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FOR IMMEDIATE RELEASE

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**FORMER OPM EMPLOYEE SENTENCED TO FIVE YEARS FOR CONSPIRACY,
BRIBERY AND THEFT OF ALMOST \$4 MILLION FROM THE CIVIL SERVICE
RETIREMENT TRUST FUND**

Greenbelt, Maryland - United States Attorney for the District of Maryland Allen F. Loucks announces that today U.S. District Court Judge Peter J. Messitte sentenced Anita Cary, age 53, of Capitol Heights, Maryland, a former employee the Office of Personnel Management (OPM), to five years in jail followed by three years of supervised release in connection with a theft and bribery scheme that caused approximately \$3.7 million in fraudulent payments by the Civil Service Retirement Trust Fund. Judge Messitte also ordered Cary to pay more than \$2 million in restitution to OPM. Judge Messitte imposed a five-year sentence on Cary's conviction for demanding bribes from individuals who received fraudulent federal benefits and a concurrent five-month sentence on her conviction for conspiracy to defraud the United States.

According to the statement of facts presented to the court on February 27, 2004 when Cary pleaded guilty, Cary was employed by OPM as a retirement benefits specialist whose official duties

included authorizing non-recurring payment actions (“NRPAs”) – unusual one-time payments made to retroactively adjust federal benefits – as well as monthly benefits payments. Between 1996 and December 2002, Cary and another OPM employee, Agatha Malloy, arranged for various individuals to illegally obtain NRPA's from the OPM, Retirement Trust Fund. Malloy and Cary caused OPM to make improper payments to at least 25 OPM retirement annuitants. During the conspiracy, Malloy and Cary also arranged for annuitants to receive an unlawfully increased monthly annuity payment, or in some cases, to receive an annuity payment to which they were not lawfully entitled. Cary illegally caused OPM to make payments totaling more than \$3.7 million to the individuals named above and others involved in this illegal scheme. The payments, both NRPA's and monthly annuity payments, were usually sent by electronic transfer directly into the annuitant's bank account, but were on occasion sent by check to an annuitant, who would then deposit the check into his/her bank account. Nearly all of the banks utilized by annuitants were located in Maryland. Malloy and Cary demanded and received kickbacks from the annuitants, who generally withdrew from their bank accounts about half of the transferred funds, which they then paid in cash, directly or indirectly, to Malloy and Cary.

In sentencing Cary, Judge Messitte said “this is not just a fraud against OPM, it's a fraud against the American people.” As he had done when sentencing Malloy, Judge Messitte took note of other defendants who become involved in the fraud scheme through Cary's efforts and said that “the corruption of other lives” is one of the most dismaying and significant aspects of the fraud scheme.

In addition to Cary, Malloy and 15 others have been charged with fraud and/or bribery offenses relating to their efforts to defraud OPM. All of the defendants have pleaded guilty and only one remains to be sentenced. To date, Judge Messitte has imposed prison sentences on most of the

co-defendants, with Malloy receiving the longest prison term, 10 years.

The case was investigated by the Office of Personnel Management's Inspector General, and the Federal Bureau of Investigation's Metropolitan Maryland Resident Agency in Calverton and the U.S. Attorney's Office. It was prosecuted by Assistant United States Attorneys Barbara S. Skalla, Stuart A. Berman and Michael R. Pauzé.