



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, MAY 3, 2007
WWW.USDOJ.GOV

CRM
(202) 514-2008
TDD (202) 514-1888

FORMER GOVERNMENT OFFICIAL SENTENCED IN \$1.4 MILLION VIRGIN ISLANDS BRIBERY SCANDAL

WASHINGTON – The former director of the U.S. Virgin Islands Department of Planning and Natural Resources (DPNR) Division of Environmental Protection has been sentenced to four years in prison for conspiring to defraud the Virgin Islands government of approximately \$1.4 million, Assistant Attorney General Alice S. Fisher of the Criminal Division and U.S. Attorney Anthony J. Jenkins of the District of the Virgin Islands announced today.

U.S. District Judge Clarence Cooper sentenced Hollis L. Griffin, 43, to four years in prison, three years of supervised release, and ordered to pay more than \$1 million in restitution. The defendant previously pleaded guilty in Atlanta on Sept. 26, 2006. Griffin was charged in the District of the Virgin Islands on June 21, 2006, along with former Virgin Islands Fire Service employee Earl E. Brewley and Esmond J. Modeste, the purported project manager of a fictitious company by the name of Elite Technical Services (Elite), with engaging in an elaborate bribery and kickback scheme to defraud the territorial government of approximately \$1.4 million in federal and local funds. Brewley and Modeste pleaded guilty to the charges before U.S. District Judge Curtis V. Gomez on July 12, 2006. They are scheduled to be sentenced on May 11, 2007. At Griffin's request, the case against him was transferred to the U.S. District Court for the Northern District of Georgia in Atlanta for purposes of entering a guilty plea and sentencing.

According to court documents, in early 2000, Griffin, Brewley, Modeste and others formed Elite and then used the fictitious company, as well as other companies, to seek and be awarded at least seven government contracts valued at approximately \$1.4 million. Although little or no actual work was performed on the contracts—which were awarded by DPNR and the Virgin Islands Department of Property and Procurement (DP&P) on behalf of DPNR and the Virgin Islands Fire Service—payments totaling over \$1.1 million were made to Elite and the other companies. Once the contract proceeds were paid to Elite and the other companies, Brewley, Modeste and others paid bribes and kickbacks totaling between \$300,000 and \$350,000 to at least four territorial government officials including Griffin.

Griffin, like Brewley and Modeste, pleaded guilty to engaging in a five-year conspiracy to commit bribery concerning programs receiving federal funds, honest services mail fraud, and structuring currency transactions, all in violation of federal law. Many of the contracts at issue were funded with federal monies, and both the DPNR and the Fire Service received annual appropriations of federal funds with which to fund such programs and contract awards. A series of \$9,900 cash withdrawals—totaling over \$350,000—were allegedly made by Brewley, Modeste and others after depositing certain contract proceeds into FirstBank, Wachovia, and Banco Popular. Like Brewley and Modeste, Griffin admitted that these cash withdrawals were

made in order to pay the bribes and kickbacks in cash, and avoid the filing of currency transaction reports by the local banks.

This case is being prosecuted by Armando O. Bonilla and John P. Pearson of the Criminal Division's Public Integrity Section. The task force investigating this case comprises agents from the Federal Bureau of Investigation, the U.S. Treasury Department/Internal Revenue Service, the U.S. Postal Inspection Service, and the U.S. Environmental Protection Agency Office of the Inspector General. The Virgin Islands Office of the Inspector General also assisted in this investigation.

###

07-324