)(7)(C) will be sentenced for violating 18 USC 641, Theft of Government Property. The case was initiated based on information from Marathon Watch Company, Ltd regarding the eBay sales of Marathon watches purchased under a GSA MAS contract, GS-14F-0027K. (WDTX/Theft/I1172279)

San Francisco (JI-9)

(b) (7)(A)

/I1292909)

Auburn (JI-10)

On December 20, 2012, Army Sergeant (b) (6), (b)(7)(C) is expected to plead guilty in Military Court to several UCMJ violations, including multiple Larceny counts related to (b) (6), (b)(7)(C) fraudulent use of multiple FLEET cards assigned to Joint Base Lewis-McChord. The investigation revealed that (b) (6), (b)(7)(C) used at least 14 FLEET cards to rack up over \$21,000 in fraudulent charges.

Internal Operations

Hotline

Hotline Contacts – 65



JI Updates

December 14, 2012

Hotline Referrals – 0

Investigations

Nothing significant to report

ARRA

Nothing significant to report

JI-B

FAR

No new disclosures were received. To date, the Investigations Operations Division has received 101 disclosures.

Law Enforcement Sensitive

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: FLEET Fraud-(b) (6), (b)(7)(C)-USMC Recruiting Station Miami, Florida
Case #: I12M3897
Case Agent: SA (b) (6), (b)(7)(C)

On December 7, 2012, (b) (6), (b)(7)(C) appeared before the Honorable (b) (6), (b)(7)(C) U.S. District Judge, SDFL, for a Change of Plea and Sentencing Hearings. (b) (6), (b)(7)(C) pled guilty to the Information, one count of Title 18 USC 641, Theft of Government Property, the value which did not exceed \$1,000.00. Judge (b) (6), (b)(7)(C) sentenced (b) (6), (b)(7)(C) to 3 years probation and ordered (b) (6), (b)(7)(C) to pay \$44,200.00 restitution and \$25.00 special assessment.

This was a joint investigation by GSA OIG and the USSS. This case was prosecuted by AUSA (b) (6), (b)(7)(C), SDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back, over the tank, and diesel transactions for a FLEET card assigned to the U.S. Marine Corps (USMC) Recruiting Command in Plantation, Florida.

The GSA OIG and the USSS conducted an investigation into possible FLEET fraud related to GSA vehicles assigned to the USMC Recruiting Command in Plantation, Florida. GSA OIG and the USSS conducted interviews and surveillance operations that disclosed at least four FLEET cards issued to GSA vehicles assigned to the USMC Recruiting Station in Miami, Florida, were being used fraudulently. GSA OIG agents later identified (b) (6), (b)(7)(C) as one subject fraudulently using re-encoded cards with FLEET account information.

On June 15, 2012, based on a federal arrest warrant obtained by GSA OIG, special agents arrested (b) (6), (b)(7)(C) without incident in Hialeah, Florida for violations of 18 USC 641, Theft of government property/funds. During the arrest, agents recovered three retailer gift cards in (b) (6), (b)(7)(C) possession that were re-encoded with stolen GSA FLEET account information.

The investigation also revealed that (b) (6), (b)(7)(C), a USMC recruiter with access to the FLEET cards, sold the information for FLEET cards assigned to the USMC recruiter's station to (b) (6), (b)(7)(C).

On August 10, 2012, based on a federal arrest warrant, GSA OIG and USSS arrested (b) (6), (b)(7)(C) without incident in Plantation, Florida.

On November 26, 2012, Information was filed against (b) (6), (b)(7)(C) in the SDFL. The Information charged (b) (6), (b)(7)(C) with one count of Title 18, U.S.C., Section 641, Theft of Government Property, the value which did not exceed \$1,000.00.

For information regarding this Signification Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
GSA/Office of the Inspector General
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: MESCALERO APACHE TRIBE – VOYAGER FLEET CREDIT CARD FRAUD
Case Number: I0871220
Case Agent: SA (b) (6), (b)(7)(C)

On December 6, 2012, a criminal complaint was filed in U.S. District Court, District of New Mexico, charging (b) (6), (b)(7)(C), a former employee of the Mescalero Apache Tribe, with violating 18 USC 641, Theft. The complaint was filed before the United States District Court of New Mexico. AUSA (b) (6), (b)(7)(C), District of New Mexico, Las Cruces Branch Office, is prosecuting the case. The investigation was worked with the DOI, Bureau of Indian Affairs.

BACKGROUND

On February 12, 2007, JI-7 received information from (b) (6), (b)(7)(C), GSA Fleet Management Loss Prevention Team, pertaining to the fraudulent use of the Fleet Card assigned to GOVs G63-2891B, G63-2661B, and G63-0417D. (b) (6), (b)(7)(C) informed our office that (b) (6), (b)(7)(C), Crew Boss, Division of Resource Management and Protection, Mescalero Apache Indian Tribe, had provided the information to GSA Fleet Service Representative (b) (6), (b)(7)(C) about the fraudulent charges.

Our office interviewed (b) (6), (b)(7)(C) regarding the fraudulent purchases. (b) (6), (b)(7)(C) stated (b) (6), (b)(7)(C) believed that (b) (6), (b)(7)(C) was responsible for making unauthorized purchases based on the GOVs involved, the dates and times of the charges, and the diesel fuel being purchased. Acting on (b) (6), (b)(7)(C) belief, (b) (6), (b)(7)(C) had reviewed video surveillance and identified (b) (6), (b)(7)(C) purchasing fuel during the same time a fraudulent transaction occurred.

Our office interviewed (b) (6), (b)(7)(C) regarding the fraudulent purchases and (b) (6), (b)(7)(C) admitted to using the Fleet Cards fraudulently to purchase fuel for (b) (6), (b)(7)(C) personal vehicles on numerous occasions. A review of the fraudulent Fleet Card transactional history determined the approximate loss to the government was \$9,183.69.

For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent In Charge
U.S. General Services Administration
Office of the Inspector General
819 Taylor St. Room (b) (6), (b)(7)(C)
Fort Worth, TX 76102
(b) (6), (b)(7)(C)

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: FEMA Trailers - Conversion of Surplus Property

Case Num: I1233117

Case Agent: SA (b) (6), (b)(7)(C)

On December 11, 2012, (b) (6), (b)(7)(C), Foreman, City of Piedmont, WV, surrendered to authorities pursuant to federal indictment charging (b) (6), (b)(7)(C) with six counts of 18 USC 641, Theft of Government Property, and one count of 18 USC 1001, False Statements. (b) (6), (b)(7)(C) was arraigned before U.S. Magistrate Judge (b) (6), (b)(7)(C) in U.S. District Court, Martinsburg, WV, and released on a personal recognizance bond. Trial is scheduled for January 15, 2013.

This case is being prosecuted by AUSA (b) (6), (b)(7)(C), NDWV.

BACKGROUND

This case was initiated in November 2011, when our office received allegations from GSA/Property Management Division, Chicago, IL, concerning the donation of six U.S. Federal Emergency Management Agency (FEMA) trailers to the City of Piedmont, WV. Specifically, our office was informed the West Virginia State Police was investigating several officials from the City of Piedmont for obtaining the FEMA trailers, fraudulently, and converting them to their own personal use. The investigation disclosed three officials, (b) (6), (b)(7)(C), (b) (6), (b)(7)(C) (Deceased), Mayor, City of Piedmont, and (b) (6), (b)(7)(C) (Deceased), Finance Commissioner, City of Piedmont, conspired to purchase the six FEMA trailers, valued at \$18,500.00 each, from the West Virginia State Agency for Surplus Property (WVSASP) for \$1,000 each. The investigation further disclosed the FEMA trailers were not put to use pursuant to the WVSASP agreement for the purchase of surplus property, but converted for the personal use of the three officials and two other City of Piedmont residents. During the period of restriction for the FEMA trailers, (b) (6), (b)(7)(C) told and certified to an Inspector from the West Virginia Division of Administration that the FEMA trailers were being used for an approved use by the City of Piedmont.

This is a joint investigation with the West Virginia State Police.

For information regarding this Signification Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Special Agent in Charge

GSA Office of Inspector General

Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

600 Arch St., Room (b) (6), (b)(7)(C)

Philadelphia, PA 19106

P (b) (6), (b)(7)(C) | F: (215)861-3560

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: 112H3405
Case Agent: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C,
and Branch Chief (b) (6), (b)(7)(C), JIB-C

(b) (7)(D)

BACKGROUND

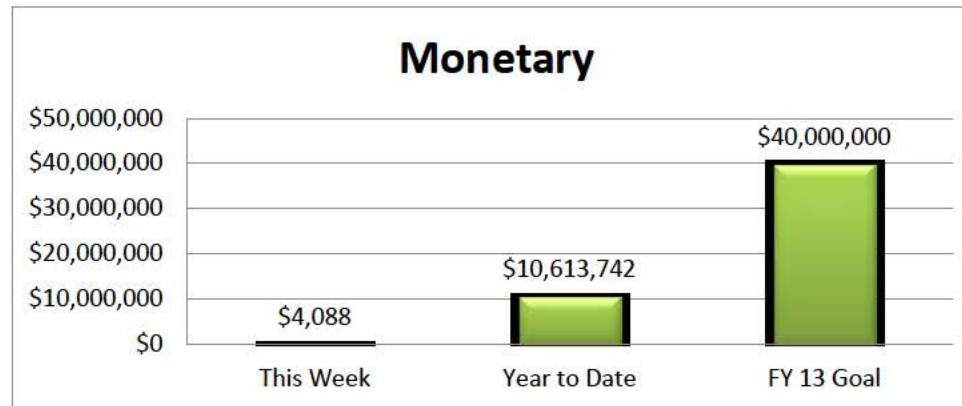
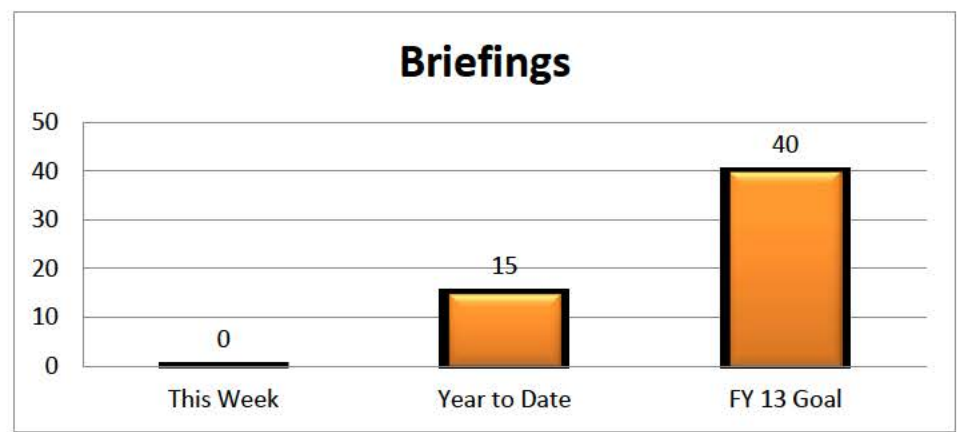
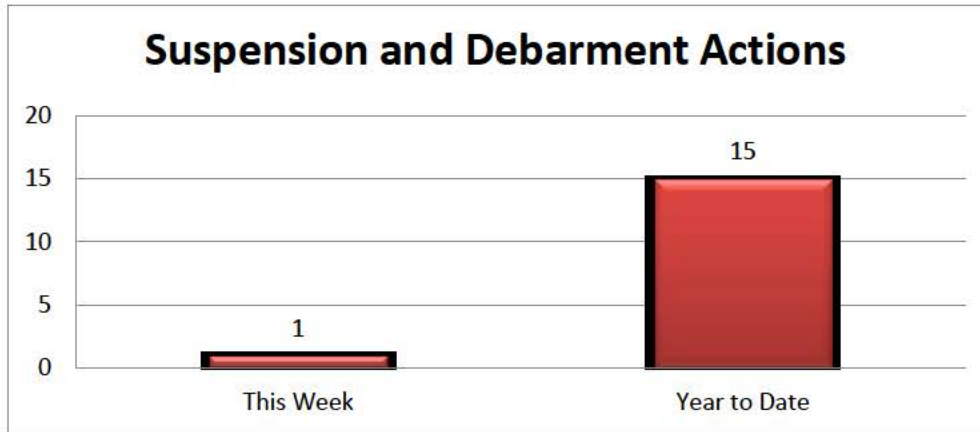
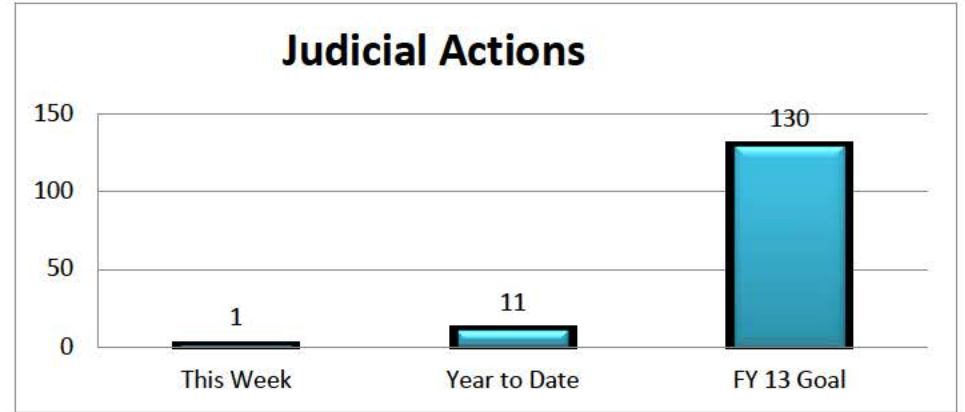
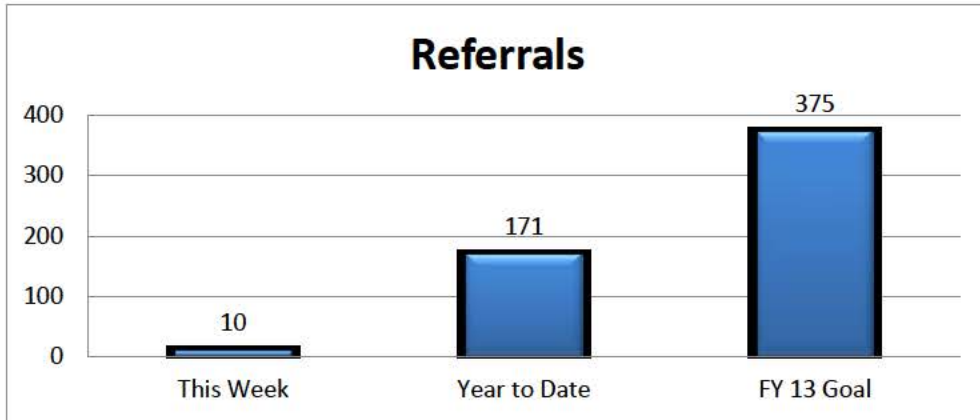
As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

Special Agent (b) (6), (b)(7)(C)
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - NOVEMBER 30, 2012 - DECEMBER 6, 2012





JI Updates

December 14, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On December 10, 2012, Inspector General Brian Miller will be in Newport News, VA, to present an IG Award, recognizing the individuals responsible for the prosecution of (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C). They were convicted for their part in a \$300,000 Fleet credit card fraud scheme. The individuals to be recognized are AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) Police Officer (b) (6), (b)(7)(C) Hampton PD, and Special Agent (b) (6), (b)(7)(C), FBI.

On December 14, 2012, former GSA employee (b) (6), (b)(7)(C) will appear before U.S. District Court Judge (b) (6), (b)(7)(C) for sentencing. On September 13, 2012, (b) (6), (b)(7)(C) pled guilty to theft of government property and stalking/harassment. The plea agreement stemmed from an investigation which established (b) (6), (b)(7)(C) stole more than \$10,000 in GSA equipment from the White House where (b) (6), (b)(7)(C) worked as an air conditioning mechanic. The investigation also found that (b) (6), (b)(7)(C) stalked and harassed (b) (6), (b)(7)(C) via text messages, phone calls, and Craigslist ads. (EDVA/Theft/I11W2926)

Boston (JI-1)

On December 7, 2012, SA (b) (6), (b)(7)(C) will be presenting an investigation to the District of Massachusetts, regarding GSA contractor, Tricore, Inc. Tricore allegedly falsely certified to GSA they paid their subcontractors. (DMA/Fraud/I1314473)

(b) (7)(A)

1010856)

New York (JI-2)

(b) (7)(A)

I1020748)

On December 11, 2012, SA (b) (6), (b)(7)(C) and VA OIG will meet with the New Jersey State Police, Public Corruption Unit to seek prosecutorial assistance of a VA employee who fraudulently used two GSA FLEET cards issued to the VA, to fuel (b) (6), (b)(7)(C) personal vehicles. (DNJ/WEX Fraud/I1224213)

On December 14, 2012, SA (b) (6), (b)(7)(C) will attend the sentencing of (b) (6), (b)(7)(C), former owner of Over the Hill Auto Repair Shop, Calcium, NY, at the U.S. District Court, Utica, NY. Previously



JI Updates

December 14, 2012

on June 15, 2012, (b) (6), (b)(7)(C) pled guilty to an Information charging him with violating 18 USC 287, False Claims in the amount of approximately \$34,000. (NDNY/False Claims/I1122268)

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

On December 7, 2012, SA (b) (6), (b)(7)(C) is scheduled to attend a change of plea hearing by (b) (6), (b)(7)(C) at the U.S. District Court, Fort Lauderdale, Florida. This case involves a USMC Recruiter (b) (6), (b)(7)(C) who sold information related to four GSA FLEET credit cards. (b) (6), (b)(7)(C) is one of three codefendants associated with the (b) (6), (b)(7)(C) FLEET credit card fraud case. (SDFL/FLEET Fraud/I12M3897)

On December 11, 2012, SA (b) (6), (b)(7)(C) is scheduled to attend the sentencing hearing for (b) (6), (b)(7)(C) at the U.S. District Court, Miami, Florida. This case involves a USMC Recruiter (b) (6), (b)(7)(C) who sold information related to four GSA FLEET credit cards. (b) (6), (b)(7)(C) is one of three codefendants related to the (b) (6), (b)(7)(C) FLEET credit card fraud case. (SDFL/FLEET Fraud/I12M3897)

On December 14, 2012, SA (b) (6), (b)(7)(C) is scheduled to attend a change of plea hearing by (b) (6), (b)(7)(C) at the Miami Dade County Circuit Court. This case involves a ponzi scheme where (b) (6), (b)(7)(C) falsified GSA Certificates to Obtain Titles for excess GOV's and modified them to reflect the information of privately or bank owned luxury vessels, vehicles and real estate. (b) (6), (b)(7)(C) then advertised and sold these luxury items to unsuspecting buyers without ever providing the product. (MDSA0/Forgery/Grand Theft/I10M0368).

(b) (7)(A)

I1142172)

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

(b) (7)(A)

(b) (7)(A)

I1040114)



JI Updates

December 14, 2012

Denver (JI-8)

(b) (7)(A)

(112D4014)

Dallas/FT Worth (JI-7)

(b) (7)(A)

(11374396)

(b) (7)(A)

(11172328)

San Francisco (JI-9)

(b) (7)(A)

(1292047)

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 38

Hotline Referrals – 8

Investigations

Nothing significant to report



JI Updates

December 14, 2012

ARRA

The week of December 10, 2012, SA (b) (6), (b)(7)(C) will be obtaining an arrest warrant for (b) (6), (b)(7)(C) President, Persaud Companies, Inc. (b) (6), (b)(7)(C) is suspected of destroying and fabricating documentation that was requested through an IG subpoena. The investigation involves ARRA funds. (EDVA/Criminal/I11W2304)

JI-B

FAR

One new disclosure was received from (b) (7)(D) (b) (7)(D) (b) (7)(D). To date, the Investigations Operations Division has received 101 disclosures.

Civil Enforcement

On December 12, 2012, a meeting will be held with the Relator and (b) (6), (b)(7)(C) Attorney regarding the (b) (3) (A). A total of 18 defendants have been named in this case involving alleged violations of the Trade Agreements Act. (DOJ Commercial Litigation/Civil/H12H4361)

(b) (7)(D)
(b) (7)(D)

/H12H4345)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (7)(A)

Case Number: I1010856

Case Agent: SA (b) (6), (b)(7)(C)

(b) (7) (A)

For information regarding this Significant Item, please contact Special Agent in (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

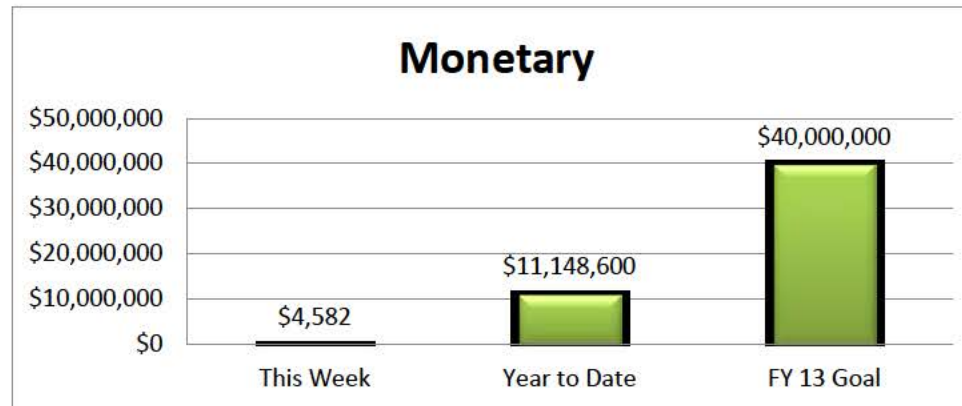
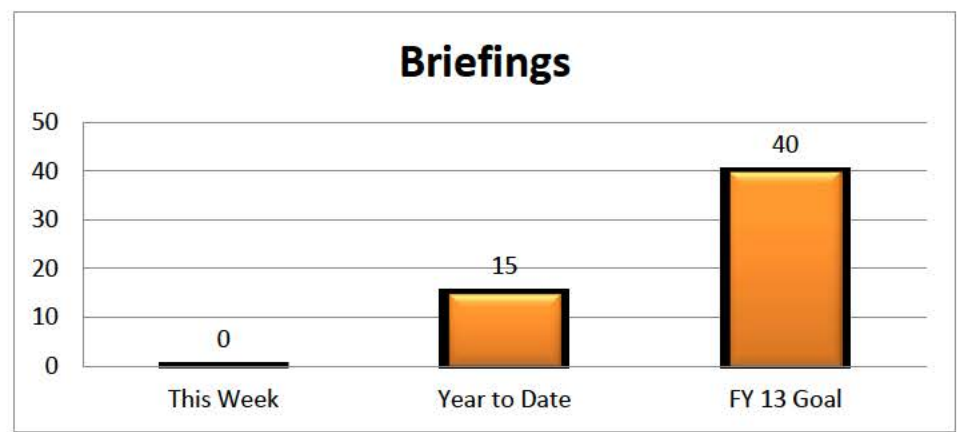
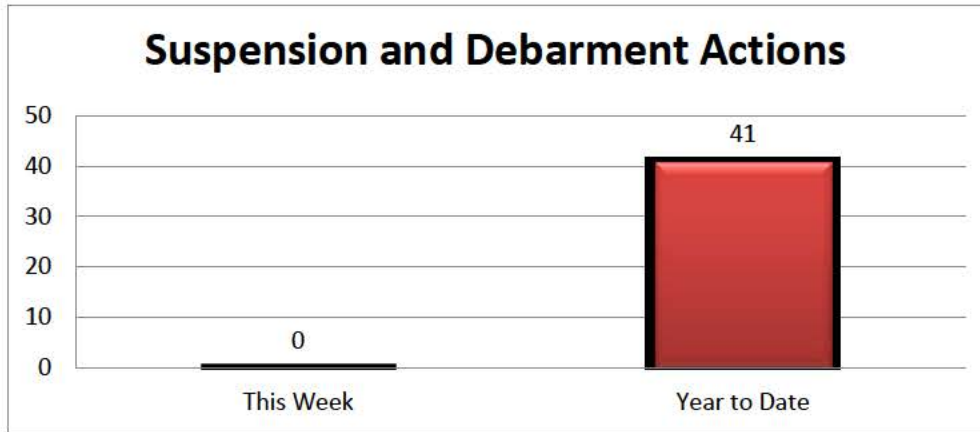
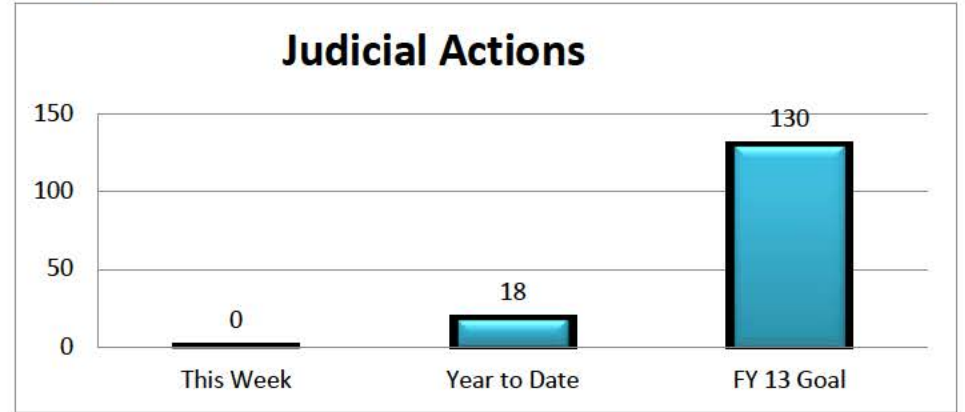
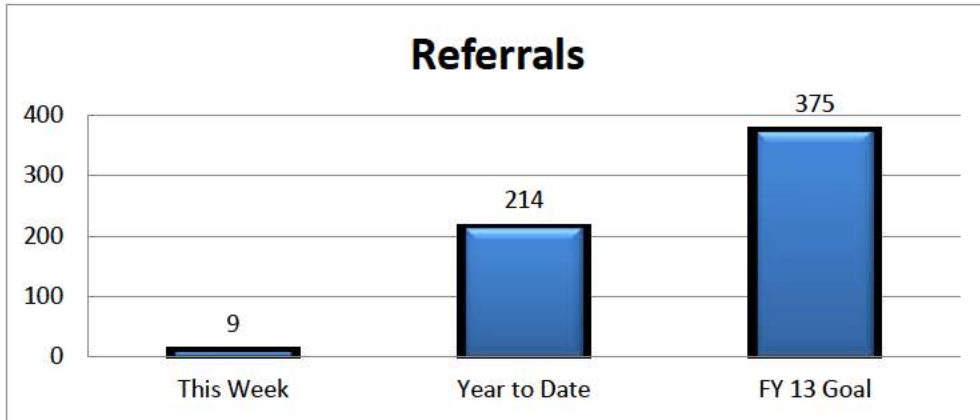
Special Agent in Charge
GSA/Office of Inspector General
10 Causeway St., Room [REDACTED]
Boston, MA 02222

Office: 617.565.6800

Direct: (b) (6), (b)(7)(C)

Mobile: (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - DECEMBER 14, 2012 - DECEMBER 20, 2012





JI Updates

December 21, 2012

THE FOLLOWING ARE PLANNED ACTIVITIES AND ITEMS REPORTED BELOW MAY CHANGE OR BE CANCELLED:

Washington D.C. (JI-W)

On December 21, 2012, SA (b) (6), (b)(7)(C), FBI, and EDVA AUSA (b) (6), (b)(7)(C) will participate in a proffer session with (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) ersaud Companies, Inc., and defense counsel, to discuss (b) (6), (b)(7)(C) criminal exposure relating to financial loss and information (b) (6), (b)(7)(C) may have relating to other criminal activity. The investigation originated from a qui-tam alleging (b) (6), (b)(7)(C) had fraudulently inflated contracts in order to maximize his company's profit. (EDVA/Criminal/111W2304)

(b) (7)(A)

/111W2425)

Boston (JI-1)

Nothing significant to report

New York (JI-2)

Nothing significant to report

Philadelphia (JI-3)

Nothing significant to report

Atlanta (JI-4)

On December 21, 2012, SA (b) (6), (b)(7)(C) is scheduled to attend a change of plea hearing by (b) (6), (b)(7)(C) at the Miami Dade County Circuit Court. This case involves a ponzi scheme where (b) (6), (b)(7)(C) falsified GSA Certificates to Obtain Titles for excess GOV's and modified them to reflect the information of privately or bank owned luxury vessels, vehicles and real estate. (b) (6), (b)(7)(C) then advertised and sold these luxury items to unsuspecting buyers without ever providing the product. (MDSAO/Forgery/Grand Theft/110M0368).

During the week of January 7th, 2012, GSA OIG and Army MPFU SAs will travel to Savannah, GA to attend initial hearings in the Southern District of Georgia (SDG) for (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C). The SAs will also meet with (b) (6), (b)(7)(C), AUSA, SDG, and conduct additional investigative activity. This case involves (b) (6), (b)(7)(C) an enlisted Army supply officer and (b) (6), (b)(7)(C) who defrauded the U.S. Army by using the military DODAAC to purchase large quantities of luxury electronics, copper bars, and other miscellaneous items from GSA Advantage and having them shipped to their personal residence. (SDG/Theft of GOV Property/113M4421)



JI Updates

December 21, 2012

Chicago (JI-5)

Nothing significant to report

Kansas City (JI-6)

During the week of December 24, 2012, it is anticipated that Caddell Construction will sign a non-prosecution agreement with Main Justice, pursuant to our Mountain Chief Management Services investigation. As part of this agreement, Caddell will pay \$2 million dollars in criminal restitution. Caddell used Mountain Chief, a minority, to fraudulently claim money under certain government incentive programs. Afterward, it is anticipated that Main Justice will then pursue civil restitution. (Main Justice/Major Fraud/10960379)

Denver (JI-8)

Nothing significant to report

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

Nothing significant to report

Internal Operations

Hotline

Hotline Contacts – 62

Hotline Referrals – 12

Investigations

Nothing significant to report

ARRA

Nothing significant to report

No statistical changes

INTERNAL DISTRIBUTION ONLY

SIGNIFICANT ITEM

Case Title: (b) (7)(D) (FAR Disclosure)
Case Number: I13H4456
Case Agent: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C,
and Branch Chief (b) (6), (b)(7)(C), JIB-C

(b) (7)(D)

BACKGROUND

As of December 12, 2008, Federal Contractors are required to self-disclose to the Office of Inspector General violations of the federal Civil False Claims Act or a Criminal Violation under Title 18 of the United States Code involving fraud, bribery, conflicts of interest, and gratuities.

(b) (7)(D)

The facts surrounding the disclosure were investigated by the FAR Disclosure Interdisciplinary Team: Special Agent (b) (6), (b)(7)(C), JIB-C, (b) (6), (b)(7)(C), Intern, JIB-C, (b) (6), (b)(7)(C), Branch Chief, JIB-C, (b) (6), (b)(7)(C), Auditor, JA-3, and (b) (6), (b)(7)(C), Counsel to the IG, JC.

(b) (6), (b)(7)(C)

Special Agent
Civil Enforcement Section (JIB-C)
GSA Office of Inspector General
New York Office (b) (6), (b)(7)(C)
Washington DC Office (b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: VA Medical Center, Bay Pines, Florida, FLEET Fraud; (b) (6), (b)(7)(C)
Oneal
Case #: I12M4239
Case Agent: ASAC (b) (6), (b)(7)(C)

On November 13, 2012, (b) (6), (b)(7)(C) appeared before the Honorable (b) (6), (b)(7)(C) U.S. Magistrate Judge, MDFL, and pled guilty to the Information. (b) (6), (b)(7)(C) pled guilty to one count of 18 USC 641, Theft of Government Property/Funds, and one count of 18 USC 1029(a)(2), Using and trafficking in one or more unauthorized access devices with the intent to defraud.

This case was investigated by GSA OIG and VA OIG. This case was prosecuted by AUSA (b) (6), (b)(7)(C), MDFL.

BACKGROUND

This investigation was predicated on information from the GSA Loss Prevention Team who reported back to back and over the tank transactions for a FLEET card assigned to the VA Medical Center (VAMC) in Bay Pines, Florida.

The GSA OIG and the VA OIG conducted an investigation into possible FLEET fraud related to GSA vehicles assigned to the VAMC, Bay Pines, Florida. Agents conducted surveillance operations and collected video from gasoline stations which helped identify (b) (6), (b)(7)(C) as the VA employee who was fraudulently using the FLEET card.

On August 16, 2012, (b) (6), (b)(7)(C) was arrested for violations of 18 USC 641, Theft of Government Property/Funds and 18 U.S.C. 1029(a)(2), Using and trafficking in one or more unauthorized access devices with the intent to defraud. During the arrest, agents recovered the GSA issued FLEET credit card in (b) (6), (b)(7)(C) possession.

On October 15, 2012, Information was filed against (b) (6), (b)(7)(C) in the MDFL. The Information charged (b) (6), (b)(7)(C) with one count of 18 USC 641, Theft of Government Property/Funds and 18 USC 1029(a)(2), Using and trafficking in one or more unauthorized access devices with the intent to defraud.

For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)
Special Agent in Charge
Office of the Inspector General
General Services Administration
Southeast Regional Investigations Office
Atlanta, Georgia
(b) (6), (b)(7)(C)

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

Case Title: (b) (6), (b)(7)(C)

Case #: I11W2926

Case Agent: (b) (6), (b)(7)(C)

On December 14, 2012 (b) (6), (b)(7)(C), former GSA Air Conditioning Equipment Mechanical Leader, appeared before the Honorable (b) (6), (b)(7)(C), U.S. District Court Judge, Eastern District of Virginia (Alexandria), and was sentenced to six months in prison, two years supervised release, and a \$100 special assessment fine.

This case was prosecuted by Assistant United States Attorney (b) (6), (b)(7)(C), Eastern District of Virginia.

BACKGROUND

This investigation was initiated based on information received from (b) (6), (b)(7)(C) (b) (6), (b)(7)(C) alleging that (b) (6), (b)(7)(C) was stalking and harassing (b) (6), (b)(7)(C) via interstate wire. (b) (6), (b)(7)(C) was assigned to the White House Service Center as an air conditioning repair technician. (b) (6), (b)(7)(C) was responsible for maintaining the air conditioning units in the east and west wings of the White House. The investigation revealed that (b) (6), (b)(7)(C) threatened (b) (6), (b)(7)(C) former (b) (6), (b)(7)(C) and a friend of (b) (6), (b)(7)(C) who was a Pennsylvania Correctional Officer. (b) (6), (b)(7)(C) also harassed the (b) (6), (b)(7)(C) by sending hundreds of unwanted text messages and phone calls at all hours of the night. Additional investigation revealed that (b) (6), (b)(7)(C) took more than \$10,000 in GSA property (air conditioning units, supplies, and tools). On December 7, 2012, a federal search warrant was executed at (b) (6), (b)(7)(C) farm. Numerous items of stolen GSA property was recovered. (b) (6), (b)(7)(C) White House access was revoked at the time of the search warrant. On September 13, 2012 (b) (6), (b)(7)(C) pled guilty to 47 USC 223 - felony harassment/stalking and 18 USC 641, felony theft of government property.

For information regarding this Signification Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(b) (6), (b)(7)(C)

Assistant Special Agent in Charge
US General Services Administration
Office of Inspector General
National Capital Regional Investigations Office