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FOIA Requester Service Center (H1C)
1800 F. Street, NW, Room 7308
Washington, DC 20405-0001
Fax: (202) 501-2727
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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."

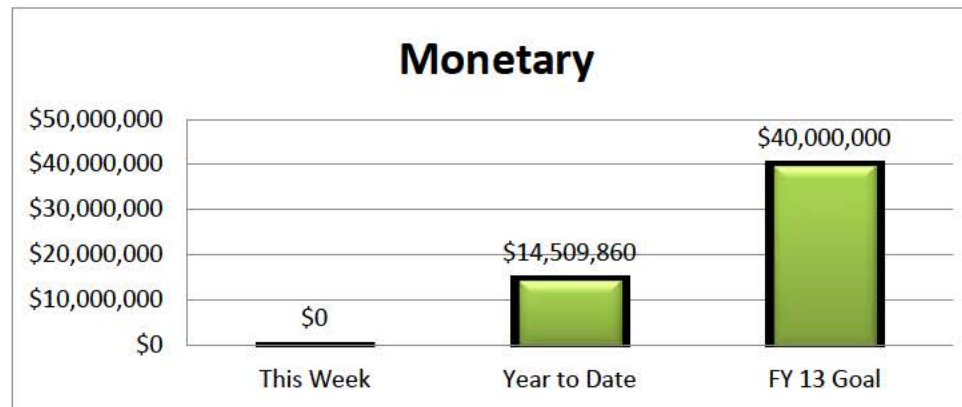
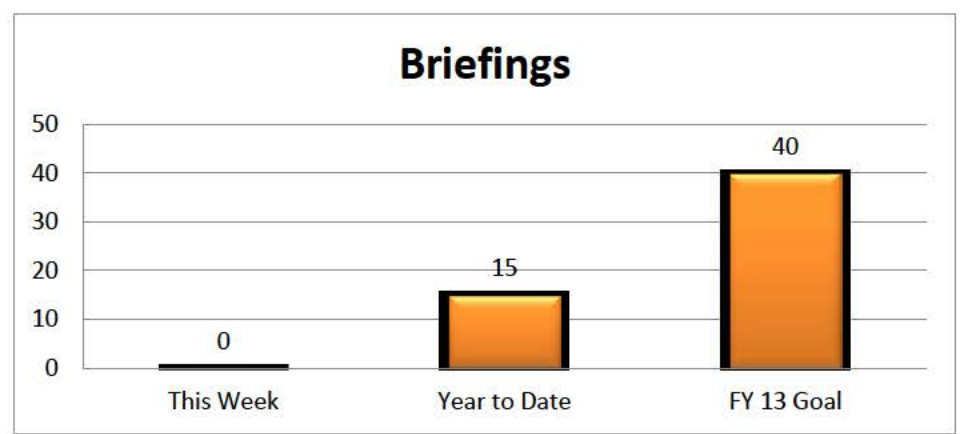
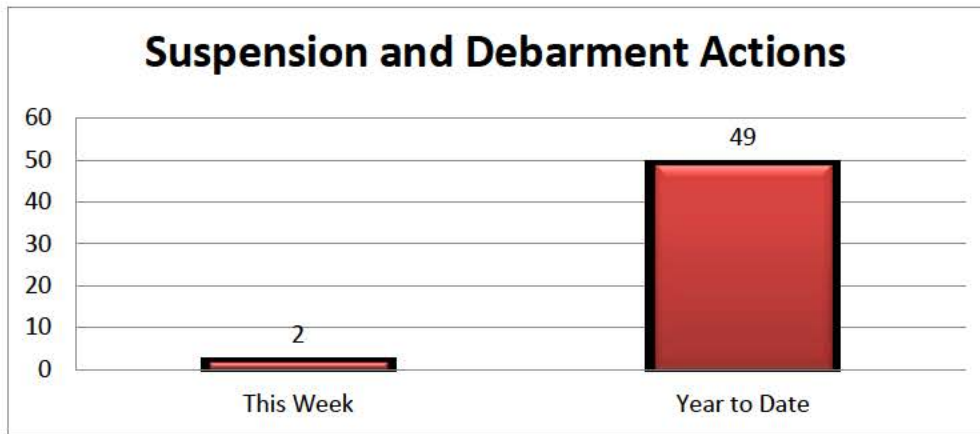
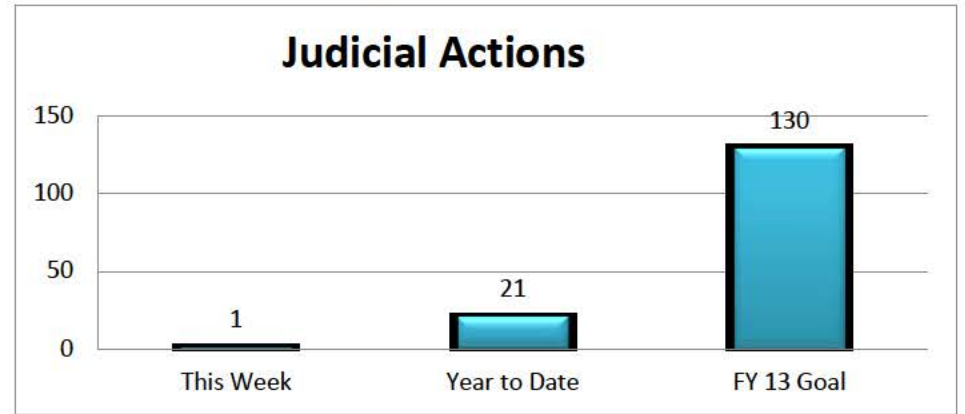
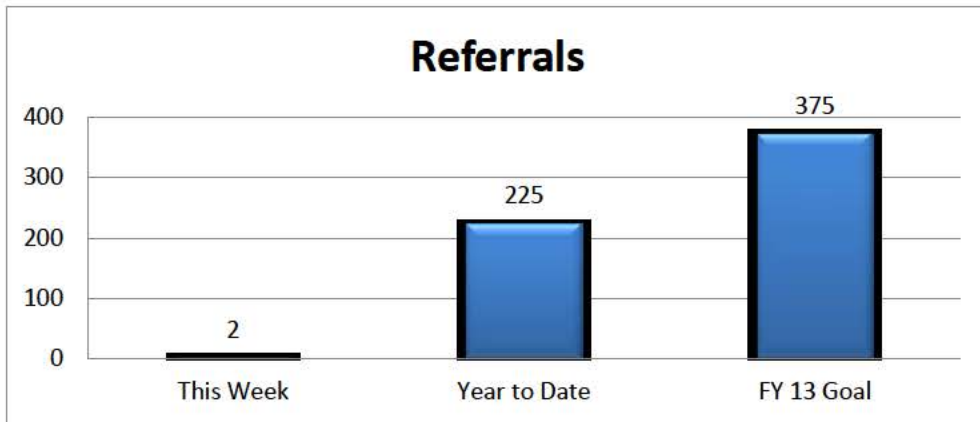
Sincerely,

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)

(b) (7)(A) [1030806)

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)

(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: I10W0291
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.

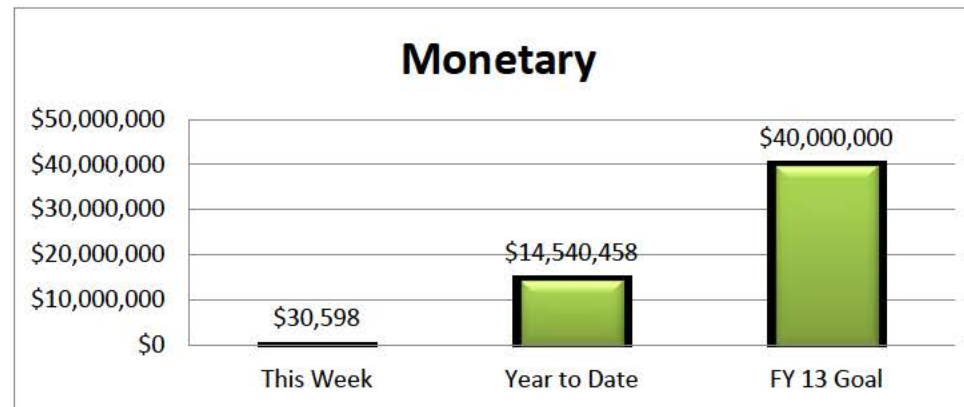
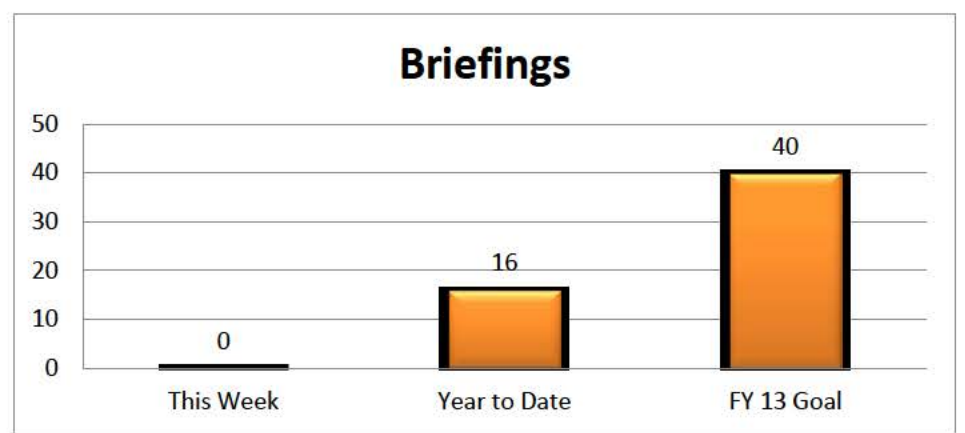
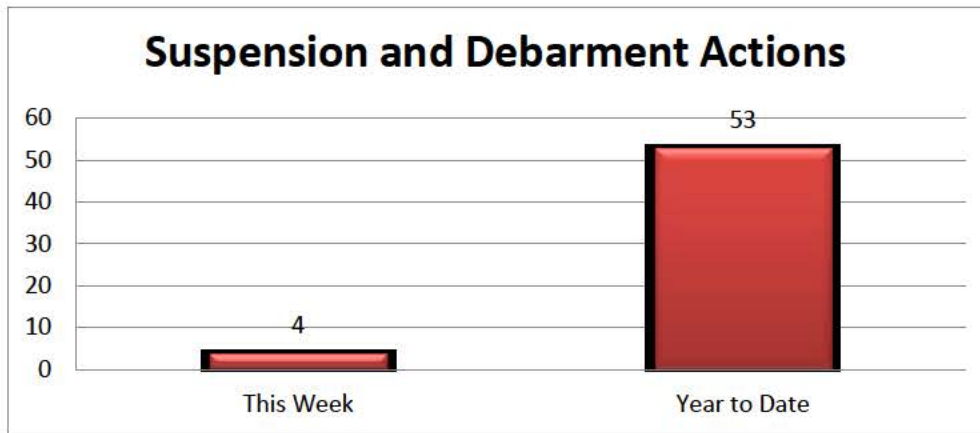
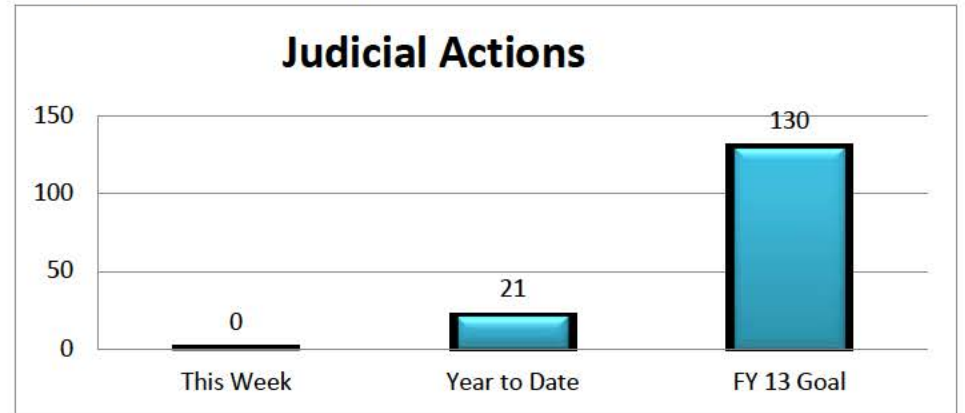
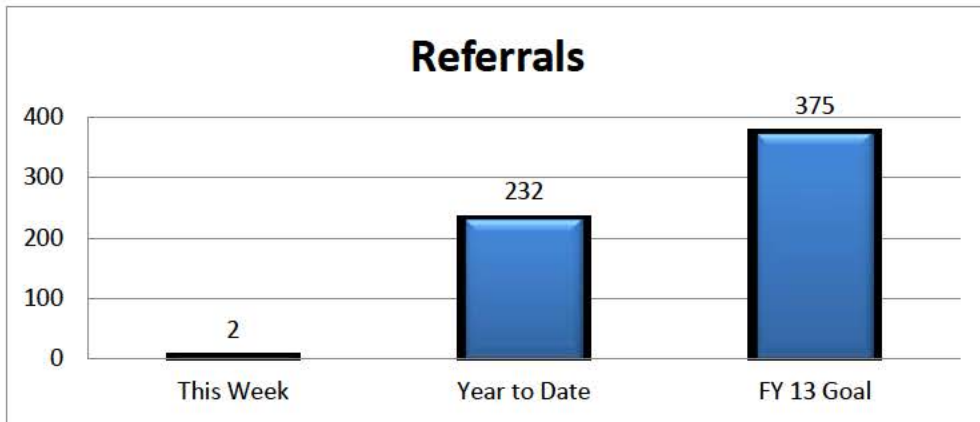
In November 2012, a DOJ complaint was filed in the U.S. District Court, in Washington, D.C., regarding conflict of interest charges against Gallup and former FEMA employee (b) (6), (b) (7)(C). The matter arose from a 2008 FEMA subcontract awarded to Gallup to evaluate the strengths and satisfaction of 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)
[REDACTED]
[REDACTED] (I1263462)

(b) (7)(A)
[REDACTED]
[REDACTED] (I1162844)

Denver (JI-8)

(b) (7)(A)
[REDACTED]
[REDACTED] (I09D0653)

Dallas/FT Worth (JI-7)

Nothing significant to report

San Francisco (JI-9)

(b) (7)(A)
[REDACTED]
[REDACTED] (I1294108)

Auburn (JI-10)

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

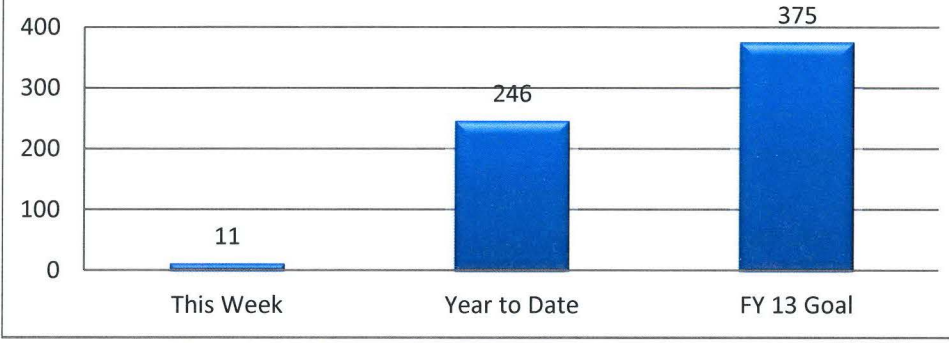
On October 17, 2012, ASAC (b) (6), (b)(7)(C) testified in front of a federal grand jury to the matters concerning the scheme. As a result, U.S. Magistrate Judge (b) (6), (b)(7)(C) issued an arrest warrant for (b) (6), (b)(7)(C) in violation of Title 18, U.S.C., Section 201, Bribery. On October 25, 2012, 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).

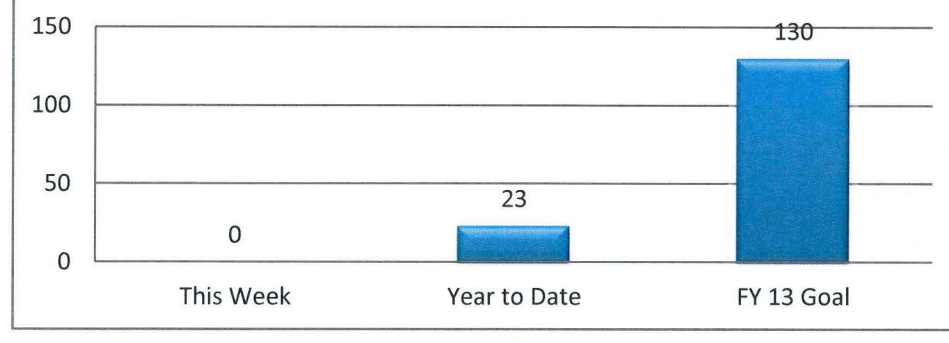
(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
National Capital Regional Office (JI-W)
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

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

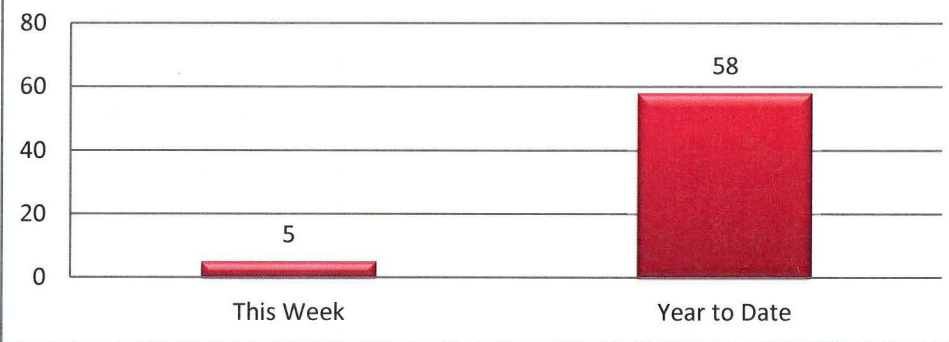
Referrals



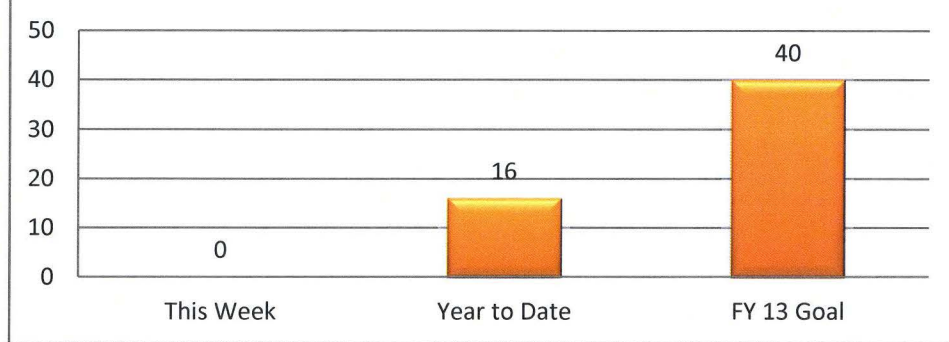
Judicial Actions



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

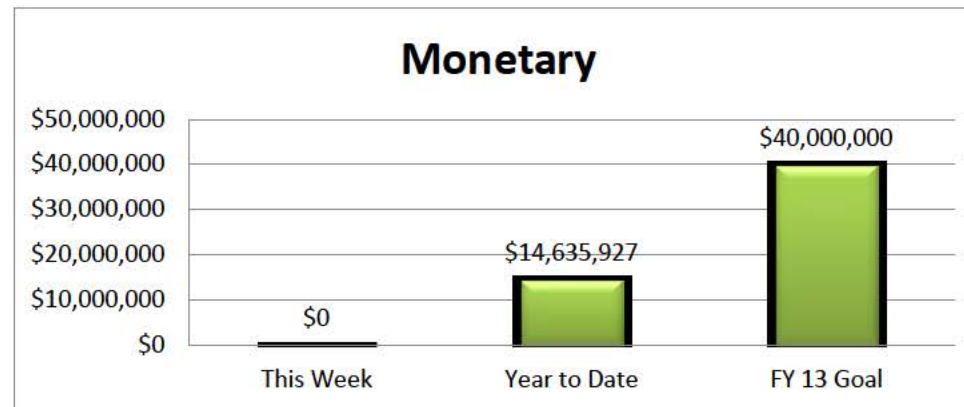
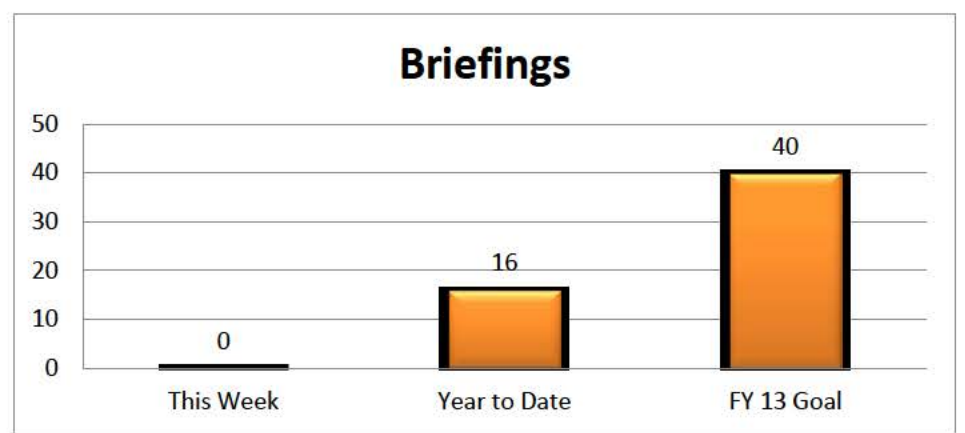
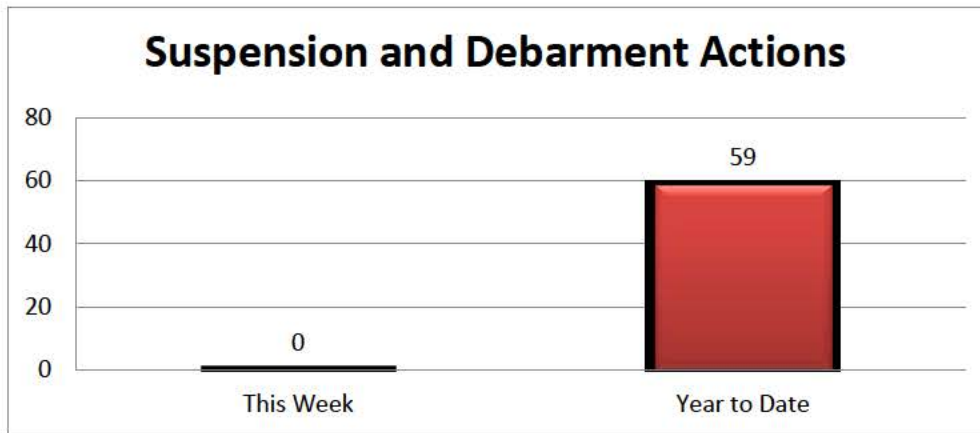
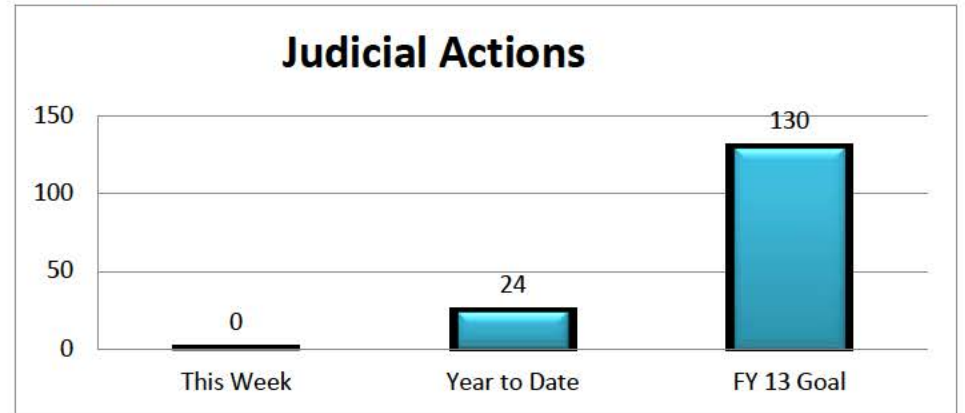
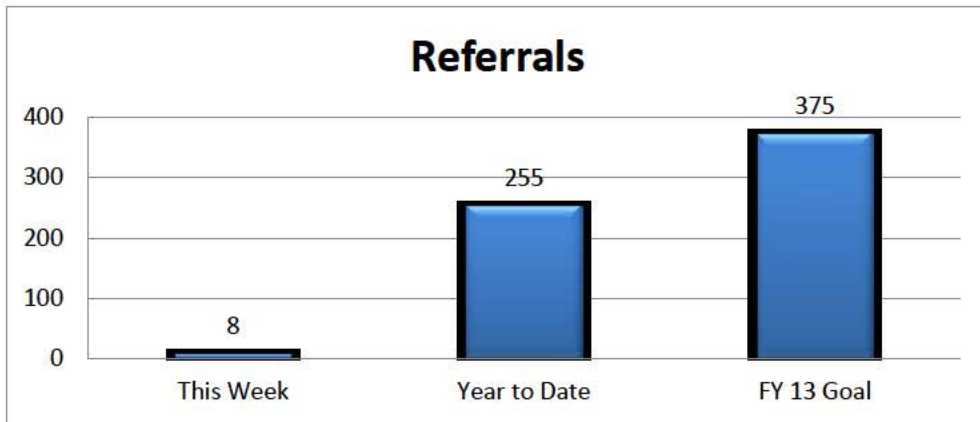
FAR

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) 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.

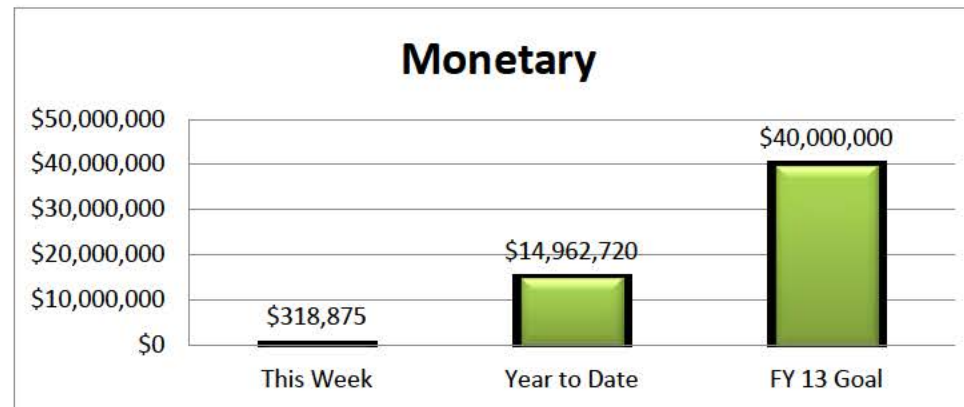
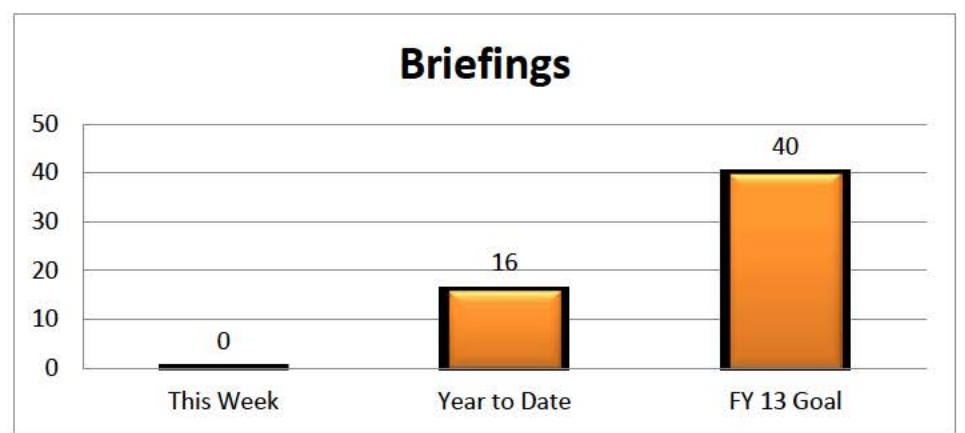
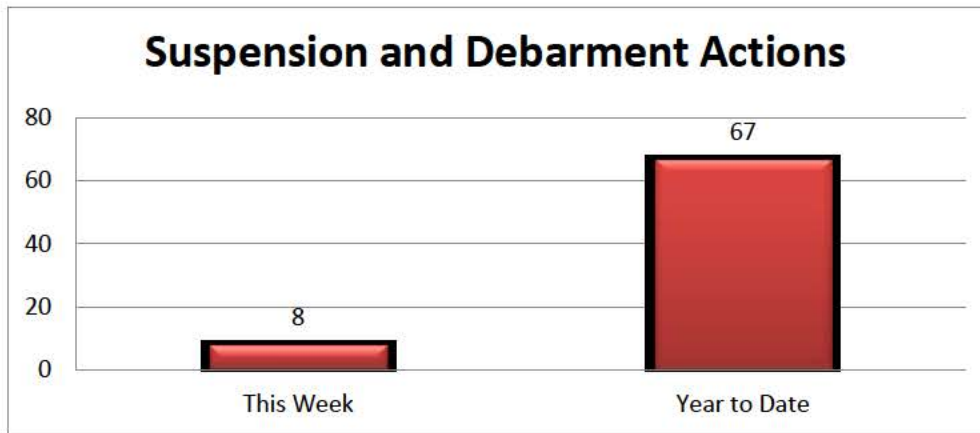
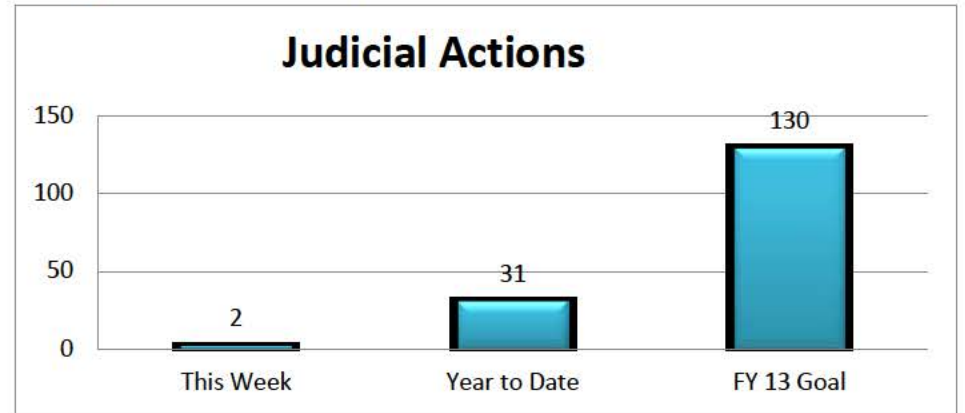
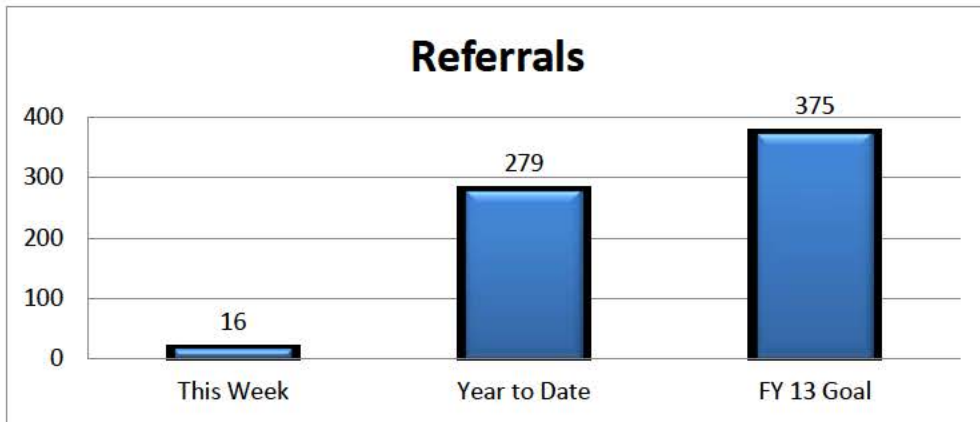
On October 3, 2012, (b) (6), (b) (7)(C) appeared before the Honorable Ursula Ungaro, U.S. District Judge, SDFL, and pled guilty to the Information.

(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

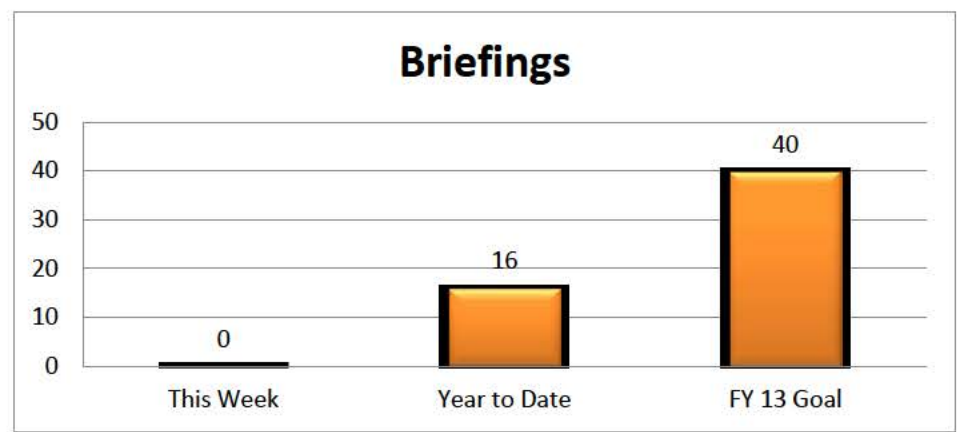
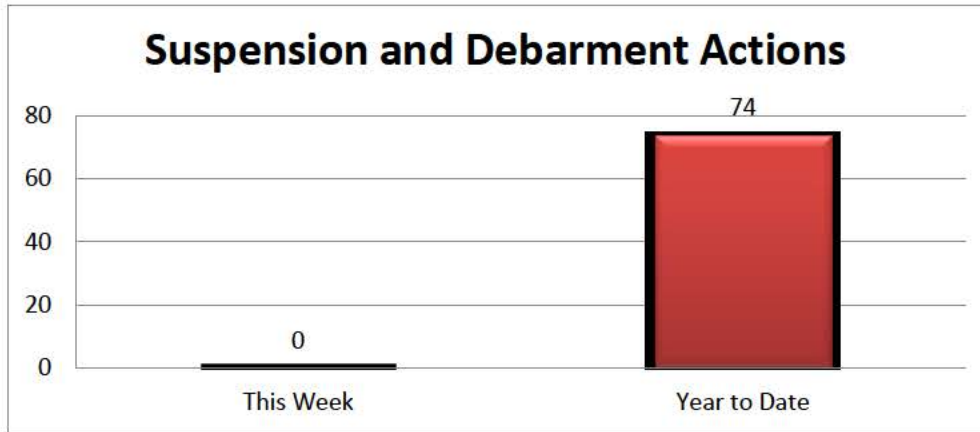
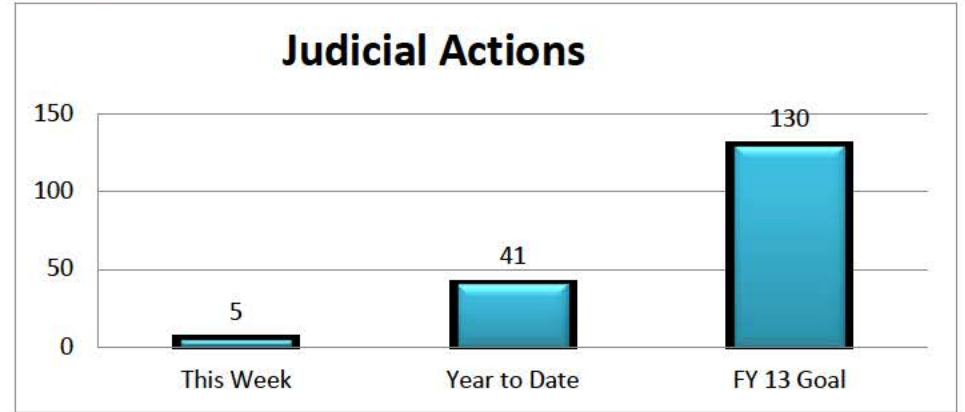
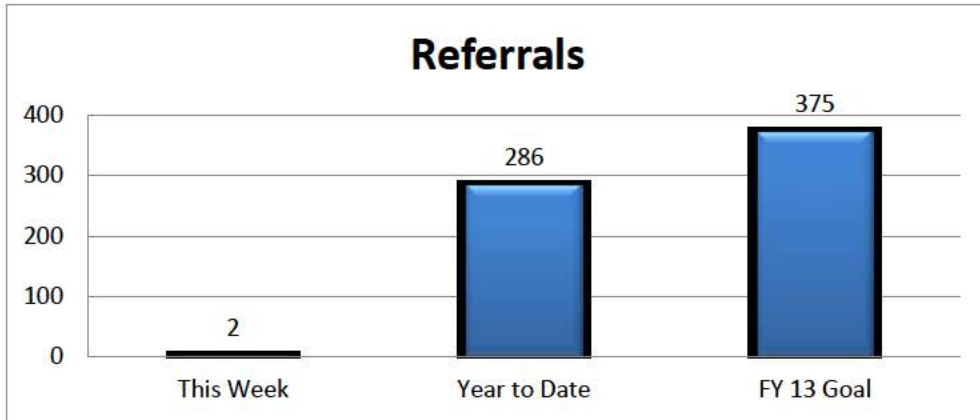
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

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
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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
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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.

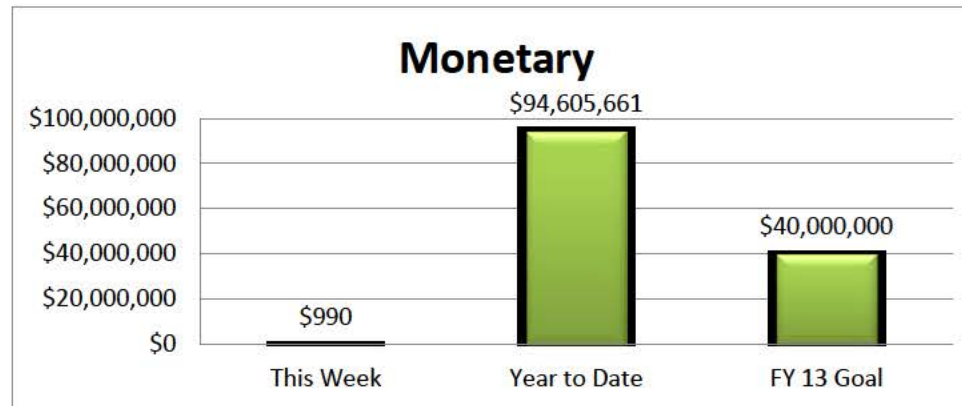
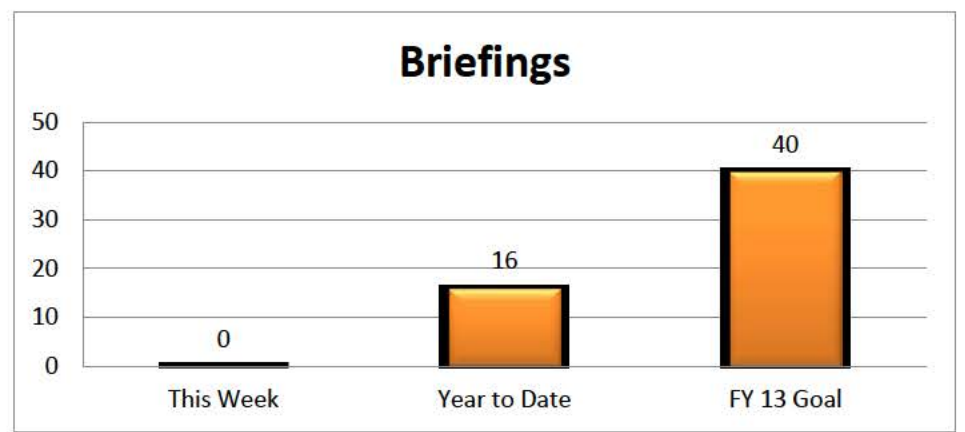
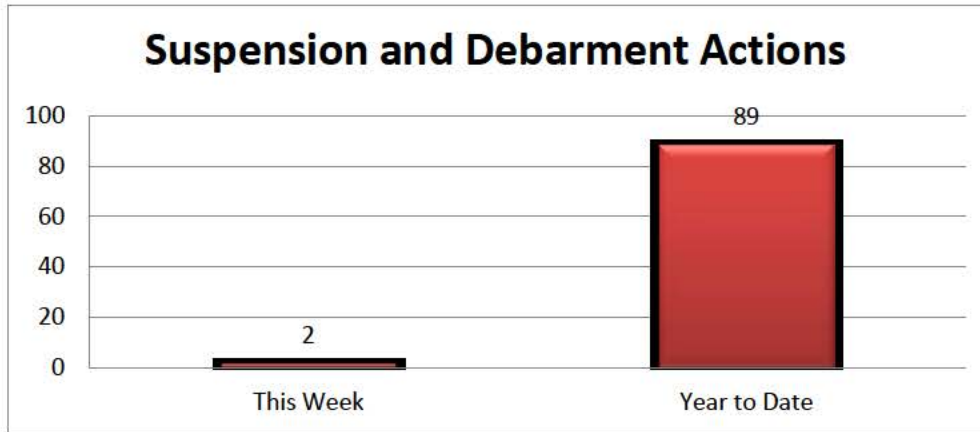
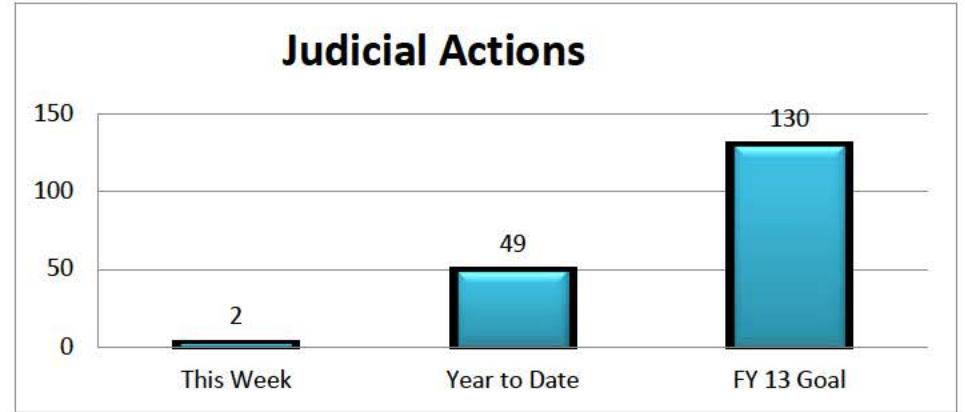
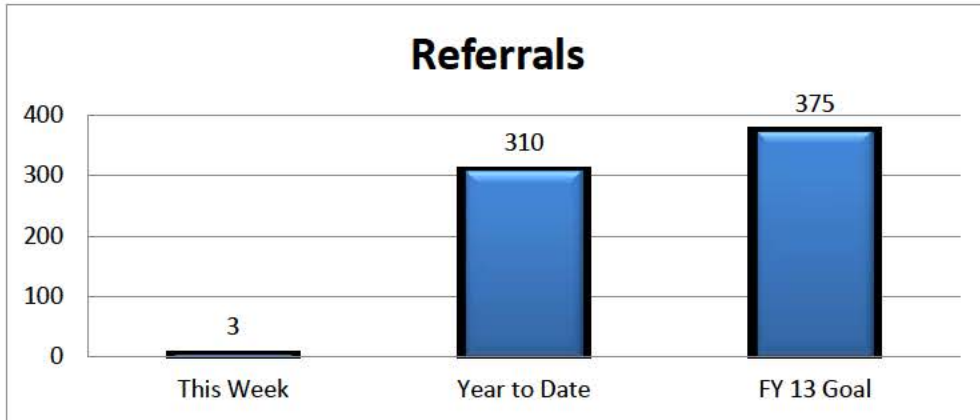
BACKGROUND

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

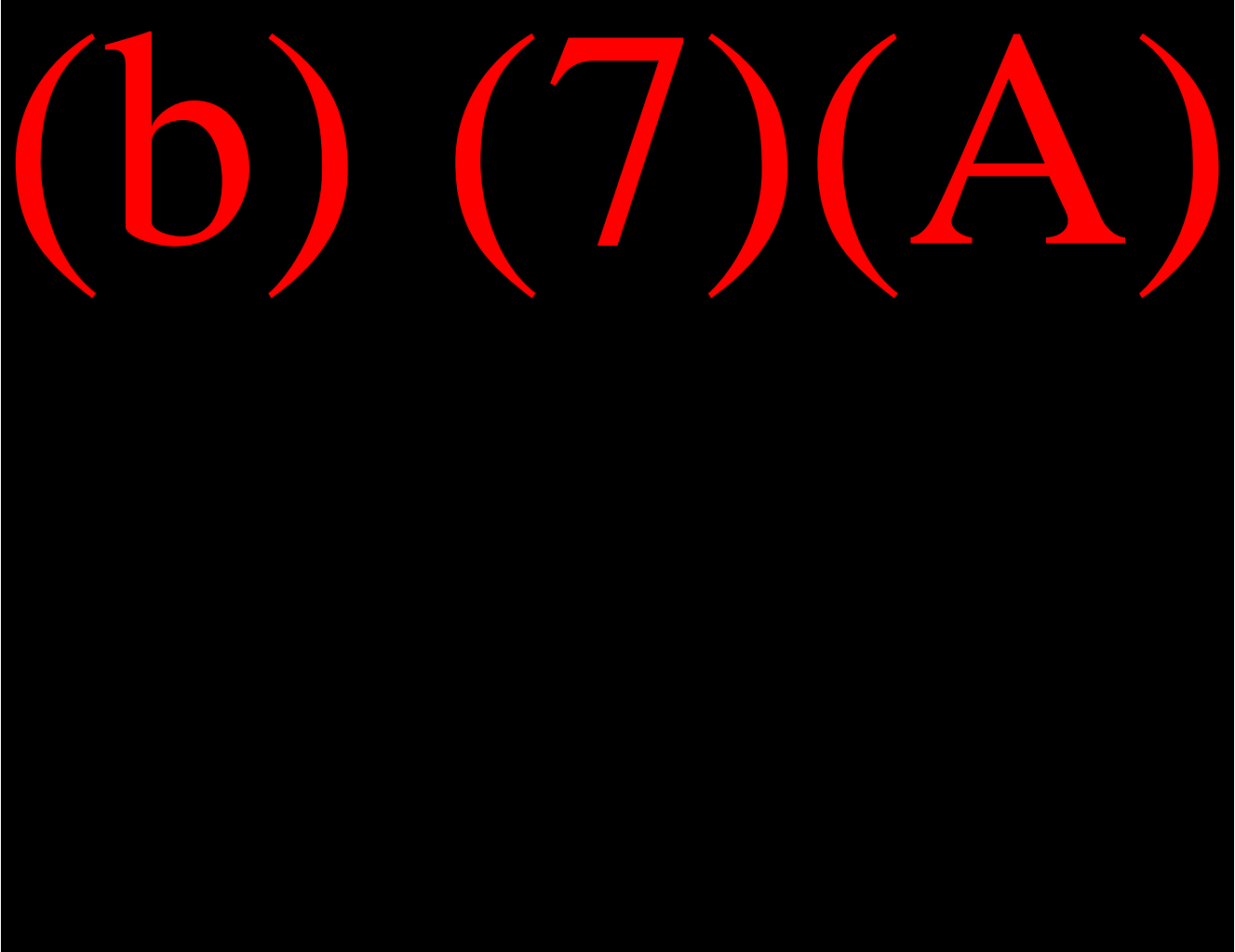
FAR

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

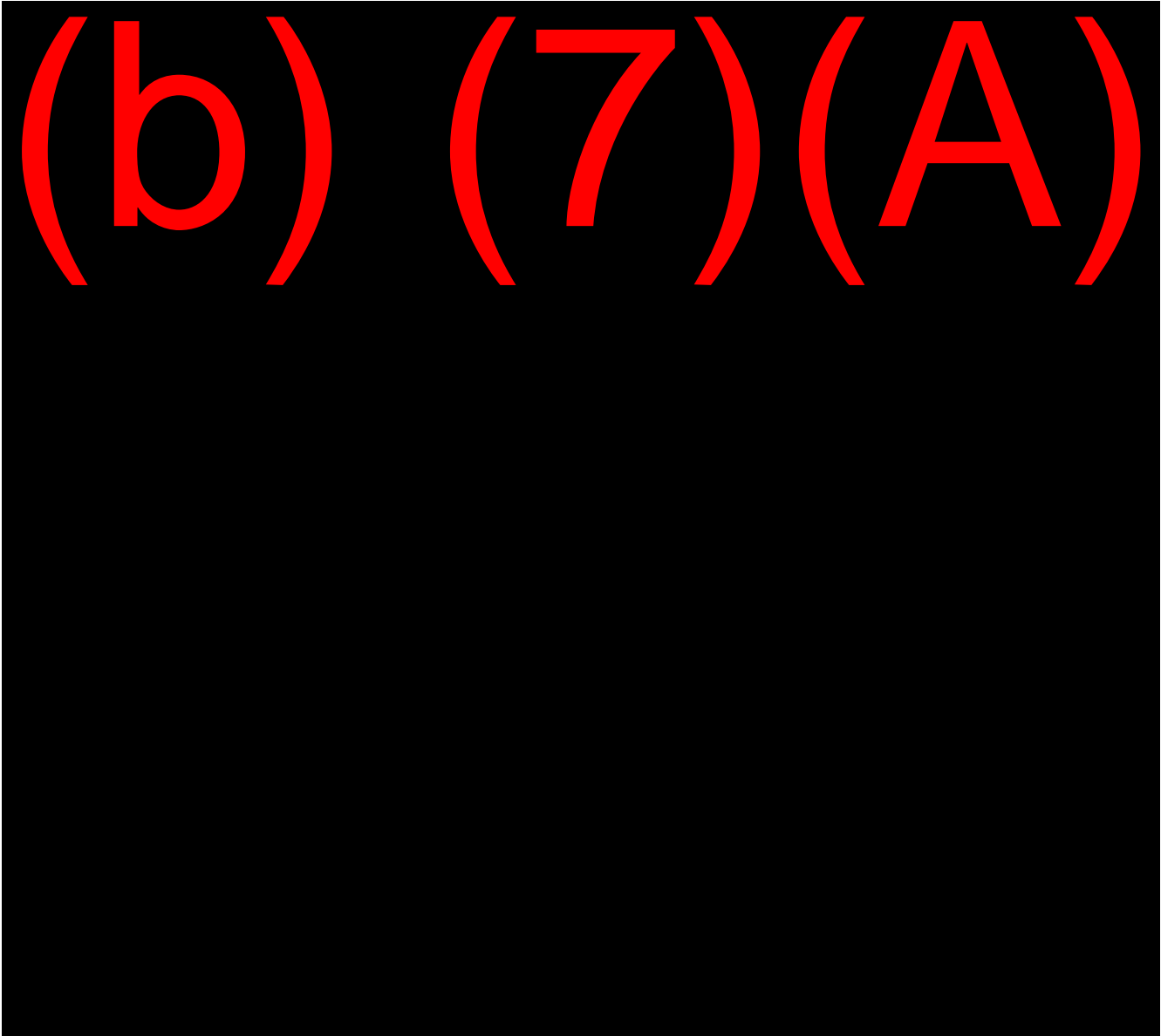
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

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

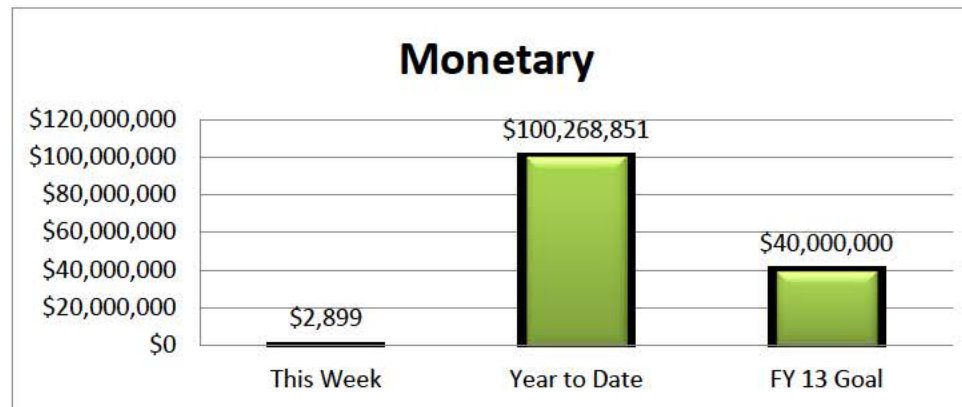
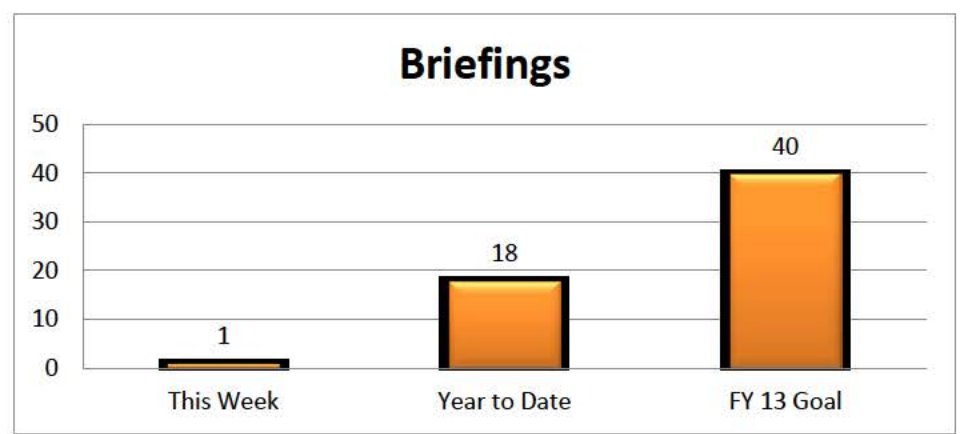
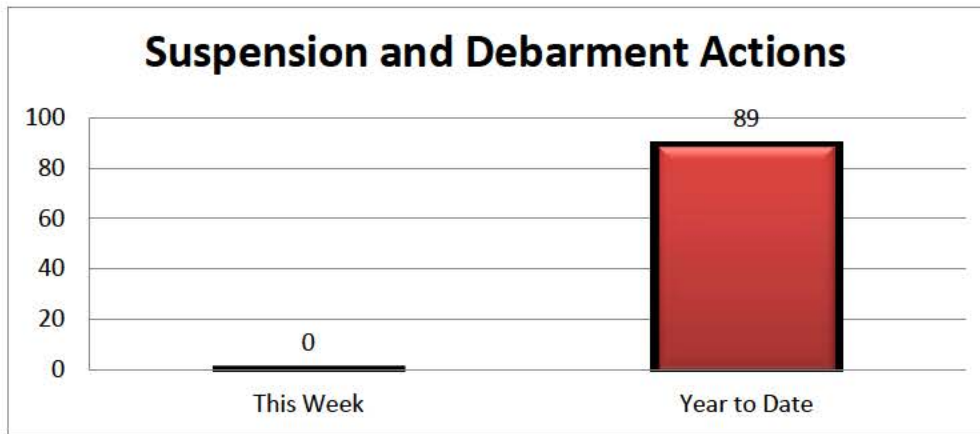
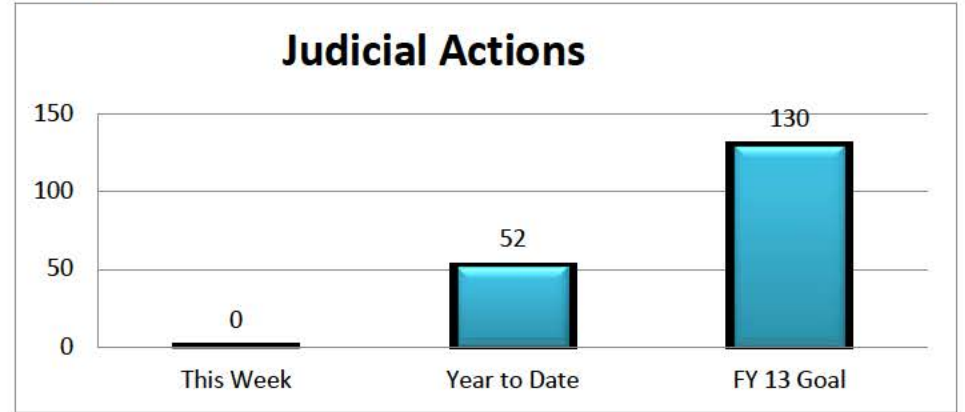
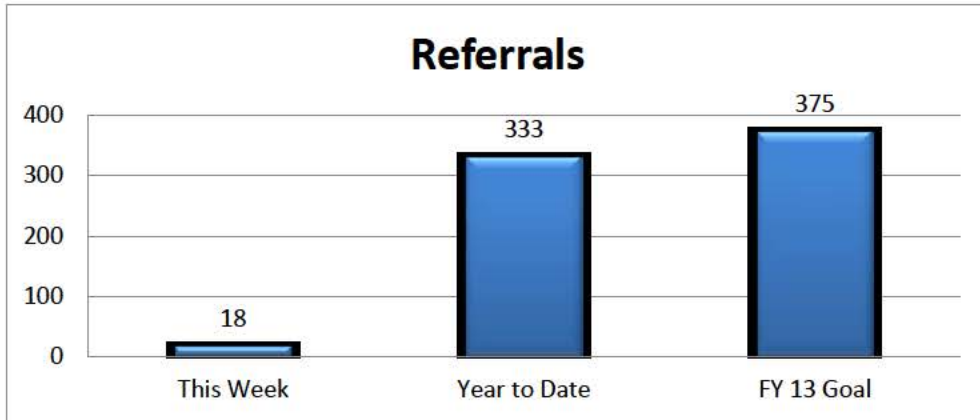
Case No: 110-0-0790

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) [REDACTED] (I11W2425)

(b) (7)(A) [REDACTED] (/11020550)

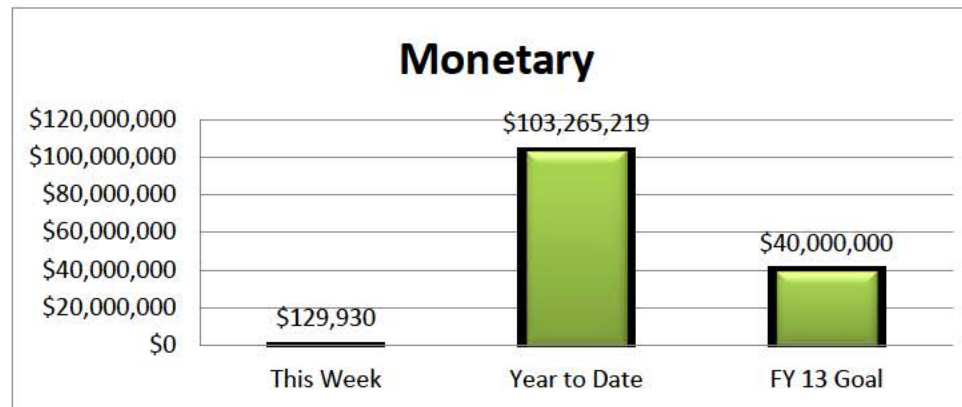
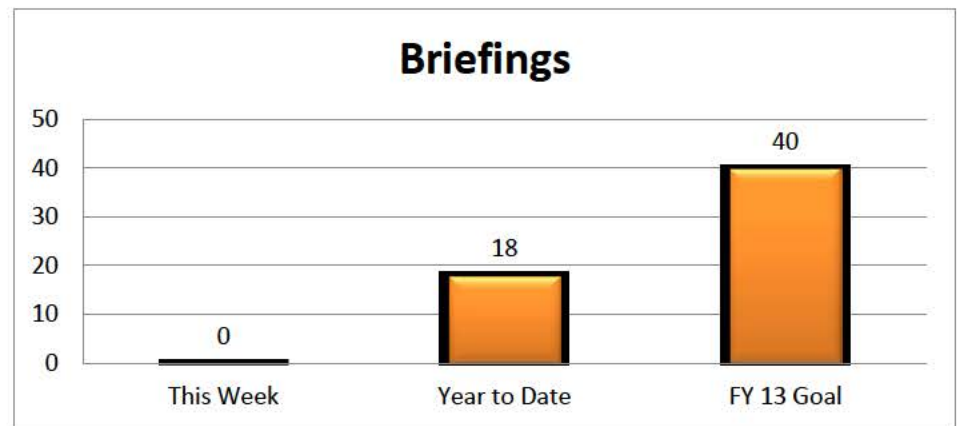
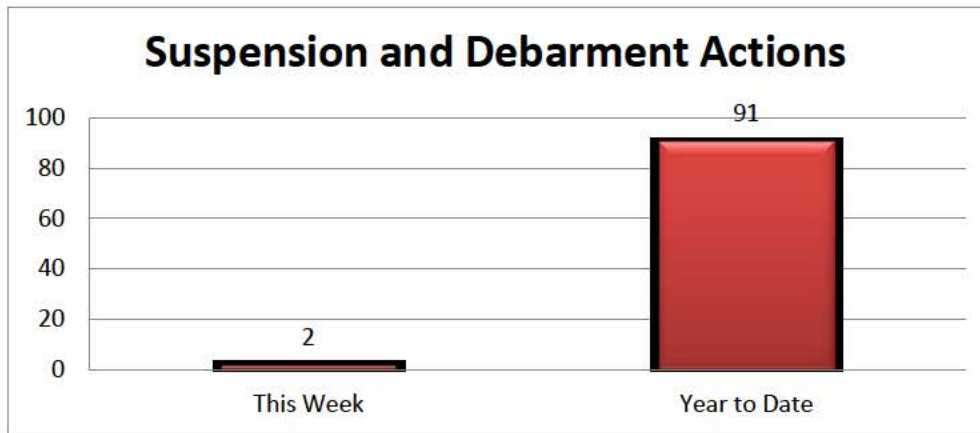
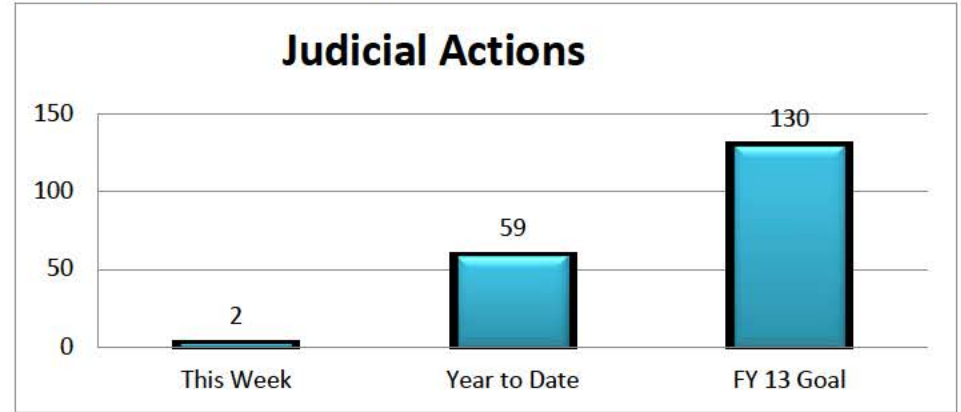
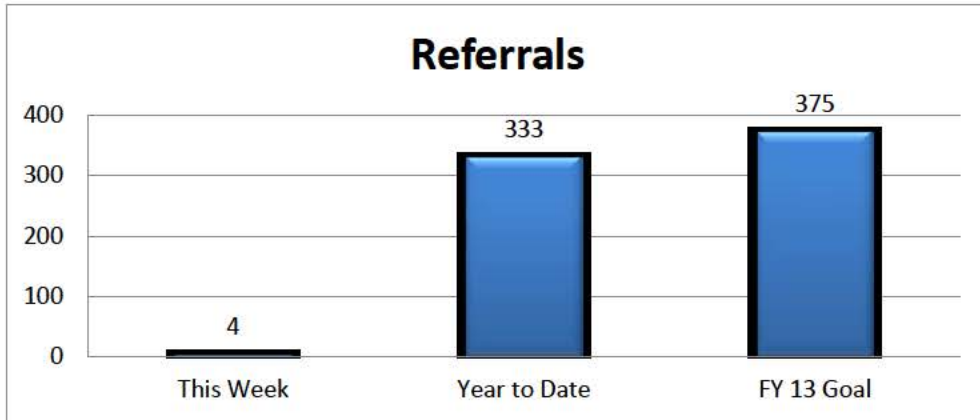
JI-B

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/I12H3809 and I12H3946)

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

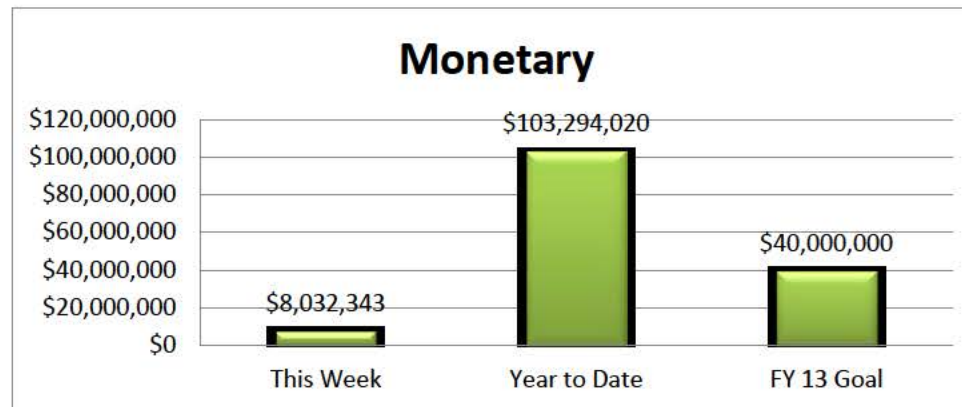
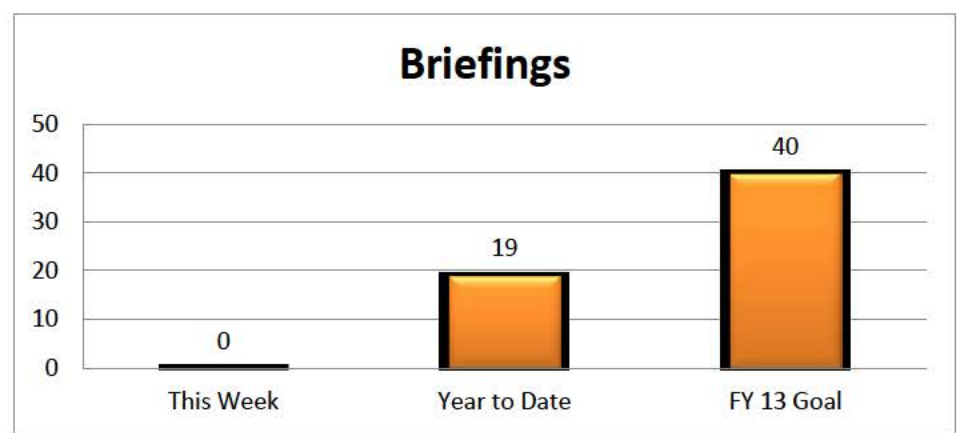
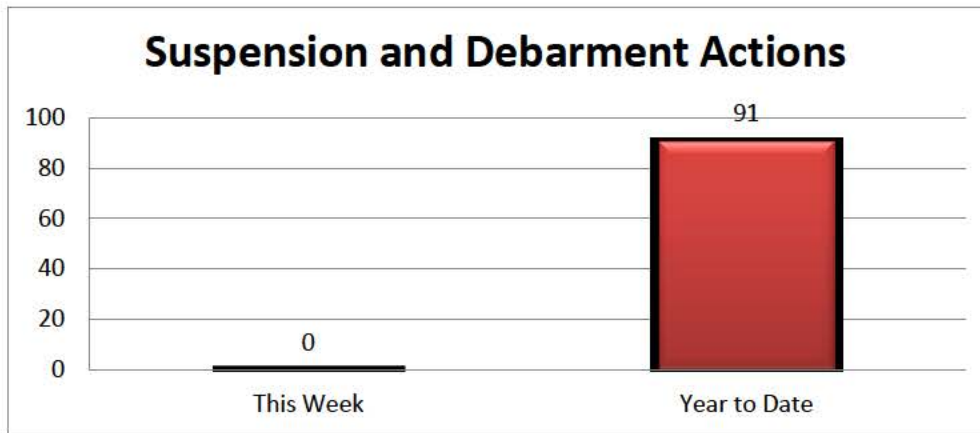
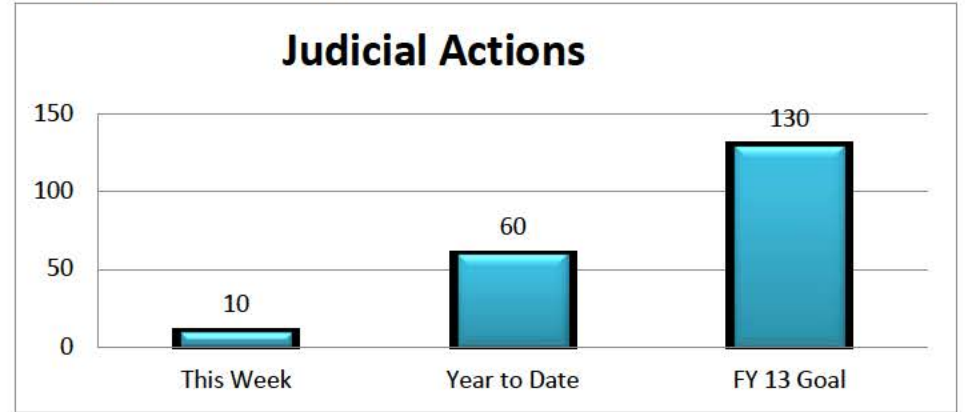
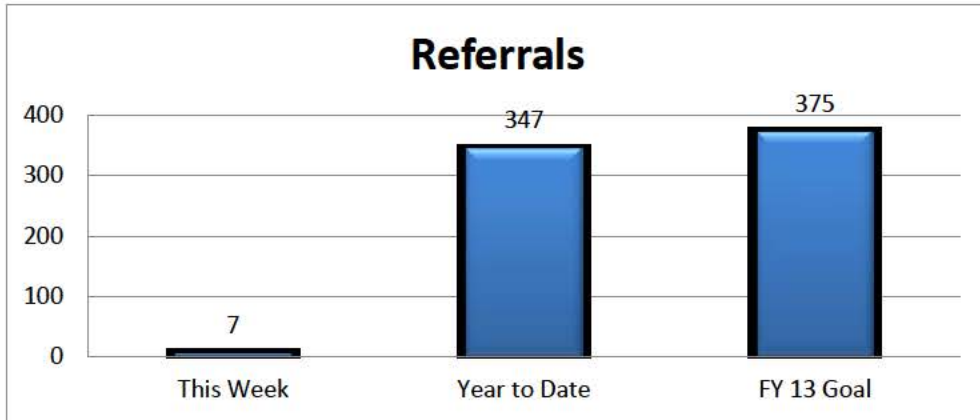
JI-B

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) 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)

(b) (6), (b)(7)(C)
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] (b) (6), (b)(7)(C) will transfer to JI-8 starting on March 11, 2013.

Dallas/FT Worth (JI-7)

(b) (7)(A)

[REDACTED] (I1374673)

San Francisco (JI-9)

Nothing significant to report

Auburn (JI-10)

(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)

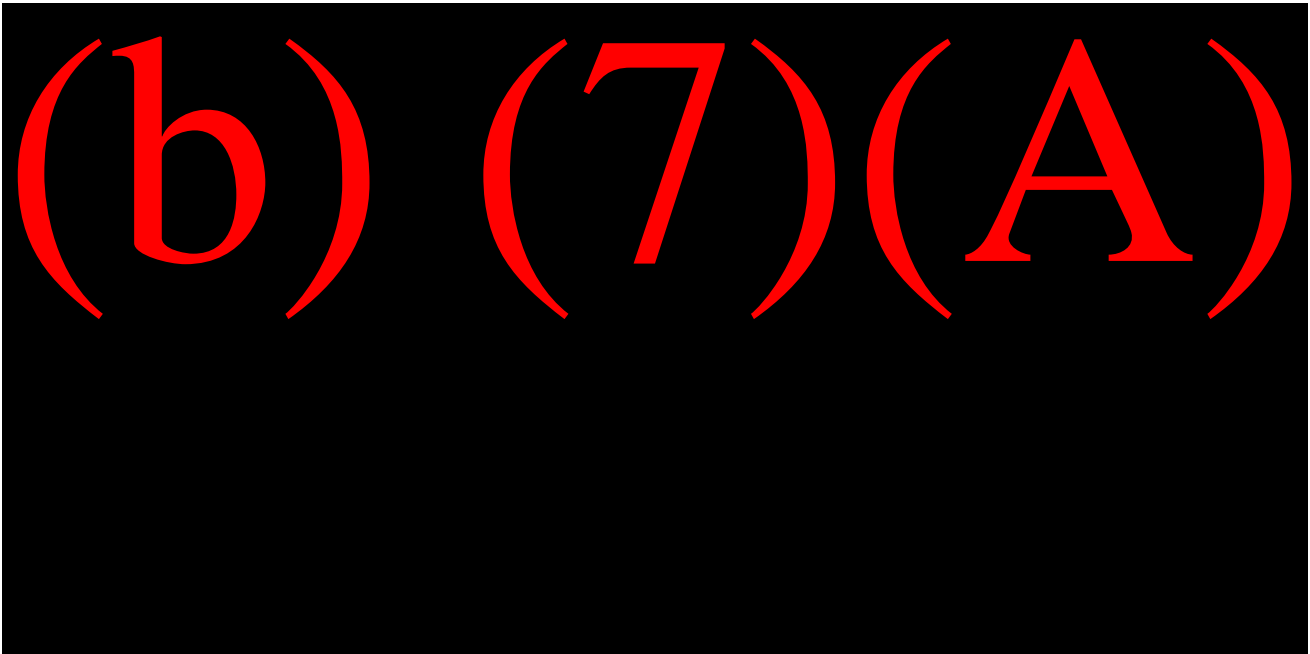
AGENCY DISTRIBUTION AUTHORIZED

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.

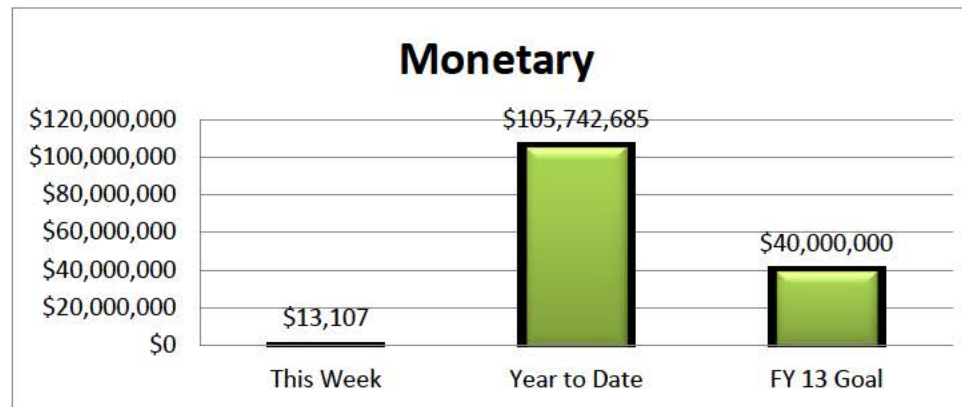
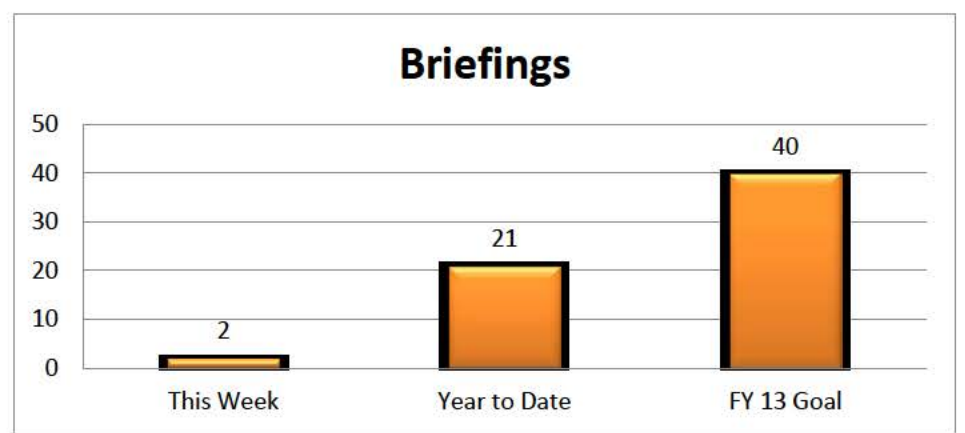
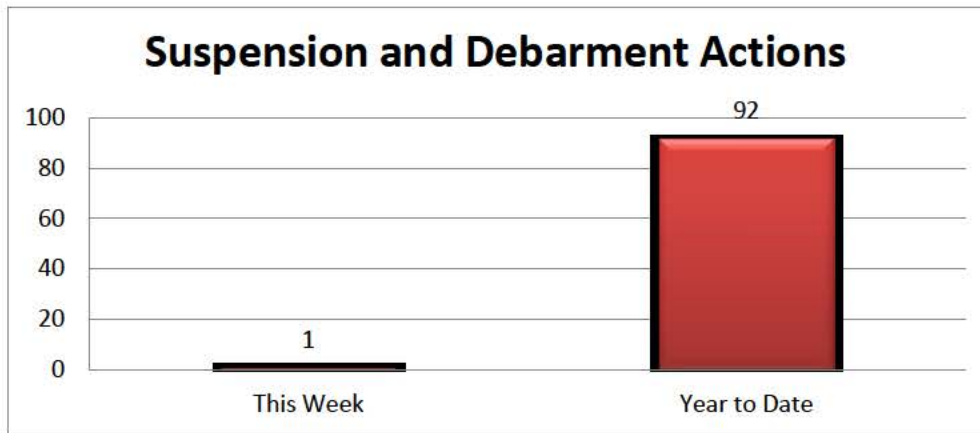
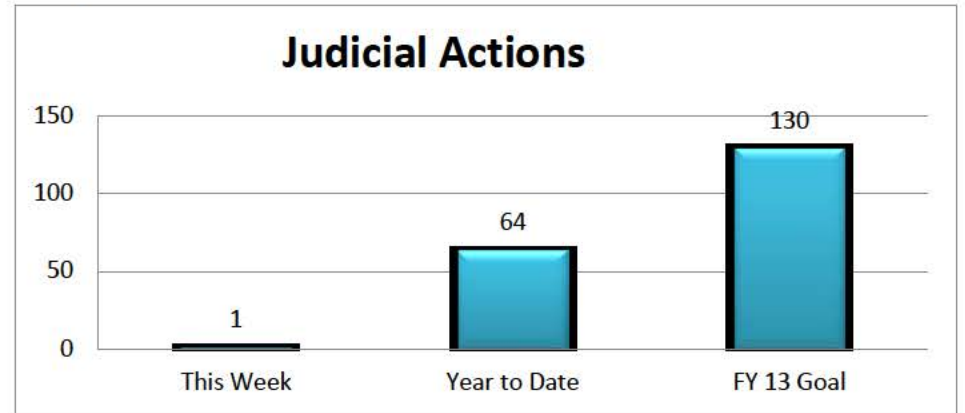
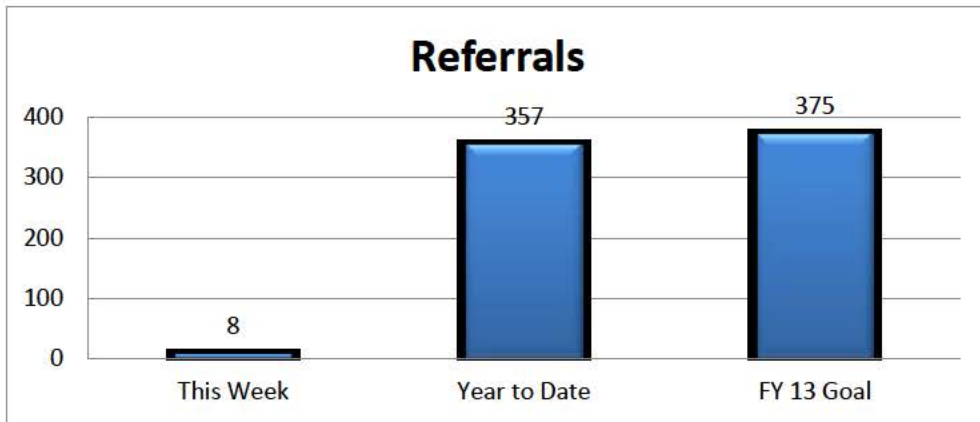
For information regarding this Significant Item, please contact Special Agent in Charge (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).



(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

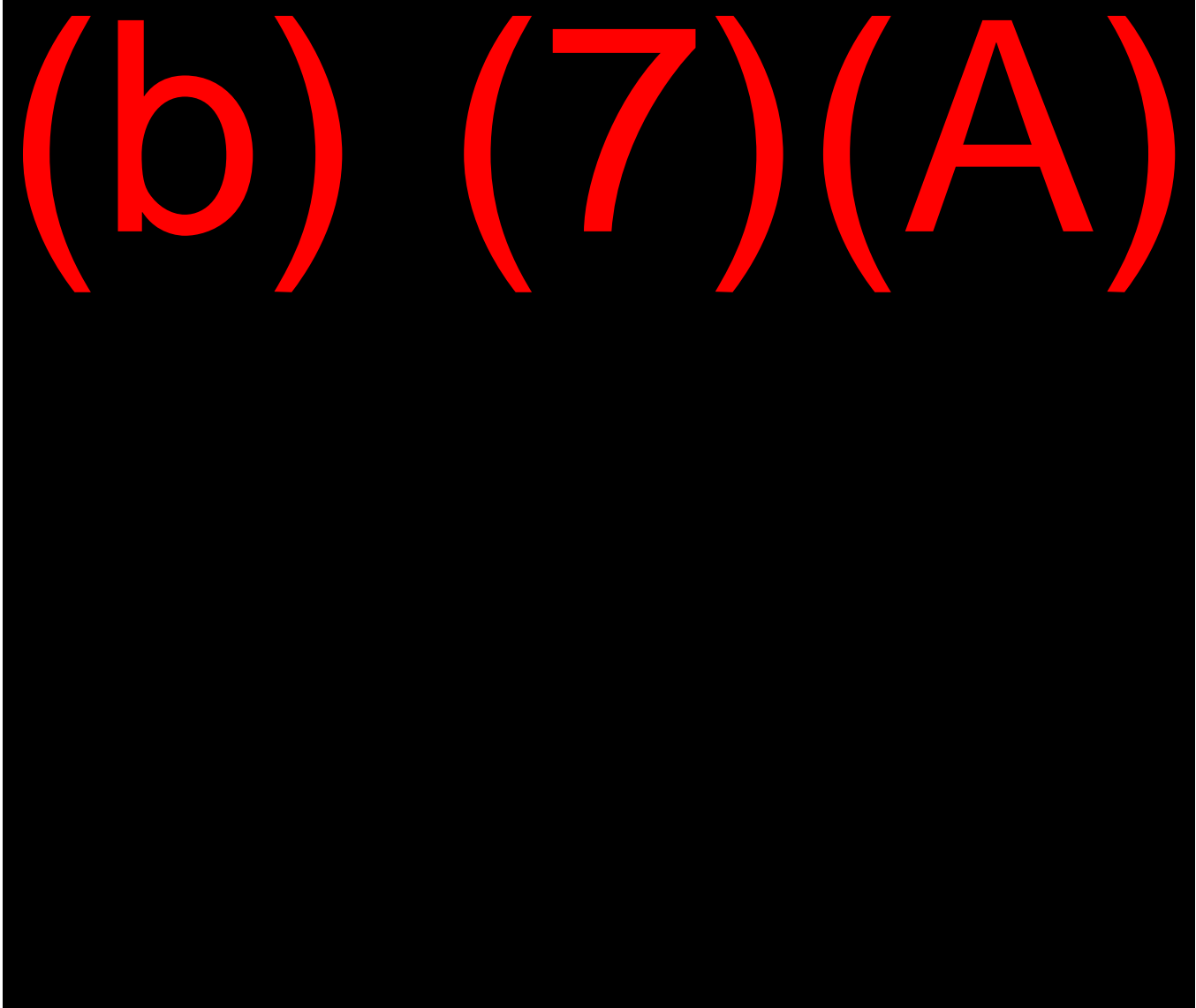
FAR

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.

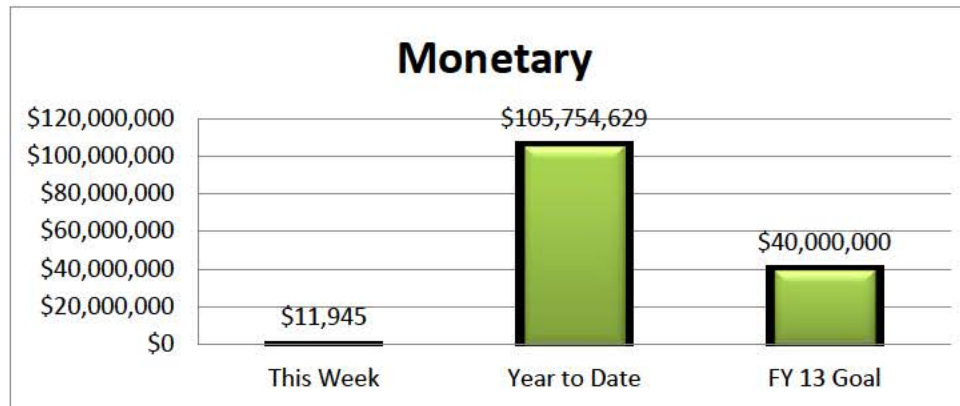
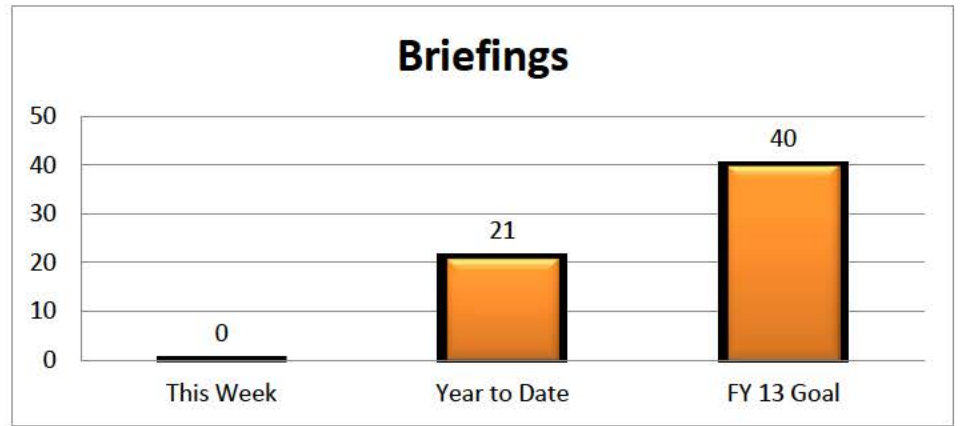
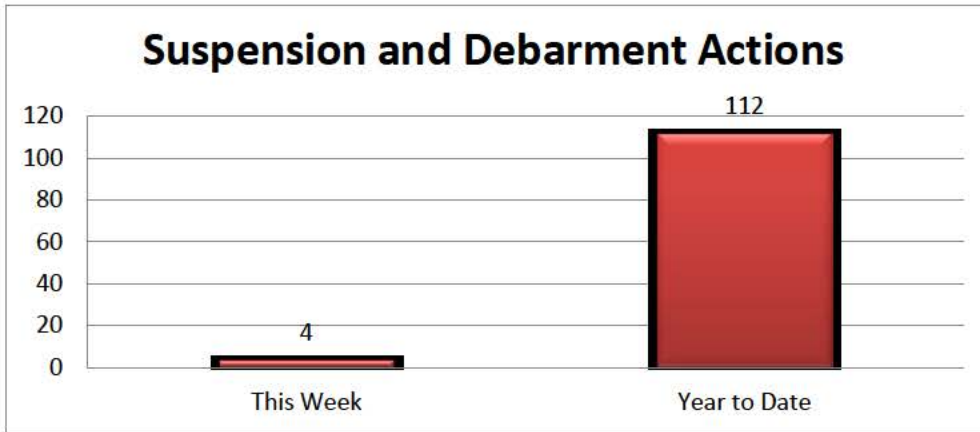
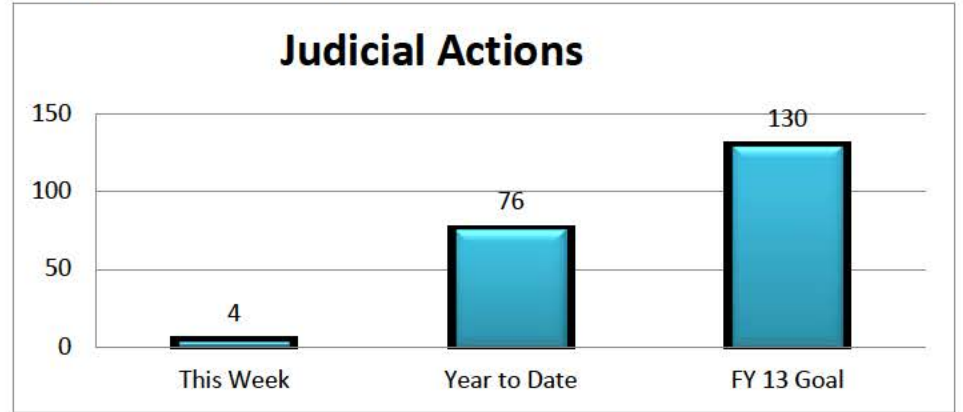
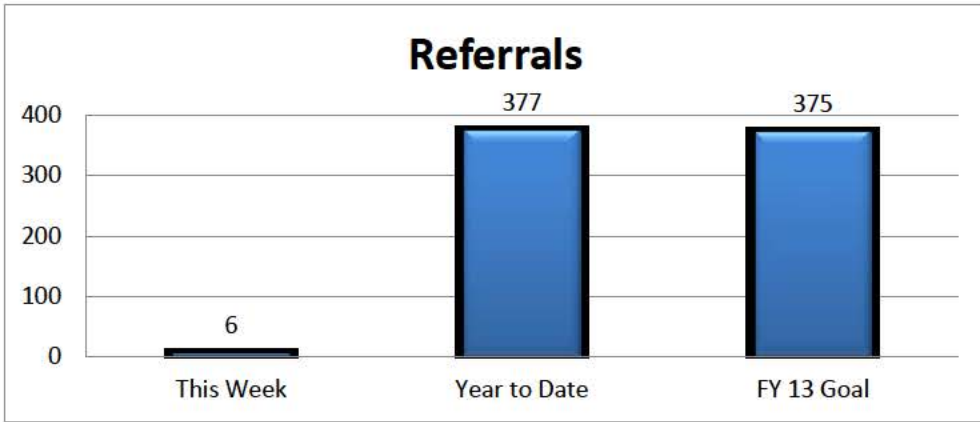
Witness statements indicated (b) (6), (b) (7)(C) never disclosed the fact the mobile homes were not to be lived in, nor did (b) (6), (b) (7)(C) provide them with required disclosure documents or the respective SF-97. Six of the twelve units sold involved interstate transactions.

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.

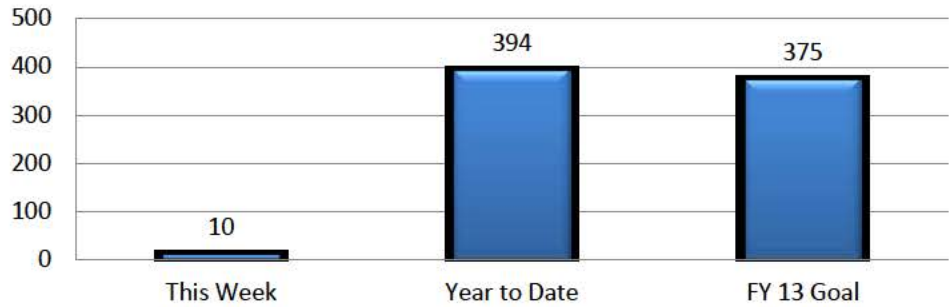
This was a joint investigation with the FBI.

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

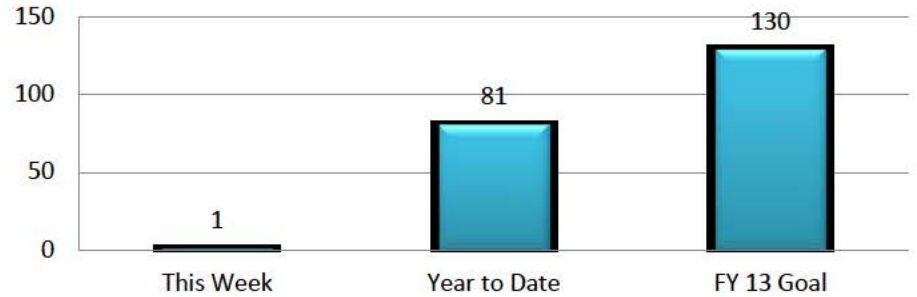
(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Direct Line (b) (6), (b)(7)(C)
Fax (202) 252-0042

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

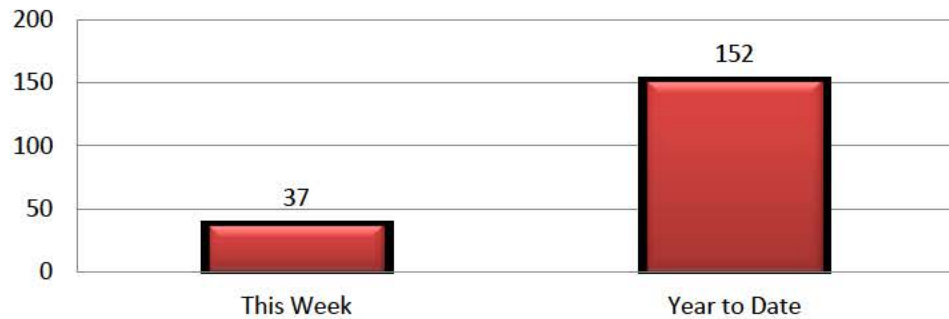
Referrals



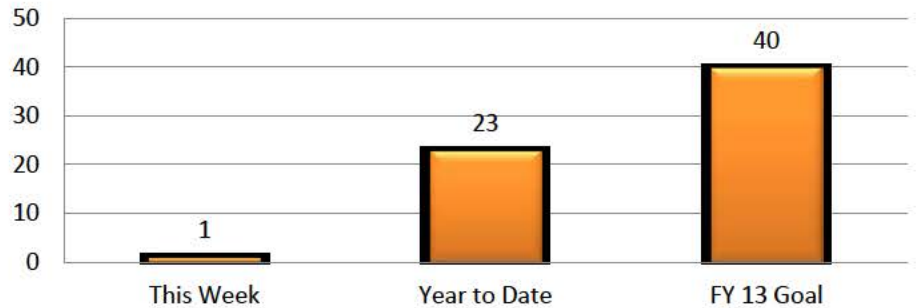
Judicial Actions



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



BACKGROUND



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)
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Great Lakes Regional Investigations Office
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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

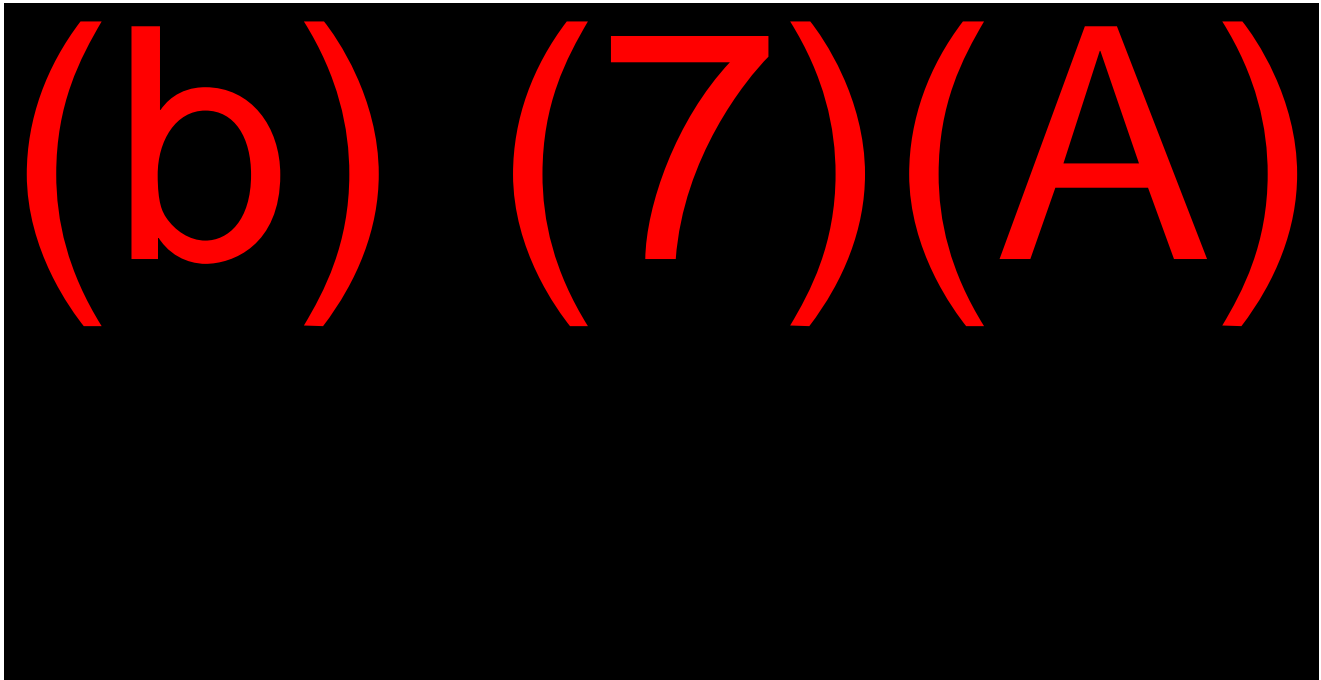
General Services Administration

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

AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

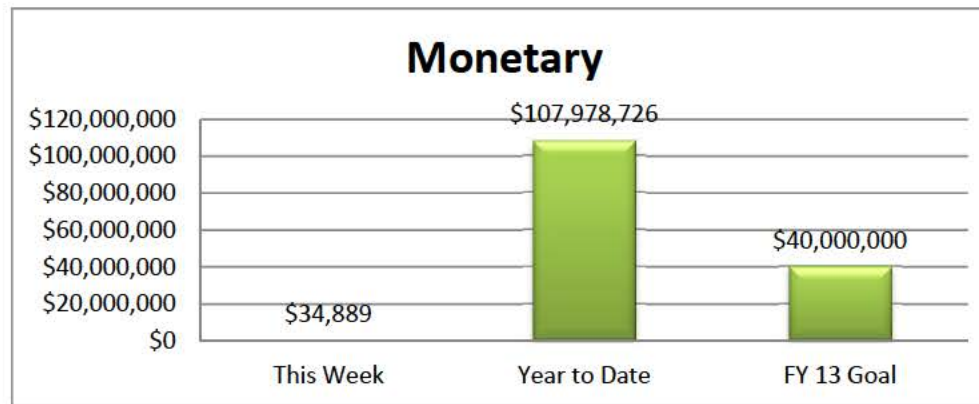
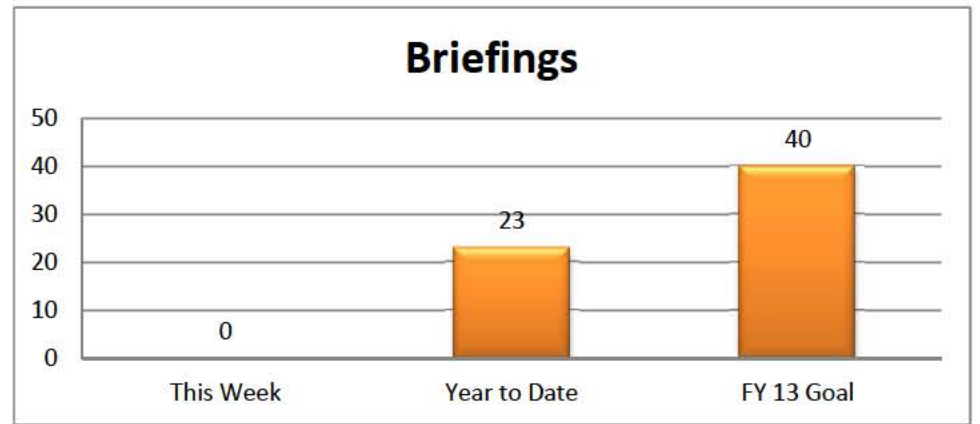
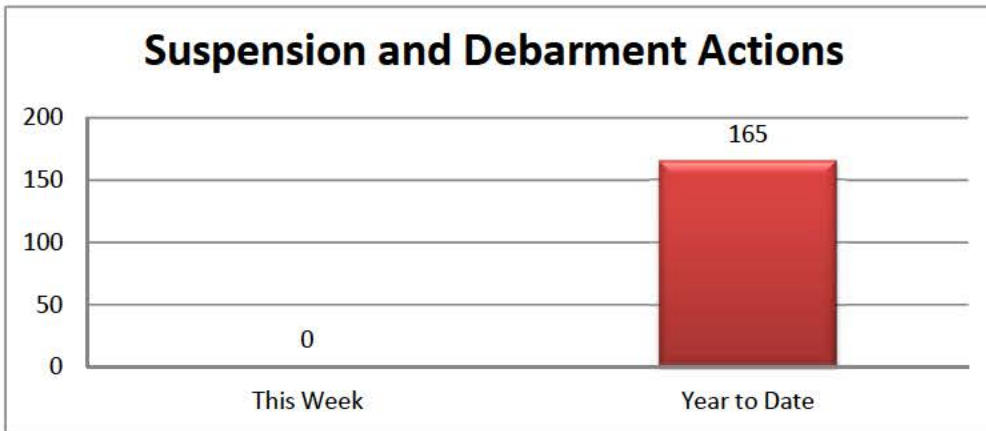
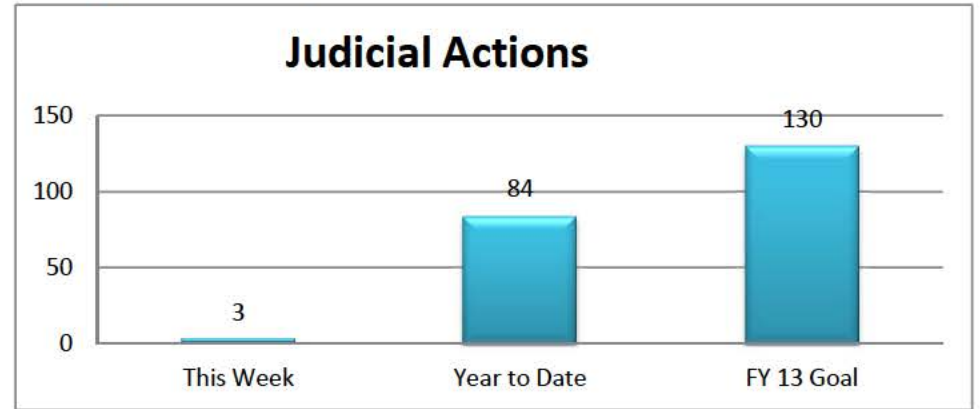
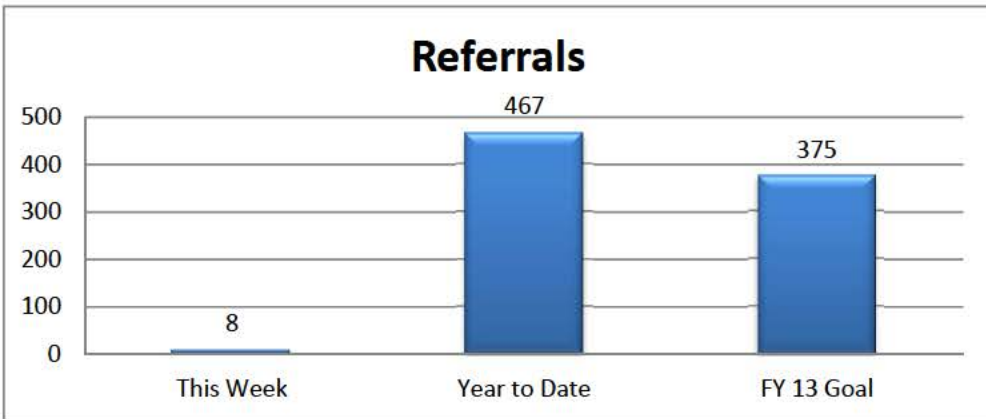
Case Title: (b) (7)(A)
File No.: 11243197
Case Agent: SA (b) (6), (b)(7)(C) (JI-4)



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





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 (b) (6), (b) (7)(C) and SA (b) (6), (b) (7)(C) FBI, will meet with AUSA (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 (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)

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)
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U.S. General Services Administration
Office of Inspector General
Great Lakes Regional Investigations Office
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230 South Dearborn Street
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(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.

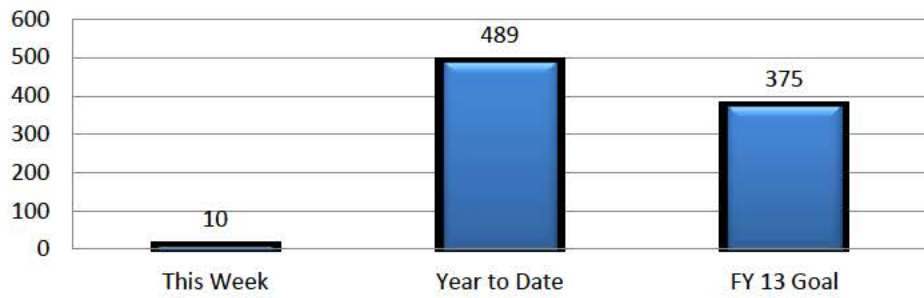
On October 17, 2012, ASAC (b) (6), (b)(7)(C) testified in front of a federal grand jury to the matters concerning the scheme. As a result, U.S. Magistrate Judge (b) (6), (b)(7)(C) issued an arrest warrant for (b) (6), (b)(7)(C) in violation of 18 U.S.C. 201, Bribery. On October 25, 2012, JI-W OIG agents 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).

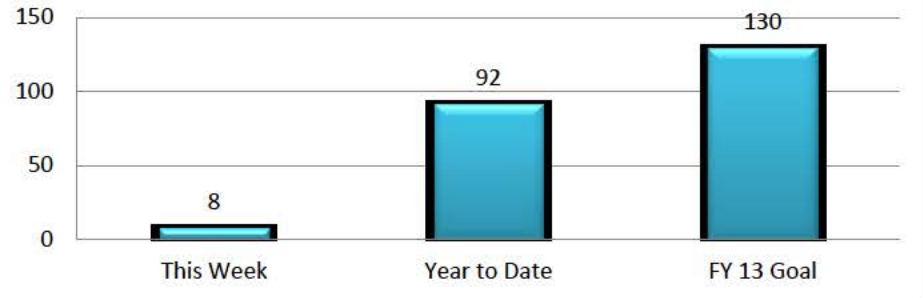
(b) (6), (b)(7)(C)
Assistant Special Agent in Charge
(b) (6), (b)(7)(C) office
202-252-0042 fax

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

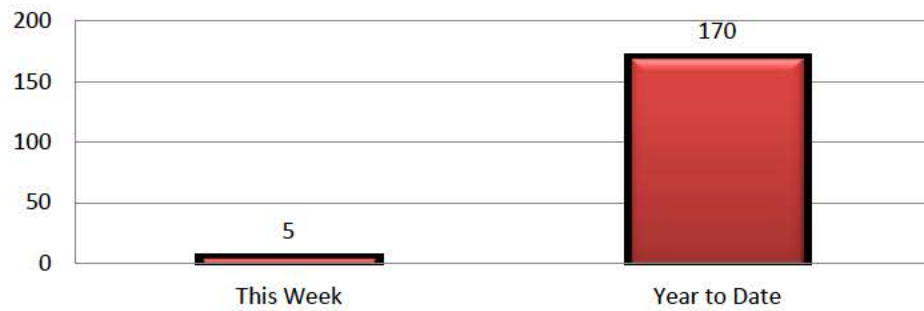
Referrals



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)

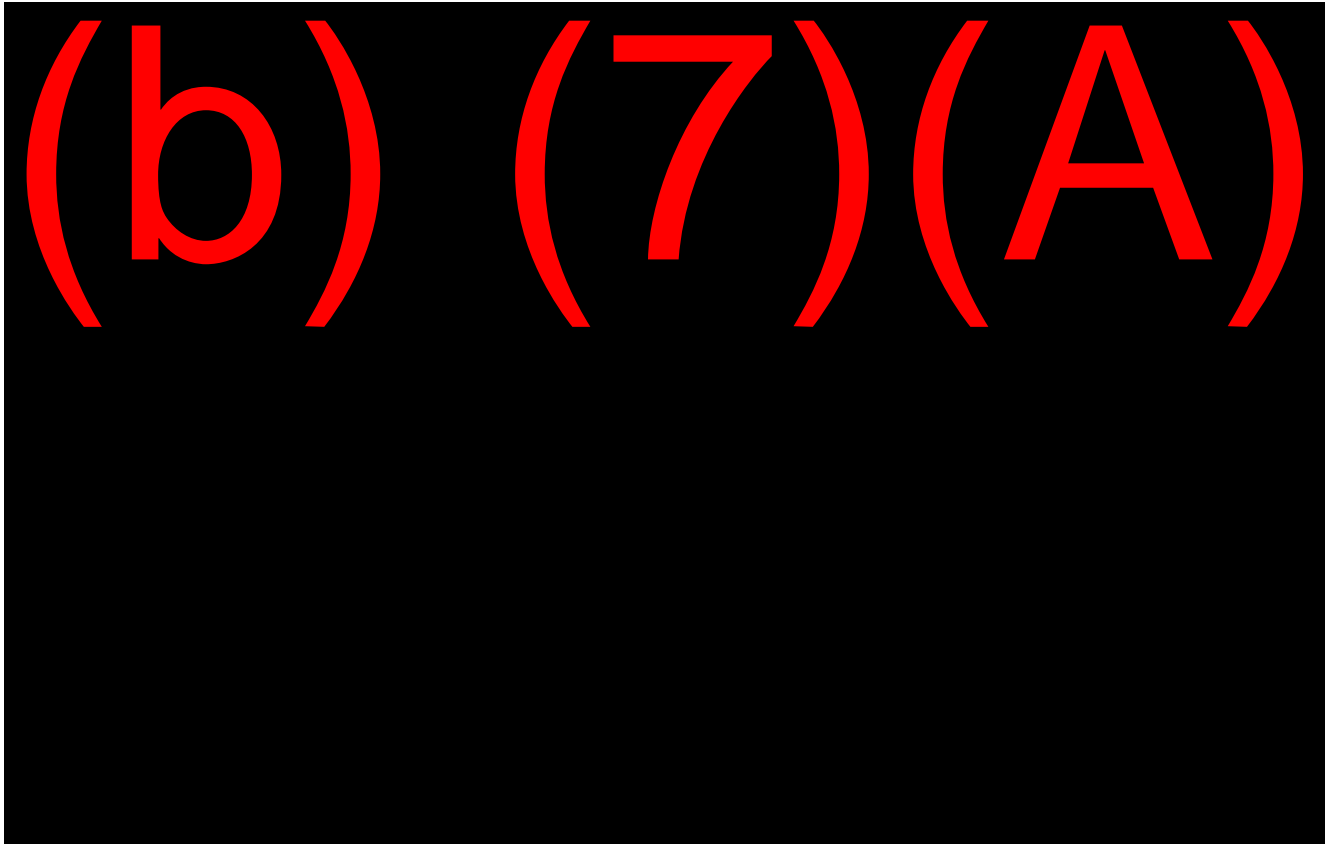
INTERNAL DISTRIBUTION ONLY

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

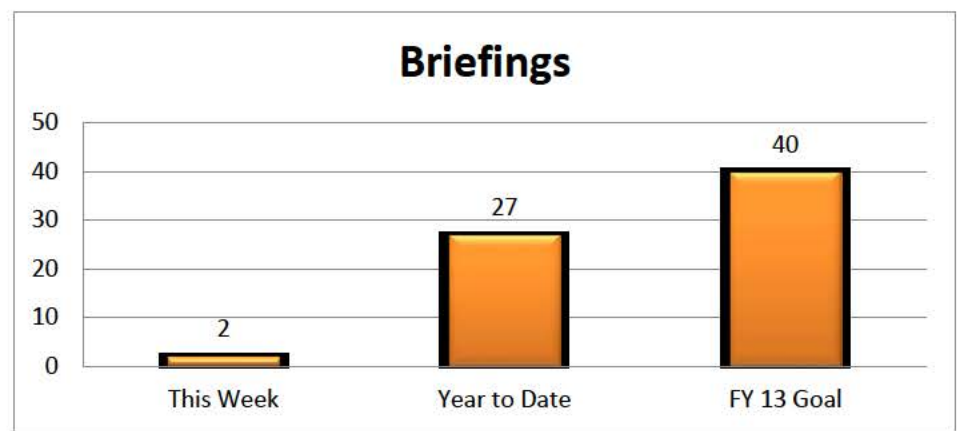
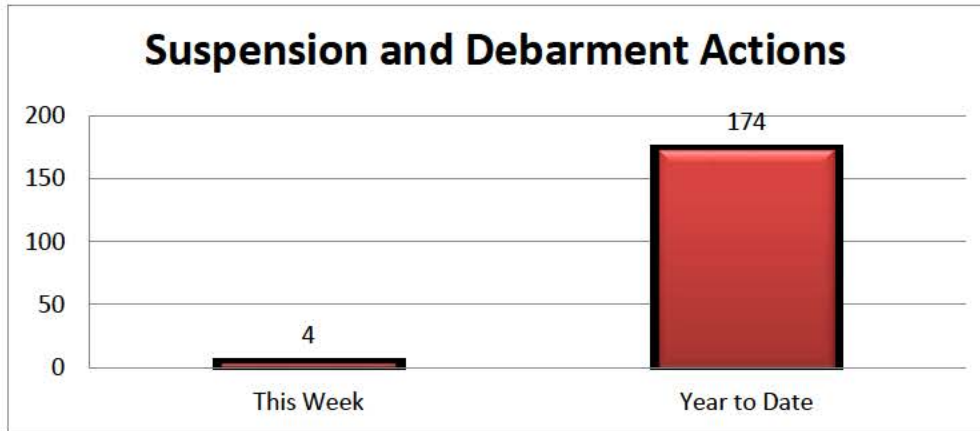
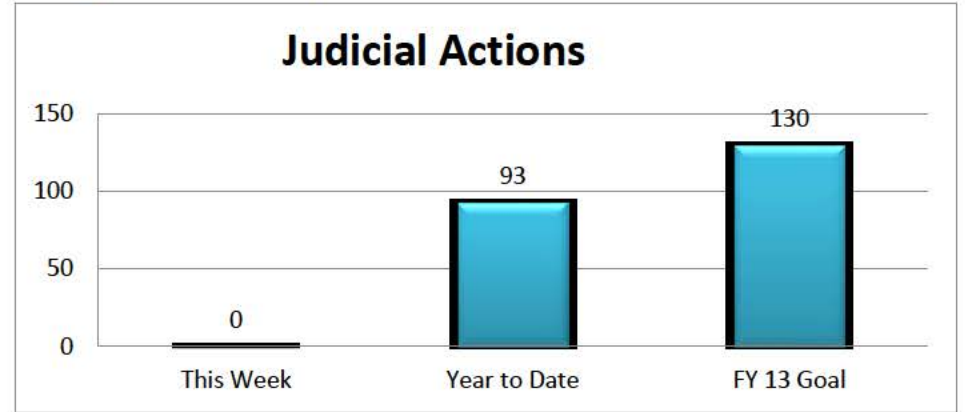
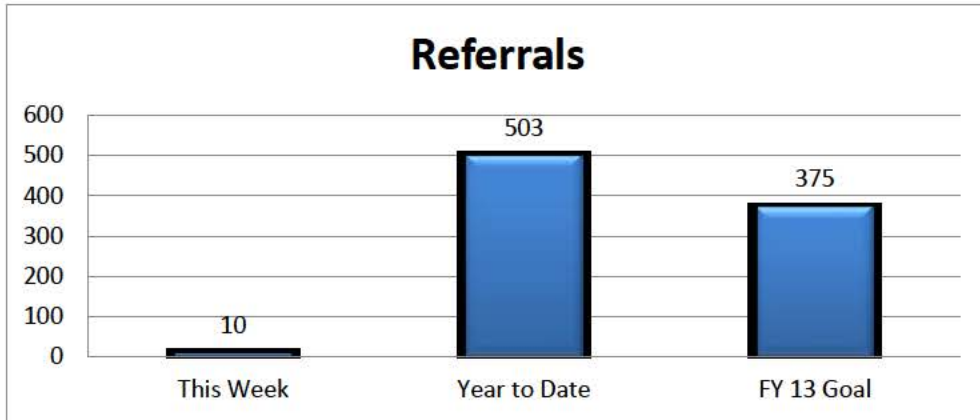
(b) (7) (A)

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)
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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.

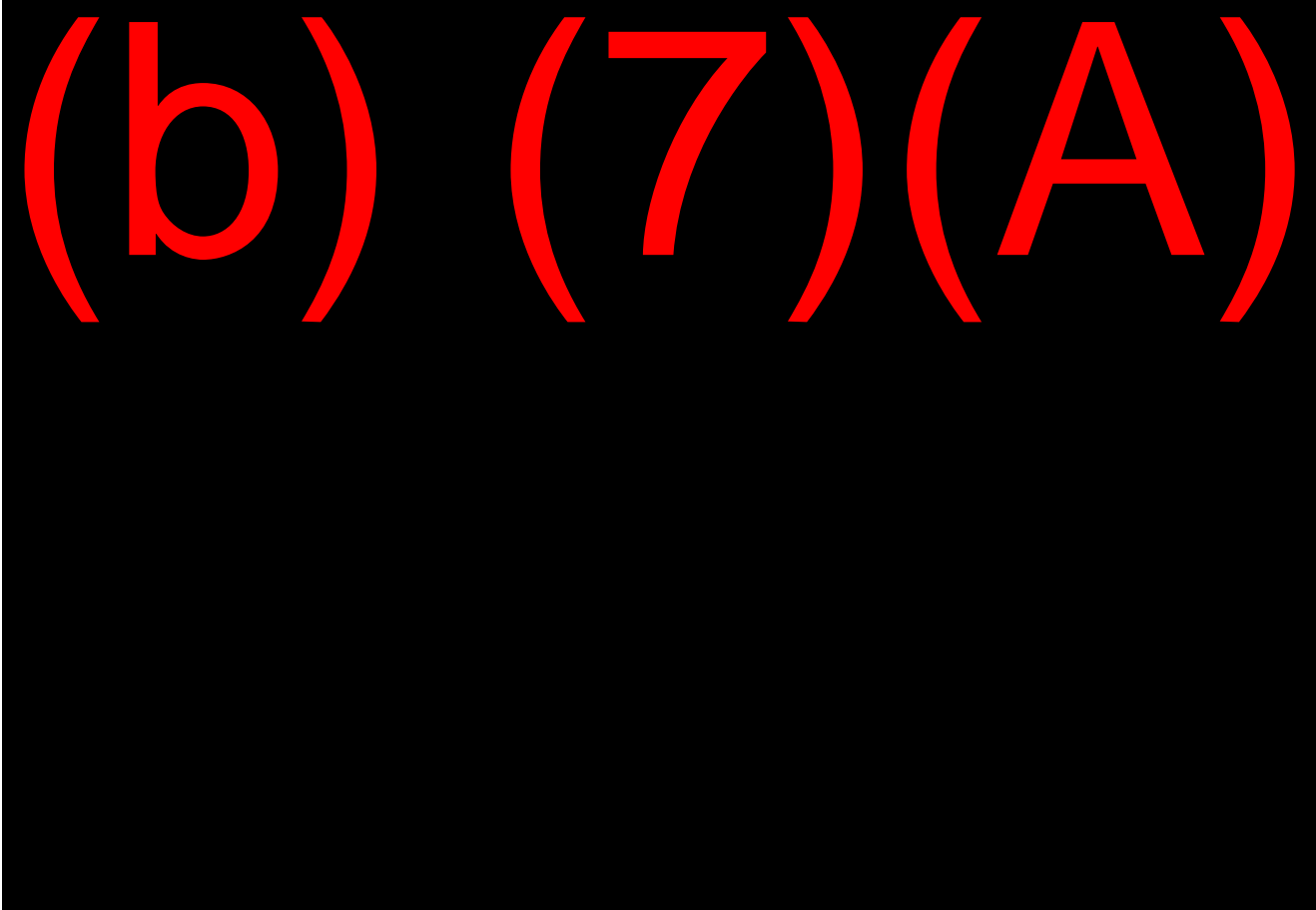
For information regarding this Significant Item, please contact Special Agent in Charge, (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C).

(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

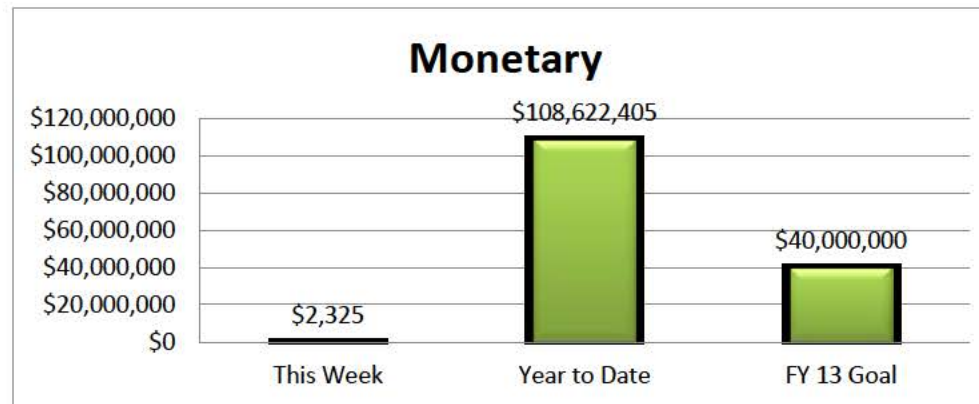
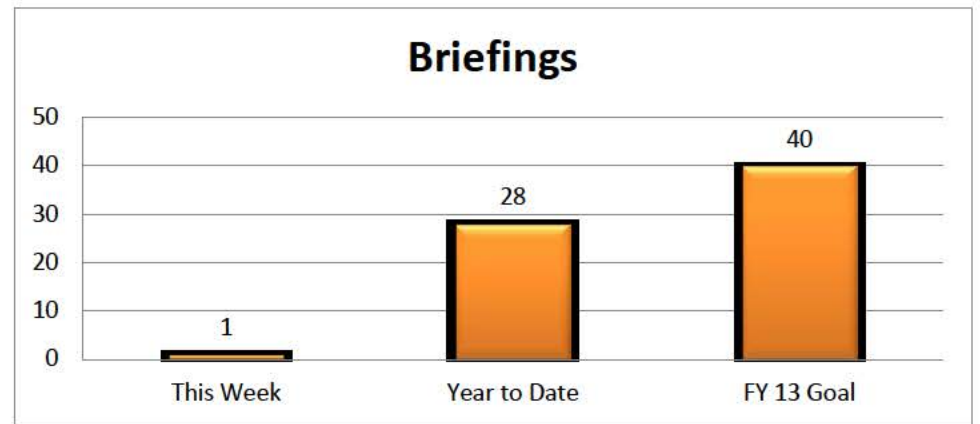
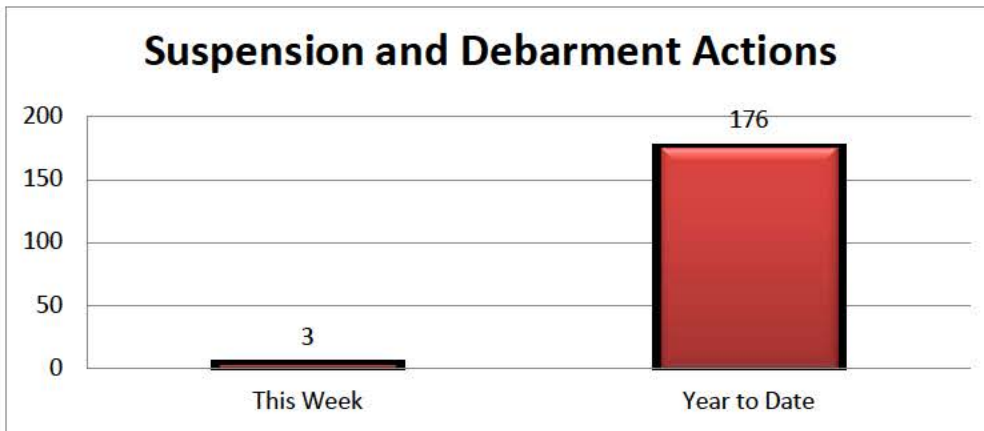
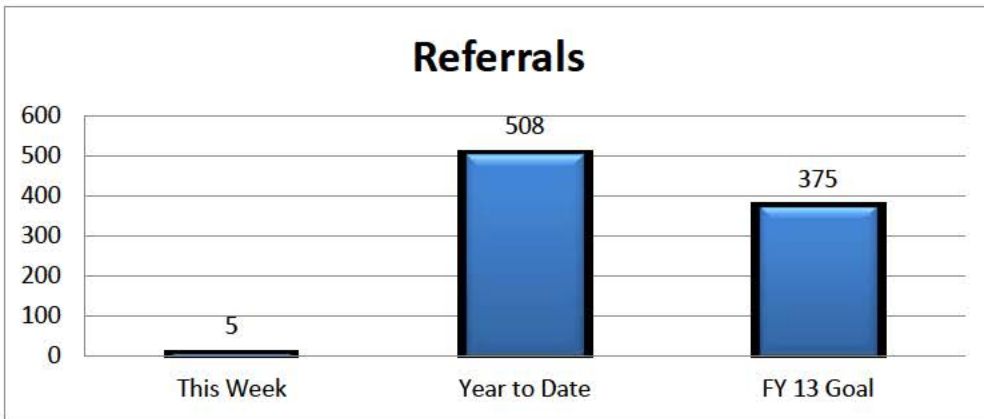
Case Title: (b) (7)(A)
Case Num: 10930072
Case Agent: SA (b) (6), (b)(7)(C), JI-3



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)
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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.

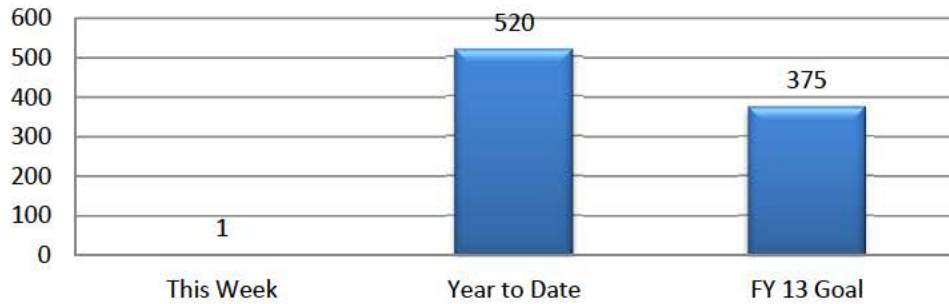
The estimated fraud total loss to the government is approximately \$8,575.

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

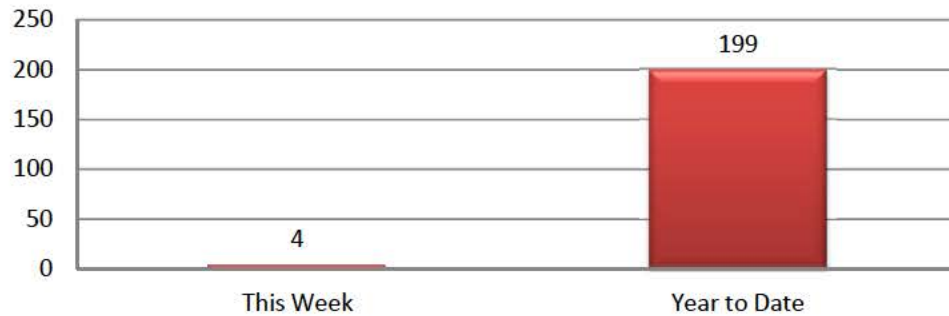
Referrals



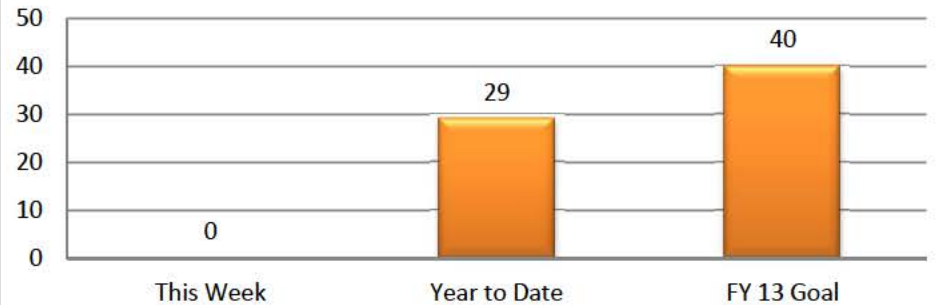
Judicial Actions



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

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)

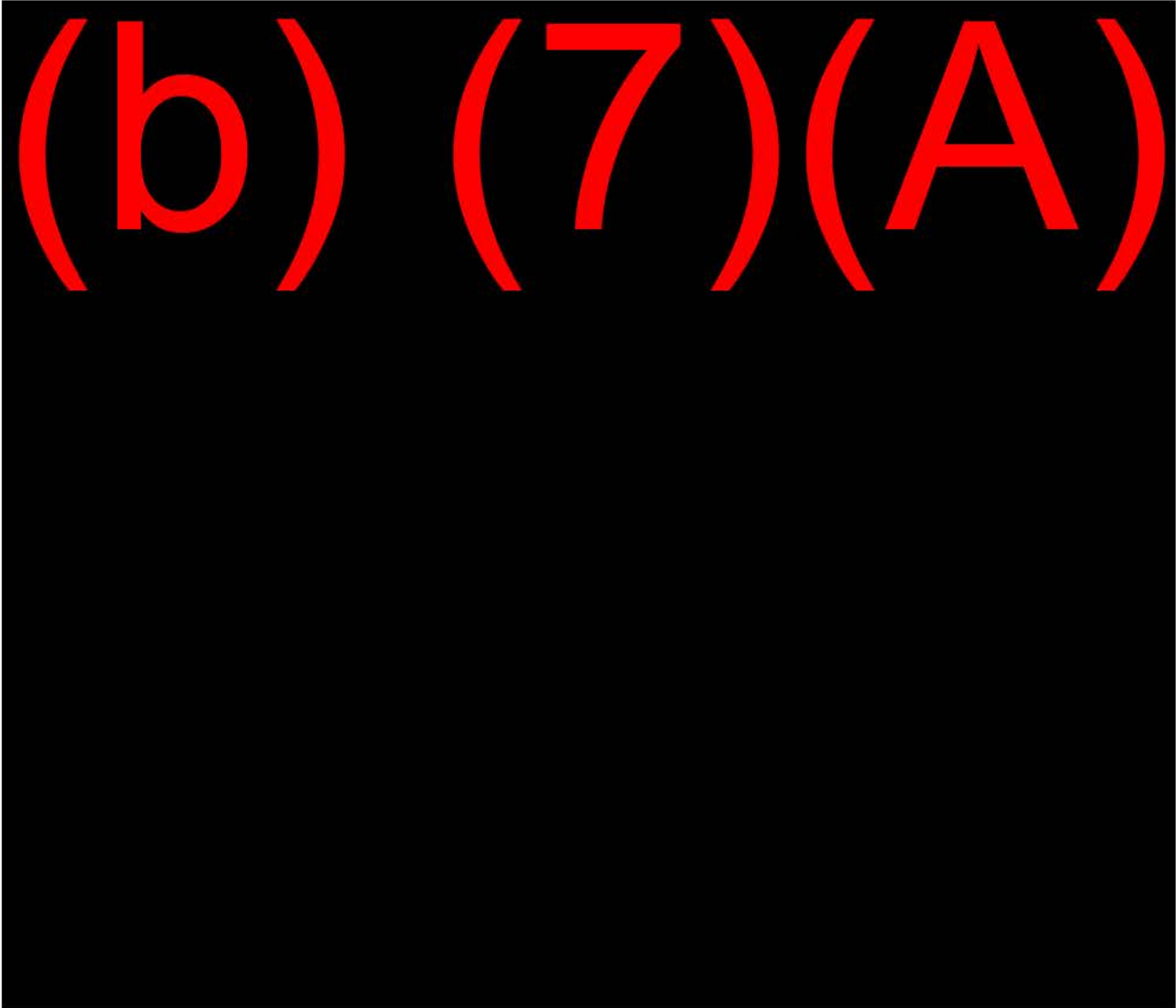
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Phone (b) (6), (b)(7)(C)

Significant Item

Case Number: I1292047

Case Title (b) (7)(A)

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



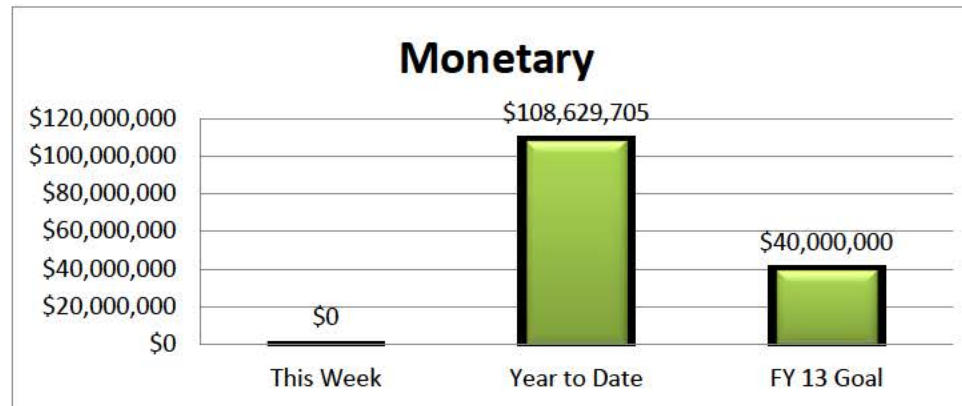
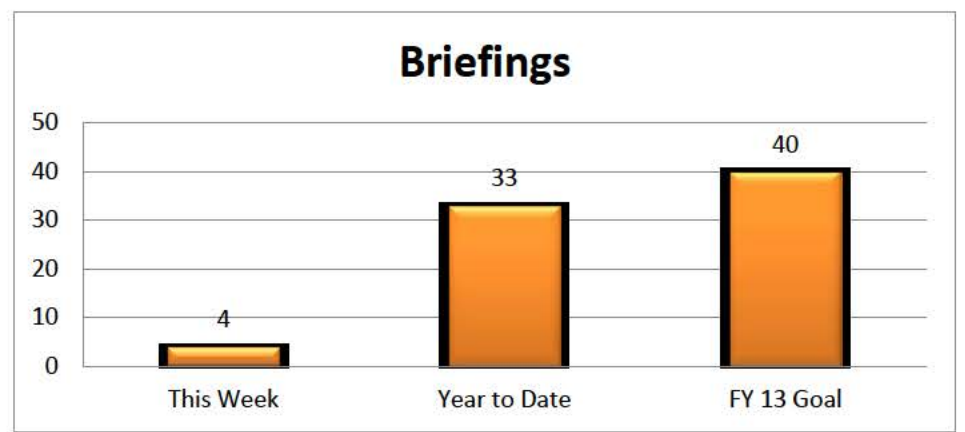
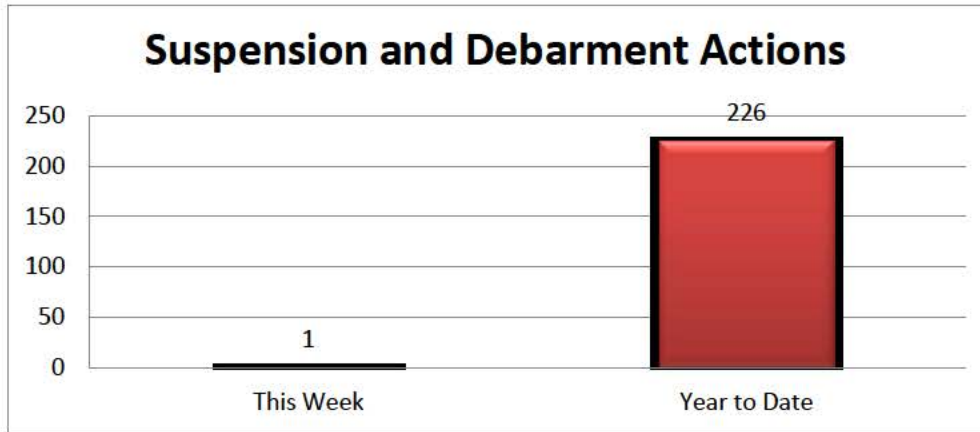
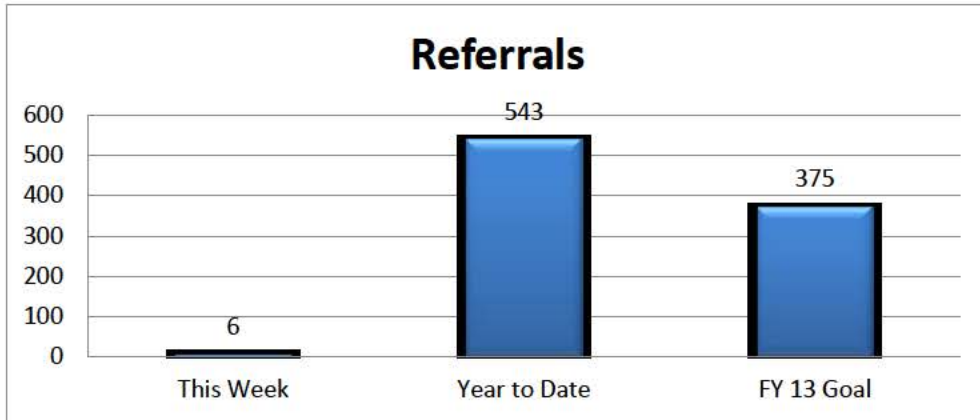
(b) (6), (b)(7)(C)

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) I17070013)

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)

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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)

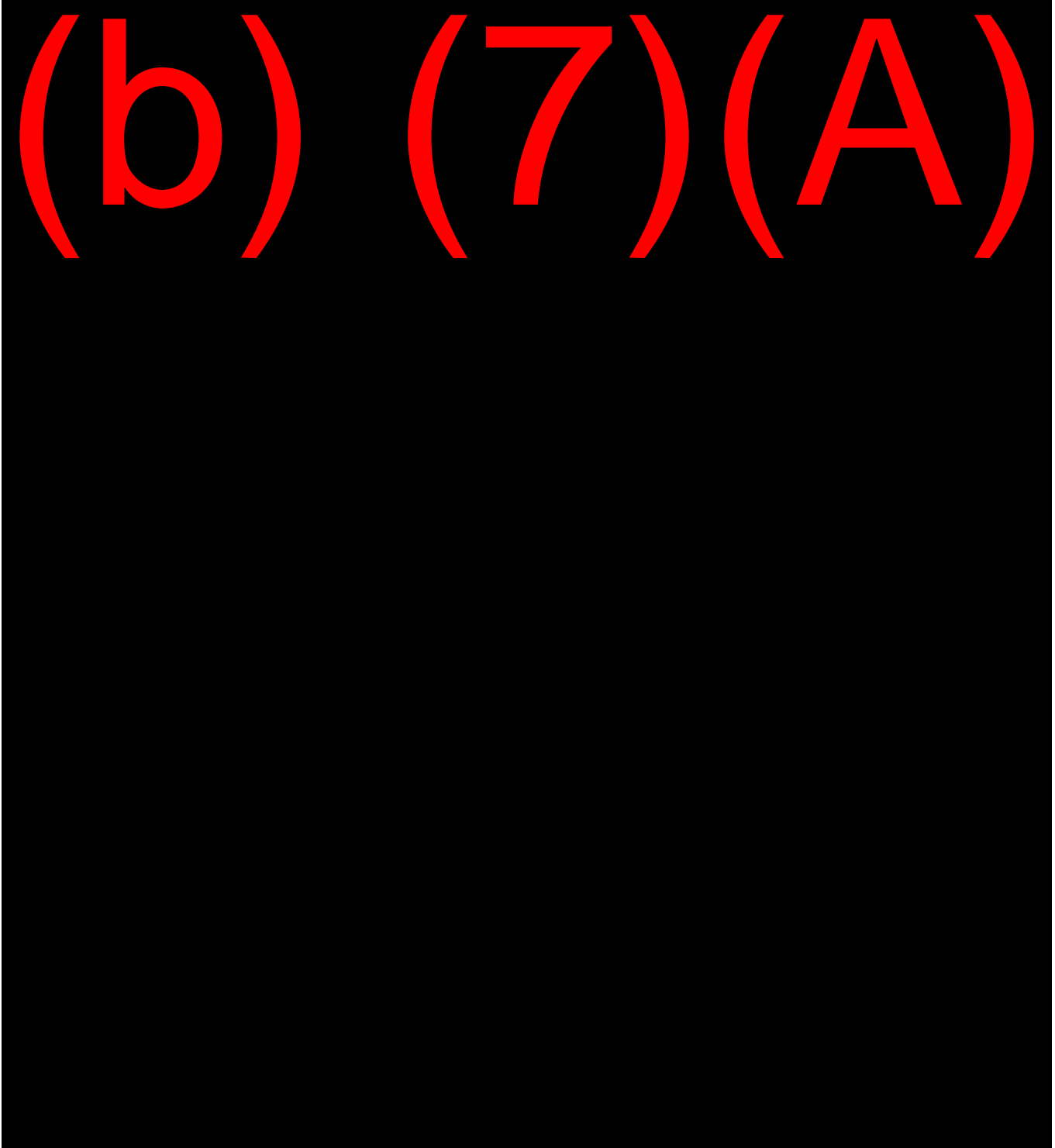
Direct Line (b) (6), (b)(7)(C)

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

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

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

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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

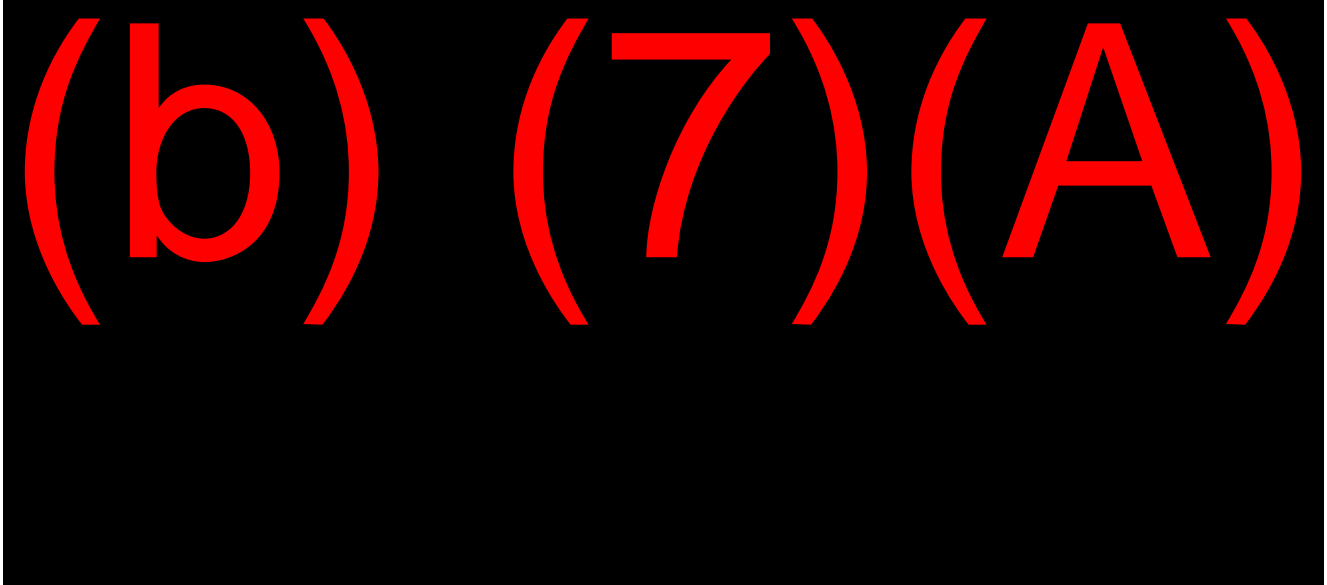
(b) (6), (b)(7)(C)

@gsaig.gov

AGENCY DISTRIBUTION AUTHORIZED

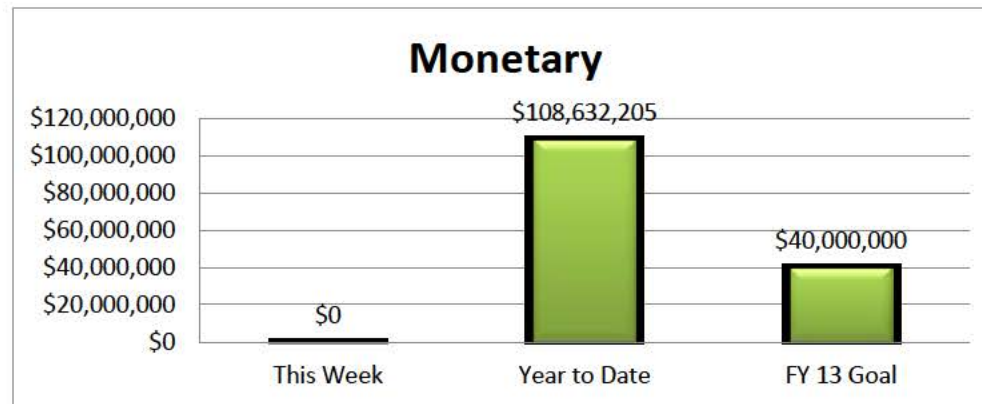
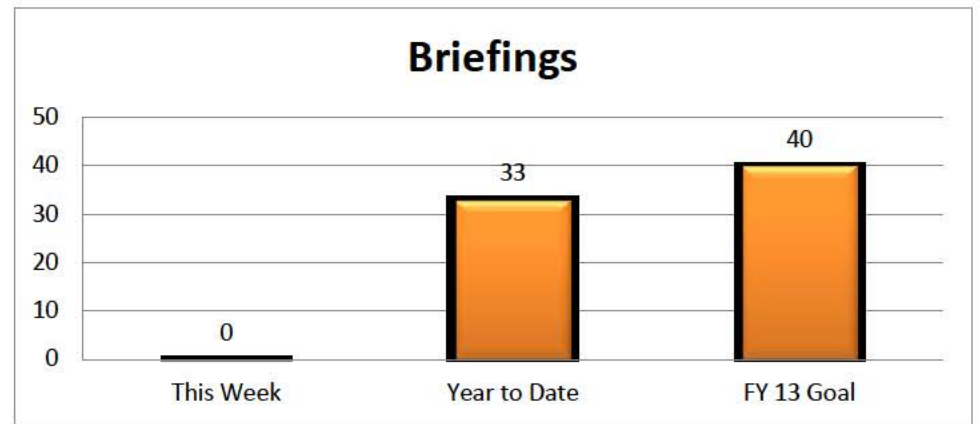
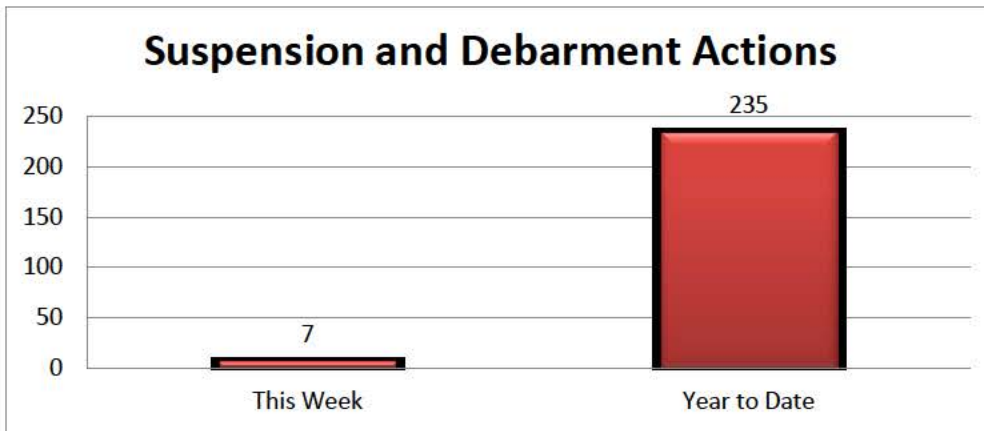
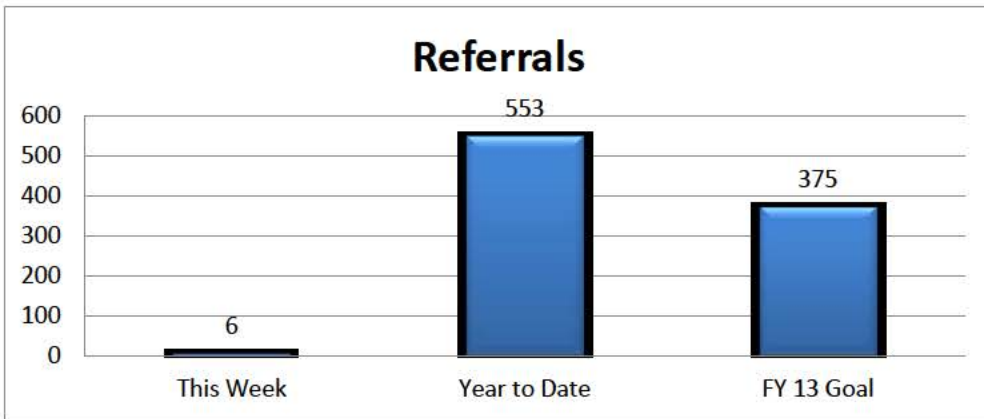
SIGNIFICANT ITEM

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.

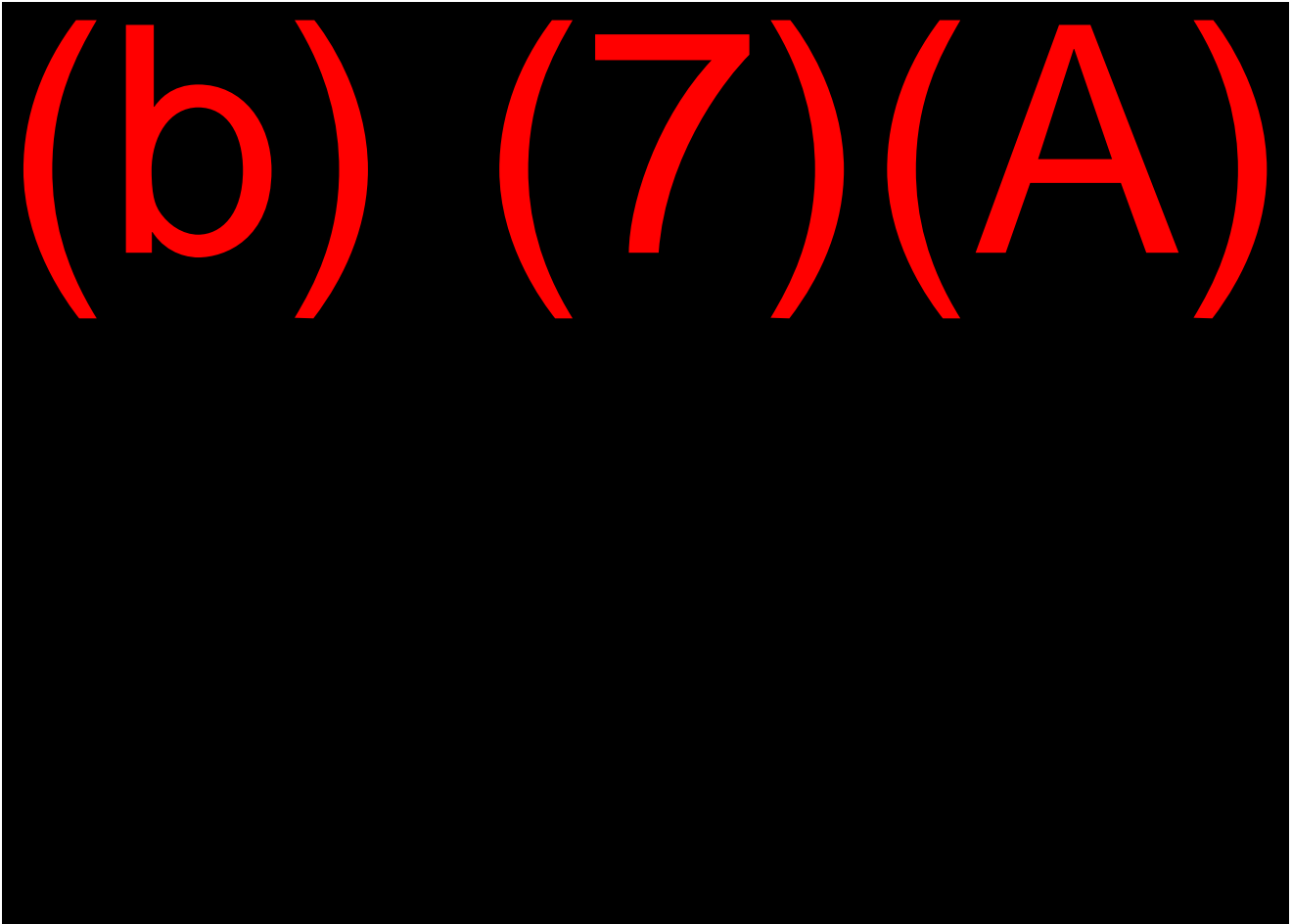
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM

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

Case Number: 11234105

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



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

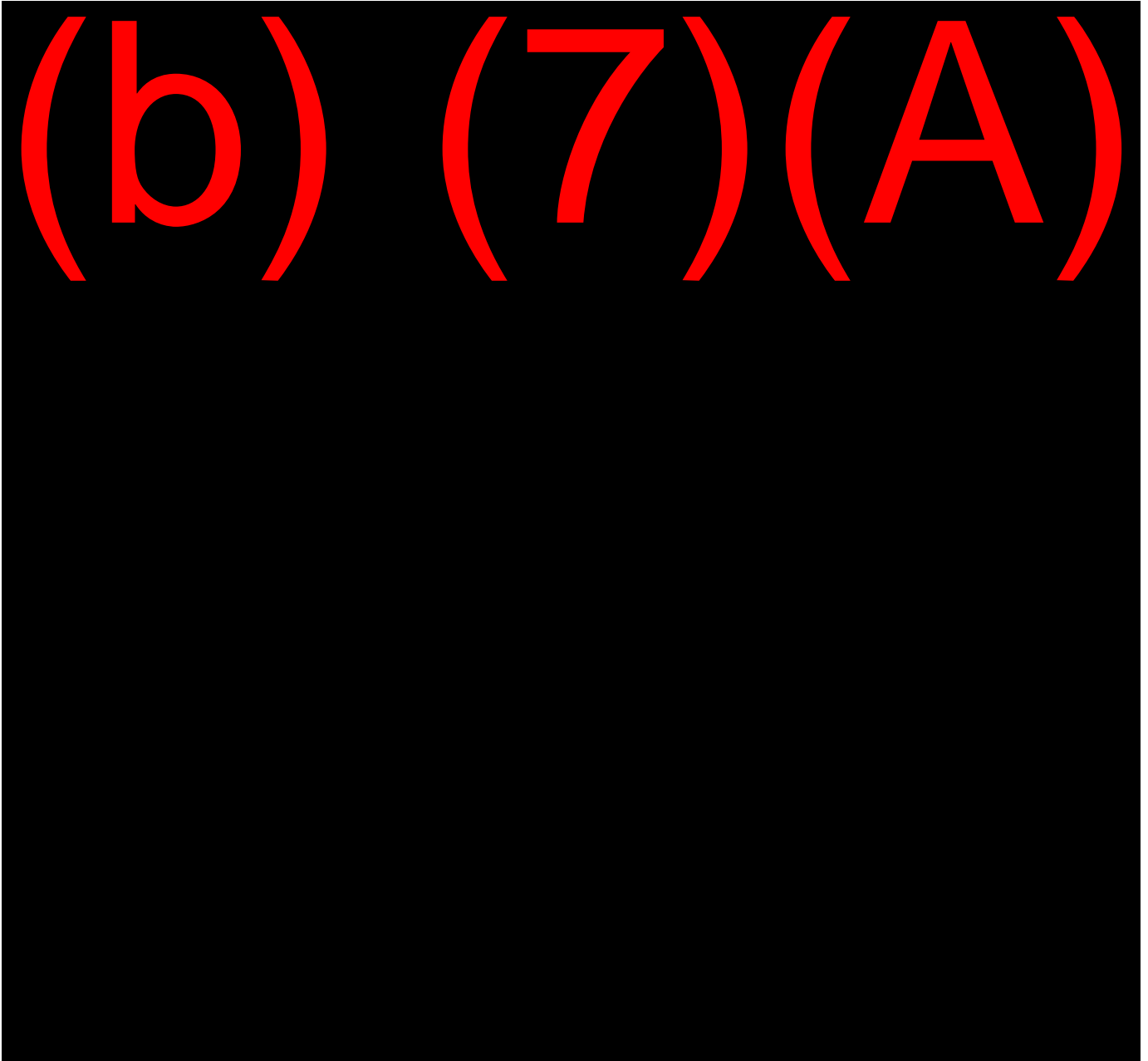
(b) (6), (b)(7)(C) [@gsaig.gov](mailto:(b) (6), (b)(7)(C)@gsaig.gov)

Significant Item

Case Number: I1292047

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

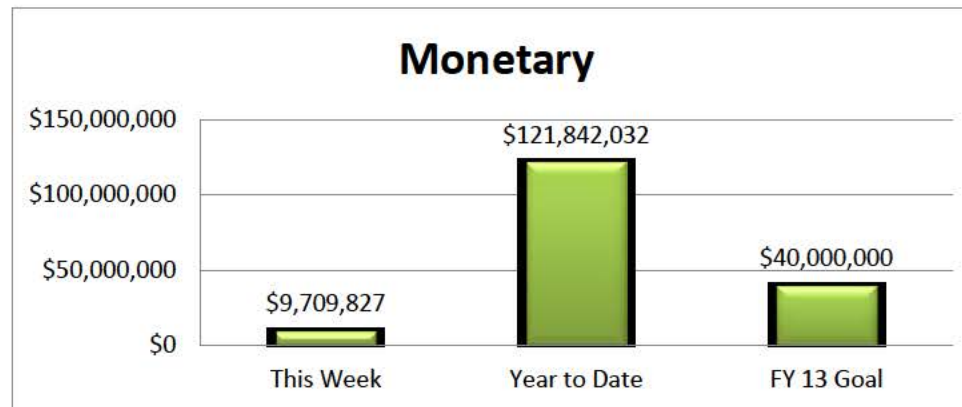
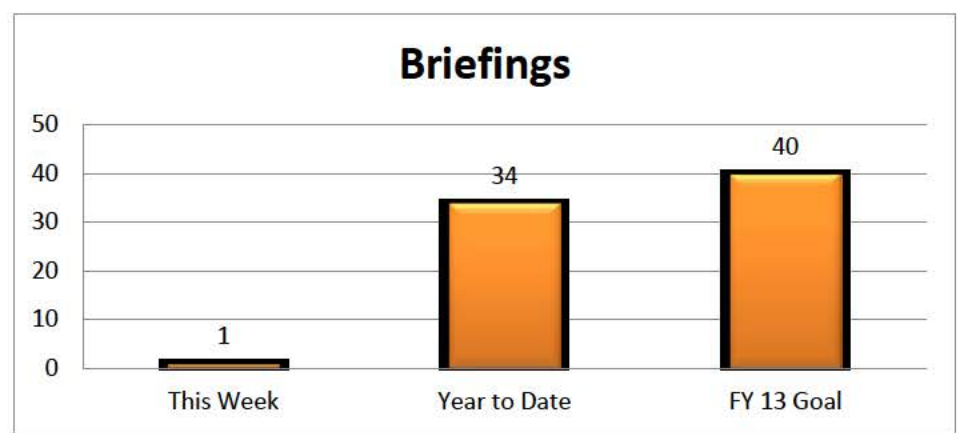
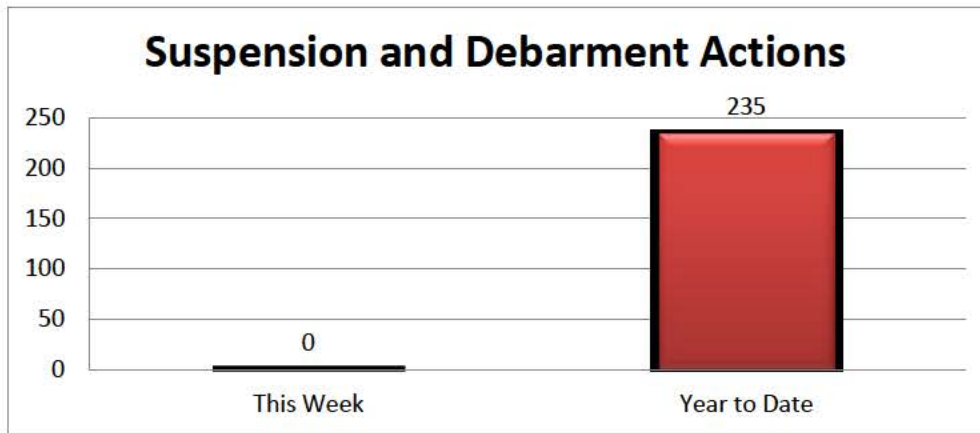
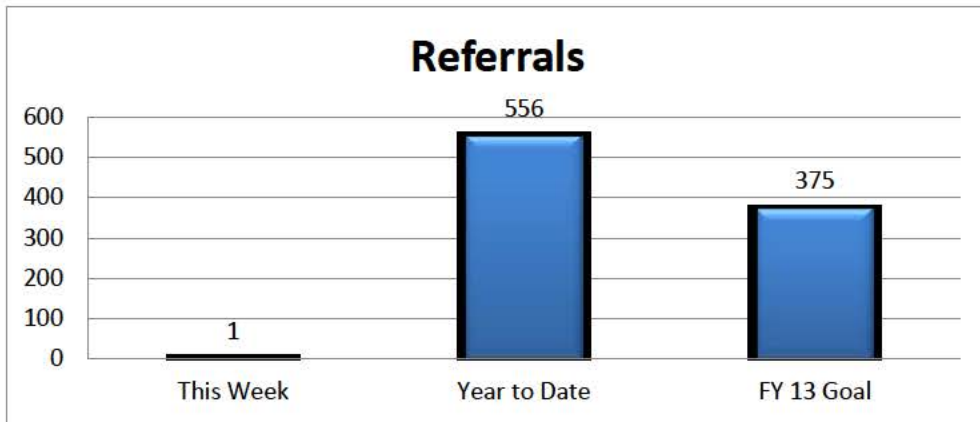
Case Agent: (b) (6), (b)(7)(C)



(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

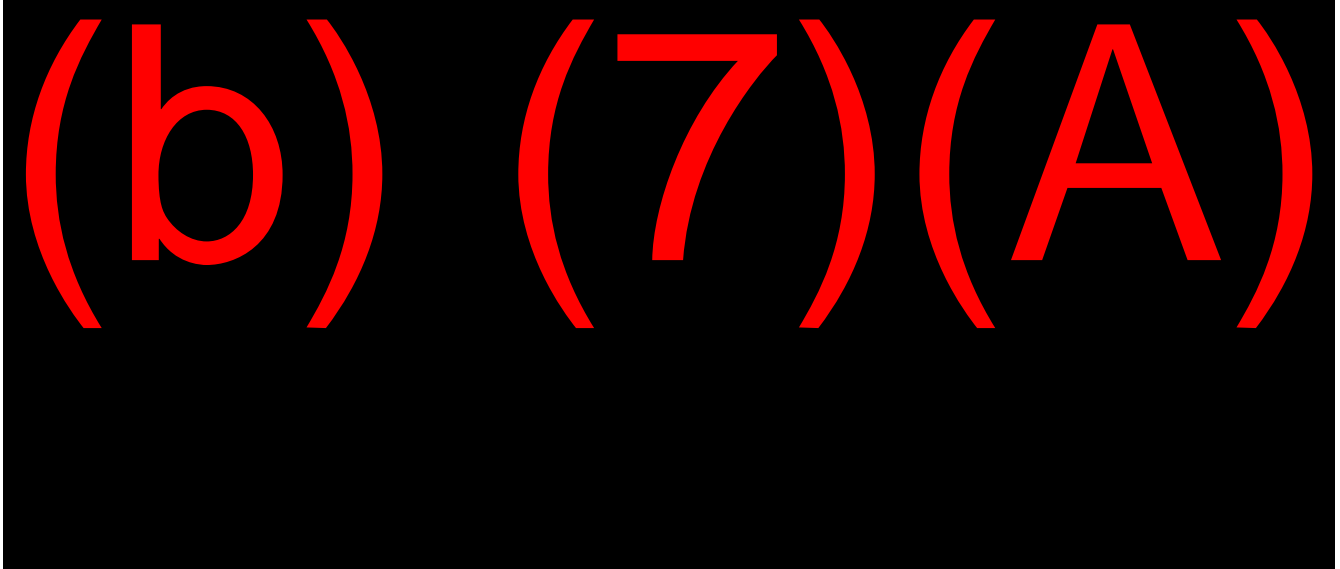
AGENCY DISTRIBUTION AUTHORIZED

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

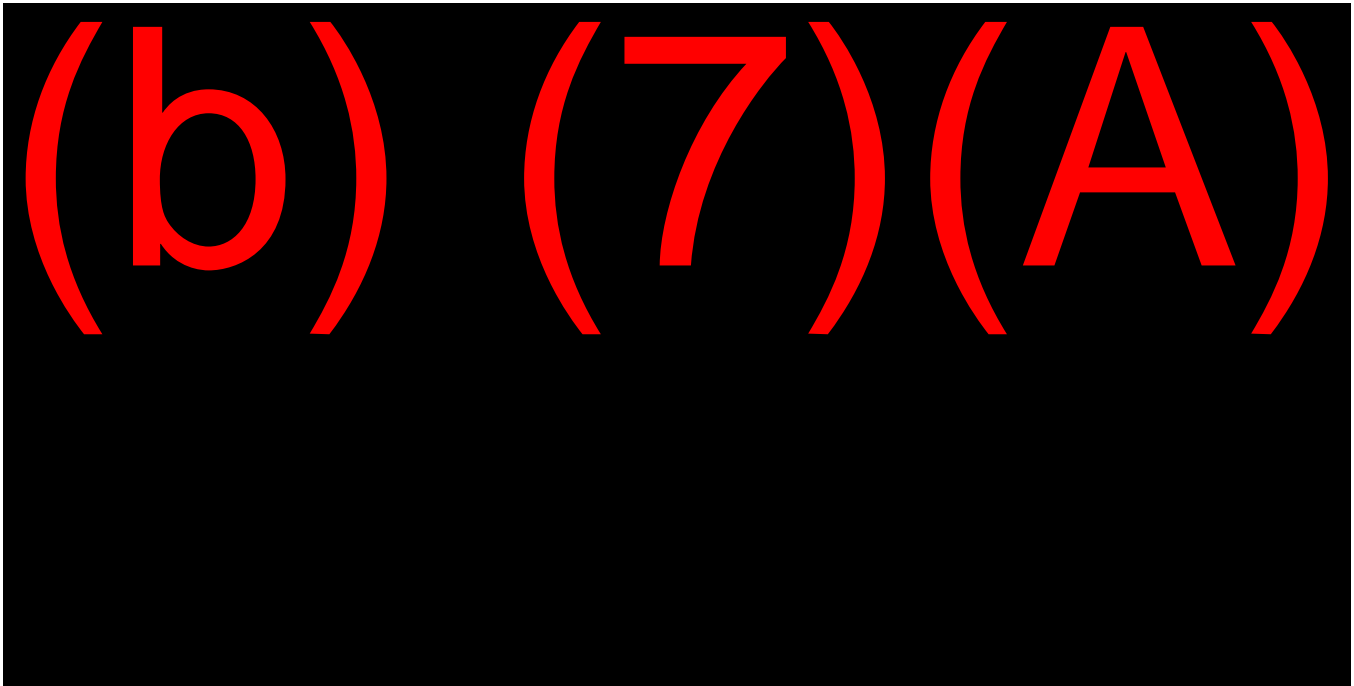
AGENCY DISTRIBUTION AUTHORIZED

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

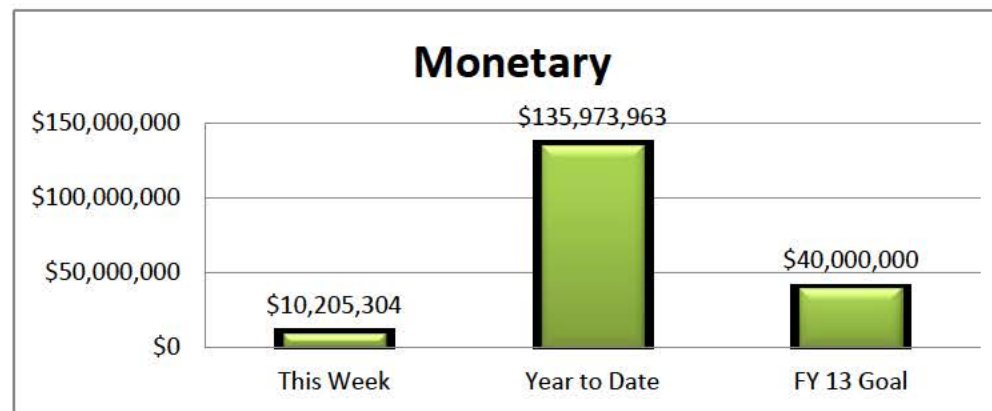
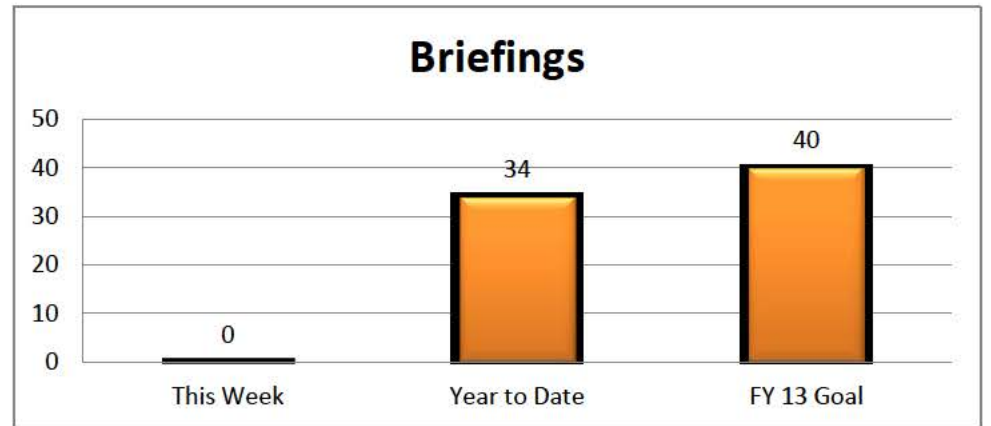
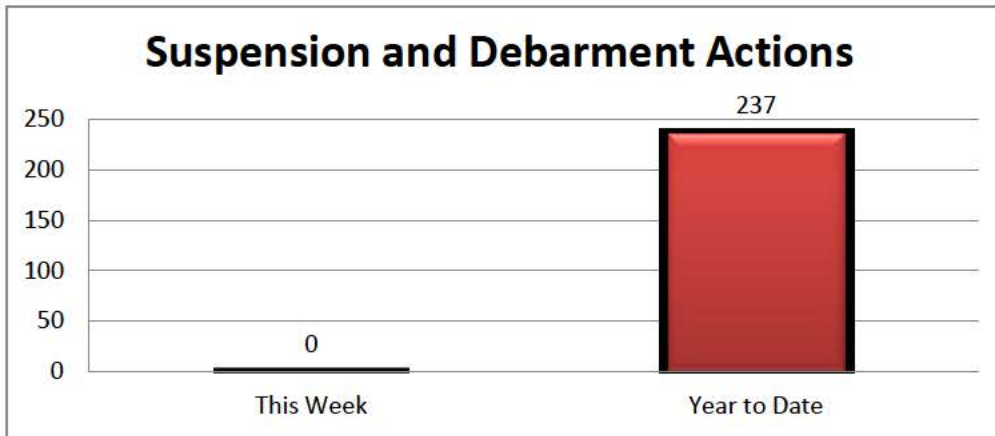
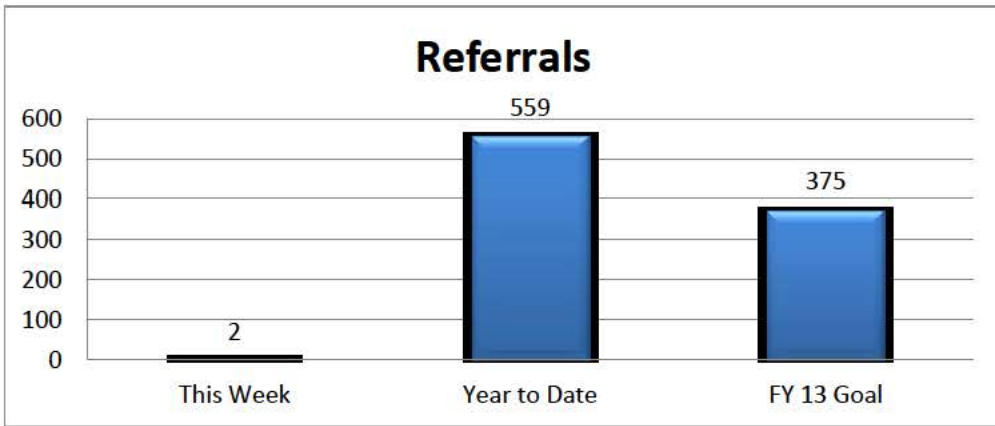
Office of the Inspector General

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)
[REDACTED]
[REDACTED] (I11W2708)

(b) (7)(A)
[REDACTED]
[REDACTED] (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)
[REDACTED]
[REDACTED] (I0950665)

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

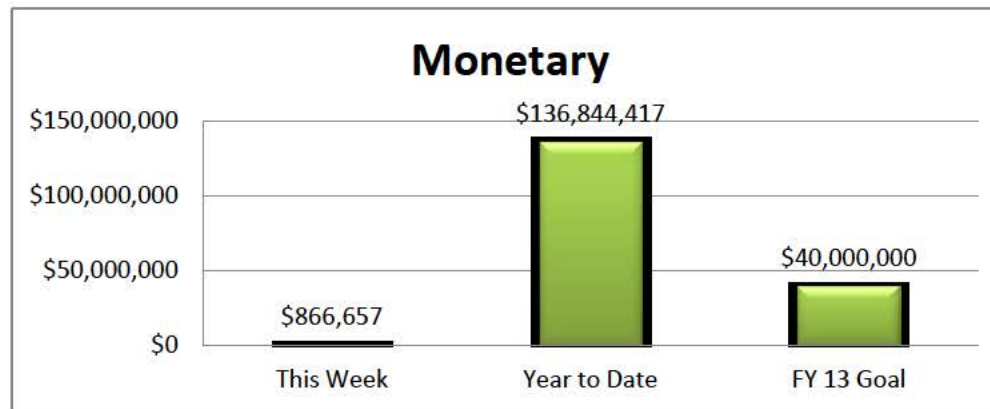
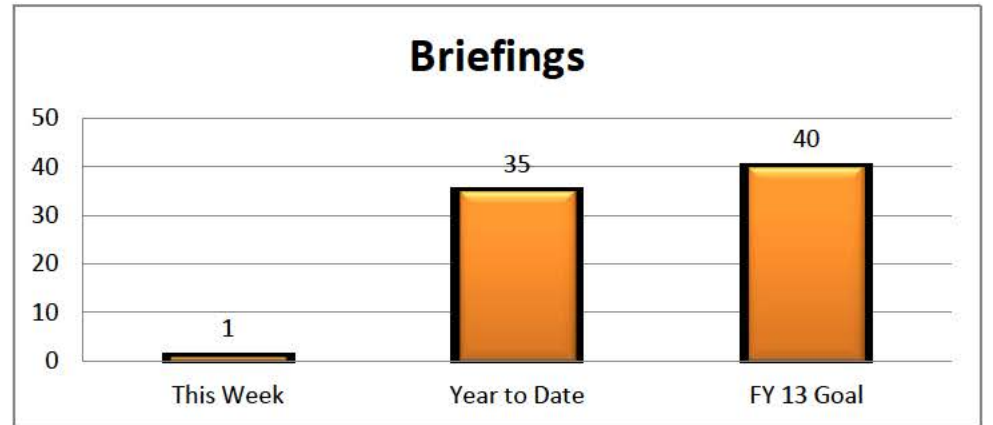
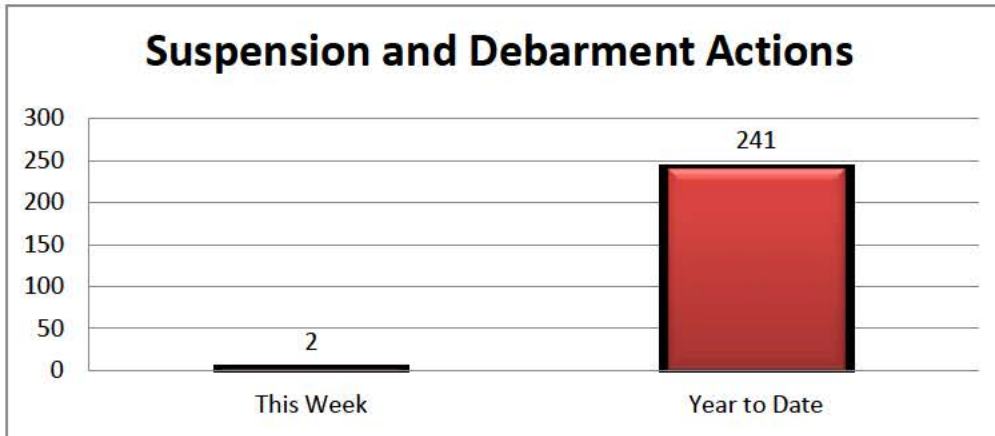
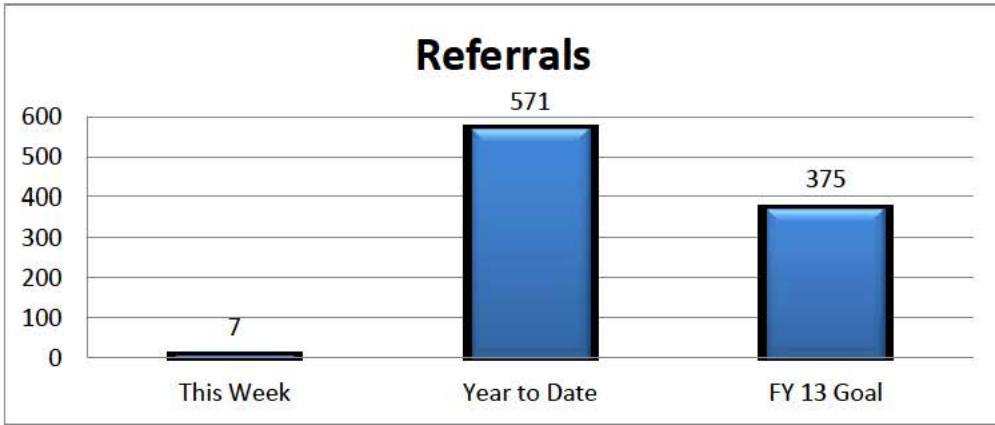
On May 14, 2013, a Criminal Complaint was filed in the MDFL against (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), charging them with one Count of 18 U.S.C. § 371 Conspiracy. On May 16, 2013, H. (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) self-surrendered to U.S. Marshalls in the MDFL.

(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.

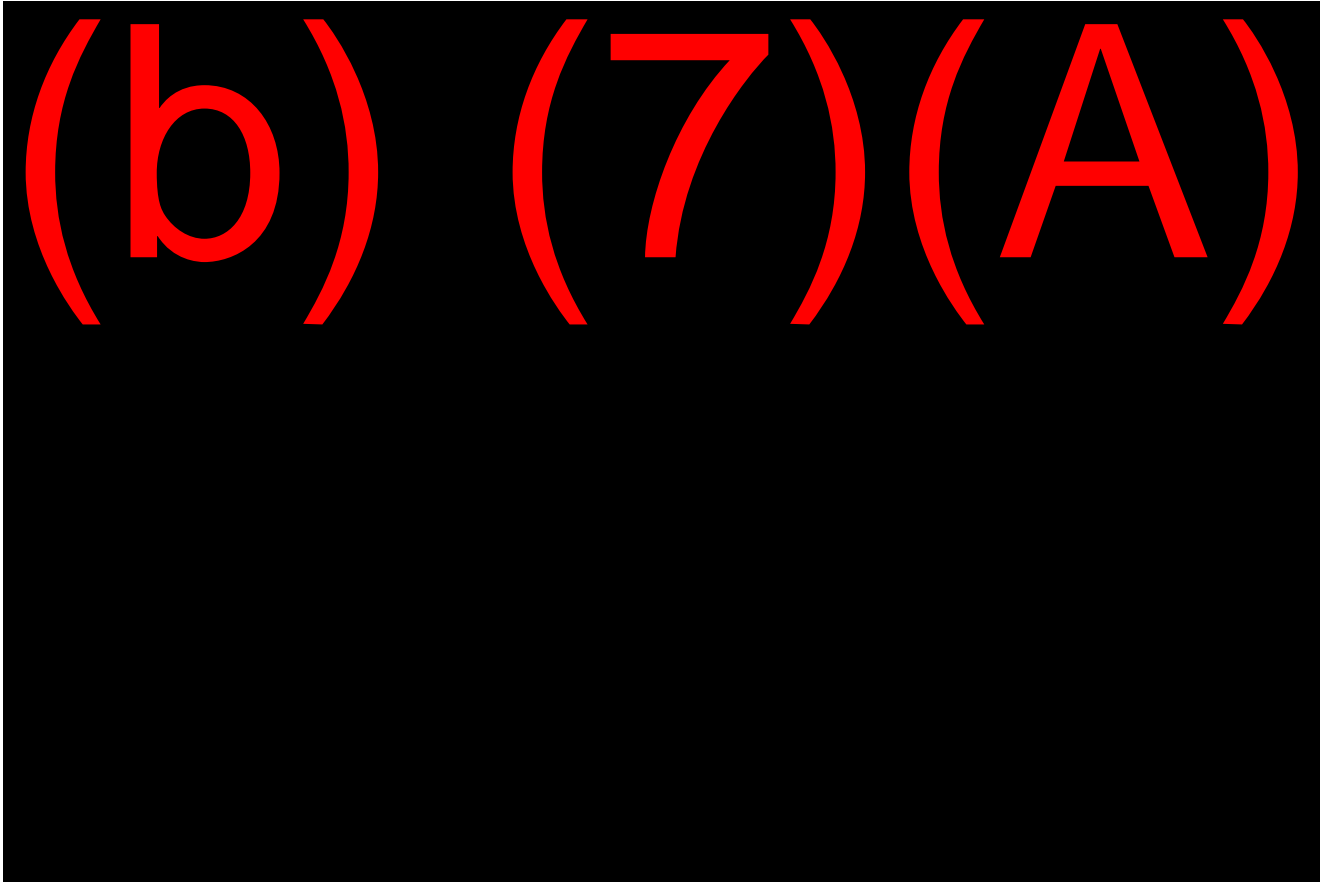
Please contact Branch Chief (b) (6), (b)(7)(C) at (b) (6), (b)(7)(C) for additional information.

(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)

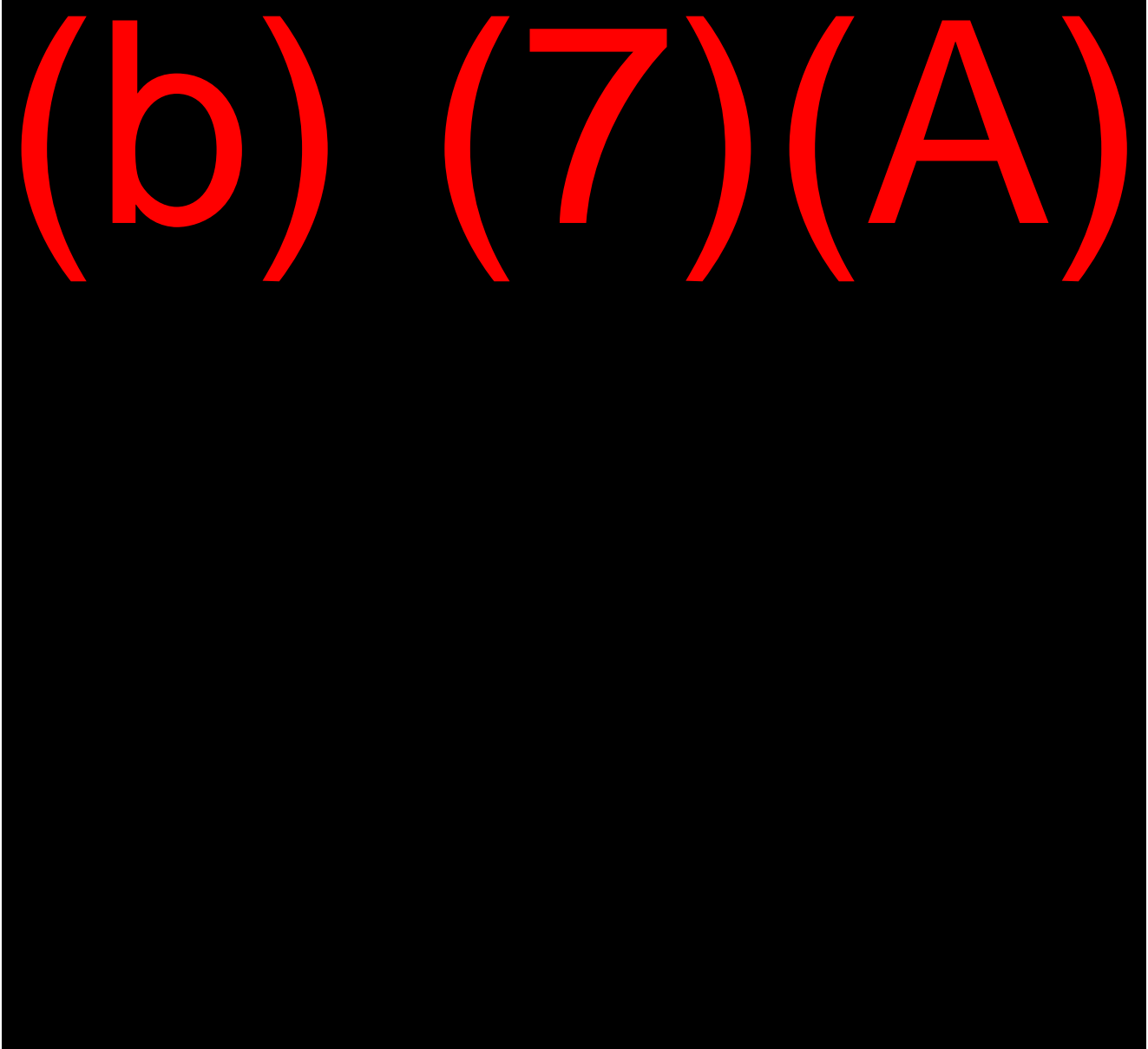
AGENCY DISTRIBUTION AUTHORIZED

SIGNIFICANT ITEM:

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

Case No: 11203046

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

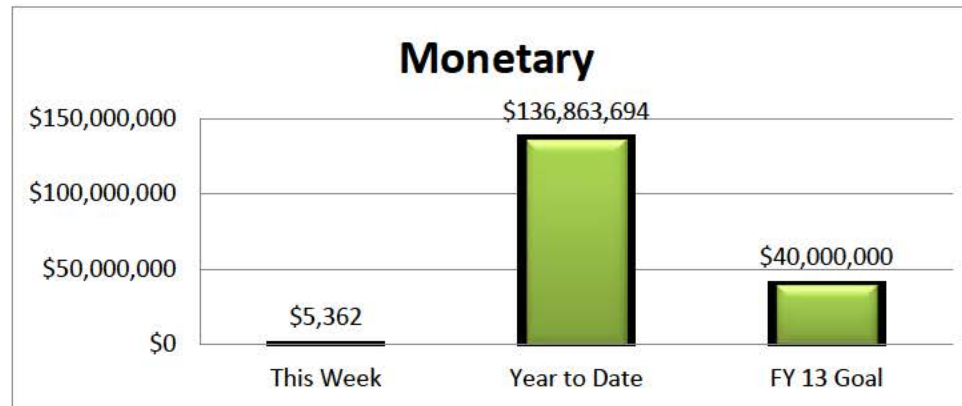
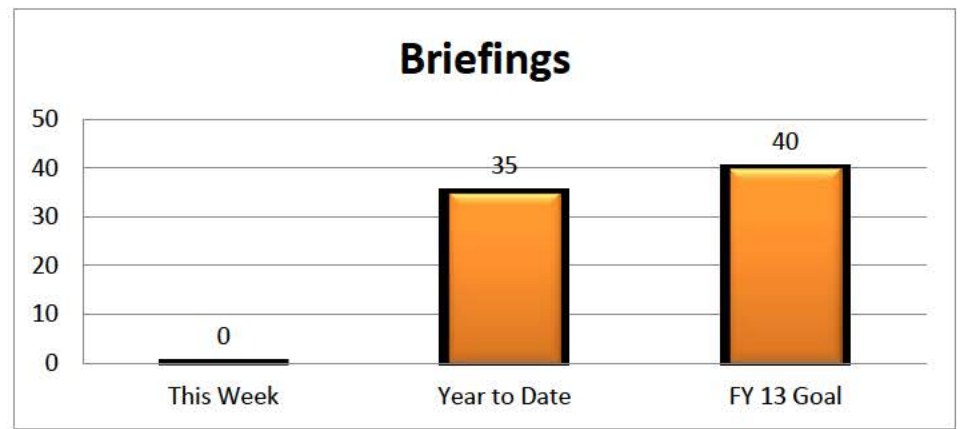
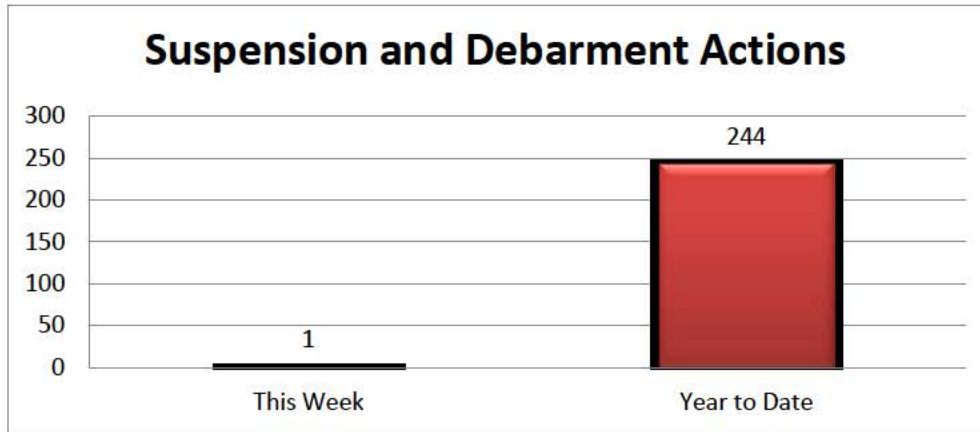
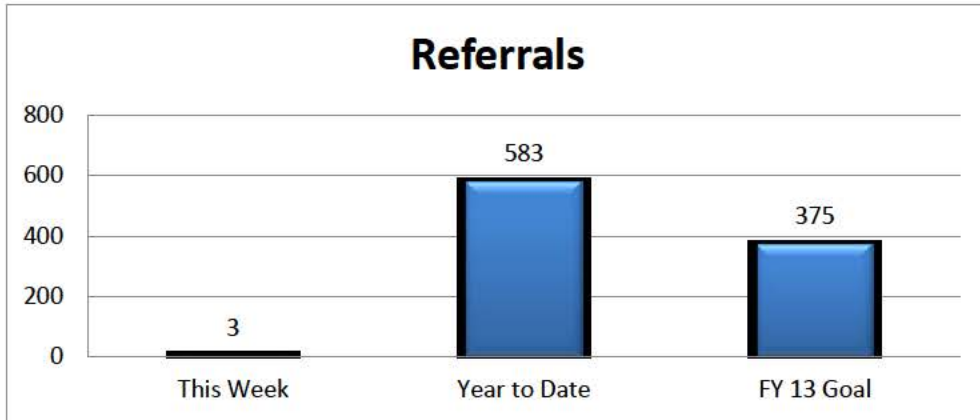


(b) (6), (b)(7)(C)

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

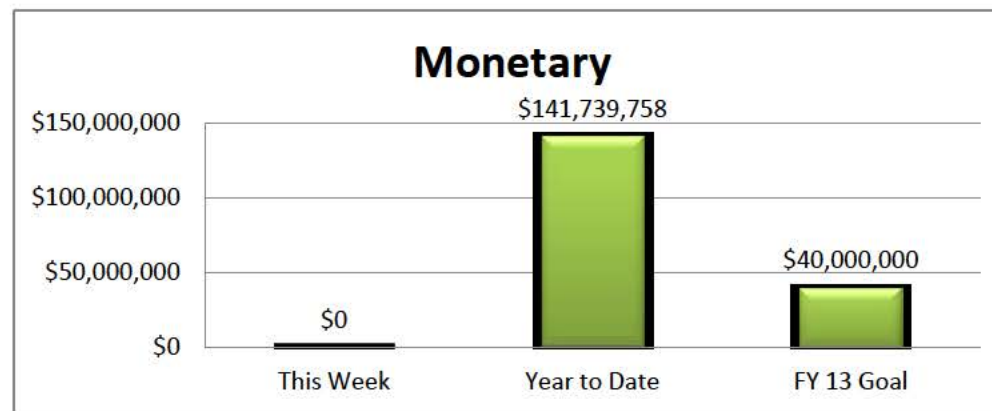
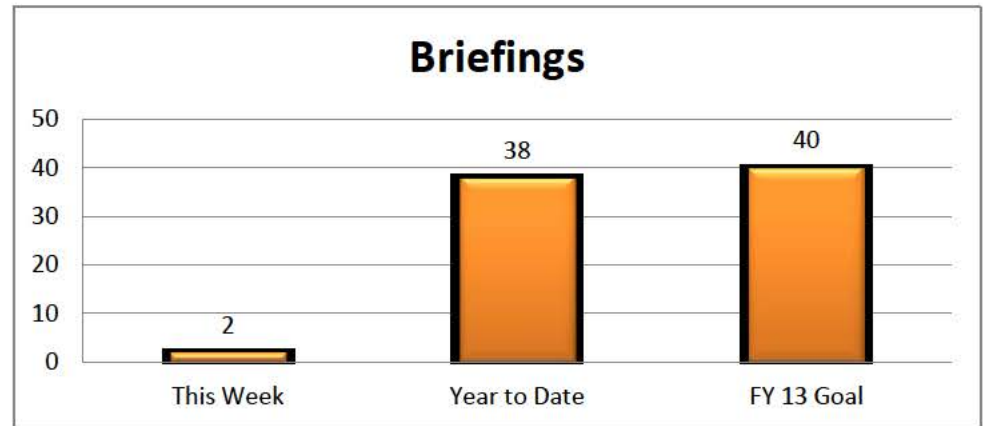
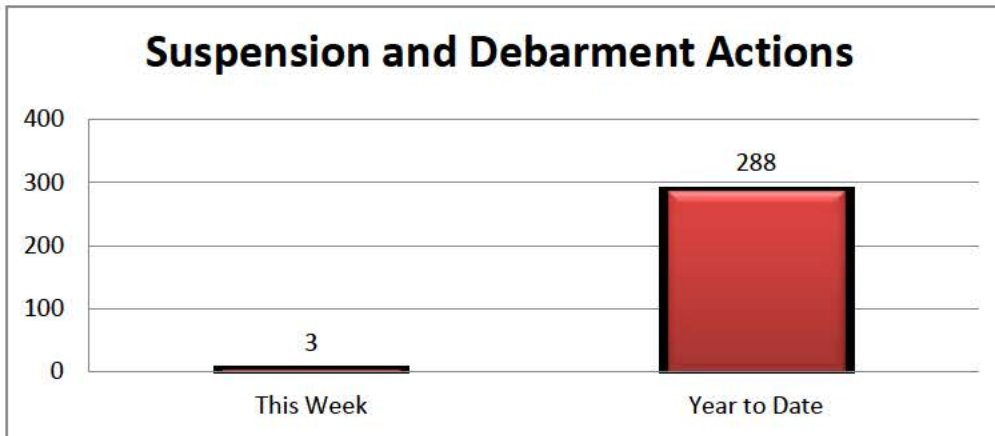
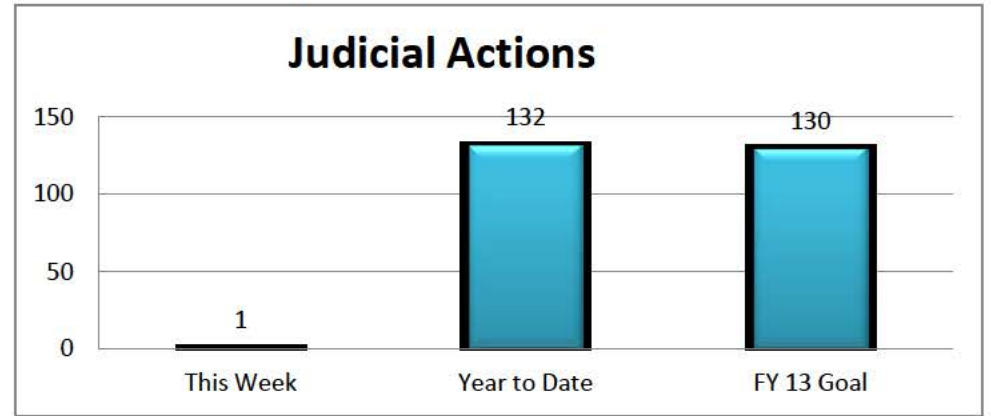
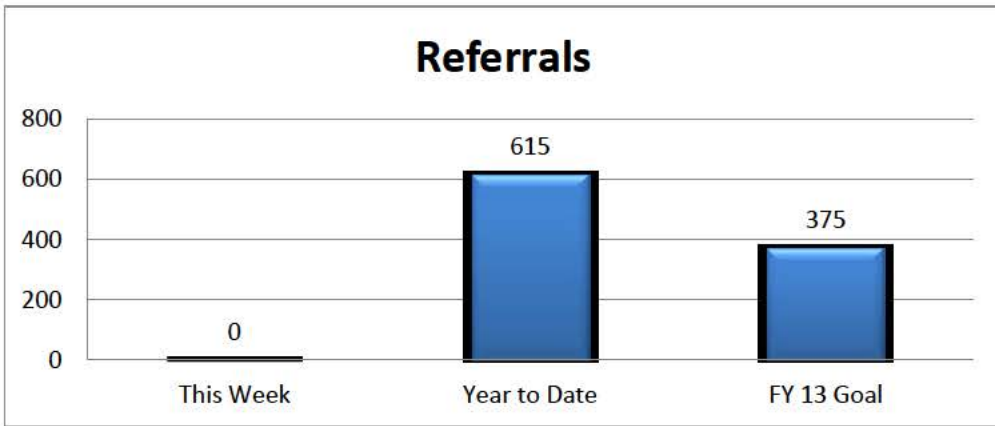
JI-B

FAR

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

Law Enforcement

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

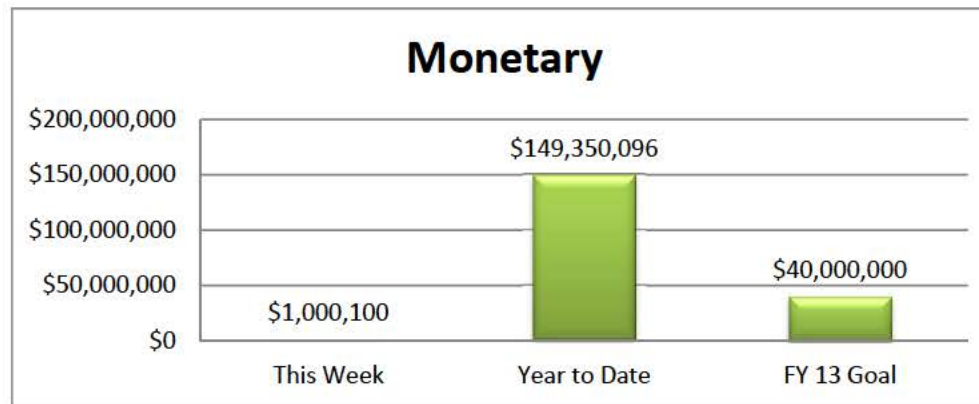
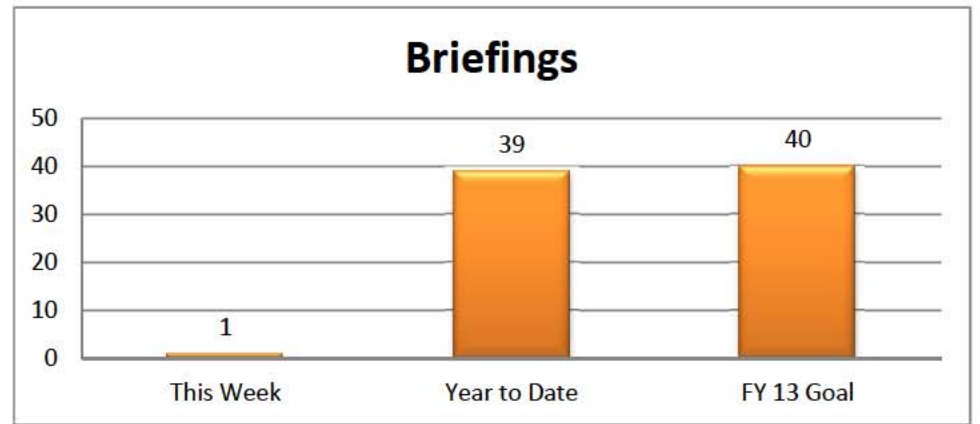
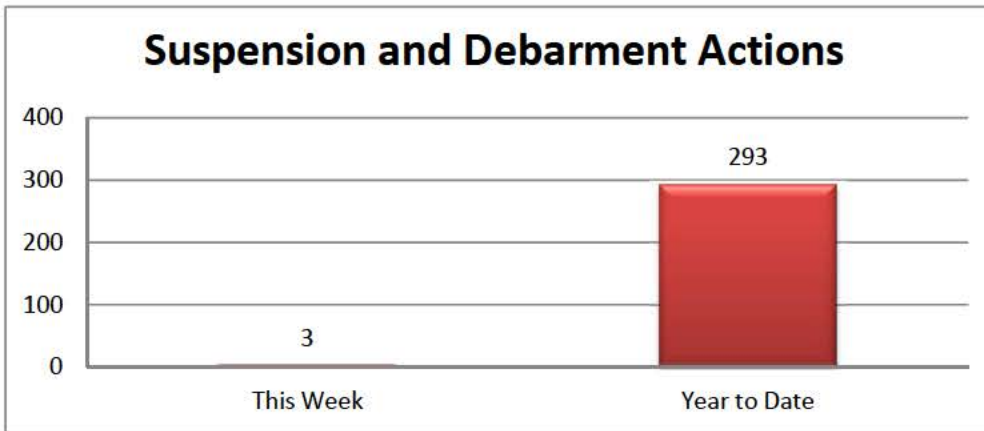
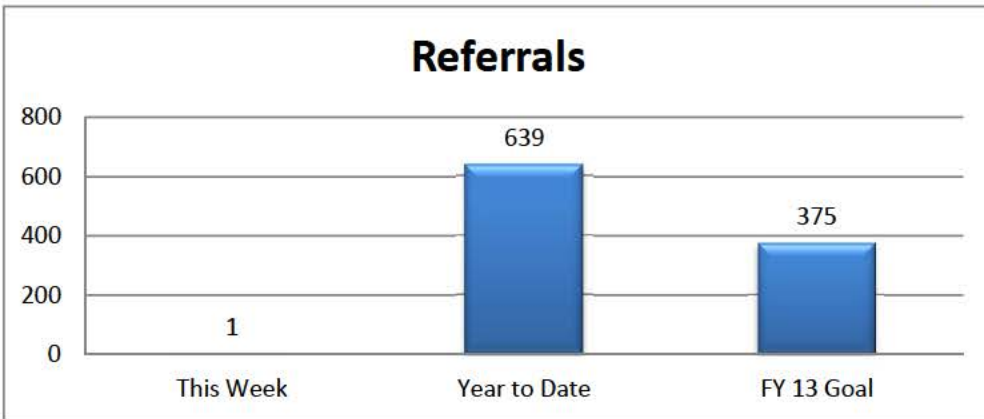
This case was initiated on December 22, 2010, based on information provided by the GSA OIG Office of Forensic Auditing, Evaluation & Analysis (JE). Previously, in April 2010, the Government Accountability Office (GAO) completed an investigation of the Small Business Administration's 8(a) program, in 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)
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OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - JUNE 28, 2013 - JULY 4, 2013





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
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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
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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

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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

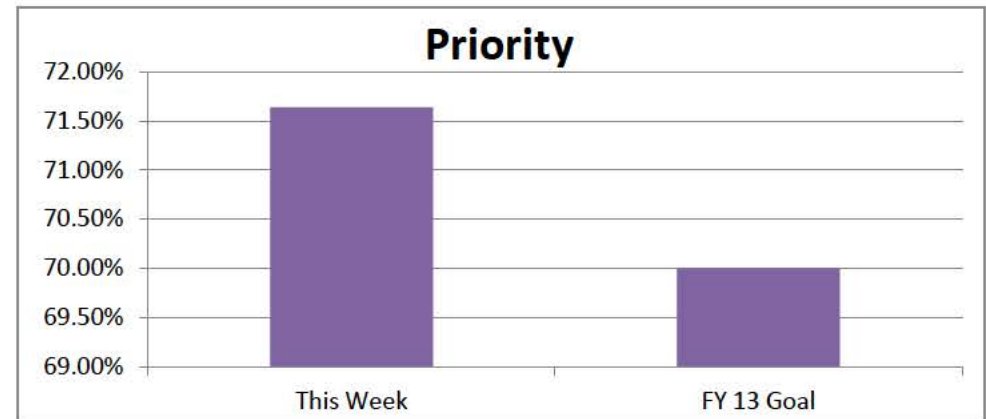
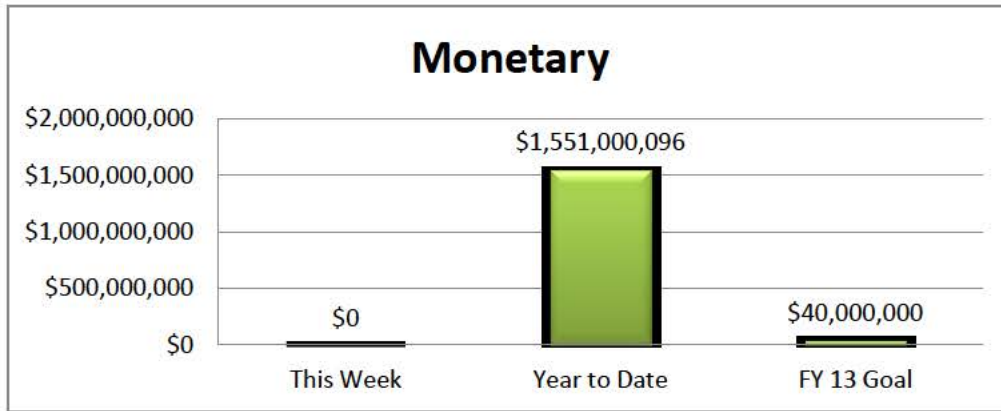
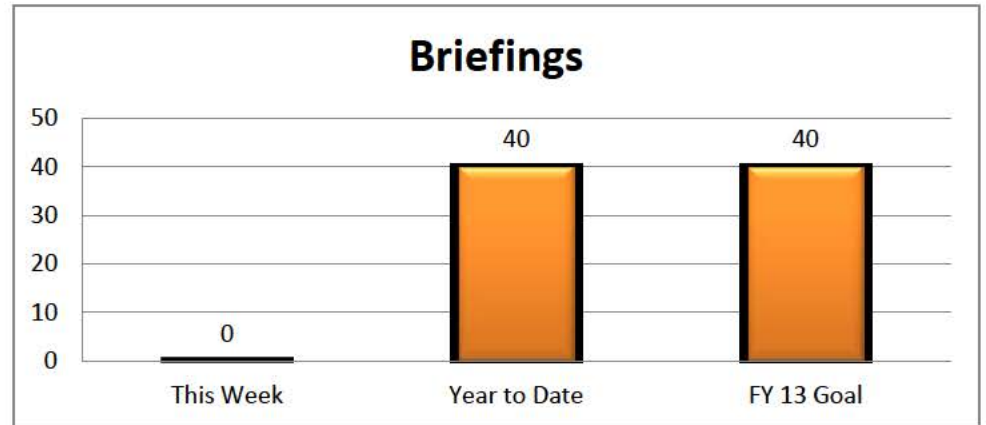
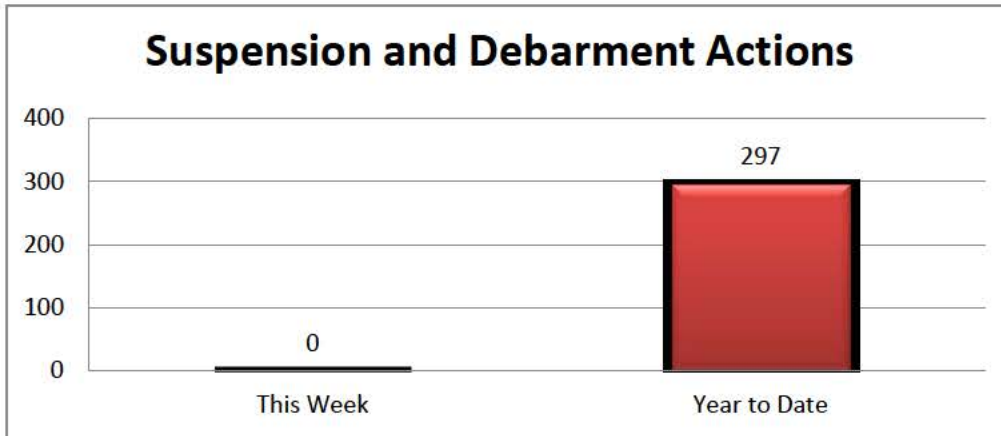
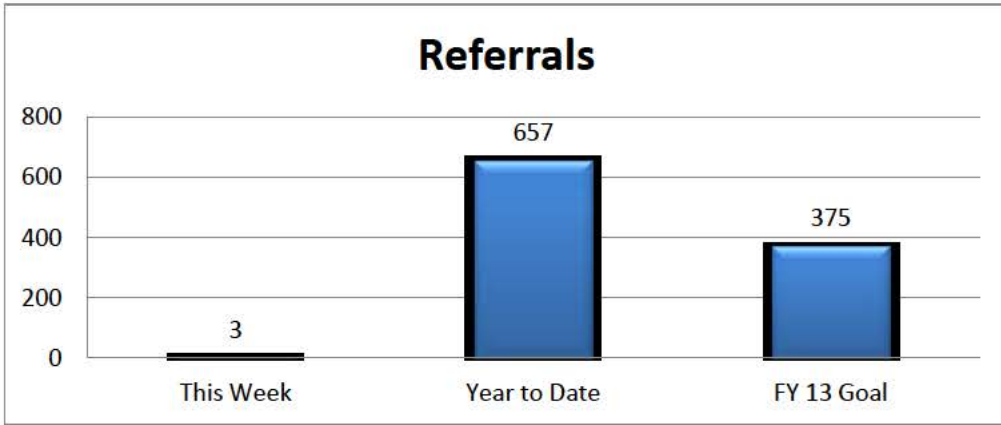
GSA/Office of the Inspector General

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.

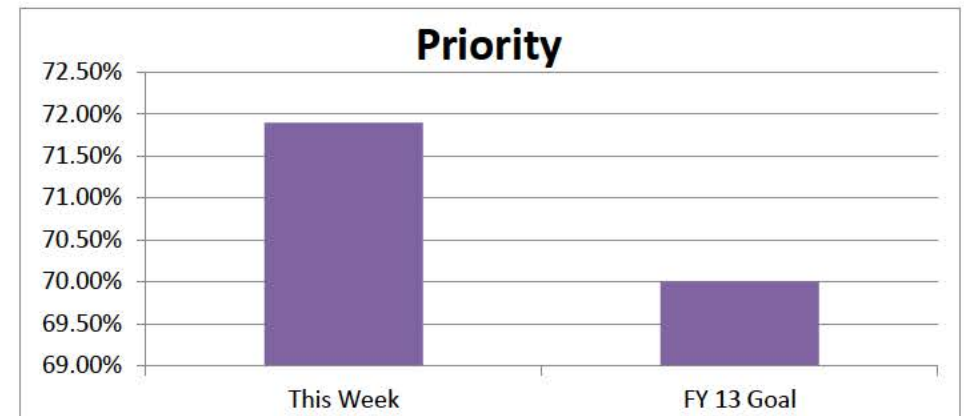
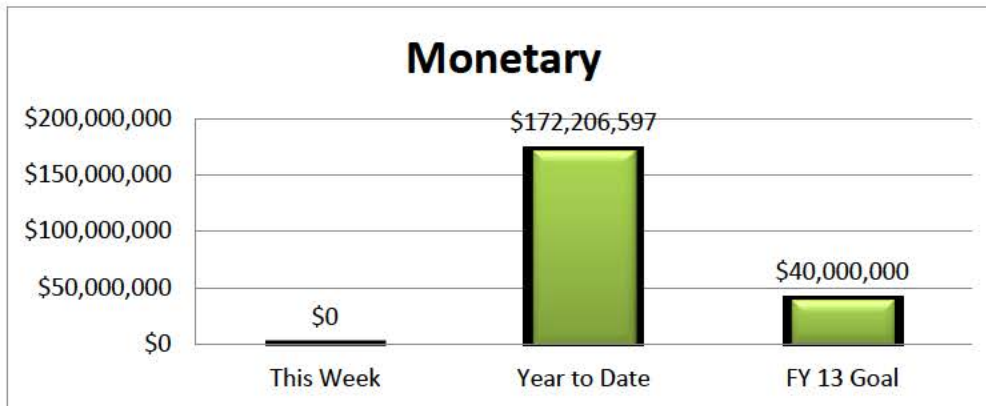
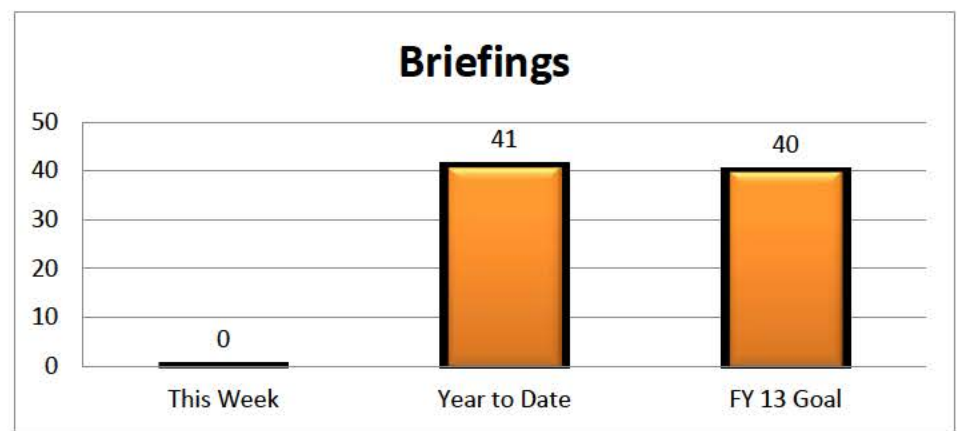
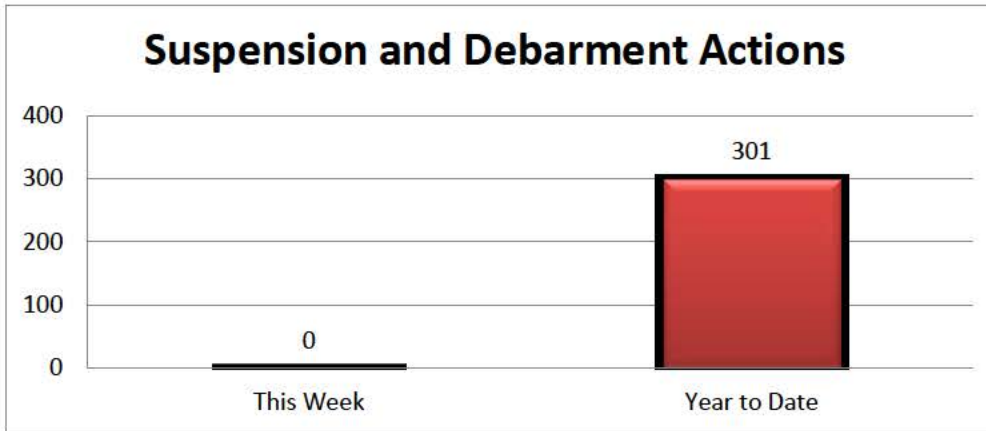
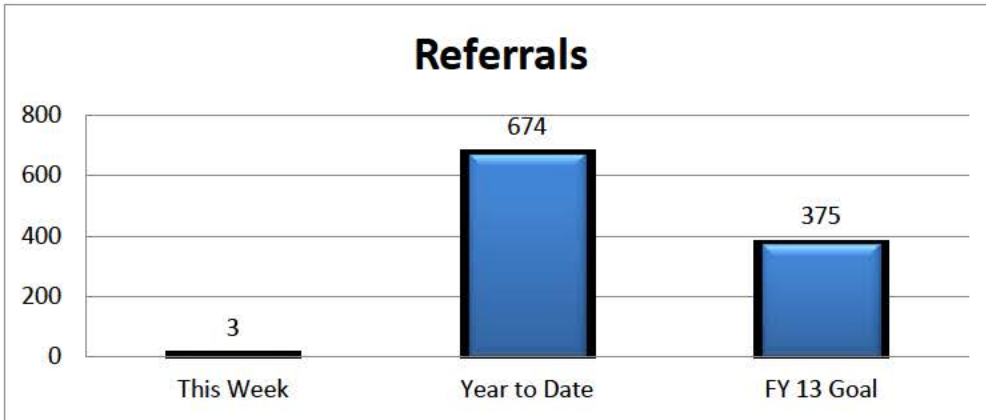
On or about October 21, 2011 ASI received notification that the company's profile and banking information had been changed in the Central Contractor Registry (CCR). ASI immediately contacted CCR and changed the information back. ASI, as well as the US Treasury Department did not incur any monetary loss. 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
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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
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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.

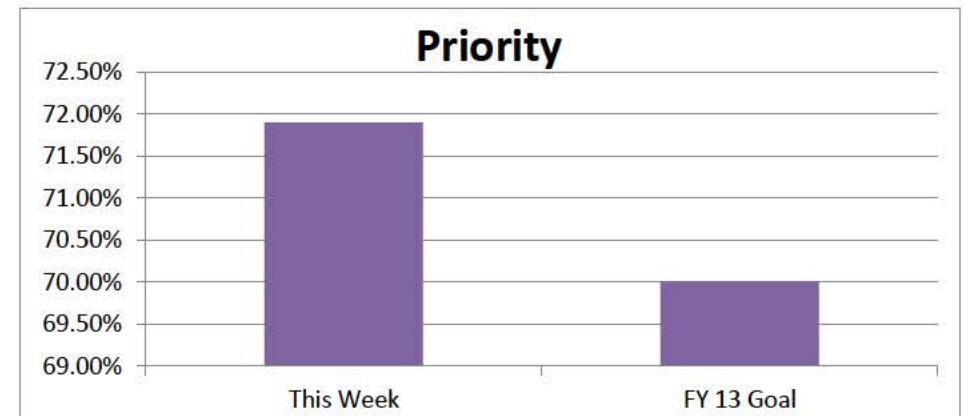
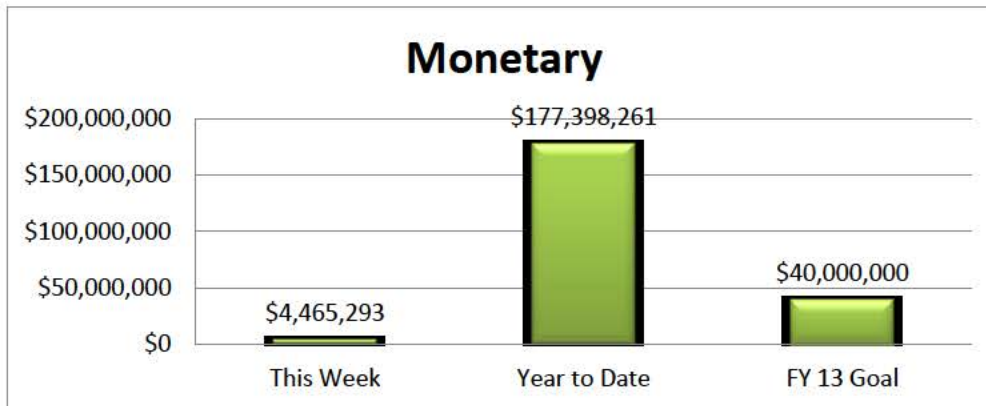
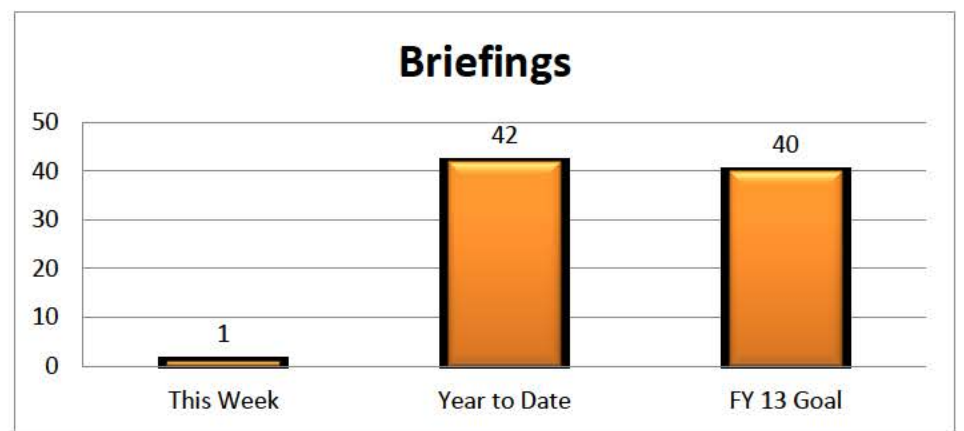
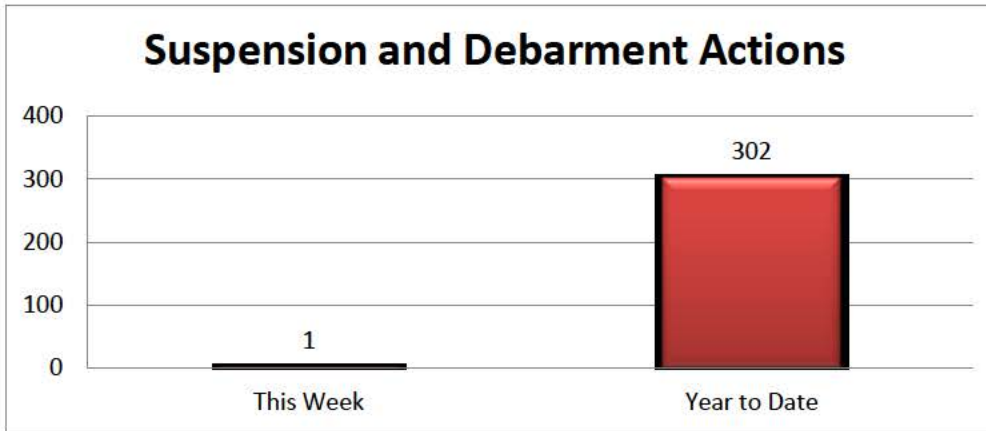
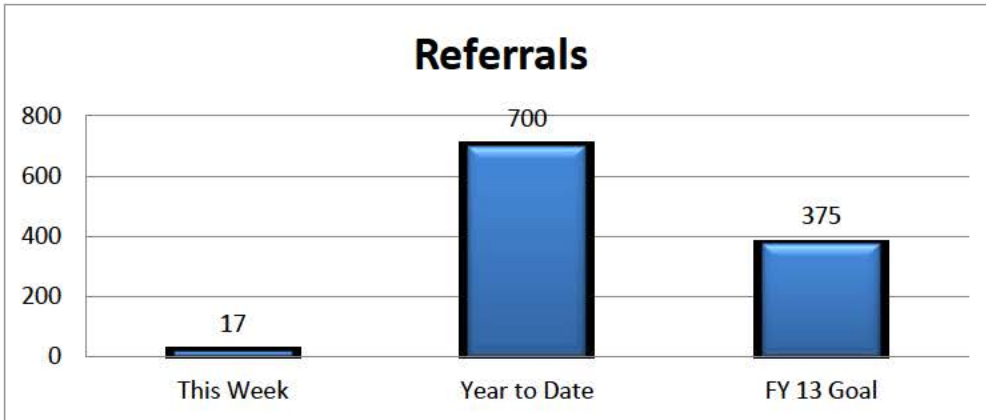
On June 11, 2010, (b) (6), (b)(7)(C) disclosed certain overpayments during the period 2007 to 2009 in connection with government cost-reimbursement contracts. The overpayments were the result of flawed logic in (b) (6), (b)(7)(C) software used by (b) (6), (b)(7)(C) for timekeeping and payroll under different 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

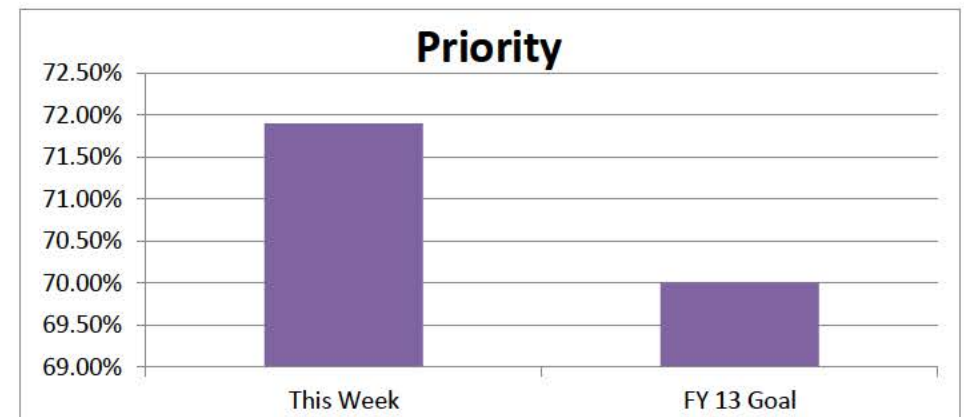
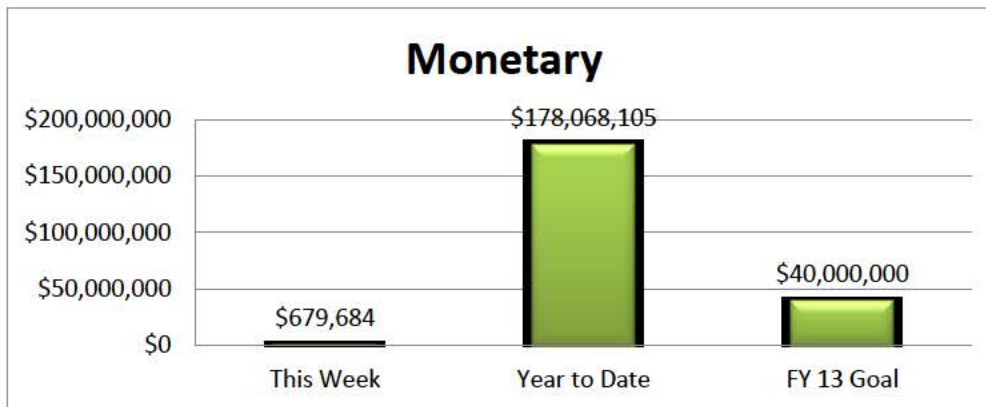
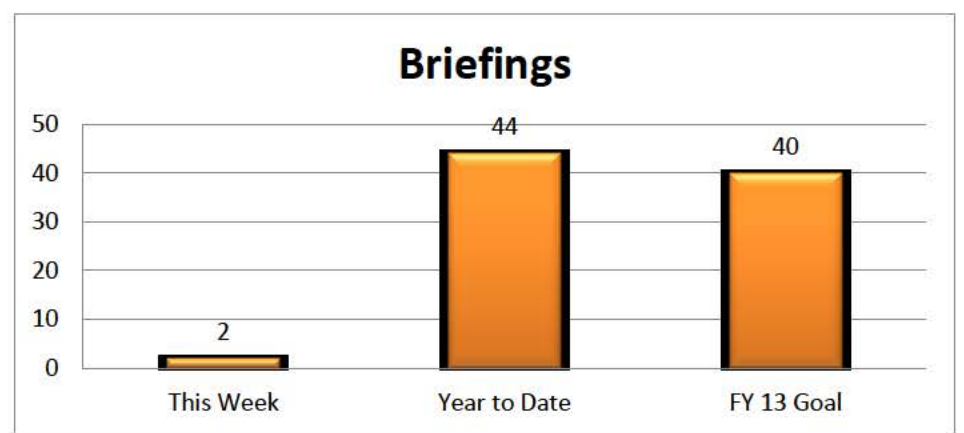
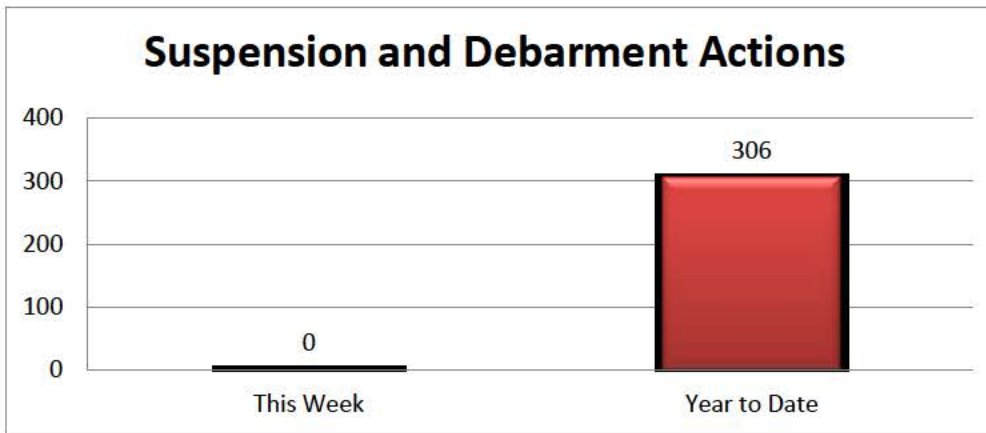
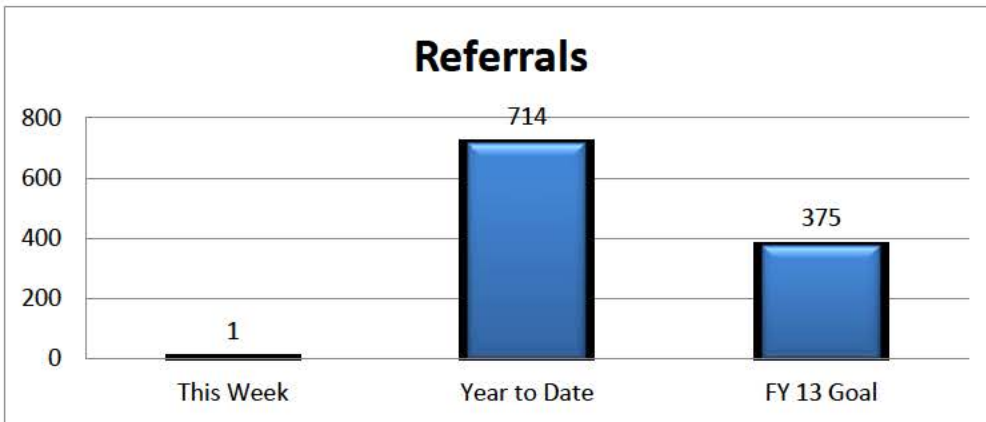
(b) (7)(A)

(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]

This case is being prosecuted by AUSAs (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C), EDVA.

BACKGROUND

(b) (7)(A)
[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)

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.

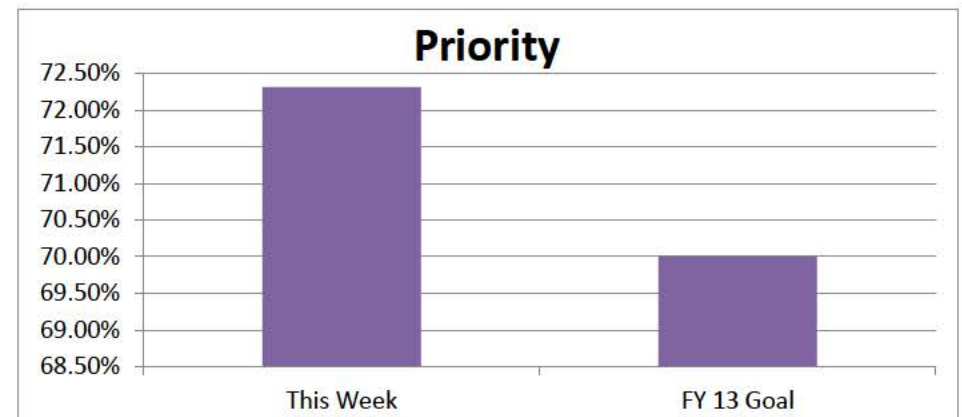
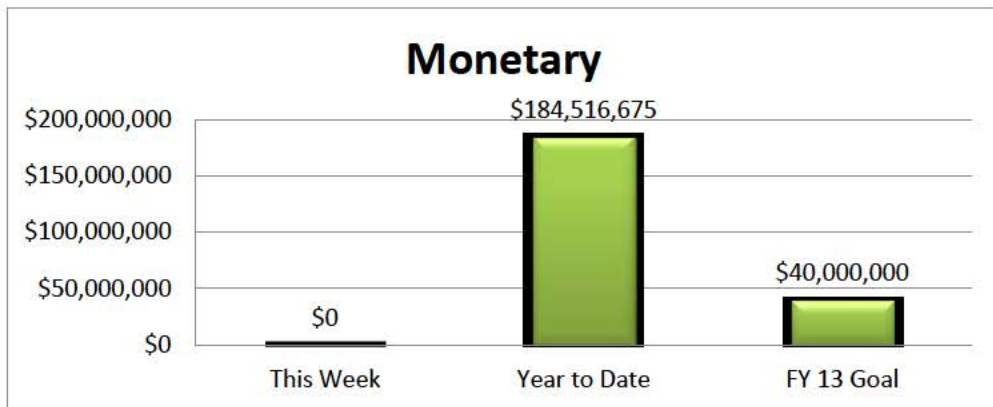
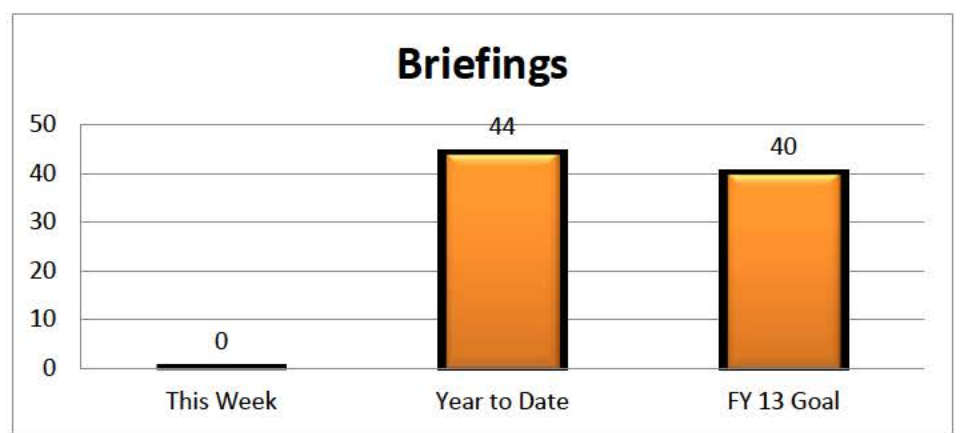
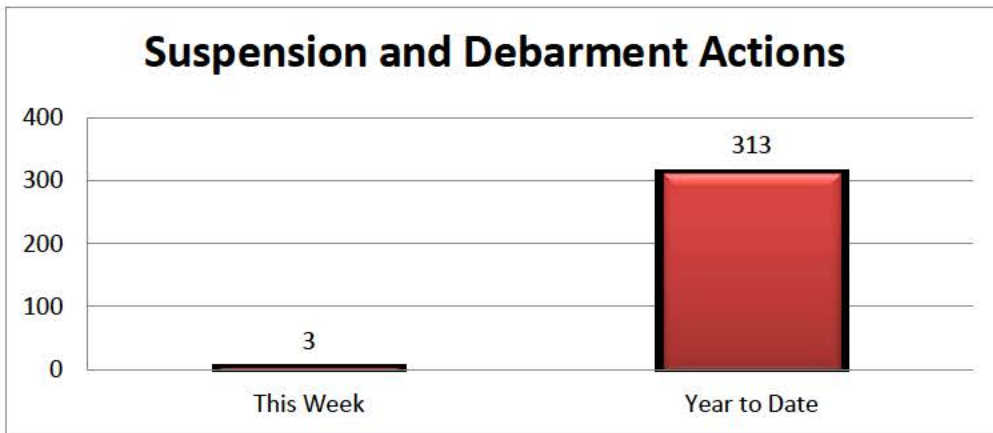
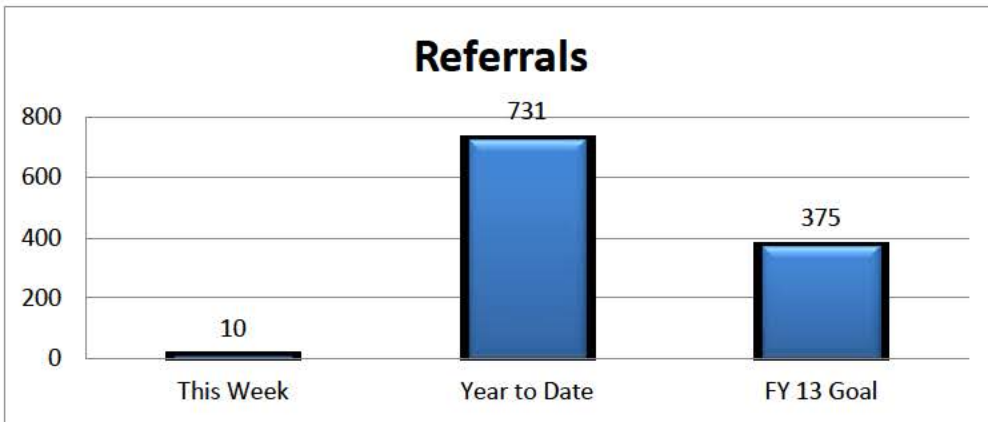
On June 17, 2013, (b) (6), (b)(7)(C) submitted a disclosure to inform GSA officials of inaccurate commercial sales practices disclosures and unreported price reductions under their GSA Multiple Award Schedule (b) (6), (b)(7)(C) and (b) (6), (b)(7)(C) for the period (b) (6), (b)(7)(C) through (b) (6), (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)

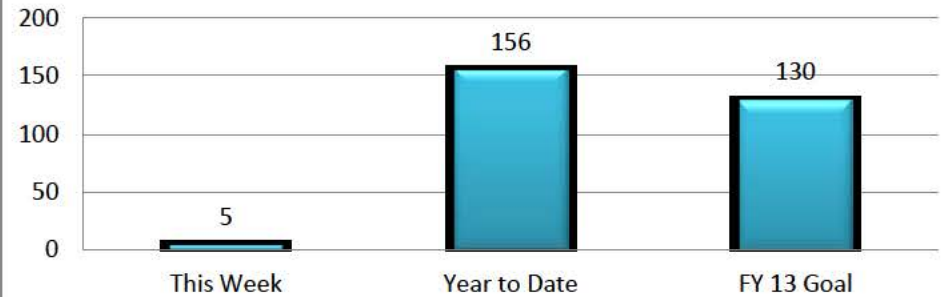
(b) (6), (b)(7)(C)
Special Agent in Charge
U.S. General Services Administration
Office of Inspector General
Phone (b) (6), (b)(7)(C)

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 2, 2013 - AUGUST 8, 2013

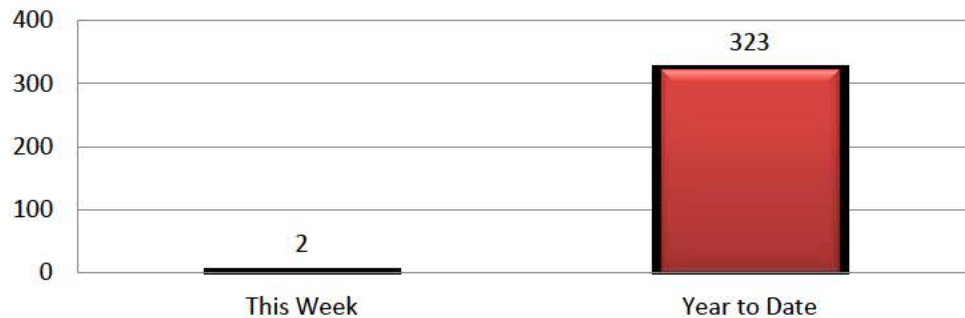
Referrals



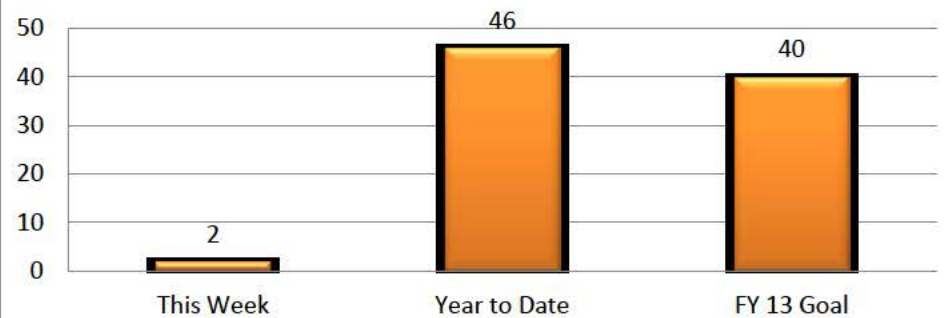
Judicial Actions



Suspension and Debarment Actions



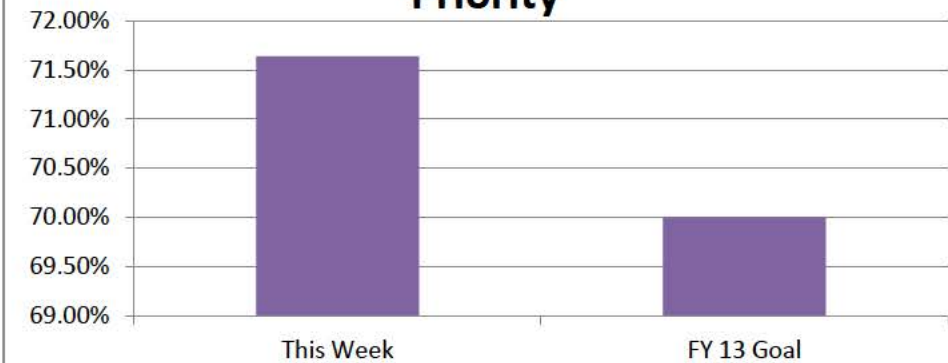
Briefings



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)

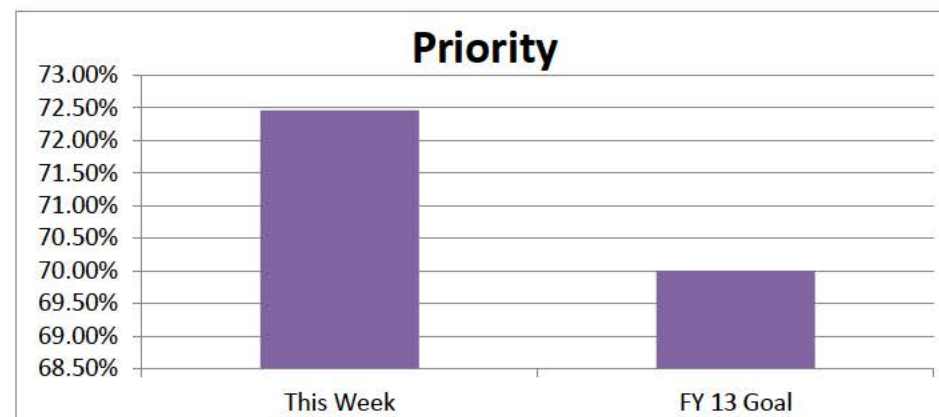
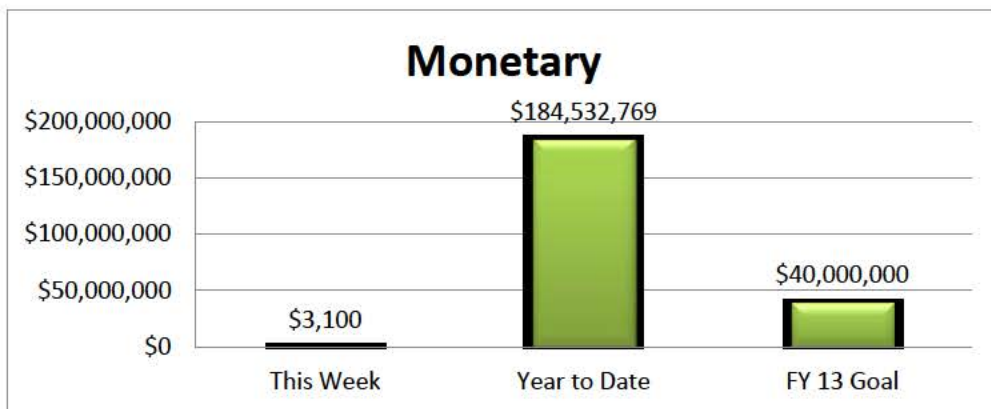
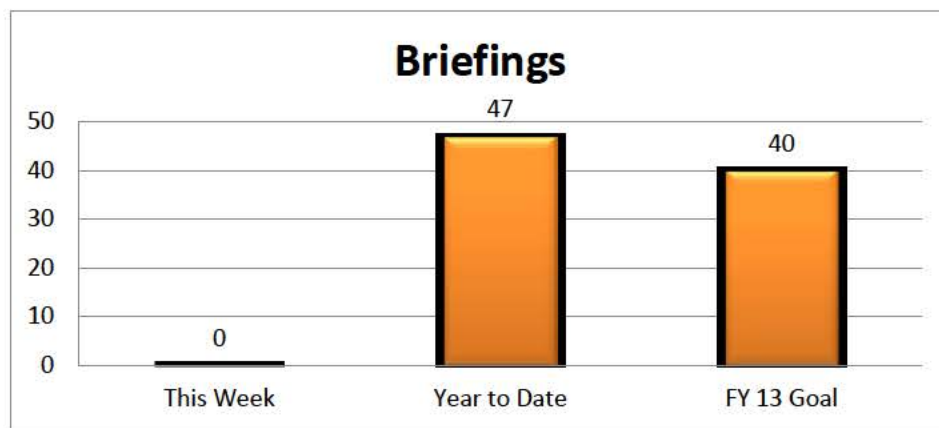
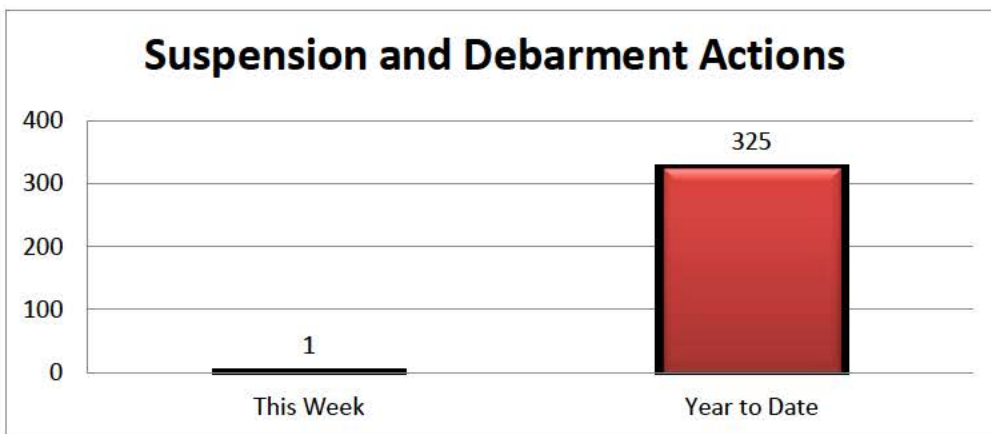
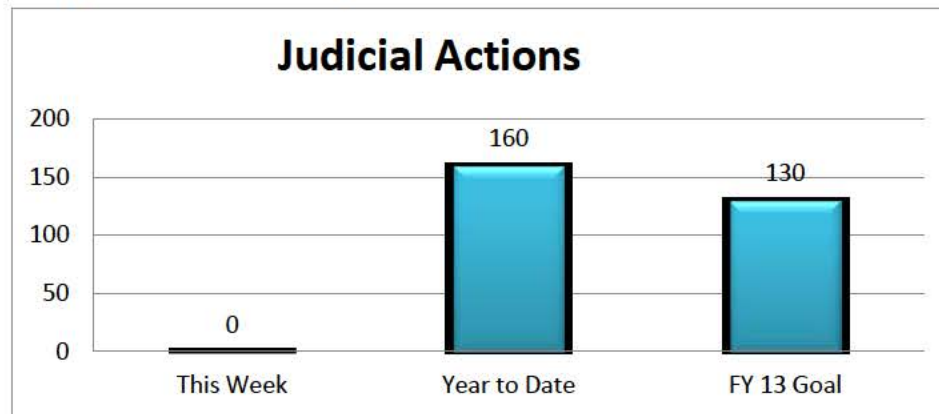
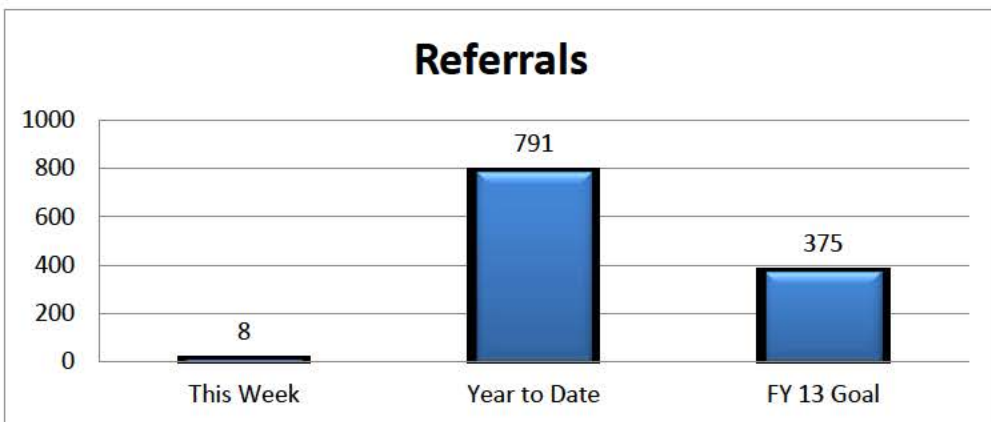
Special Agent in Charge

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

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

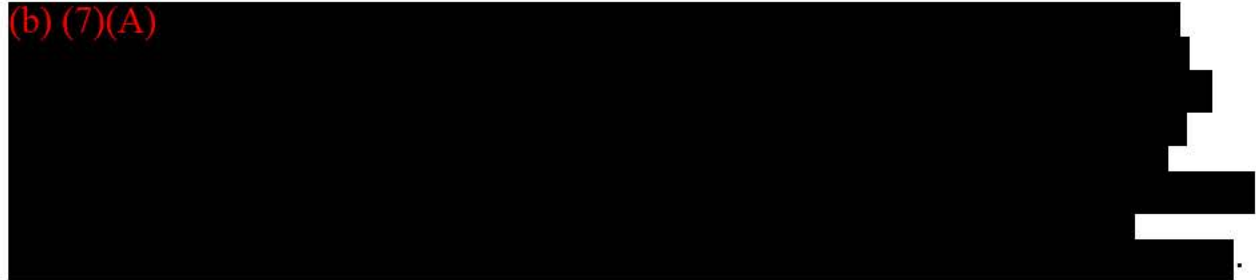
Significant Item

Case Title – WEX FRAUD – MULTIPLE ACCOUNTS – LOS ANGELES, NORTH HILLS, CA

File Number – I1394872

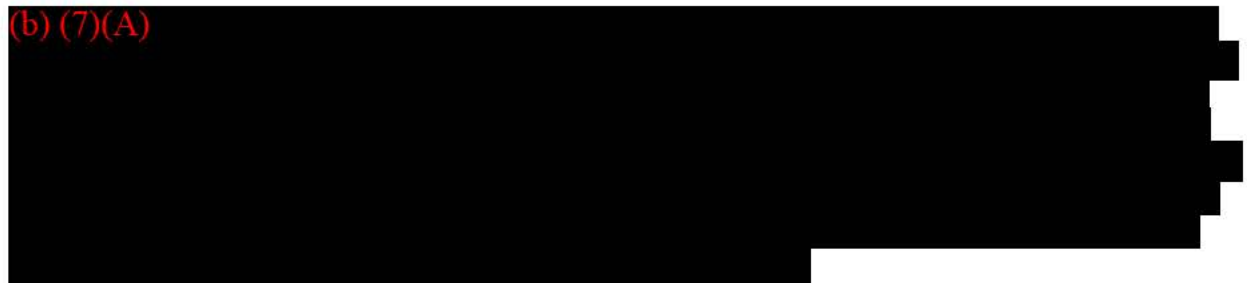
Case Agent: (b) (6), (b)(7)(C)

(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

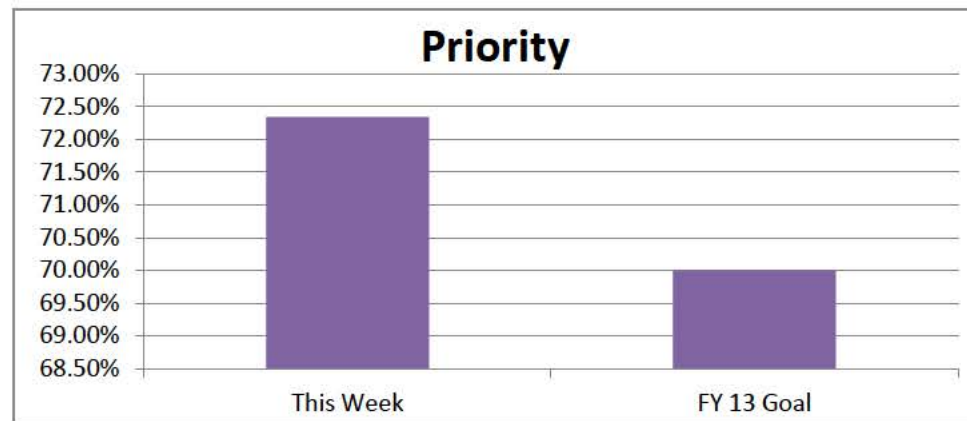
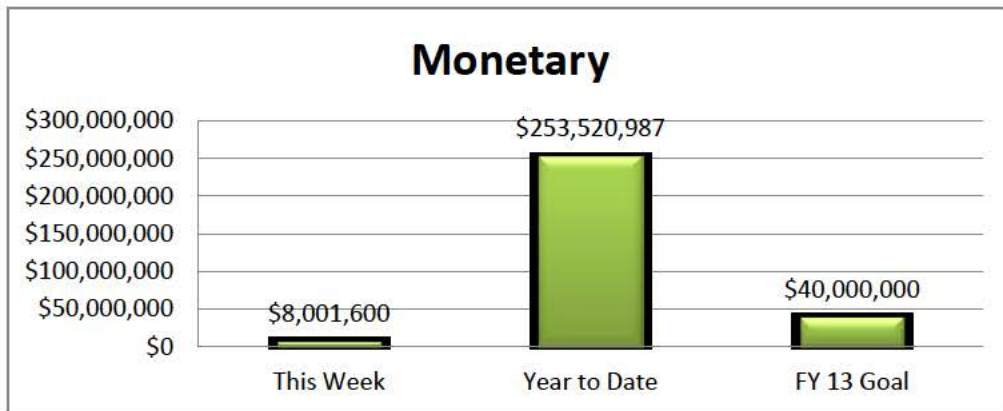
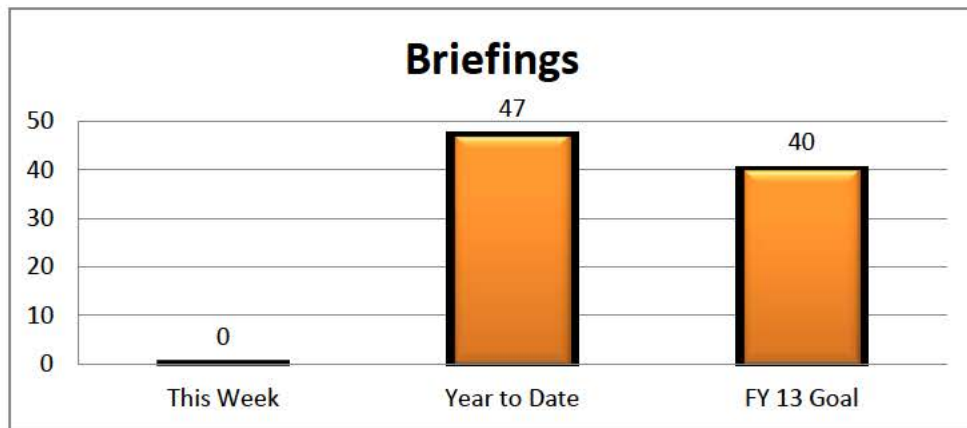
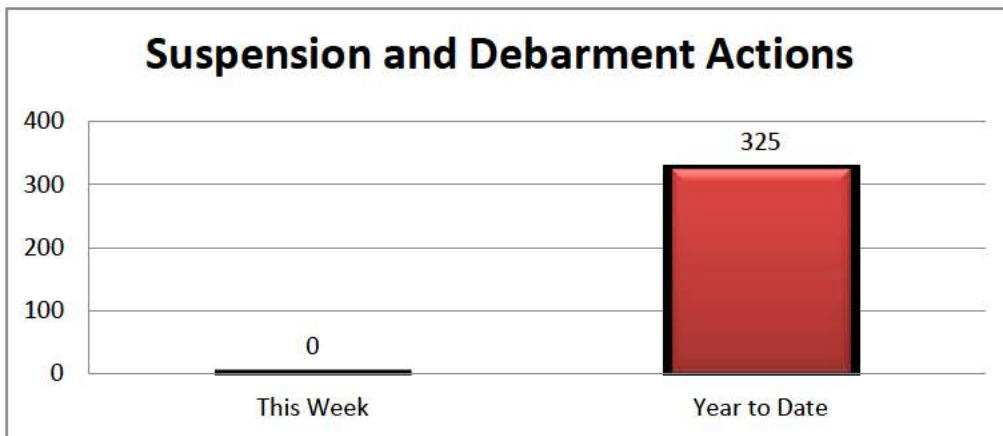
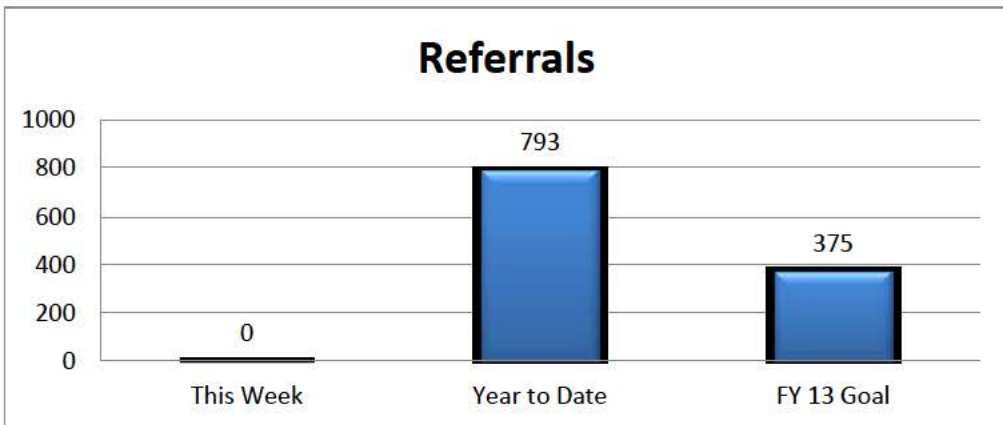
Mid-Atlantic & Northeast Regional Offices (JI-3/JI-2)

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

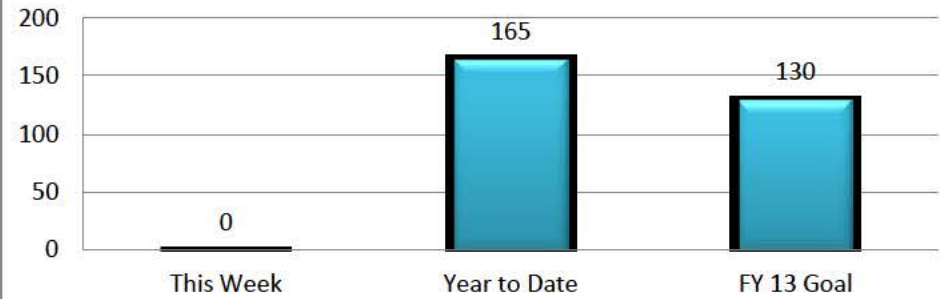
P: (b) (6), (b)(7)(C) F: (215)861-3560

OFFICE OF INVESTIGATIONS
INVESTIGATIVE STATISTICS - AUGUST 30, 2013 - SEPTEMBER 5, 2013

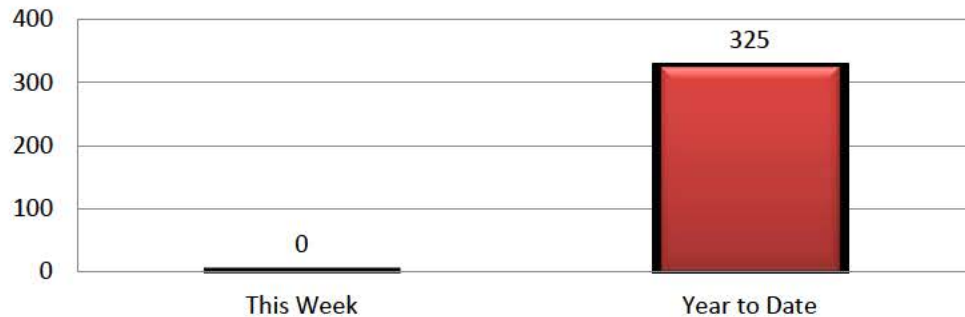
Referrals



Judicial Actions



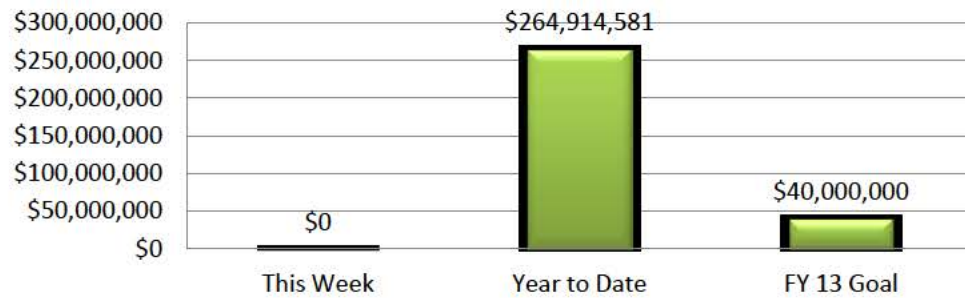
Suspension and Debarment Actions



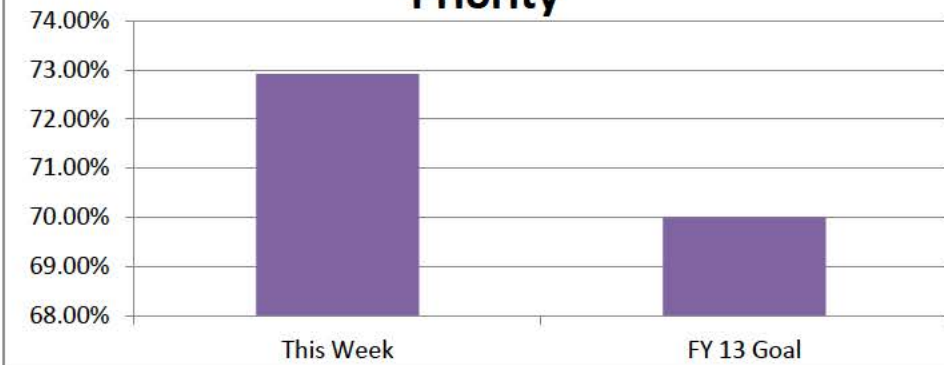
Briefings



Monetary



Priority





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)'s 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

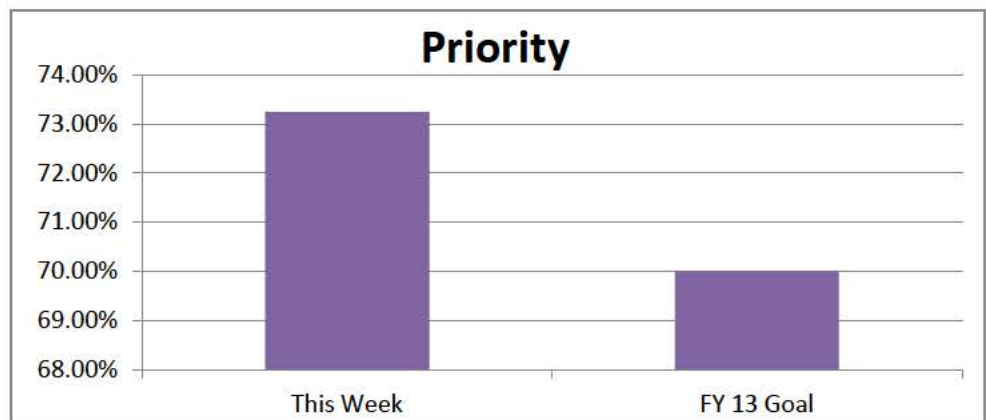
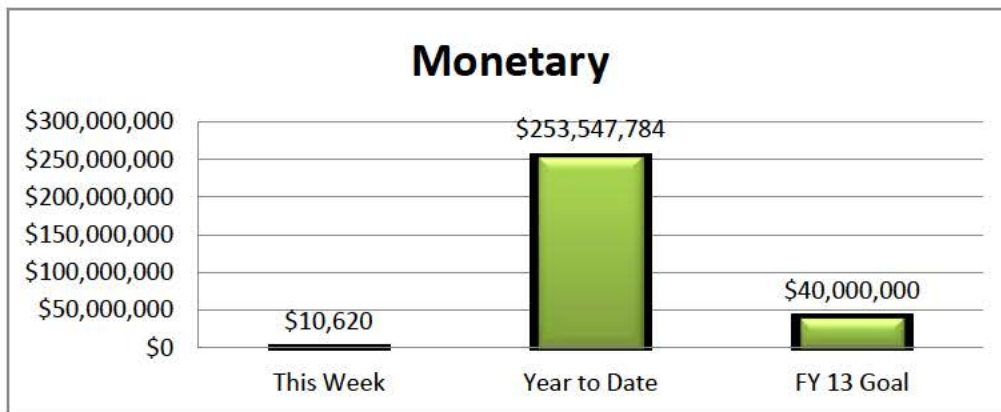
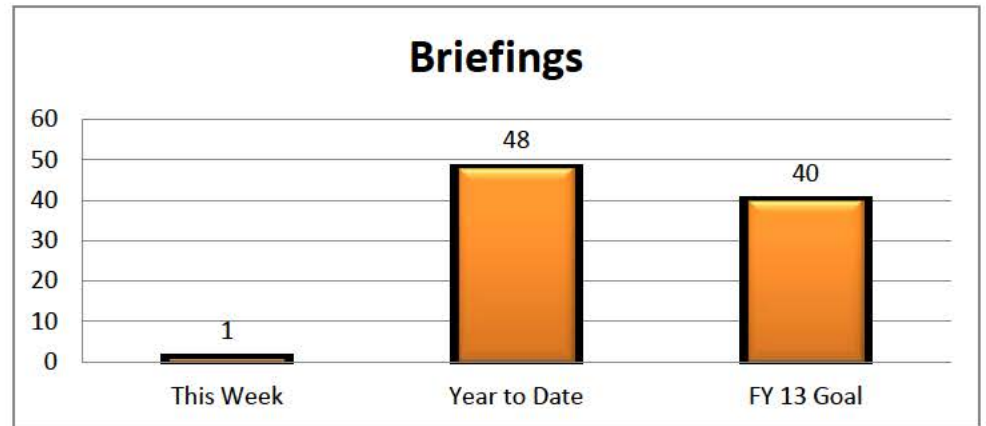
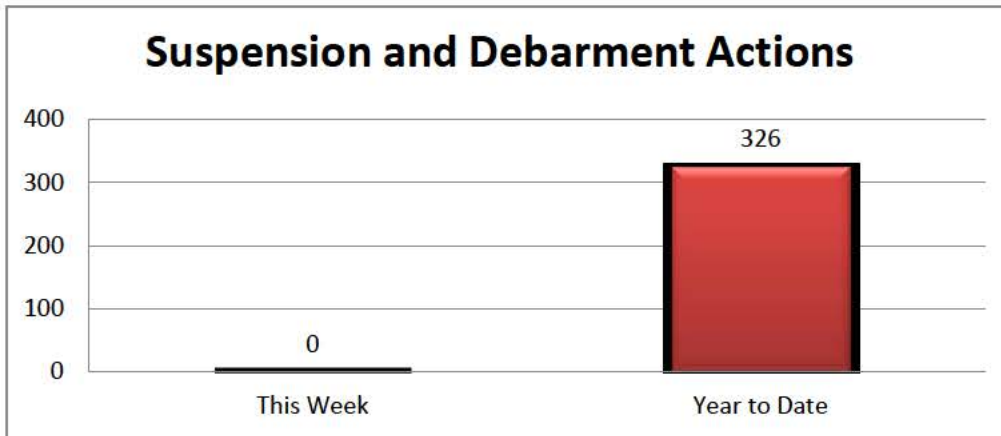
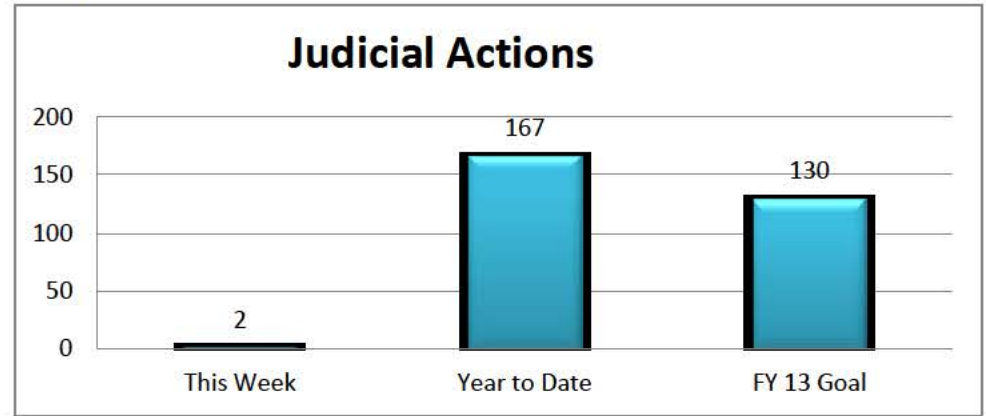
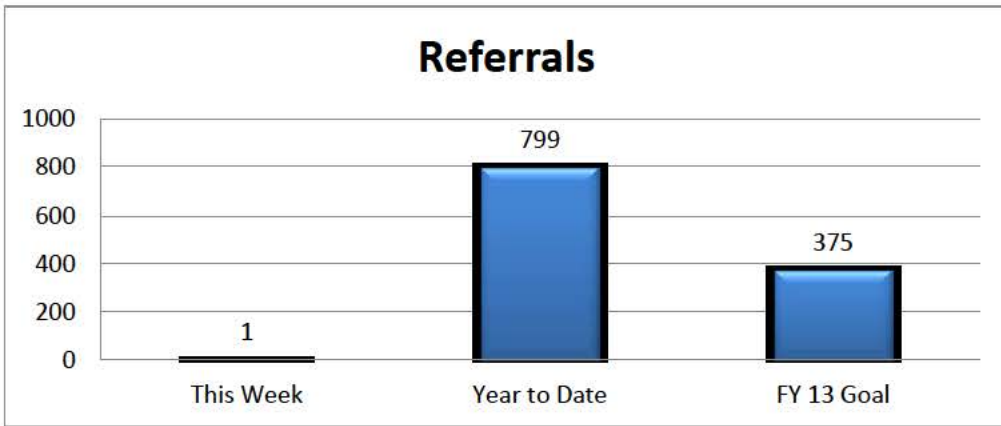
(b) (7)(A)

/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.

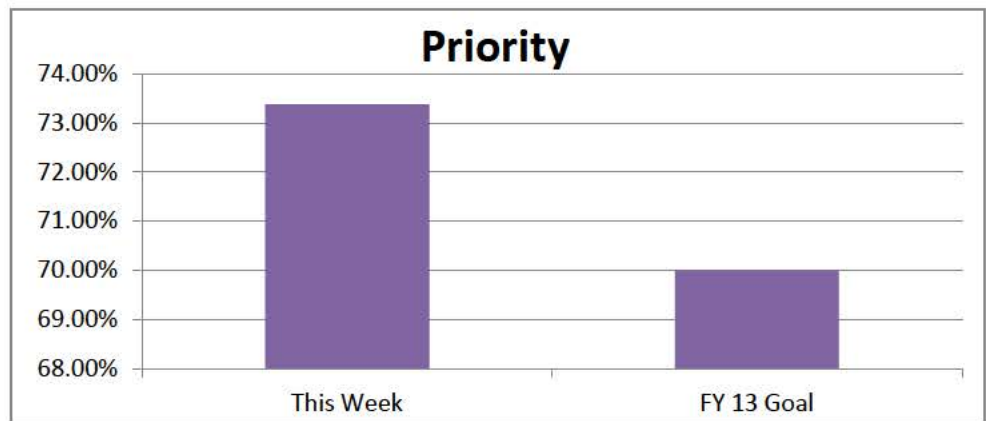
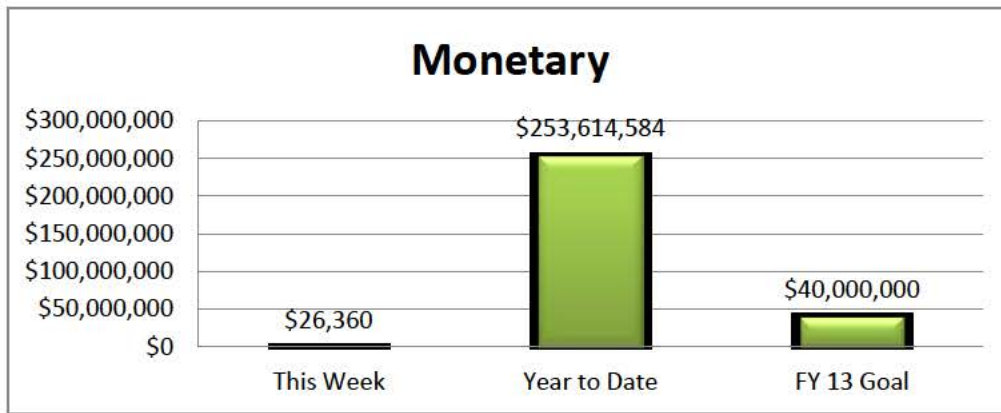
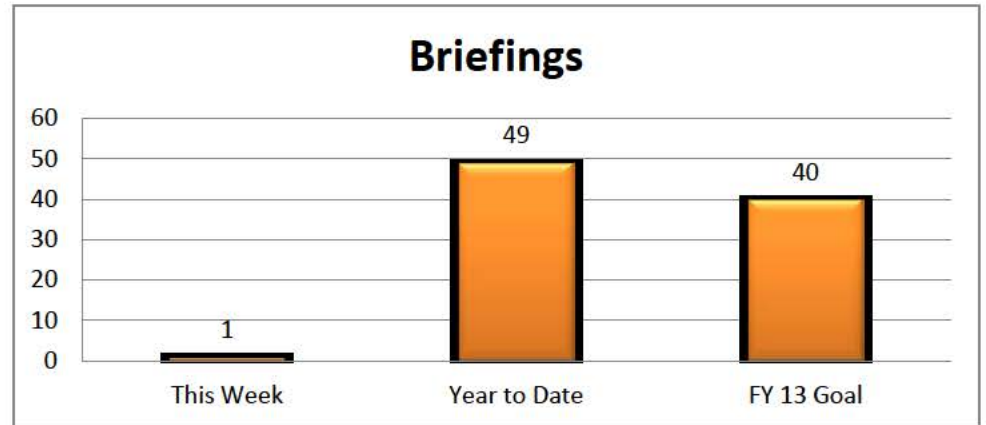
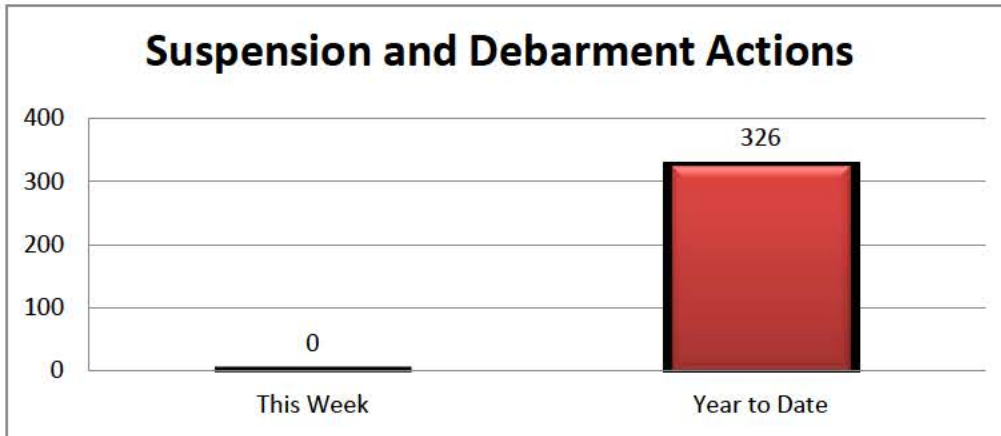
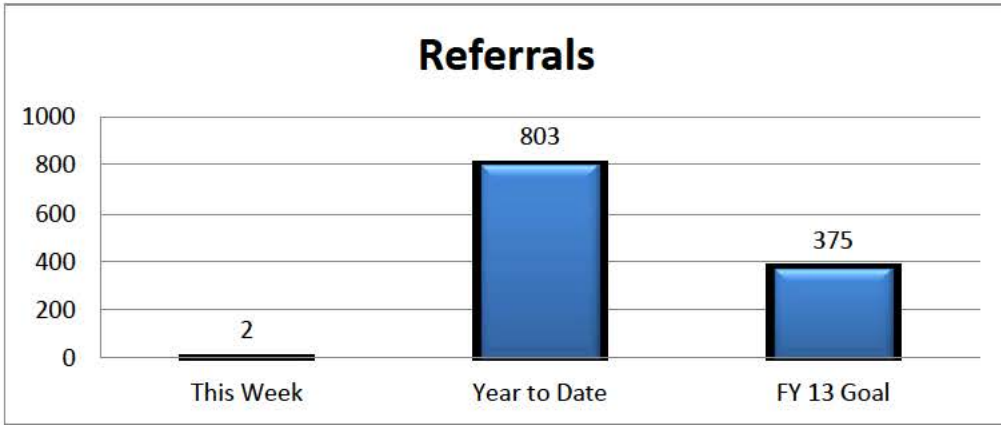
On April 25, 2013, a Criminal Information was filed in U.S. District Court in the District of Maryland (Baltimore), charging (b) (6), (b)(7)(C) in violation of 18 USC 641, Theft of Government Property.

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)

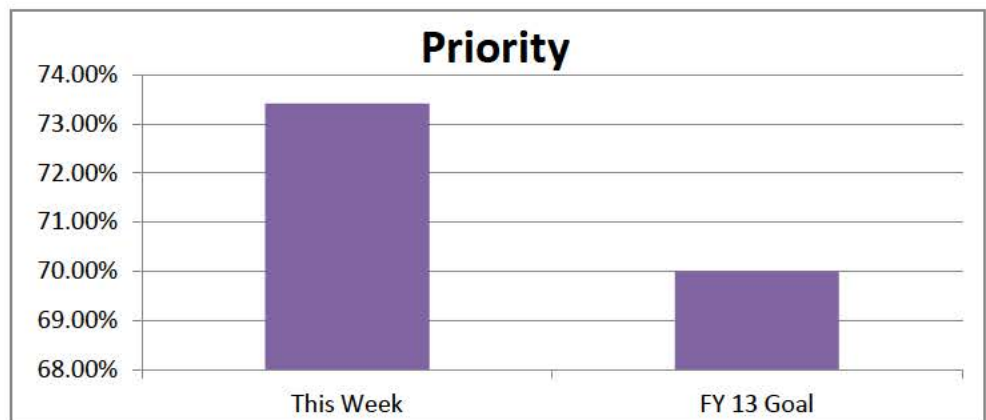
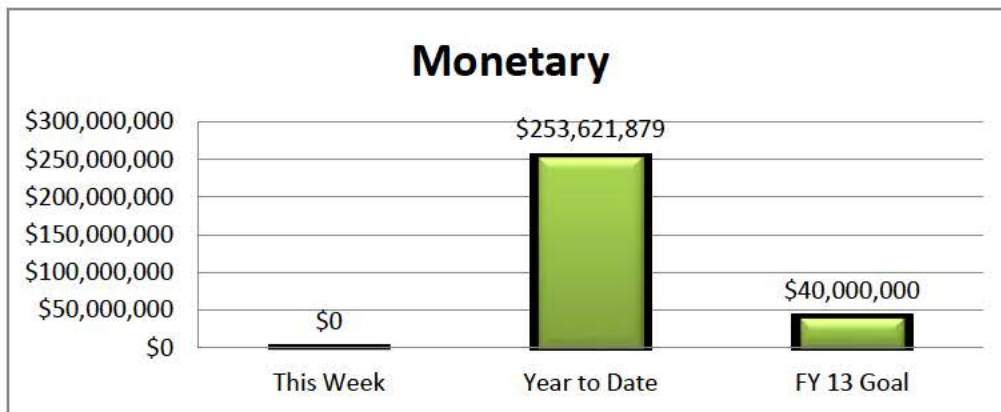
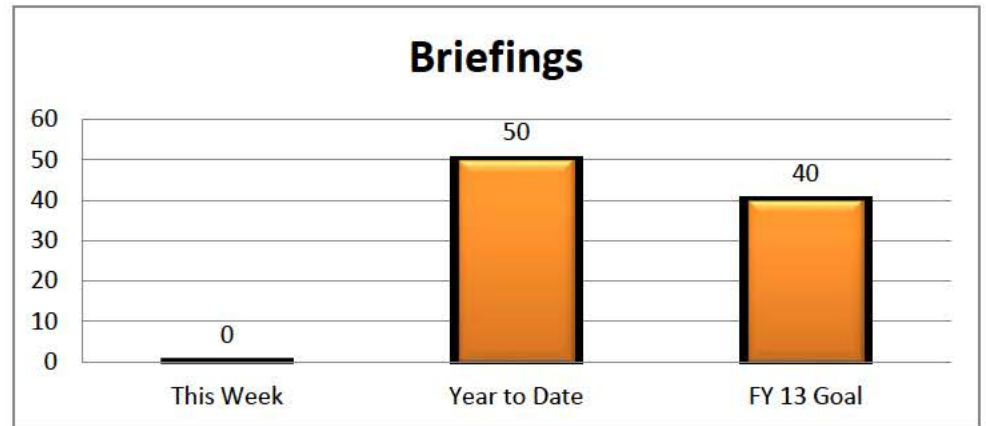
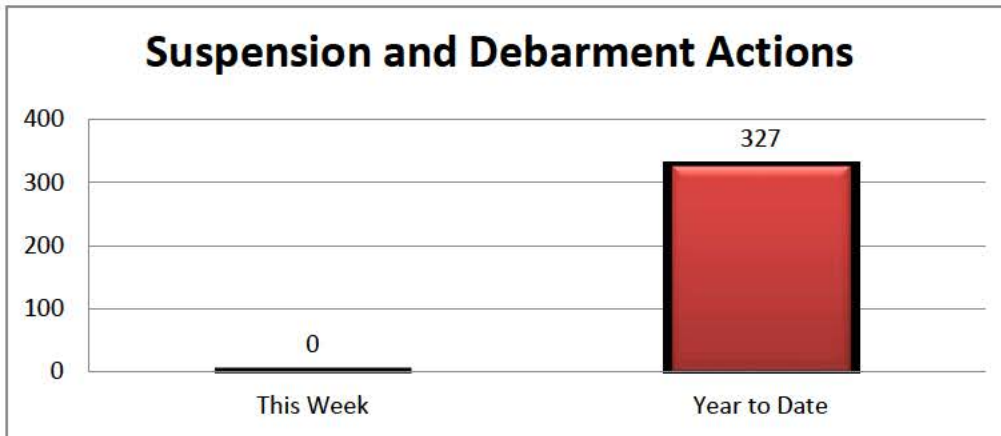
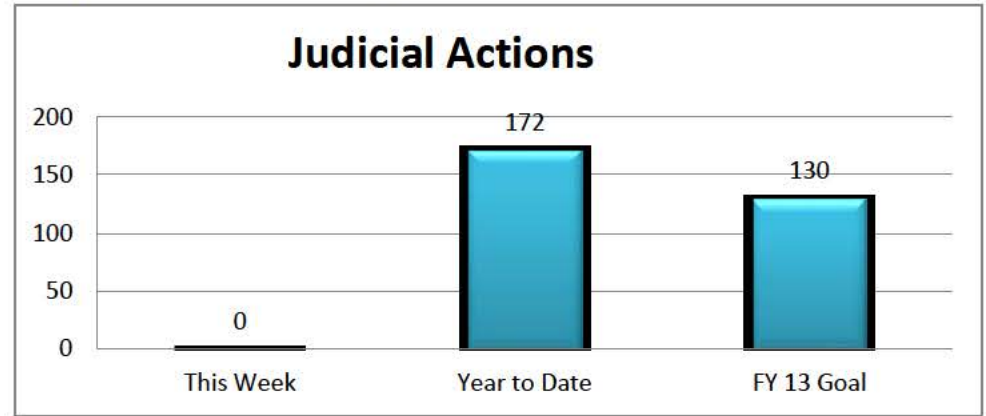
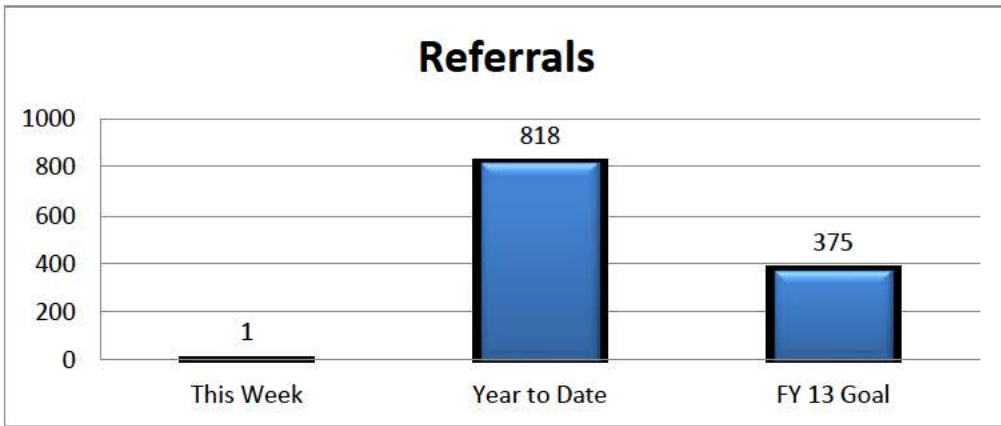
(b) (7)(A)
[Redacted]
/I1354676)

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]

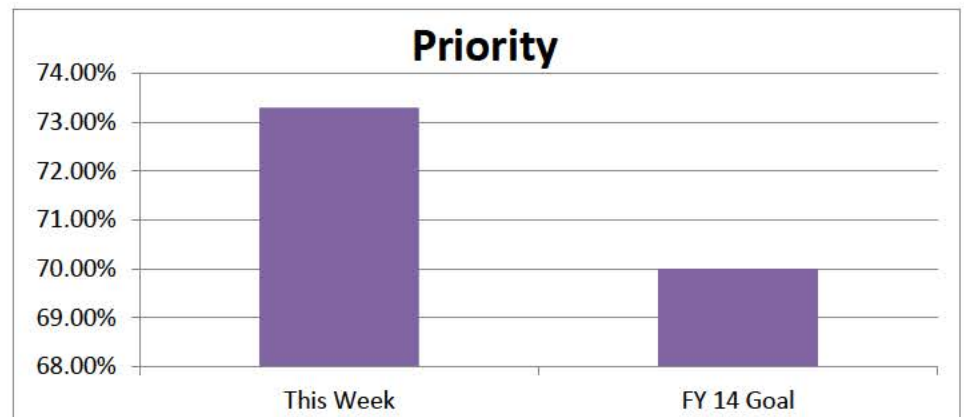
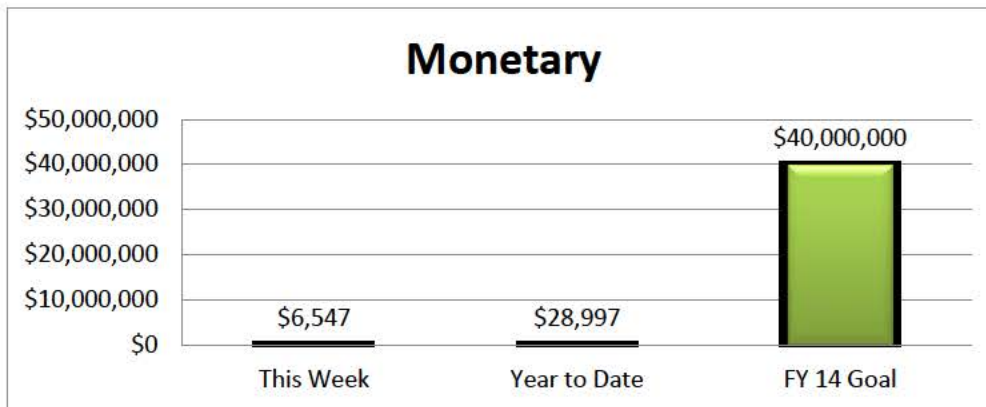
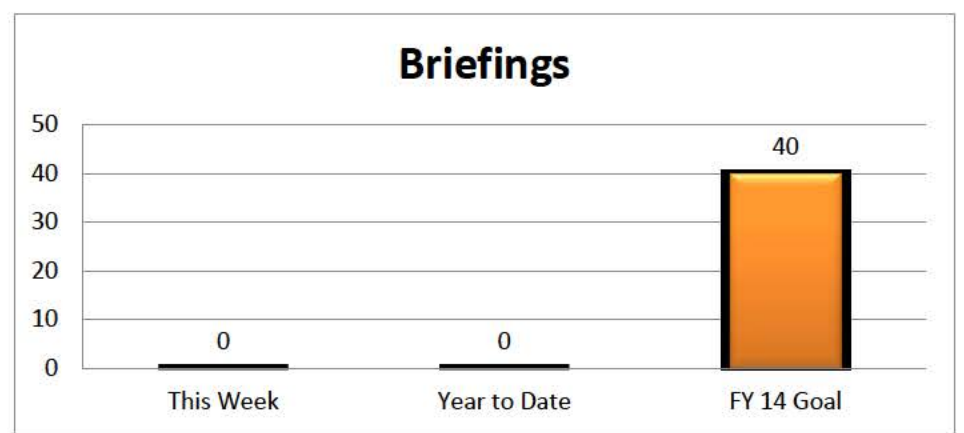
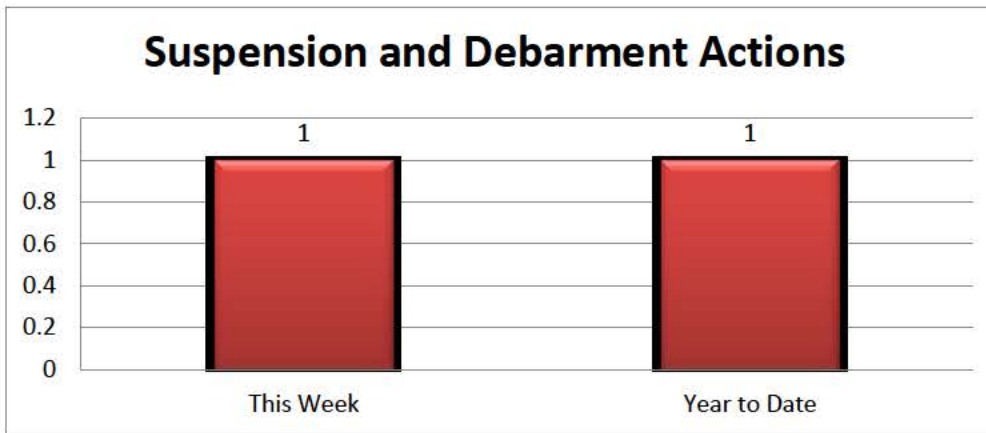
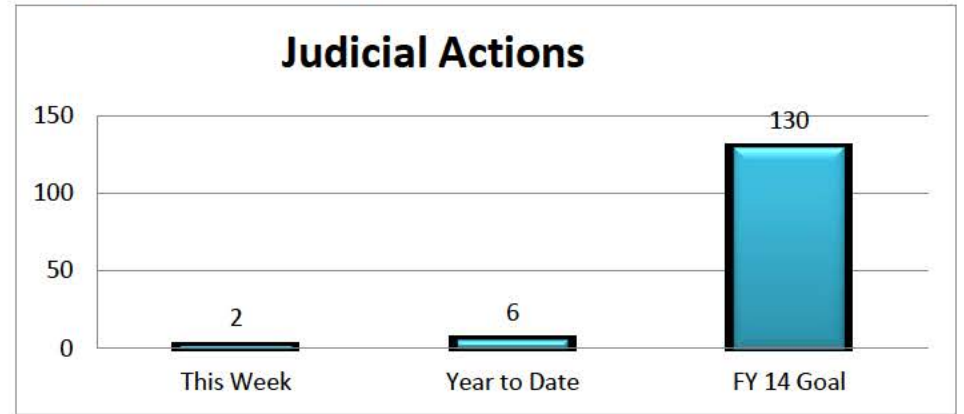
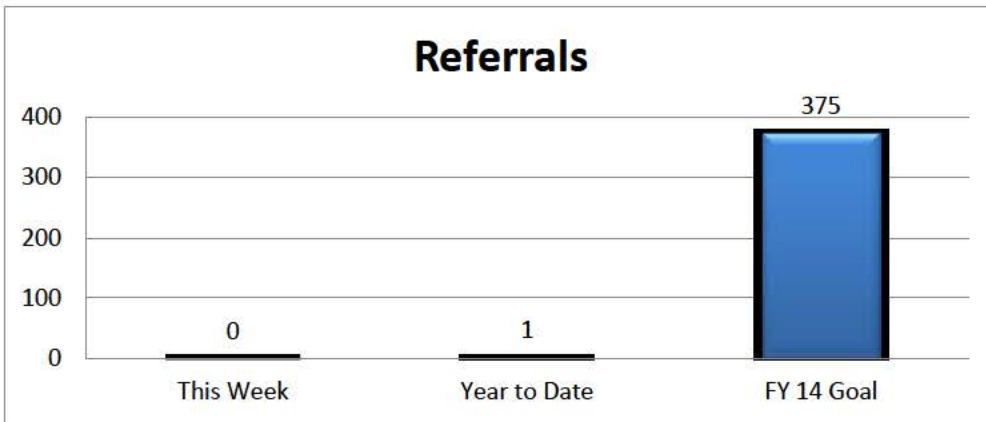
[Redacted]

[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.

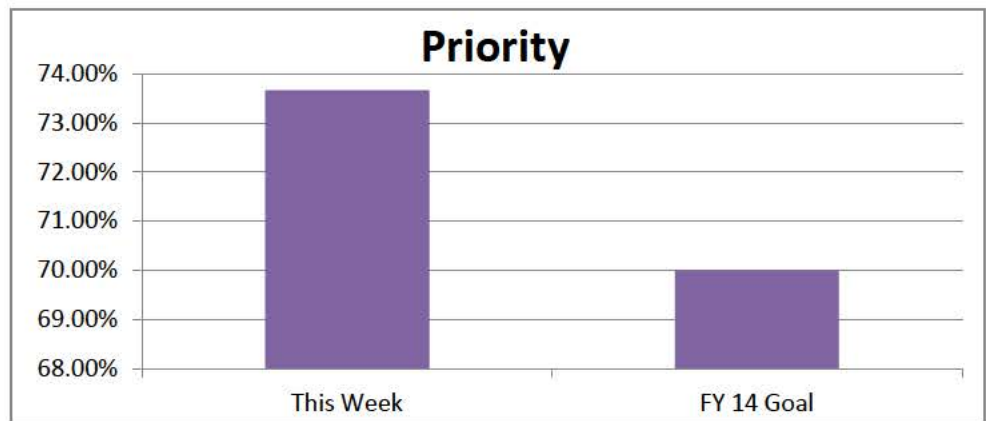
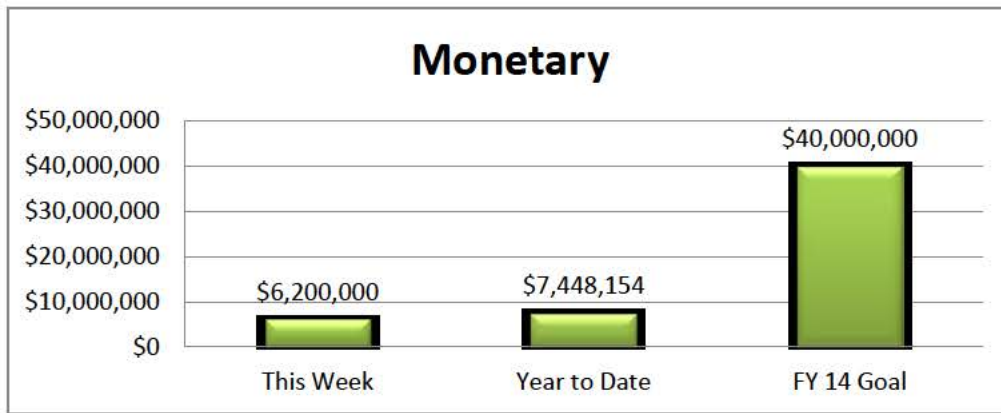
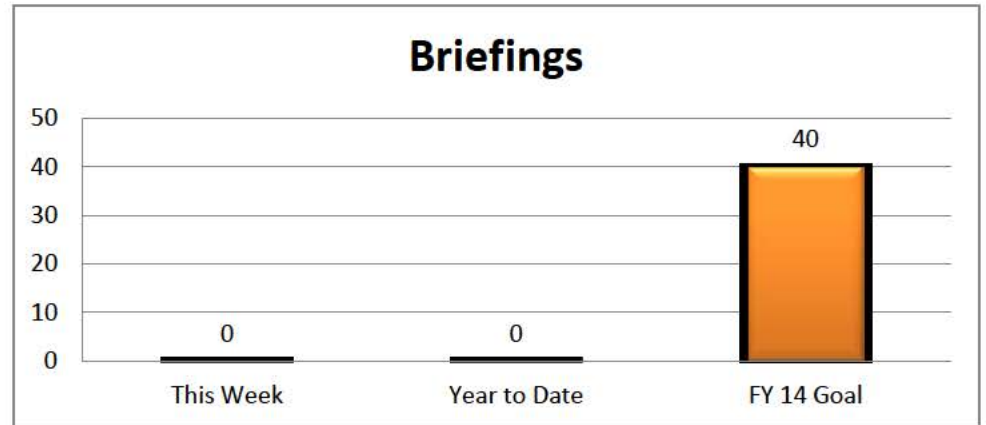
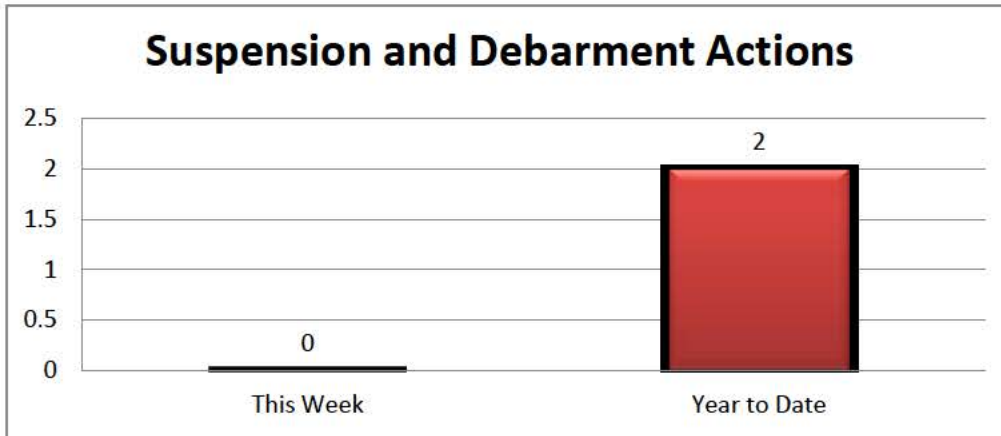
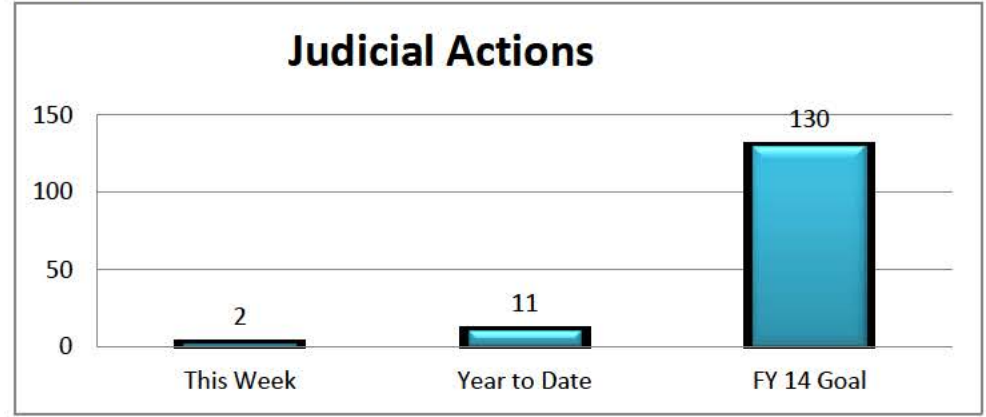
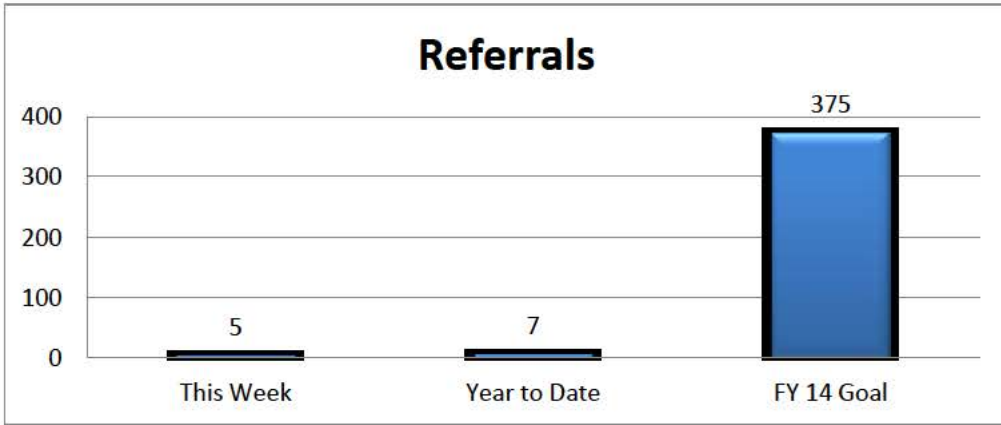
BACKGROUND



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





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 harrasing 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.

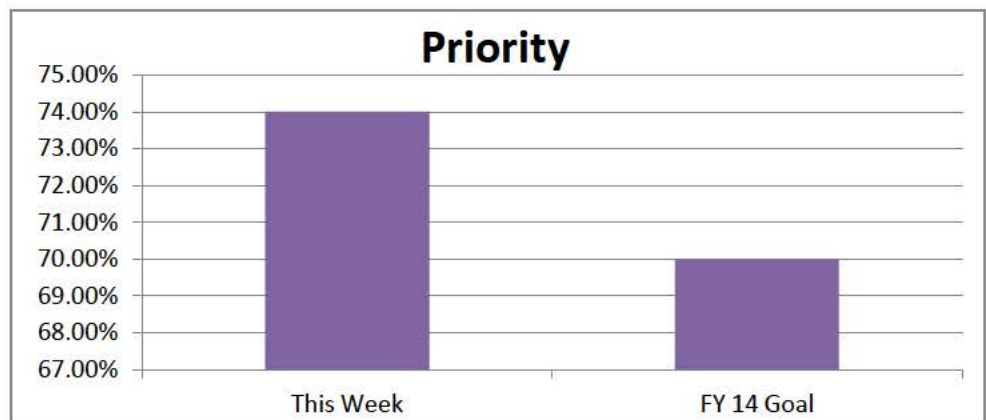
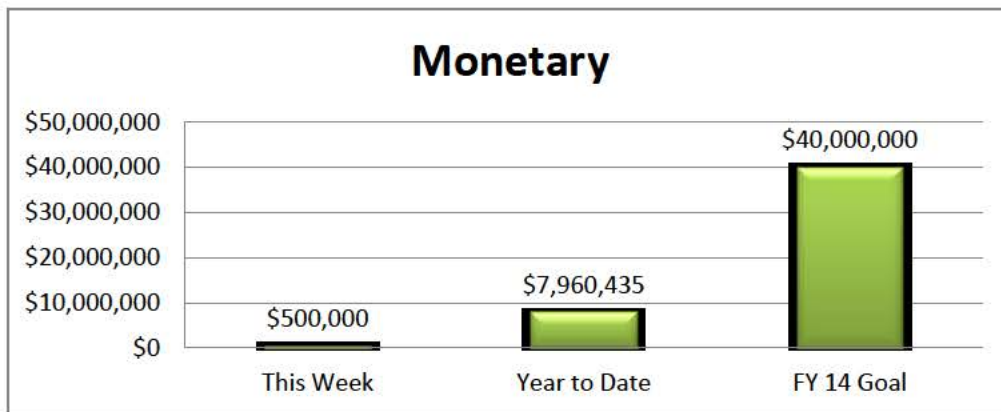
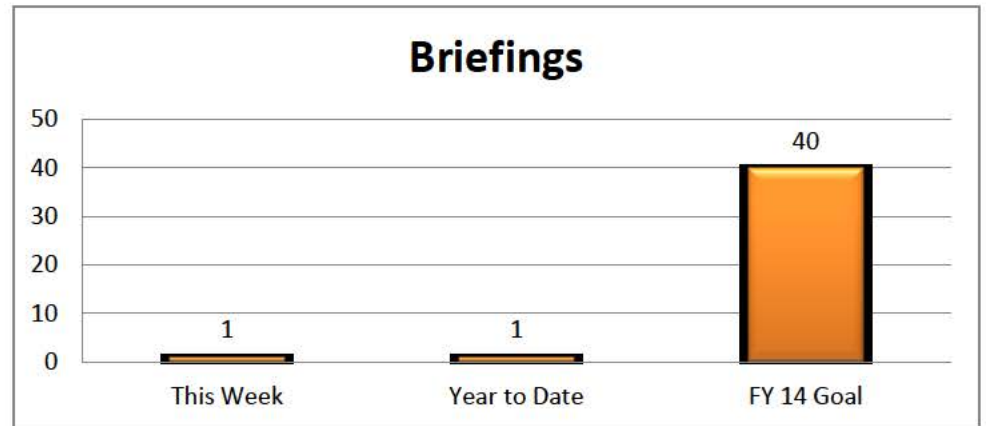
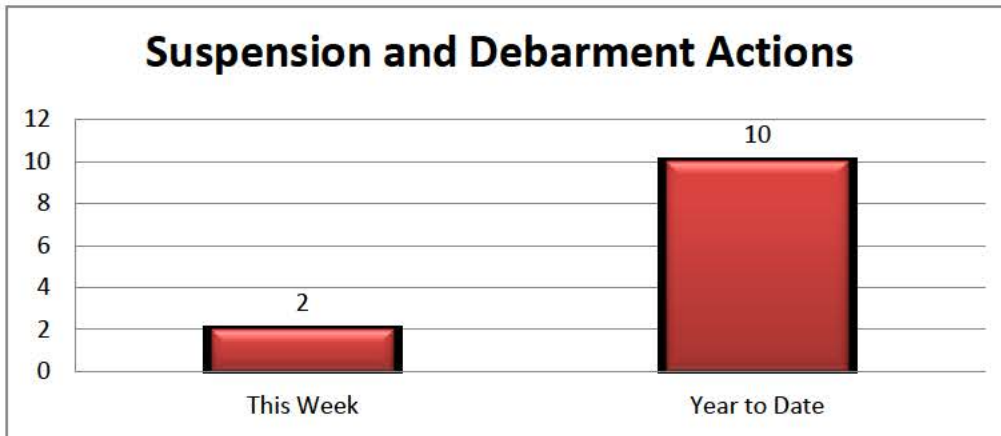
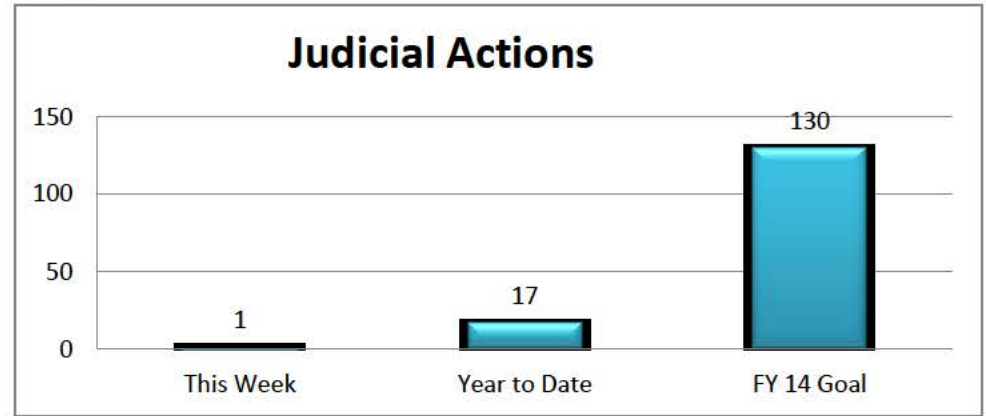
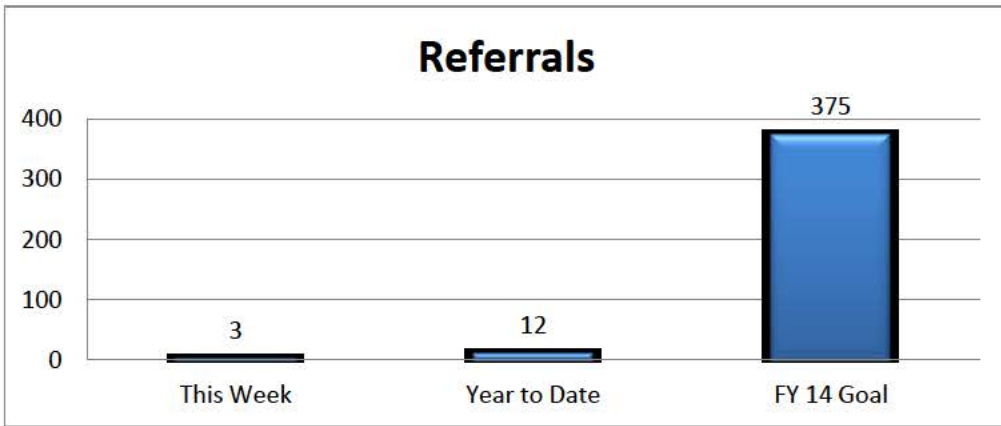
GSA awarded contract (b) (3) (A) to (b) (3) (A) on (b) (3) (A) for the sale of software licenses and related services under the Multiple Award Schedule program. In October 2003, (b) (3) merged with (b) (3) (A). In December 2008, (b) (3) (A) merged with (b) (3). GSA approved the novation of the MAS contract 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]

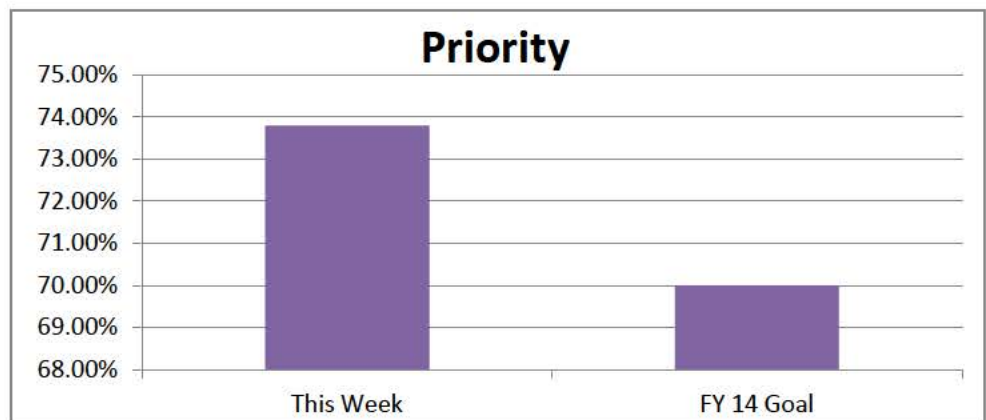
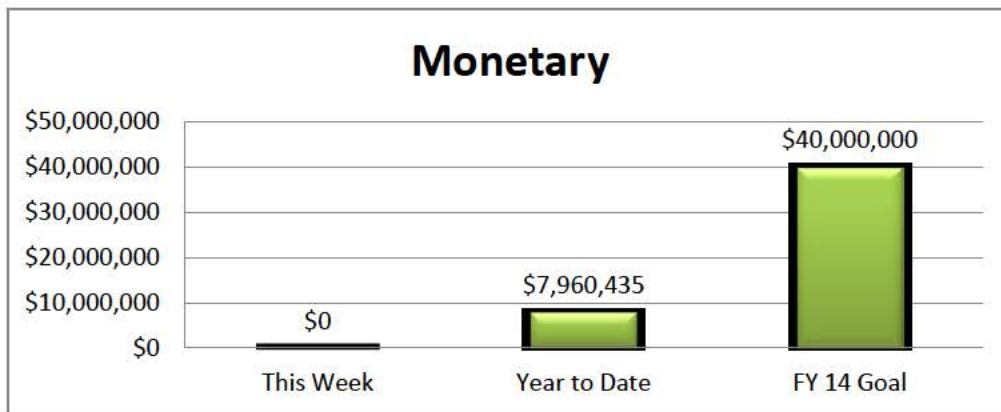
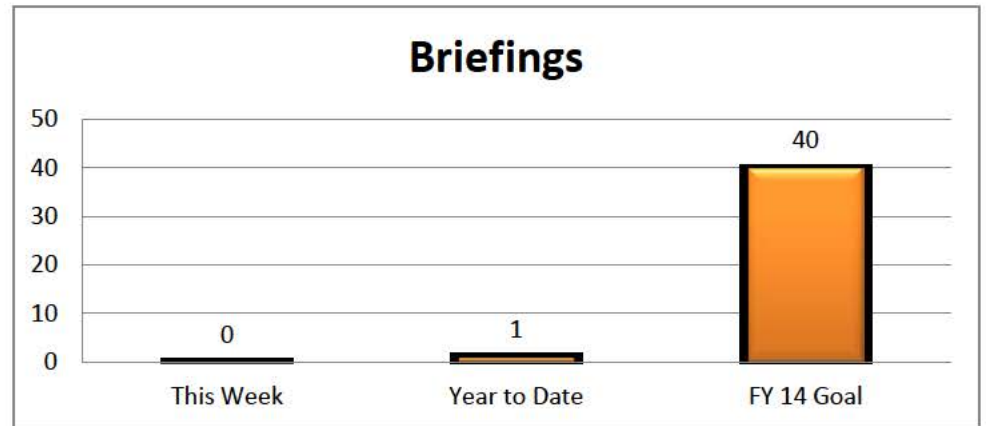
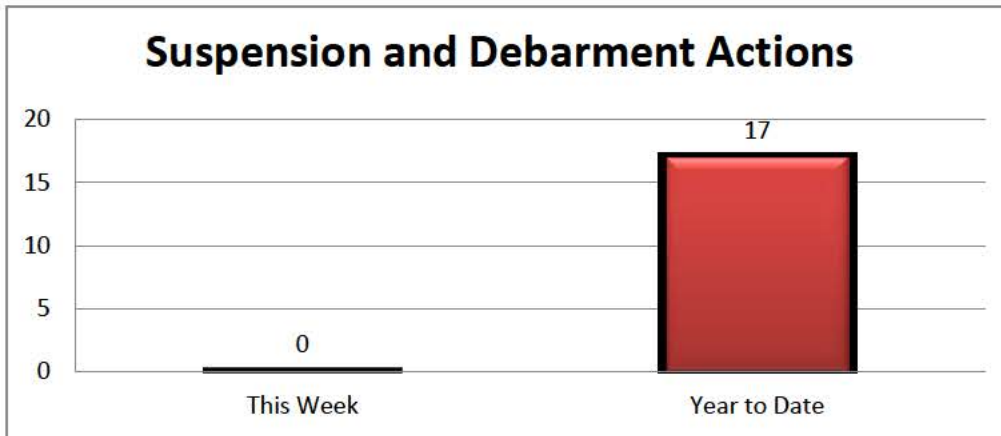
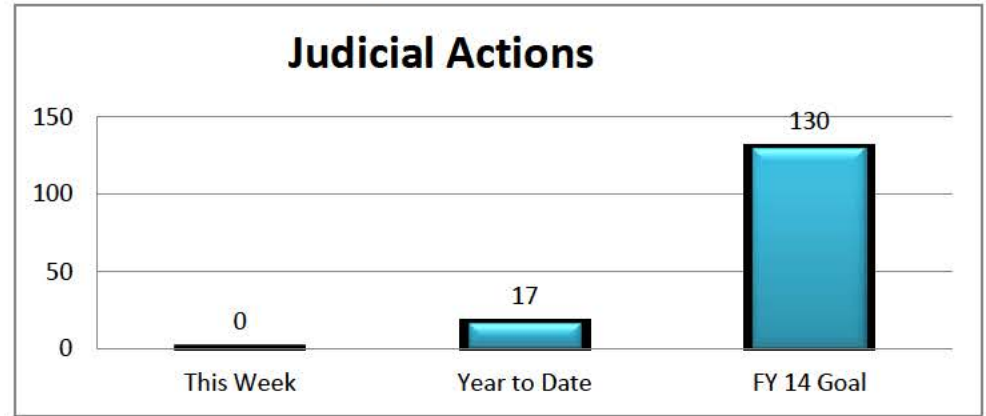
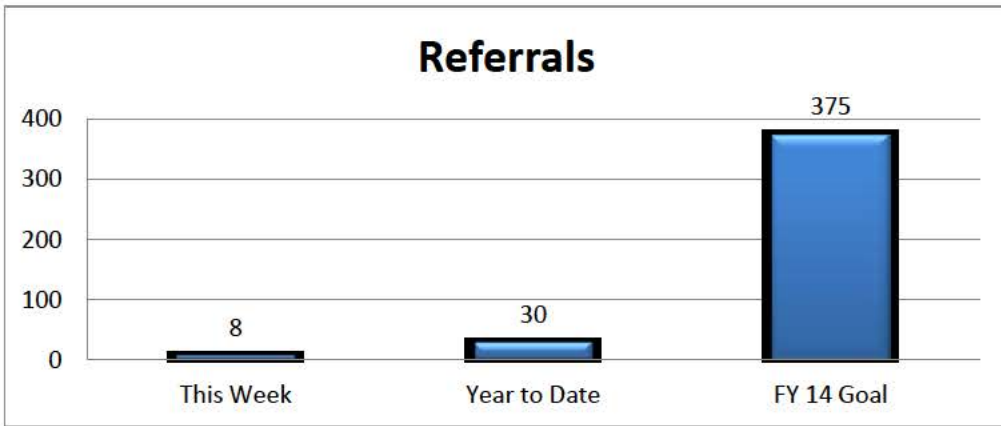
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[Redacted]

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
Office of Inspector General
General Services Administration
Auburn, WA

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





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

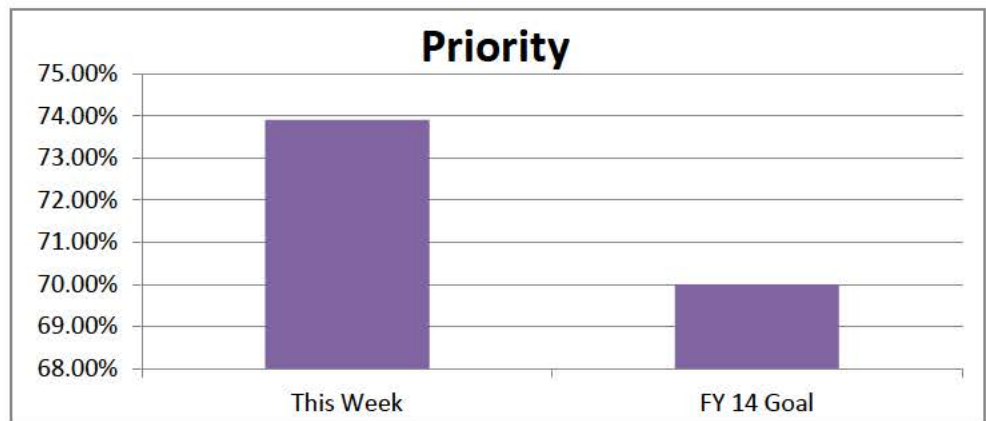
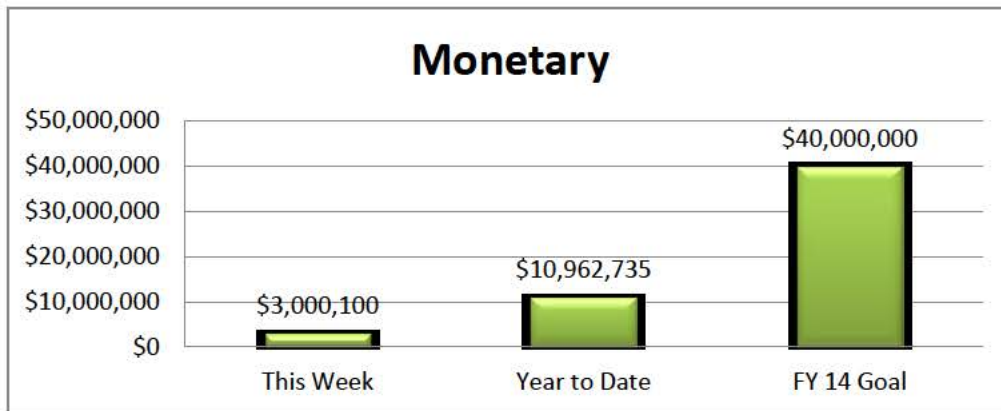
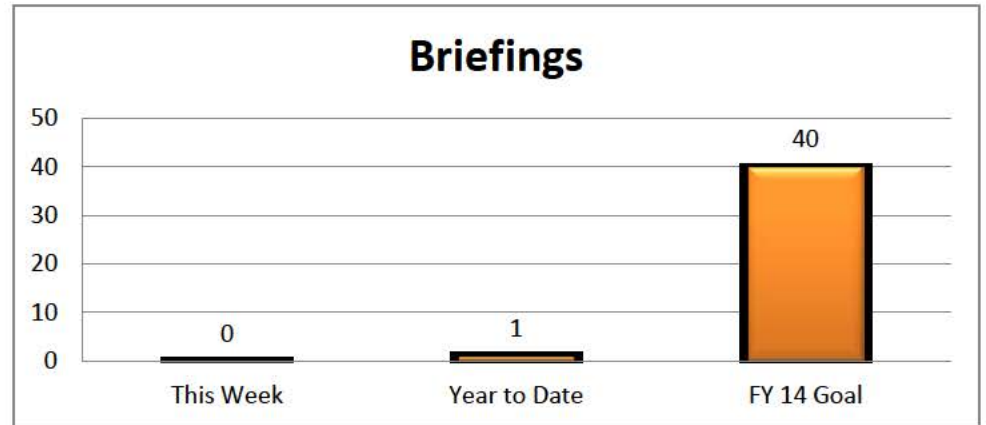
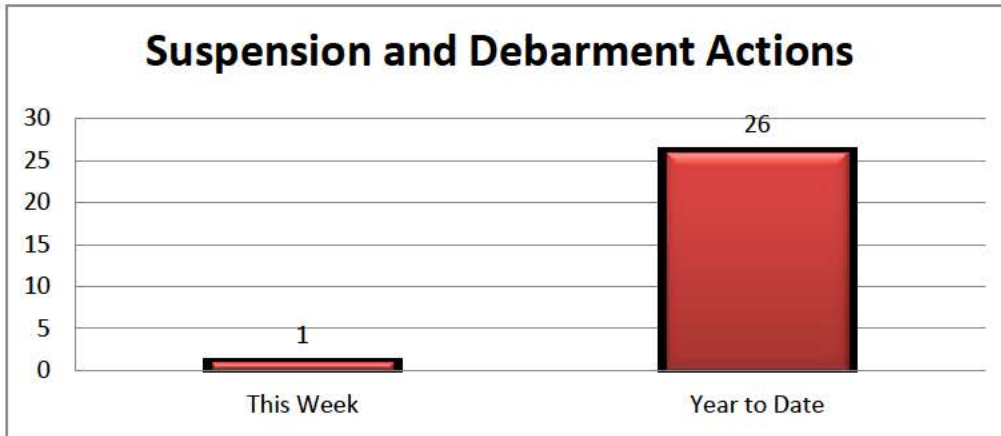
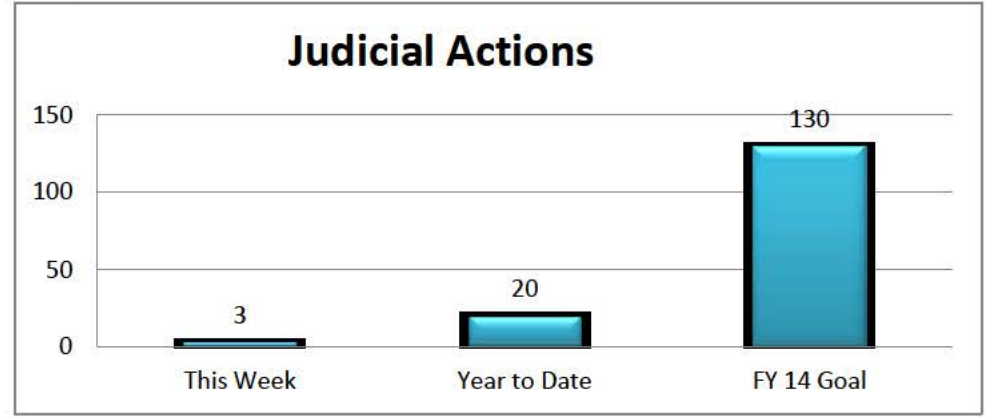
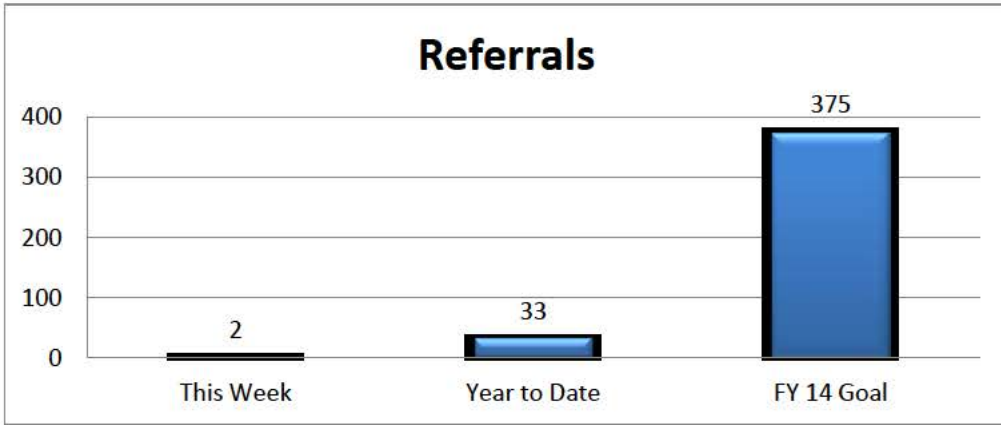
Investigations

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)

(11193499)

(b) (7)(A)

(1394546)

(b) (7)(A)

(111L2847)

Auburn (JI-10)

(b) (7)(A)

(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

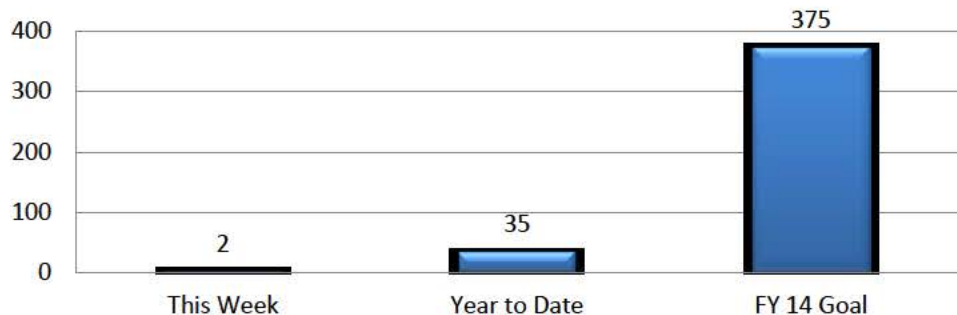
On November 21, 2013, Branch Chief Johnson is meeting with (b) (3) (A), (b) (7)(D) officials to discuss an on-going FAR disclosure investigation. The disclosure relates to overpayments by the government of taxes, surcharges and excise fees assessed under (b) Schedule Contract (b) (3) (A), (b) (3) (A), (b) (3) (A), (b) (3) (A). (DOJ Commercial Litigation/Civil/113H4925) (3)

Suspension & Debarment

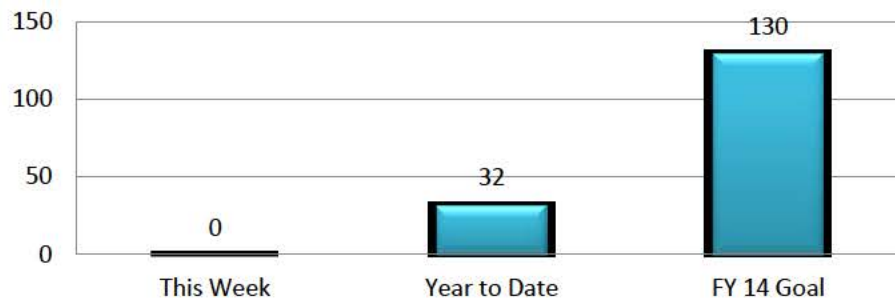
On November 18, 2013, Branch Chief (b) (7)(D) and SA (b) (7)(D) will participate in the CIGIE Suspension and Debarment Working Group meeting, via teleconference, to discuss the proposed Suspend Act and its impact on the OIGs.

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

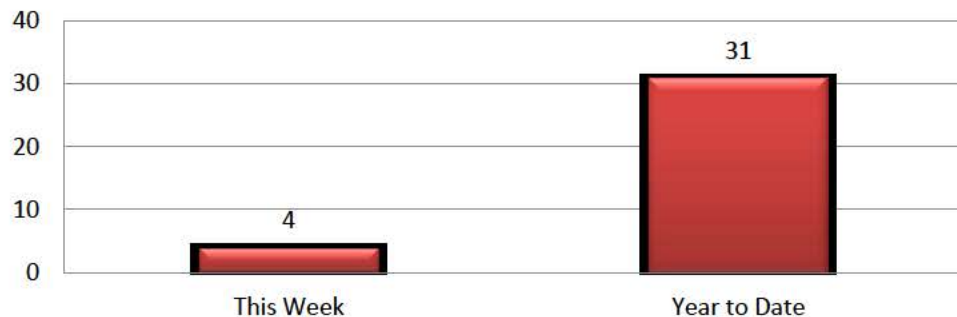
Referrals



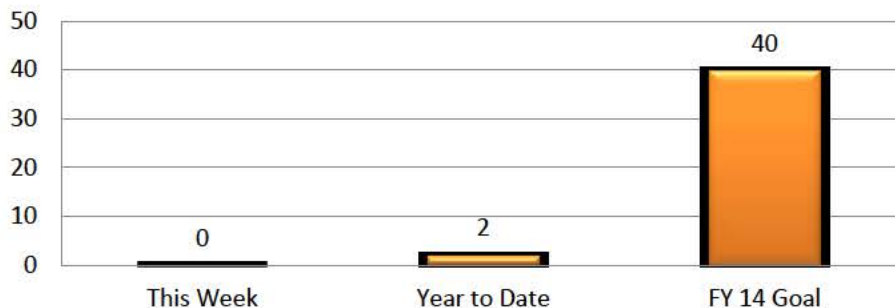
Judicial Actions



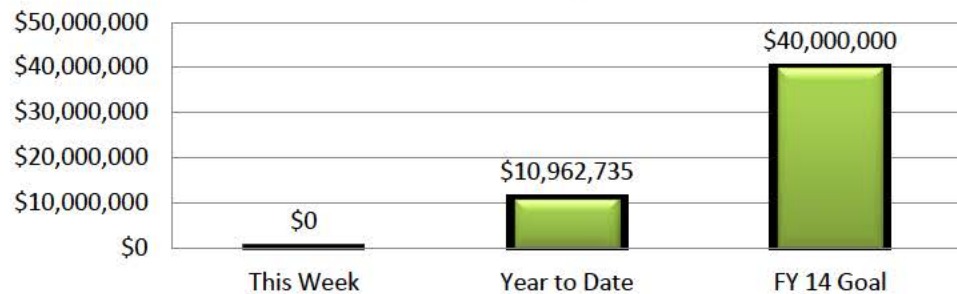
Suspension and Debarment Actions



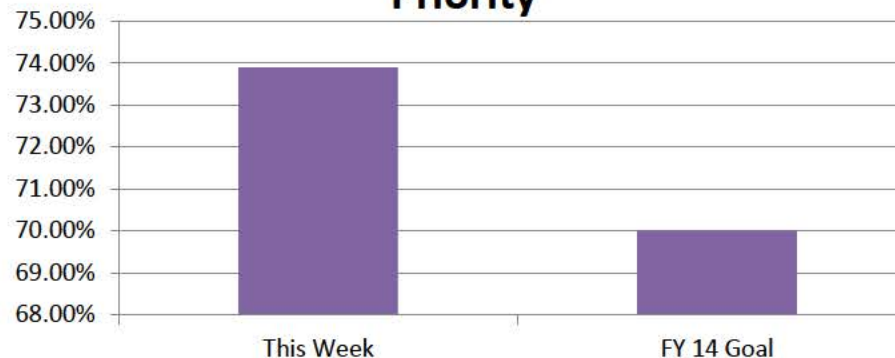
Briefings



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).

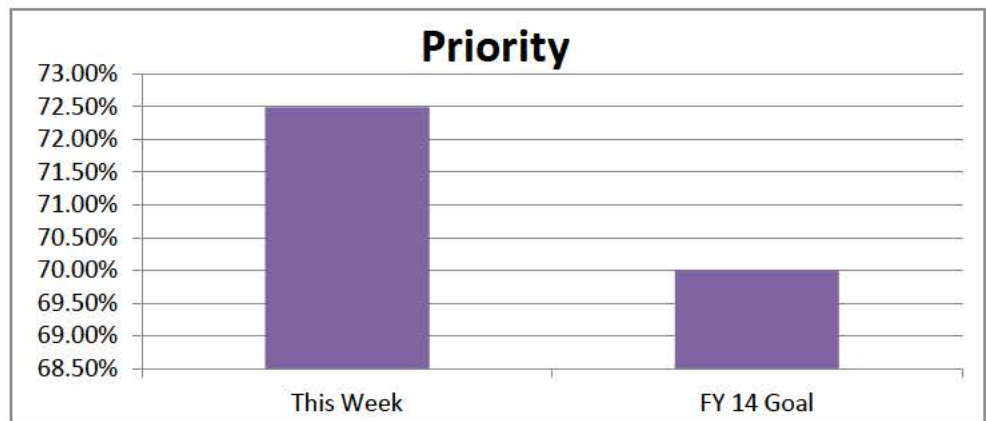
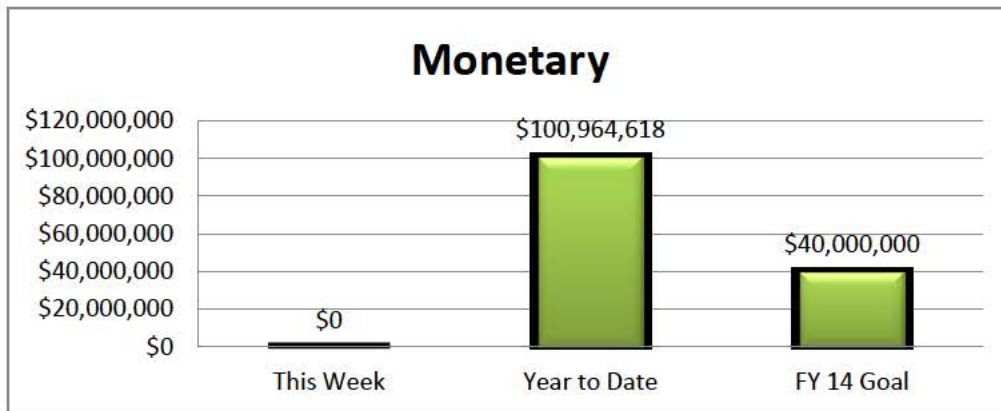
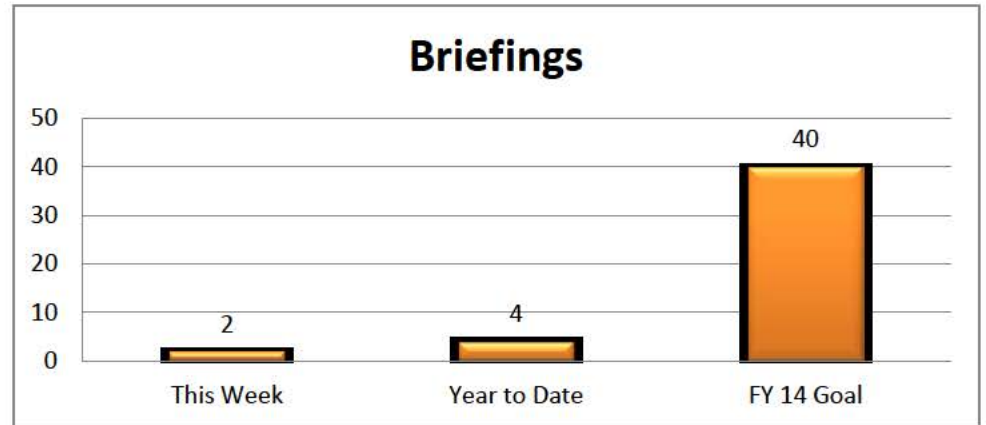
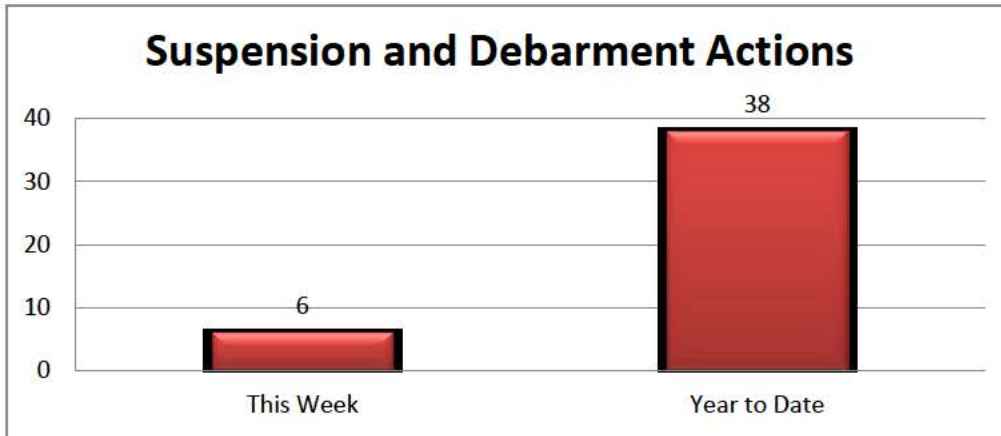
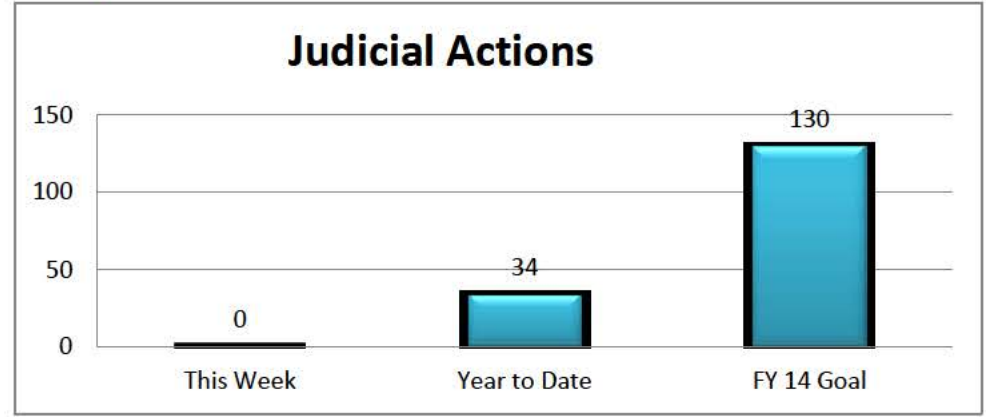
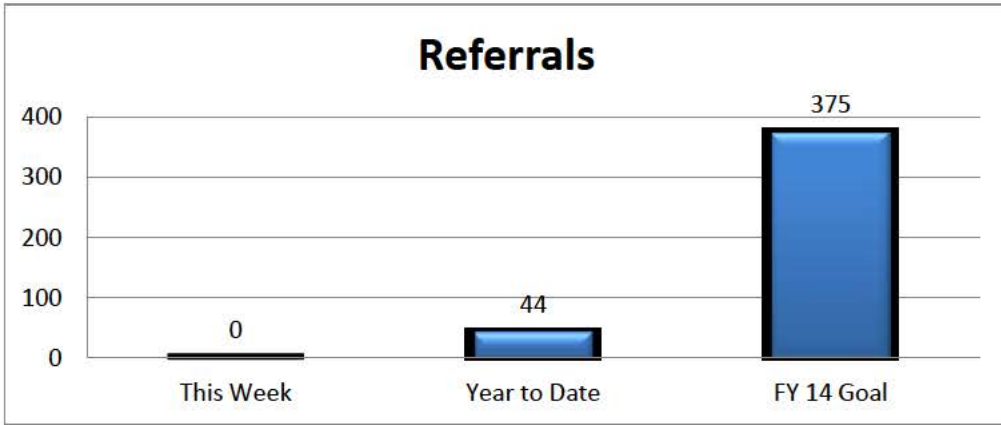
BACKGROUND

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]

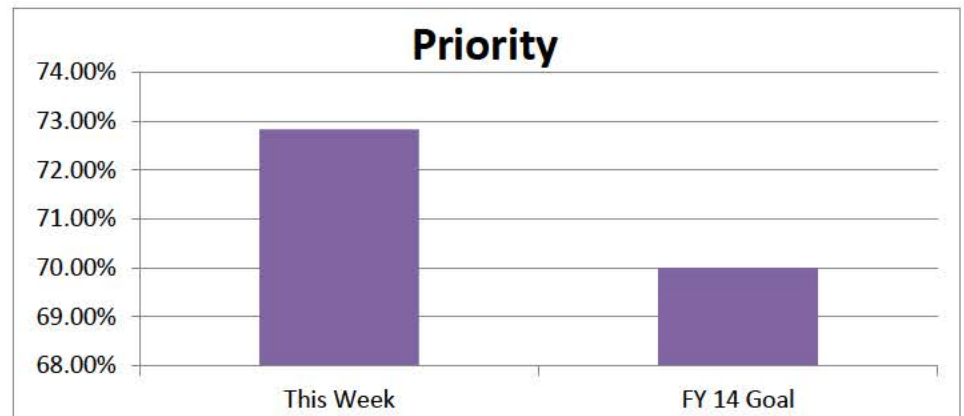
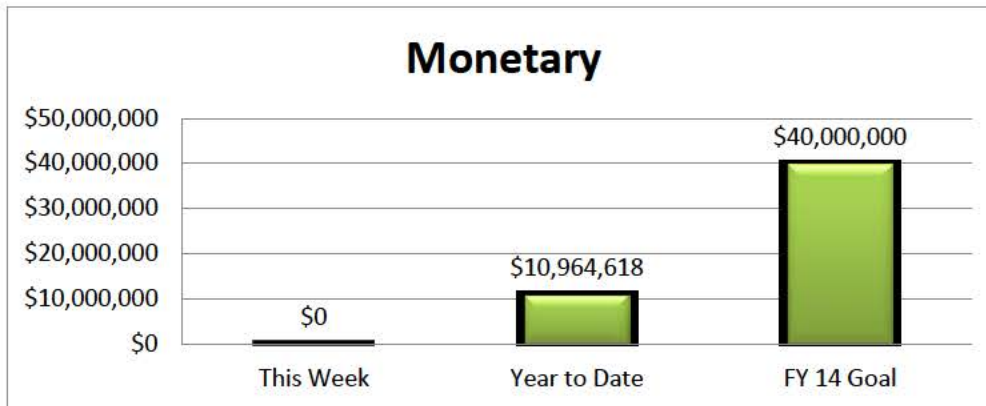
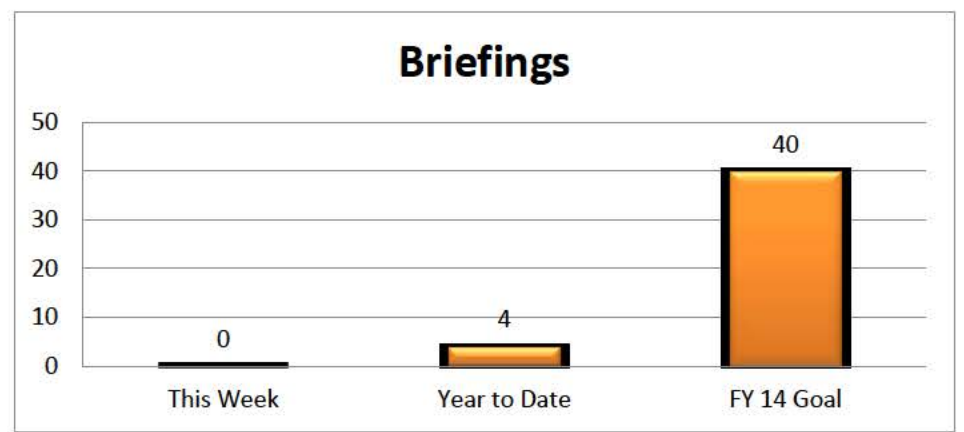
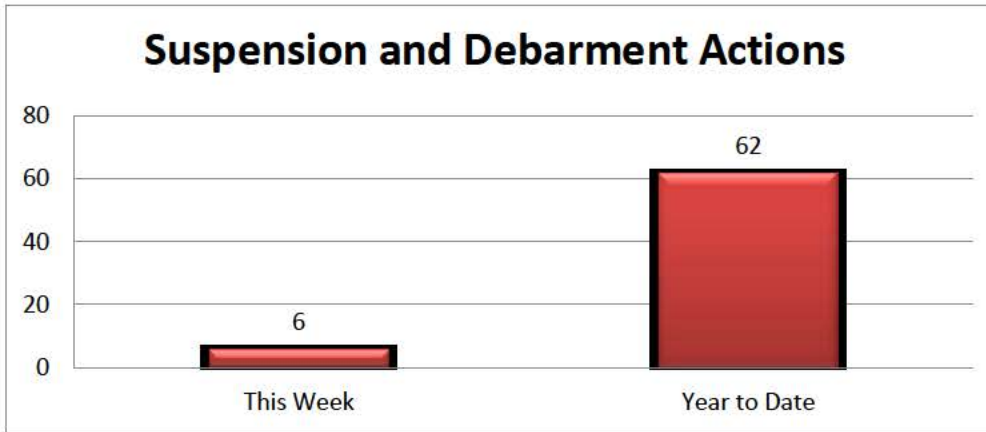
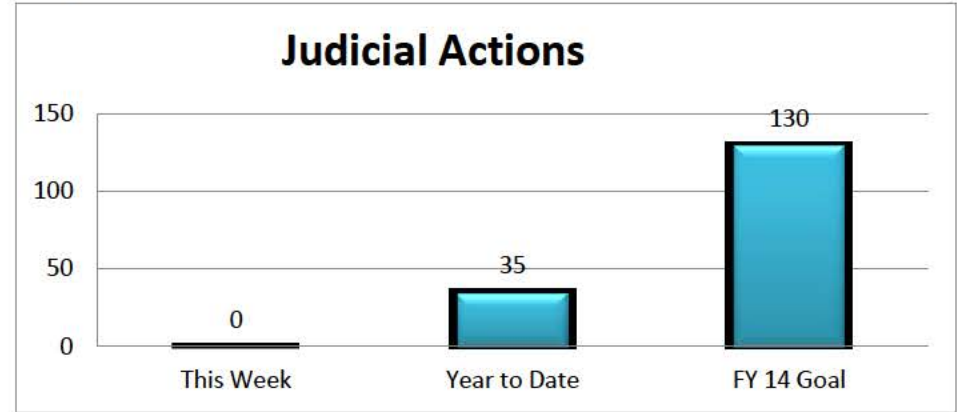
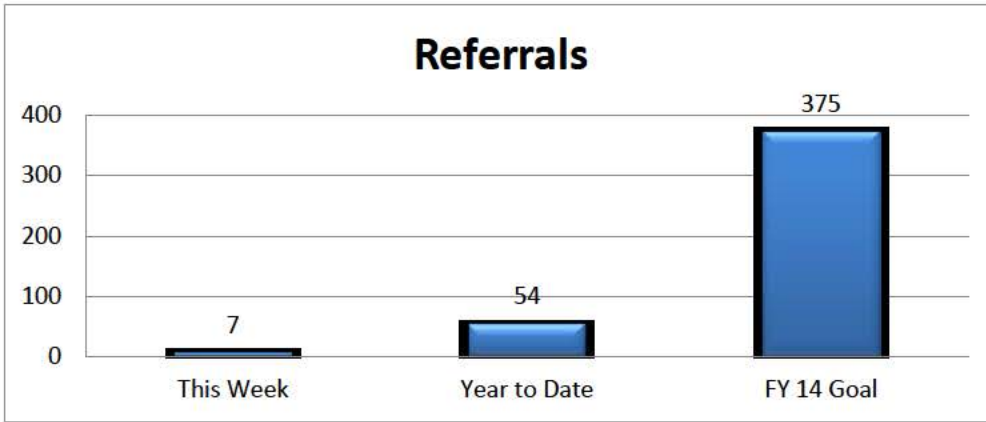
[REDACTED]

[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

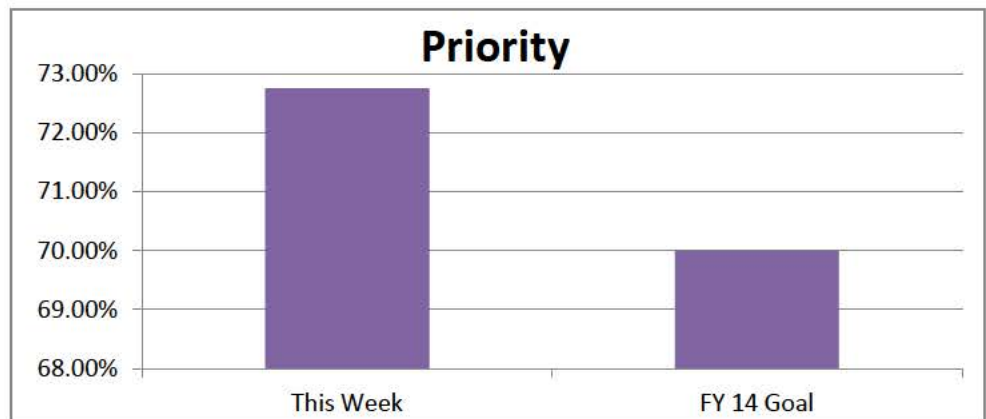
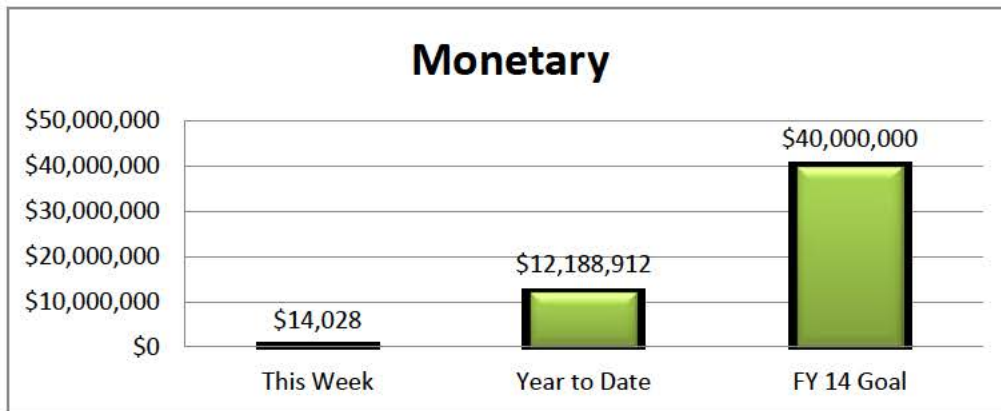
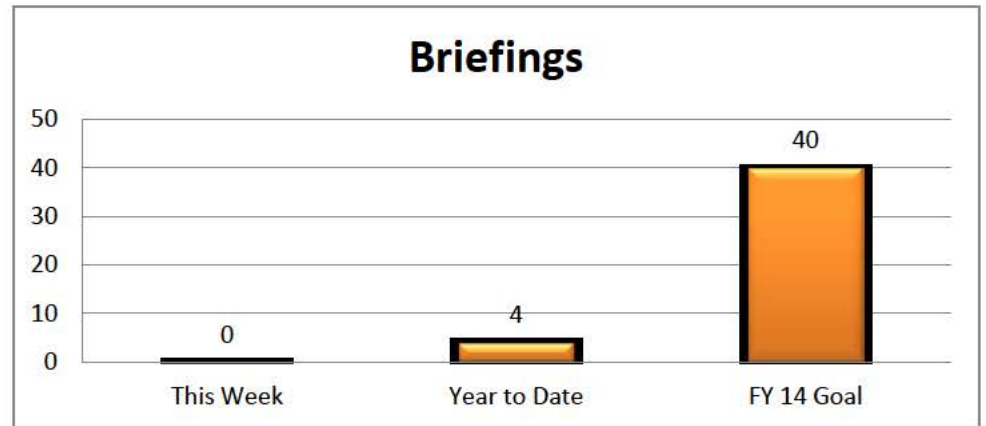
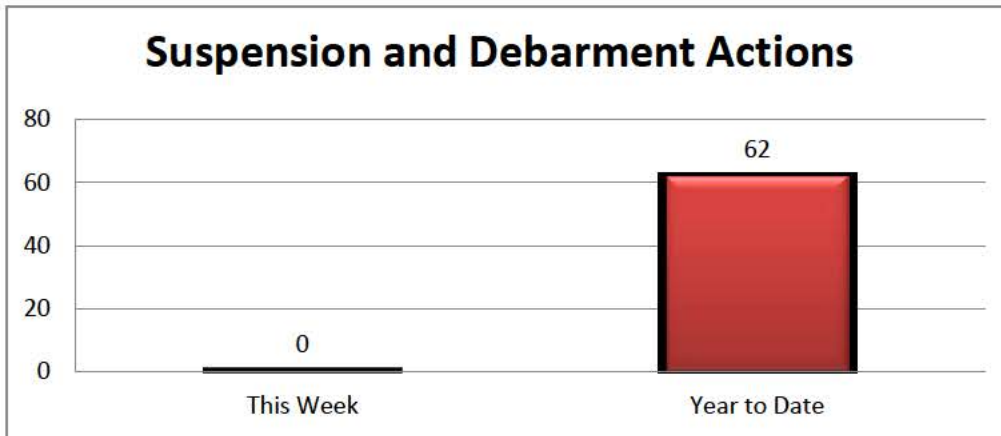
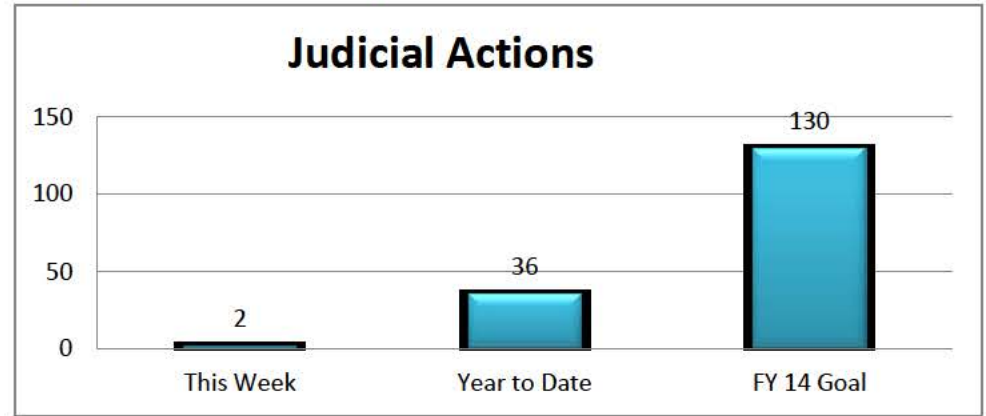
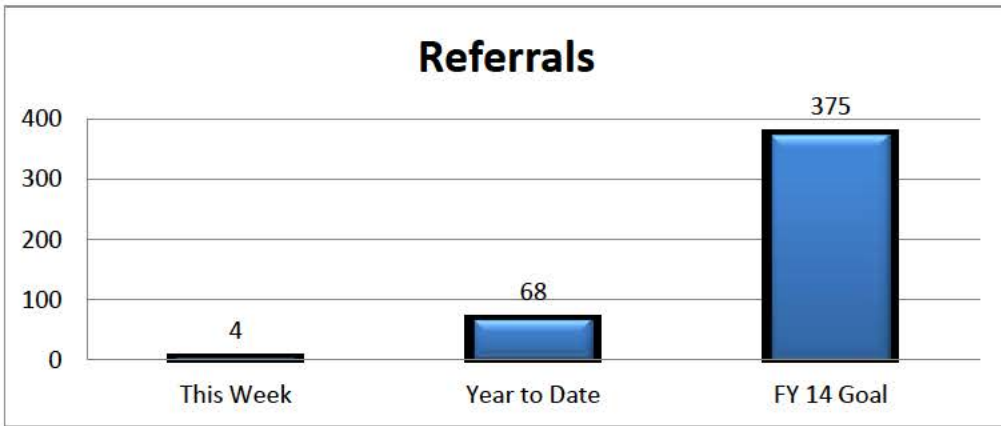
BACKGROUND:

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)