

**REPORT TO CONGRESS  
ON THE ACTIVITIES AND OPERATIONS  
OF THE  
PUBLIC INTEGRITY SECTION  
FOR 2005**



**Public Integrity Section  
Criminal Division  
United States Department of Justice**

**Submitted Pursuant to  
Section 603 of the Ethics in Government Act of 1978**

## INTRODUCTION

This Report to Congress is submitted pursuant to the Ethics in Government Act of 1978, which requires the Attorney General to report annually to Congress on the operations and activities of the Justice Department's Public Integrity Section. The Report describes the activities of the Public Integrity Section during 2005. It also provides statistics on the nationwide federal effort against public corruption during 2005 and over the previous two decades.

The Public Integrity Section was created in 1976 in order to consolidate into one unit of the Criminal Division the Department's oversight responsibilities for the prosecution of criminal abuses of the public trust by government officials. Section attorneys prosecute selected cases involving federal, state, or local officials, and also provide advice and assistance to prosecutors and agents in the field regarding the handling of public corruption cases. In addition, the Section serves as the Justice Department's center for handling various issues that arise regarding public corruption statutes and cases.

An Election Crimes Branch was created within the Section in 1980 to supervise the Department's nationwide response to election crimes, such as voter fraud and campaign-financing offenses. The Branch reviews all major election crime investigations throughout the country and all proposed criminal charges relating to election crime.

During the year, the Section maintained a staff of approximately 28 attorneys, including experts in extortion, bribery, election crimes, and criminal conflicts of interest. The section management included: Noel L. Hillman, Chief; Stuart Goldberg, Principal Deputy Chief; Raymond Hulser, Deputy Chief for Policy and Administration; Brenda Morris, Deputy Chief for Litigation; Peter Ainsworth, Deputy Chief for Litigation; Craig Donsanto, Director, Election Crimes Branch, and Bill Corcoran, Senior Counsel.

Part I of the Report discusses the operations of the Public Integrity Section and highlights its major activities in 2005. Part II describes the cases prosecuted by the Section in 2005. Part III presents nationwide data based on the Section's annual surveys of United States Attorneys regarding the national federal effort to combat public corruption from 1986 through 2005.

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## **PART I**

### **OPERATIONAL RESPONSIBILITIES OF THE PUBLIC INTEGRITY SECTION**

#### **A. RESPONSIBILITY FOR LITIGATION**

The work of the Public Integrity Section focuses on public corruption, that is, crimes involving abuses of the public trust by government officials. Most of the Section's resources are devoted to the supervision of investigations involving alleged corruption by government officials and to prosecutions resulting from these investigations. Decisions to undertake particular matters are made on a case-by-case basis, based on Section resources, the type and seriousness of the allegation, the sufficiency of factual predication reflecting criminal conduct, and the availability of federal prosecutive theories to reach the conduct.

Cases handled by the Section generally fall into one of the following categories: recusals by United States Attorneys' Offices, sensitive cases, multi-district cases, referrals from federal agencies, and shared cases. These categories are discussed below, and examples of cases handled by the Section in 2005 under the categories are noted. The examples are described, along with the Section's other 2005 casework, in Part II.

##### **1. Recusals by United States Attorneys' Offices**

The vast majority of federal corruption prosecutions are handled by the local United States Attorney's Office for the geographic district where the crime occurred, a fact demonstrated by the statistical charts in Part III of this Report. At times, however, it may be inappropriate for the local United States Attorney's Office to handle a particular corruption case.

Public corruption cases tend to raise unique problems of public perception that are generally absent in more routine criminal cases. An investigation of alleged corruption by a government official, whether at the federal, state, or local level, or someone associated with such an official, always has the potential to be high-profile, simply because its focus is on the conduct of a public official. In addition, these cases are often politically sensitive, because their ultimate targets tend to be politicians or government officials appointed by politicians.

A successful public corruption prosecution requires both the appearance and the reality of fairness and impartiality. This means that a successful corruption case includes not just a conviction, but public perception that the conviction was warranted, not the

result of improper motivation by the prosecutor, and free of conflicts of interest. In cases when the local conflict of interest is substantial, the local office is removed from the case by a procedure called recusal. Recusal occurs when the local office either asks to step aside, or is asked to step aside by Department Headquarters, as primary prosecutor. Federal cases involving corruption allegations in which the conflict is substantial are usually referred to the Public Integrity Section either for prosecution or direct operational supervision.

Allegations involving possible crimes by federal judges almost always require recusal of the local office, for significant policy as well as practical reasons. Having the case handled outside the local office eliminates the possible appearance of bias, as well as the practical difficulties and awkwardness that would arise if an office investigating a judge were to appear before the judge on other matters. Thus, as a matter of established Department practice, federal judicial corruption cases generally are handled by the Public Integrity Section.

Similar concerns regarding the appearance of bias also arise when the target of an investigation is a federal prosecutor, a federal investigator, or other employee assigned to work in or closely with a particular United States Attorney's Office. Thus, cases involving United States Attorneys, Assistant United States Attorneys (AUSAs), or federal investigators or employees working with AUSAs in the field generally result in a recusal of the local office. These cases are typically referred to the Public Integrity Section.

During 2005 the Section handled a number of significant prosecutions as a result of recusals. For example, the Section, working with the Computer Crimes and Intellectual Property Section, obtained a conviction against a former official of the Republican National Committee in New Hampshire based on a scheme to disrupt phone service to Democratic Party offices and a firefighters' ride-to-the-polls program on election day.

## **2. Sensitive and Multi-District Cases**

In addition to recusals, the Public Integrity Section handles other special categories of cases. At the request of the Assistant Attorney General of the Criminal Division, the Section handles cases that are highly sensitive and cases that involve the jurisdiction of more than one United States Attorney's Office.

Cases may be sensitive for a number of reasons. Because of its importance, a particular case may require close coordination with high-level Department officials. Alternatively, it may require substantial coordination with other federal agencies in Washington. The latter includes cases involving classified information, which require careful coordination with the intelligence agencies. Sensitive cases may also include those

that are so politically controversial on a local level that they are most appropriately handled out of Washington.

In addition to sensitive cases, this category encompasses multi-district cases, that is, cases that involve allegations that cross judicial district lines and hence fall under the jurisdiction of two or more United States Attorneys' Offices. In these cases the Section is occasionally asked to coordinate the investigation among the various United States Attorneys' Offices, to handle a case jointly with one or more United States Attorneys' Offices, or, when appropriate, to assume operational responsibility for the entire case.

In 2005, the Section prosecuted lobbyist Michael P.S. Scanlon who pled guilty to conspiring with lobbyist Jack Abramoff to obtain contracts for services from native American Indian tribes and to bribing public officials in exchange for their assistance in helping their clients. In another case, forty current and former military personnel and law enforcement officials admitted to obtaining cash bribes from alleged narcotics traffickers in an FBI undercover operation.

### **3. Federal Agency Referrals**

In another area of major responsibility, the Section handles matters referred to it directly by federal agencies concerning possible federal crimes by agency employees. The Section reviews these allegations to determine whether an investigation of the matter is warranted and, ultimately, whether the matter should be prosecuted.

Agency referrals of possible employee wrongdoing are an important part of the Section's mission. The Section works closely with the Offices of Inspector General (OIG) of the executive branch agencies, as well as with other agency investigative components, such as the Offices of Internal Affairs and the Criminal Investigative Divisions, and also invests substantial time in training agency investigators in the statutes involved in corruption cases and the investigative approaches that work best in these cases. These referrals from the various agencies require close consultation with the referring agency's investigative component and prompt prosecutive evaluation.

As in previous years, the Section handled numerous referrals from federal agencies in 2005. Based on a referral from the National Archives and Records Administration, the Section prosecuted the former National Security Advisor for the Clinton Administration for mishandling classified documents. Another referral was received from the Inspector General for the Federal Housing Finance Board. In this case, the Section prosecuted the Chairman of the Finance Board for false statements. In addition, the Department of

Defense (DOD) referred a matter involving a former DOD official in Korea who subsequently pled guilty to conspiring to defraud the United States.

#### **4. Requests for Assistance; Shared Cases**

The final category of cases in which the Section becomes involved are cases that are handled jointly by the Section and a United States Attorney's Office or other component of the Department.

At times the available prosecutorial resources in a United States Attorney's Office may be insufficient to undertake sole responsibility for a significant corruption case. In these cases the local office may request the assistance of an experienced Section prosecutor to share responsibility for prosecuting the case. In addition, on occasion the Section may be asked to provide operational assistance or to assume supervisory responsibility for a case due to a partial recusal of the local office. Finally, the Public Integrity Section may be assigned to supervise or assist with a case initially assigned to another Department component.

In 2005, the Section shared operational responsibility in a number of significant corruption cases. As an example, the Section worked with the United States Attorney's Office for the Middle District of Alabama on the investigation and prosecution of the former Governor of Alabama and three others for racketeering, conspiracy, bribery, and extortion. In another example, the Section worked with the United States Attorney's Office for the Southern District of Mississippi on the investigation and prosecution of three judges and a prominent attorney on charges of racketeering, extortion, and honest services fraud.

### **B. SPECIAL SECTION PRIORITIES**

In addition to the general responsibilities discussed above, in 2005 the Public Integrity Section continued its involvement in a number of additional priority areas of criminal law enforcement.

#### **1. Election Crimes**

One of the Section's law enforcement priorities is its supervision of the Justice Department's nationwide response to election crimes. The purpose of Headquarters' oversight of election crime matters is to ensure that the Department's nationwide response to election crime allegations is uniform, impartial, and effective. An Election Crimes



Branch, headed by a Director and staffed by Section attorneys on a case-by-case basis, was created within the Section in 1980 to handle this supervisory responsibility.

The Election Crimes Branch oversees the Department's handling of all election crime allegations other than those involving civil rights violations, which are supervised by the Voting Section of the Civil Rights Division. Specifically, the Branch supervises three types of election crime cases: 1) vote frauds, that is crimes that involve the voting process, 2) campaign-financing crimes, and 3) political shakedowns and other patronage crimes. Vote frauds and campaign-financing offenses are the most significant and also the most common types of election crimes.

The election-related work of the Section and its Election Crimes Branch falls into the following categories:

a. Consultation and Field Support. Under long-established Department procedures, the Section's Election Crimes Branch reviews all major election crime investigations, including all grand jury investigations and FBI full field investigations, and all election crime charges proposed by the various United States Attorneys' Offices for legal and factual sufficiency. United States Attorney's Manual 9-85.210.

In addition to reviewing proposed grand jury investigations and charges, the Branch reviews all preliminary investigations involving possible violations of the Federal Election Campaign Act (FECA), 2 U.S.C. §§ 431-455. The increased coordination with the Section on FECA matters is the result in part of the complexity of the campaign-financing statutes. It is also due to the fact that the Department shares jurisdiction over willful violations of these statutes with another federal agency, the Federal Election Commission (FEC), which has civil enforcement authority over FECA violations.

The Section's consultation responsibility for election matters includes providing advice to prosecutors and investigators regarding the application of federal criminal laws to election fraud and campaign-financing abuses, and the most effective investigative techniques for particular types of election offenses. It also includes supervising the Department's use of the federal conspiracy and false statements statutes (18 U.S.C. §§ 371 and 1001) to address schemes to subvert the campaign financing laws. In addition, the Election Crimes Branch helps draft election crime charges and other pleadings when requested.

Vote frauds. During 2005 the Branch assisted United States Attorneys' Offices in the following states in the handling of vote fraud matters that occurred in their respective districts: Alabama, Alaska, Arizona, Florida, Indiana, Kentucky, Louisiana, Massachusetts, Michigan, Mississippi, Missouri, New Jersey, New Mexico, North

Carolina, North Dakota, Ohio, Pennsylvania, Puerto Rico, South Dakota, Texas, Utah, West Virginia, and Wisconsin. This assistance included evaluating vote fraud allegations to determine whether investigation would produce a prosecutable federal criminal case, helping to structure investigations, providing legal advice concerning the formulation of charges, and assisting in establishing several task force teams of federal and state law enforcement officials to investigate vote fraud matters.

Campaign-financing crimes. During 2005 the Branch also continued its assistance in the implementation of the Department's nationwide enforcement strategy for criminal violations of the Federal Election Campaign Act. As part of this effort, the Branch assisted United States Attorney's Offices in Arizona, California, Connecticut, the District of Columbia, Florida, Hawaii, Illinois, Kansas, New Jersey, Pennsylvania, Puerto Rico, West Virginia, and Wisconsin in evaluating, investigating, and prosecuting campaign-financing matters in their respective districts.

b. Litigation. Section attorneys also prosecute selected election crimes, either by assuming total operational responsibility for the case or by handling the case jointly with a United States Attorney's Office or other Department component. The Section also may be asked to supervise the handling of a case in the event of a partial recusal of the local office. For example, in 2005 the Branch continued to supervise the prosecution of a sheriff and his attorney for using data from the National Crime Information Center regarding voters' criminal histories to wage an election contest. The Section subsequently assumed operational responsibility for prosecuting the case, which resulted in jury convictions of both defendants. In addition, Section attorneys also partnered with Assistant United States Attorneys in Ohio and Michigan on campaign financing investigations, and jointly prosecuted a series of voter suppression cases in New Hampshire with the Criminal Division's Computer Crime and Intellectual property Section.

c. District Election Officer Program. The Branch also assists in implementing the Department's long-standing District Election Officer (DEO) Program. This Program is designed to ensure that each of the 94 United States Attorneys' Offices has a trained prosecutor available to oversee the handling of election crime matters within the district and to coordinate district responses with Headquarters regarding these matters.

The DEO Program involves the appointment of an Assistant United States Attorney in each federal district to serve a two-year term as a District Election Officer. The District's DEOs are trained annually on initiatives and other law enforcement activities between Headquarters and the field as well as the investigation and prosecution of election crimes. In addition, the DEO Program is a crucial feature of the Department's nationwide Election Day Program. The Election Day Program ensures that federal prosecutors and

investigators are available both at the Department's Headquarters in Washington and in each district to receive and handle complaints of election irregularities from the public while the polls are open and that, through preelection press releases, the public is aware of how these individuals can be contacted on election day.

d. Ballot Access and Voting Integrity Initiative. Beginning in 2002, the Public Integrity Section assisted in the implementation of the Department's Ballot Access and Voting Integrity Initiative. This initiative includes an increased law enforcement priority for election crimes; annual training conferences in Washington, D.C., for District Election Officers in each United States Attorney's Office; press releases before the November general elections publicizing the identities and telephone numbers of the DEOs; and communications by the United States Attorneys before the November general elections with state election and law enforcement officials to coordinate the handling of election crime matters.

As part of the ongoing Ballot Access and Voting Integrity Initiative, on October 4 and 5, 2005, the Public Integrity Section and the Voting Section of the Department's Civil Rights Division co-sponsored a symposium for DEOs representing each of the 94 federal judicial districts. Topics discussed included the types of conduct that are prosecutable as federal election crimes, the federal statutes available to prosecute such cases, and the handling of civil rights matters involving voting. Attorney General Alberto R. Gonzales delivered the keynote address on the importance of the right to vote and the success of the Ballot Access and Voting Integrity Initiative. In addition, Criminal Division Assistant Attorney General Alice S. Fisher and Civil Rights Division Acting Assistant Attorney General Bradley J. Schlozman addressed conference attendees on election fraud and voting rights issues.

e. Inter-Agency Liaison. The Election Crimes Branch is the formal liaison between the Justice Department and the Federal Election Commission, an independent federal agency that shares enforcement jurisdiction with the Department over willful campaign-financing violations. The FEC has exclusive civil jurisdiction over all violations of FECA; the Justice Department has exclusive criminal jurisdiction over FECA violations. The relationship between the FEC and the Justice Department is defined by a formal Memorandum of Understanding entered into during 1977. The 2002 Bipartisan Campaign Reform Act contained new felony penalties for FECA crimes, as well as a directive to the United States Sentencing Commission to promulgate a strong sentencing guideline for these crimes. As a result of these enhanced FECA criminal penalties, in 2005 the Department continued to negotiate with the FEC to modify the existing Memorandum of Understanding to ensure the prompt and effective enforcement of both FECA's civil and criminal provisions.

The Branch also serves as the Department's point of contact with the United States Office of Special Counsel (OSC). The OSC has jurisdiction over noncriminal violations of the Hatch Act, 5 U.S.C. §§ 7321-7326, §§ 1501-1508, which may also involve criminal patronage abuses that are within the Department's jurisdiction.

## **2. Conflicts of Interest Crimes**

Conflicts of interest is a wide-ranging and complex area of law, with many layers of administrative and oversight responsibility. Moreover, the federal criminal conflicts of interest laws overlap to some extent with the sometimes broader ethics restrictions imposed by civil statutes, agency standards of conduct, Presidential orders, and, in the case of attorneys, bar association codes of conduct.

The Public Integrity Section's work in the conflicts area falls into the following categories:

a. Criminal Referrals from Federal Agencies and Recusals. The Section's criminal enforcement role comes into play with respect to a narrow group of conflicts of interest matters, namely, those that involve possible misconduct proscribed by one of the federal conflicts of interest statutes, 18 U.S.C. §§ 203-209. These crimes are prosecuted either by a United States Attorney's Office or by the Public Integrity Section. Conflicts of interest matters are often referred to the Section by the various federal agencies. If investigation of a referral is warranted, the Section coordinates the investigation with the Inspector General for the agency concerned, the FBI, or both. If prosecution is warranted, the Section prosecutes the case. If a civil remedy may be appropriate in lieu of criminal prosecution, the Section refers the case to the Civil Division of the Department of Justice for its review. In addition, on occasion the Section is asked to handle recusals and special assignments regarding conflicts matters.

b. Coordination. The Public Integrity Section works closely with the United States Office of Government Ethics (OGE), in order to coordinate conflicts of interest issues with OGE and other executive branch agencies and offices. The purpose of this coordination is to ensure that the Administration's overall legislative and enforcement efforts in this area are both complementary and consistent. OGE has broad jurisdiction over noncriminal conduct by executive branch personnel, as well as the authority to provide guidance concerning the coverage of the federal criminal conflicts of interest statutes. The Section's coordination with OGE ensures that consistent guidance is provided with respect to the overlapping criminal, civil, and administrative interests implicated by the statutory and regulatory restrictions on federal personnel.

## **3. Special Counsel Matters**

When the Independent Counsel Act expired in June 1999, the Attorney General adopted regulations to replace the Act. The regulations, set forth in Part 600 of Title 28 of the Code of Federal Regulations, describe the Attorney General's discretionary authority to appoint an outside Special Counsel when the Attorney General concludes that a conflict of interest or other extraordinary circumstances exist such that the public interest would be served by removing a large degree of responsibility for a matter from the Department of Justice. The regulations provide for the appointment by the Attorney General of an outside Special Counsel to handle the matter, free from day-to-day oversight of his or her decision making. Drawing upon the Department's experience with the Independent Counsel Act, the Section is available to review matters that may raise issues under the regulations, provide recommendations to senior Department officials regarding these matters, and, when appropriate, lend prosecutorial assistance to such Special Counsel.

### **C. LEGAL AND TECHNICAL ASSISTANCE**

In addition to its litigation and oversight responsibilities, the Public Integrity Section provides legal and technical assistance to various federal, state, and local law enforcement agencies, as well as to other Departments and international organizations, on public corruption issues. The Section's assistance falls into the following general areas:

#### **1. Training and Advice**

The Public Integrity Section is staffed with specialists who have considerable experience investigating and prosecuting corruption cases. Section attorneys participate in a wide range of formal training events for federal prosecutors and investigators. They are also available to provide informal advice on investigative methods, charging decisions, and trial strategy in specific cases.

The Section helps plan and staff the annual public corruption seminar at the National Advocacy Center. Speakers at this seminar typically include both the Section's senior prosecutors and Assistant United States Attorneys from the field who have handled significant corruption cases. The seminars provide training for federal prosecutors and FBI agents in the statutes most commonly used in corruption cases, guidance in the use of the complex and difficult investigative techniques necessary to investigate government corruption, and advice from experienced prosecutors on conducting corruption trials. In 2005 the Chief, Principal Deputy Chief, three Deputy Chiefs, and the Director of the Election Crimes Branch addressed attendees on the federal laws and prosecutive theories relating to corruption, the use of covert investigations, and the prosecution of campaign financing crimes.

#### **2. Advisor to the President's Council on Integrity and Efficiency**

## **and to the Executive Council on Integrity and Efficiency**

The Public Integrity Section serves, pursuant to Executive Order 12993 (March 21, 1996), as a legal advisor to the Integrity Committee of the President's Council on Integrity and Efficiency (PCIE) and the Executive Council on Integrity and Efficiency (ECIE). The PCIE/ECIE is a body composed of the Inspectors General of the various agencies of the executive branch of the federal government. The Integrity Committee of the PCIE/ECIE is charged by the Executive Order with handling allegations against Inspectors General and senior members of their staff.

In addition, the Integrity Committee is charged by the Executive Order with establishing policies and procedures to ensure consistency in conducting administrative investigations. The Committee's procedures, drafted with the assistance of the Public Integrity Section, provide a framework for the investigative function of the Committee. Allegations of wrongdoing by Inspectors General and their senior staff are initially reviewed by the Public Integrity Section for potential criminal prosecution. In noncriminal matters, the procedures guide the Committee's discretion to investigate the alleged misconduct and to report on its findings. The Public Integrity Section also advises the Integrity Committee on matters of law and policy relating to its investigations.

### **3. Member of the Board of Advisors of Election Assistance Commission**

Pursuant to the Help America Vote Act of 2002 (HAVA), the Chief of the Public Integrity Section, or his or her designee, is a member of the Board of Advisors of the Election Assistance Commission. 42 U.S.C. § 15344(a)(12). The Commission was created to serve as a national clearinghouse for information and procedures relating to the administration of federal elections and is responsible for the adoption of voluntary voting system guidelines, testing and certification of voting system hardware and software, conducting studies regarding the effective administration of elections, and training on the management of federal grants to the states under HAVA. The Director of the Section's Election Crimes Branch serves as the designated member of the Board.

### **4. Legislative Activities**

An important responsibility of the Public Integrity Section is the review of proposed legislation that may affect, directly or indirectly, the investigation and prosecution of public officials. The Section is often called upon to comment on legislation proposed by Congress, by the Administration, or by other departments of the executive branch; to draft or review testimony for congressional hearings; and to respond to congressional inquiries concerning legislative proposals. In addition, on occasion the

Section drafts legislative proposals relating to various corruption matters. For example, in 2005 the Section drafted a proposal to provide magistrates with the authority to issue search warrants for premises that are not located in any judicial district, such as United States consulates and embassies.

Also during the year, the Section reviewed and commented on legislative proposals relating to judicial protection, whistleblower protections, financial disclosure requirements for federal officials, conflicts of interest, and employee exchange programs, among other subjects.

## **5. Case Supervision and General Assistance**

Public corruption cases are often controversial, complex, and highly visible. These factors may warrant Departmental supervision and review of a particular case. On occasion Section attorneys are called upon to conduct a careful review of a sensitive public corruption case, evaluating the quality of the investigative work and the adequacy of any proposed indictments. Based on its experience in this area, the Section can often identify tactical or evidentiary problems early on and either provide needed assistance or, if necessary, assume operational responsibility for the prosecution.

The Section also has considerable expertise in the supervision of the use of undercover operations in serious corruption cases. The Section's Chief serves as a permanent member of the FBI's Criminal Undercover Operations Review Committee. Additionally, a number of the Section's senior prosecutors have experience in the practical and legal problems involved in such operations, and have the expertise to employ effectively this sensitive investigative technique and to advise law enforcement personnel on its use.

## **6. International Advisory Responsibilities**

The Section's responsibilities in the area of international law enforcement continued in 2005. In addition to its routine briefings of foreign delegations on United States public corruption issues, the Section has become increasingly involved in supporting the United States' efforts to assist the international community in its efforts to combat public corruption and election crime in foreign countries and at the international level. This work included both participation in international proceedings and coordination with other components of the Justice Department and the State Department on the Administration's position in this area.

In 2005, the Chief of the Public Integrity Section and the Director of the Section's Elections Crimes Branch traveled to Brasilia, Brazil to participate in the fourth global anti-corruption conference, Global Forum IV, and to address attendees on the regulation of

election financing. These conferences involve facilitating timely implementation and ratification by other countries of the United Nation's Convention Against Corruption and overlap with other United States global anti-corruption priorities. Also in 2005, the Director of the Election Crimes Branch traveled to Liberia where he helped assess Liberia's campaign financial disclosure laws in preparation for upcoming national elections. He also recommended improvements to the laws of the Liberian National Elections Commission, developed reporting forms for use in achieving financial transparency in the forthcoming Liberian elections, and held workshops for the 18 registered Liberian political parties on campaign financial disclosure.

As noted above, Section experts also routinely address visiting foreign officials in connection with the detection and prosecution of public corruption offenses and continued to do so throughout 2005. These presentations are generally conducted under the auspices of the State Department's Foreign Visitor Program and the Justice Department's Office of Overseas Prosecutorial Development Assistance and Training. During 2005 the Section made presentations on corruption topics to officials from Albania, Argentina, Bulgaria, China, Republic of Congo, Dominican Republic, France, Georgia, Indonesia, Kenya, Korea, Kosovo, Krgyzstan, Lithuania, Moldova, Mongolia, Seoul, Turkmenistan, Ukraine and Vietnam. Also during the year the Section's Election Crimes Director addressed visiting foreign lawmakers and election officials from Argentina, Costa Rica, El Salvador, Guatemala, Nicaragua, Peru, Ukraine, and Venezuela on United States election crime statutes and their enforcement.



## **PART II**

### **PUBLIC INTEGRITY SECTION INDICTMENTS, PROSECUTIONS, AND APPEALS IN 2005**

#### **INTRODUCTION**

As described in Part I, the Public Integrity Section's role in the prosecution of public corruption cases ranges from sole operational responsibility for the entire case to approving an indictment or providing advice on the drafting of charges. Part II of the Report describes each corruption case for which the Section had either sole or shared operational responsibility during 2005. A "case" involves a person who has been charged by indictment or information; a "matter" is an investigation that has not resulted in a criminal charge. Part II also provides statistics on the number of matters closed by the Section without prosecution during 2005 and the number of matters pending at the end of the year in each category.

The Section's corruption cases for calendar year 2005 are separated into categories, based on the branch or level of government affected by the corruption. Election crime cases are grouped separately. Related cases are grouped together; unrelated cases are separated by double lines. In those cases where a conviction but not a sentence is reported, the sentencing occurred in a later year and will be included in that year's report.

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#### **FEDERAL JUDICIAL BRANCH**

As of December 31, 2005, nine matters involving allegations of corruption affecting the federal judicial branch were pending in the Public Integrity Section. During 2005 the Section closed three such matters. During 2005, the Section handled no cases involving crimes affecting the judicial branch.

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## FEDERAL LEGISLATIVE BRANCH

As of December 31, 2005, five matters involving allegations of corruption in or affecting the federal legislative branch were pending in the Public Integrity Section. During 2005 the Section did not close any such matters and handled one case involving the federal legislative branch, as described below:

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### **United States v. Scanlon, District of Columbia**

On November 21, 2005, former public relations specialist Michael P.S. Scanlon pleaded guilty to participating in a conspiracy to commit bribery, honest services fraud, mail fraud, and wire fraud from January 2000 through April 2004.

Scanlon was employed in the Washington, D.C. offices of two law firms from March 2000 through 2001. During this time, Scanlon formed and operated Capital Campaign Strategies, LLC (CCS), a company that provided grassroots work, public relations services, and election campaign support. Scanlon also formed other companies that were used essentially to receive funds from clients for work performed by CCS and others. Jack Abramoff was employed as a lobbyist in these same law firms and had recruited Scanlon to these firms.

Scanlon admitted that he and Abramoff conspired to obtain contracts for services from four Native American Indian tribes in Mississippi, Louisiana, Texas, and Michigan that either operated or were interested in operating gaming casinos. Each of these four clients hired Abramoff to give advice regarding how best to limit competition from competing casinos or, in one instance, to re-open a previously closed casino. Once Abramoff had established a relationship with the tribal clients, he told them that they needed grass roots work and public relations services. He recommended Scanlon and CCS and the clients relied on Abramoff's recommendations.

Scanlon also admitted that, as one means of accomplishing results for their clients, Scanlon, Abramoff, and others engaged in a pattern of bribery through which one or both of them offered and provided a stream of things of value to public officials, including trips, campaign contributions, meals, and entertainment in exchange for agreements that public officials would use their official positions and influence to benefit the clients of Scanlon and Abramoff as well as Abramoff's businesses.

As part of the scheme, Scanlon and Abramoff agreed to charge fees that incorporated huge profit margins and then split the net profits in a secret kickback

arrangement. As stipulated in the agreement, CCS received net profits of approximately \$39,397,300 through this scheme. Of this amount, Scanlon kicked back approximately \$19,698,644 to Abramoff for his assistance to CCS in obtaining these profits.

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## **FEDERAL EXECUTIVE BRANCH**

As of December 31, 2005, sixty-five matters involving allegations of corruption within the federal executive branch were pending in the Public Integrity Section. During 2005 the Section closed forty-nine such matters. Also during 2005, the Section handled the following cases involving executive branch corruption:

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### **United States v. Agee, Jr., District of Columbia**

On October 27, 2005, James Agee, Jr., a Special Agent with the Drug Enforcement Administration (“DEA”), pleaded guilty to making false entries and reports of moneys. Agee served as Country Attache for DEA’s Caribbean Field Division, Bridgetown, Barbados office from May of 1997 until November 2002. Agee admitted that from October 22, 2000 through September 13, 2002, he submitted, or caused to be submitted, fraudulent reimbursement and expenditure payments to the DEA’s fiscal unit that incorporated forged signatures of several local police officers from various Caribbean law enforcement agencies. Agee forged the local officers’ signatures on 15 separate payment vouchers. Local agencies were given DEA funds to cover any expenses associated with their participation in DEA operations. Between \$10,000 and \$30,000 were not disbursed as a result of Agee’s conduct.

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### **United States v. Aguilar, District of Minnesota**

On January 13, 2005, Antonio Cedillo Aguilar pleaded guilty and was sentenced to time served of 25 months for engaging in a conspiracy to distribute and possess with intent to distribute in excess of 500 grams of cocaine. This conviction, along with the conviction described below, resulted from an investigation into allegations of law enforcement corruption in Minnesota.

### **United States v. Escobar-Vargas, District of Minnesota**

On March 2, 2005, Hermes-Jesus Escobar-Vargas, aka, Nicholas Castillo III, was sentenced to 27 months of imprisonment and three years of supervised release. Escobar-Vargas had previously pled guilty to distribution of approximately 500 grams of cocaine.

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### **United States v. Andell, District of Columbia**

Eric G. Andell, the former Deputy Under Secretary for Safe and Drug Free Schools with the Department of Education, pled guilty on April 29, 2005, to a criminal conflict of interest. Andell admitted that, between November 2002 and September 2003, he approved official travel for himself on fourteen occasions to six cities within the United States. Each of these trips was motivated at least in part by Andell's interest in private personal and financial matters. He was sentenced on August 25, 2005, to one year of unsupervised probation, a \$5,000 fine, and 100 hours of community service. As part of his plea agreement, Andell reimbursed the government \$8,659.85 for his fraudulent expenses.

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### **United States v. Aversa, District of New Jersey**

On January 21, 2005, Frank Aversa, a former United States Postal Inspector, was sentenced to 10 months of imprisonment, two years of supervised release, a \$10,000 fine, and \$16,000 in restitution. Aversa had previously pleaded guilty to defrauding the United States by using his official position to carry out a mail fraud scheme. Aversa admitted that, as a Senior United States Postal Inspector investigating credit card fraud schemes, he stole several credit cards from individuals over a period of years. Aversa then used the personal information of these individuals to obtain additional credit cards in their names. Aversa fraudulently charged in excess of \$19,000 worth of merchandise on the stolen credit cards for his personal benefit.

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### **United States v. Berger, District of Columbia**

On September 8, 2005, Samuel Berger, former National Security Advisor, was sentenced to two years of probation, a \$50,000 fine, and 100 hours of community service. As a special condition of his probation, Berger was precluded from seeking security clearance for three years. Berger had previously pleaded guilty to a single-count information charging him with the mishandling of classified documents by removing top secret presidential records from the National Archives and Records Administration without authorization. Berger also made handwritten notes during his review of these documents in the Archives and surreptitiously removed these notes without having them

subjected to classification review. The documents were different versions of a “Millennium After Action Report” prepared by the National Security Council in early 2000. He subsequently destroyed three of these documents and returned two of them when he was questioned by Archive staff. The 9-11 Commission ultimately replaced all of the destroyed documents.

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### **United States v. Blowers, Western District of North Carolina**

FBI Special Agent Erik B. Blowers, once the chief legal counsel and ethics adviser for the FBI Office in Charlotte, North Carolina, pled guilty on November 29, 2005, to a misdemeanor information charging the filing of a false report and agreed to resign from the FBI. A grand jury had previously returned a one-count indictment against Blowers charging him with making a false statement.

The indictment alleged that Blowers accepted benefits worth thousands of dollars from David Simonini, a home builder and a former cooperating witness for the FBI under the supervision of Blowers, related to two trips to Las Vegas, Nevada. According to the indictment, the FBI squad that Blowers was charged with supervising was conducting a preliminary investigation of bank fraud and money laundering allegations against Simonini. On October 31, 2000, Blowers filed his confidential financial disclosure report, as required by the Ethics in Government Act, without disclosing any gifts or travel reimbursements.

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### **United States v. Chaudhary, District of Columbia**

On December 15, 2005, Basit Chaudhary, a former Supervisory Program Manager for the Employment and Training Administration (ETA) of the United States Department of Labor, pleaded guilty to theft of government property worth \$24,000. Chaudhary admitted stealing and converting to his own use 12 ETA laptop computers that were valued at approximately \$24,000. At the time of his thefts, the defendant’s official responsibilities included supervising the purchase and evaluation of computers for ETA

and ensuring that its purchases and expenditures were used only for official purposes. Subsequent to the initiation of a criminal investigation of this matter, the Labor Department terminated his employment with ETA.

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**United States v. Cullefer and Cox, Middle District of Georgia**

On June 20, 2005, James Cullefer was sentenced to 12 months of imprisonment, three years of supervised release, and was ordered to pay \$18,368 in restitution to the Army & Air Force Exchange Services (AAFES). Cullefer had pled guilty in January 2005 to honest services wire fraud and failure to report income. Also, on June 21, 2005, Raymond Cox was sentenced to six months of imprisonment, three years of supervised release, and ordered to pay a \$10,000 fine pursuant to Cox's January 2005 guilty plea to honest services wire fraud.

The honest services fraud charges stem from a corrupt financial relationship maintained by Cox, who owned and operated several Dothan, Alabama-based construction companies, and AAFES project manager James Cullefer. AAFES provides merchandise and services to military personnel worldwide. Between 1999 and 2001, Cox secretly paid Cullefer over \$78,000 in checks, wire transfers, and third-party payments, with the expectation that Cullefer would regularly exercise his discretion to select Cox for work on AAFES installations and to approve the payment for these jobs.

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**United States v. Davis, Northern District of Illinois**

On September 26, 2005, former Special Agent Anthony C. Davis of the Federal Bureau of Investigation (FBI) was sentenced to four months of probation. Davis pled guilty on September 26, 2005, to failure to file a federal income tax return. Davis admitted to willfully failing to file his federal income tax returns for both 1999 and 2000, resulting in a loss to the government of \$5,270. Davis's pattern of failing to file included several prior years for which he filed returns only after Internal Revenue Service enforcement actions, including a levy on his FBI salary. Davis made false representations concerning his 1995 return in obtaining a release of that levy in order to retain his official position. Davis resigned from the FBI and agreed to pay the loss to the government together with substantial penalties and interest.

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**United States v. Diaz, District of Columbia**

Fidel Diaz, a former Department of Defense (DOD) official, was sentenced on November 17, 2005, to 30 months of imprisonment, three years of supervised release, and

was ordered to pay \$308,978.58 in restitution. Diaz had previously pleaded guilty to conspiring to defraud the United States.

Diaz was Chief of the Supply and Storage Division for the United States Army, Department of Public Works (DPW), United States Forces, Korea. In his plea, Diaz admitted that, during the period 2002 to 2004, he used his official position to violate DOD contracting rules and falsify numerous purchasing documents causing the DPW to purchase non-existent electrical transformers from co-conspirators. Diaz used official government credit cards to authorize the payment of \$308,978.58 to the companies owned by his co-conspirators from DOD in payment for the acquisition and delivery of 40 electrical transformers that were never delivered to the DPW. In return, Diaz received over \$200,000 in cash kickbacks.

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**United States v. Donaven, Eastern District of Michigan**

An information was filed against Sierra Donaven, former Special Agent in the Bureau of Alcohol, Tobacco, Firearms & Explosives (ATF) in Detroit, Michigan on November 8, 2005. The information charged that Donaven unlawfully accessed the Department of Treasury Enforcement Communications System (TECS), a system containing sensitive law enforcement information including pending criminal investigations, aliases of criminal subjects, targets, defendants, and criminal histories. Donaven accessed the TECS database without any official purpose and obtained sensitive law enforcement information regarding a person with whom she had a personal relationship.

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**United States v. French, District of the District of Columbia**

Stephen B. French, a former senior manager at the Defense Intelligence Agency in Missouri, was sentenced on March 11, 2005, to two years of probation and ordered to make restitution of \$8,652.99 for the theft of federal funds. In previously pleading guilty to a misdemeanor, French admitted that he used federal funds at various locations, including Bangkok, Thailand, Washington, D.C., and the Massanutten Ski Resort in Virginia, for the purpose of furthering a personal relationship with a subordinate. He obtained this money through illegal payments of salary, overtime, and travel reimbursements to himself and to the subordinate.

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**United States v. Furlow, District of Arizona**

On April 25, 2005, Douglas C. Furlow, a Special Agent with the Phoenix Field Division of the Drug Enforcement Administration (DEA), was sentenced to six months of home confinement and three years of probation after pleading guilty on January 14, 2005, to making a false statement during the course of a DEA investigation. Furlow had previously been indicted by a grand jury for witness tampering for interfering with a pending DEA drug investigation in which an undercover informant was scheduled to meet a drug trafficker to make a drug buy leading to the trafficker's arrest. In order to hinder the investigation, Furlow made a series of unauthorized telephone calls to the trafficker and alerted him to the identity of an undercover informant. As part of the subsequent investigation, Furlow was confronted by a DEA supervisor and denied contacting the trafficker, although his cell phone records indicated otherwise. In his pleading guilty to making a false statement, Furlow admitted that he made a materially false representation to his supervisor when he denied calling the trafficker.

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### **United States v. Herron, District of New Jersey, Newark Division**

On October 21, 2005, Godwin Herron, a Special Agent with the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), pleaded guilty to theft of government property.

From December 1989 through July 2004, Herron served as New York Metropolitan Regional Coordinator for the Organized Crime Drug Enforcement Task Force (OCDETF), an investigative unit comprised of local, state, and federal law enforcement officers based in New York and New Jersey. In 1997, Herron started a company, Boss Motors, Inc., a licensed car dealership in Perth Amboy, New Jersey. In his plea, Herron admitted that he stole \$18,000 from ATF by submitting fraudulent time and attendance forms certifying that he had spent the requisite 80-hour time period in the performance of his official duties as OCDETF Coordinator, when in fact he had spent a portion of that time operating and attending to the operations and management of Boss Motors, Inc.

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### **United States v. Hooley, District of Wyoming**

Former Weld County, Colorado Sheriff's Deputy, John M. Hooley, was sentenced on July 28, 2005, to one year of unsupervised probation and a \$1,000 fine for lying under oath during an August 2002 suppression hearing in Wyoming federal court. On May 3, 2002, Hooley and several local and federal officers from Colorado and Wyoming began investigating a suspected drug dealer who was arrested earlier that day in Cheyenne,



Wyoming. The investigation led the officers to a warehouse where the suspect stored several vehicles. Prior to getting a search warrant, Hooley forcibly entered a vehicle at the warehouse and confirmed the presence of drugs inside. He then applied for a search warrant from a local magistrate judge, but omitted the details of his warrantless search in a supporting affidavit. The suspect was later indicted in the District of Wyoming on drug charges stemming, in part, from the drugs Hooley recovered from the vehicle. At a suppression hearing on August 8, 2002, Hooley falsely testified that he conducted the search only after getting the warrant. In his plea on May 20, 2005, Hooley admitted that he conducted the warrantless search to see if it was worthwhile applying for a search warrant.

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### **United States v. Korsmo, District of Columbia**

John T. Korsmo, the former Chairman of the Federal Housing Finance Board (Finance Board), was sentenced to eighteen months of unsupervised probation and a fine of \$5,000 on July 11, 2005.

Korsmo was appointed to the Finance Board in 2002 and named Chairman later that year. The Finance Board is an independent regulatory agency that oversees the twelve Federal Home Loan Banks that help supply funds to lenders for the purpose of financing home loans. Korsmo resigned from the Finance Board in 2004.

Korsmo pled guilty to making false statements to the Senate Committee on Banking, Housing and Urban Affairs, which has oversight responsibility for the Finance Board, as well as to the Inspector General for the Finance Board. The Banking Committee and the Inspector General were looking into the propriety of Korsmo's participation in a fundraising event for a congressional candidate. Korsmo was listed as the "special guest" on the invitation to this fundraiser, and the invitations were sent to the presidents of the Federal Home Loan Banks.

Following the fundraising event, Senator Paul Sarbanes, who was at that time the Chairman of the Senate Banking Committee, questioned Korsmo about his participation in the fundraising event in which invitations were sent to banking officials that he regulated. Senator Sarbanes also asked the Inspector General to investigate. In a written response to Senator Sarbanes, Korsmo stated that he did not know how the congressional campaign obtained contact information for the banking officials. As part of his guilty plea, Korsmo admitted that his letter to Senator Sarbanes was false and he knew before the fundraising event that his wife, who was involved in organizing the event, had provided the

fundraisers with detailed contact information for the banking officials. Korsmo also admitted that he lied to Inspector General agents regarding his knowledge that his wife had provided the contact lists to the campaign.

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### **United States v. Marghi and Shajirat, District of Columbia**

On October 20, 2005, Soraya Marghi, a former Foreign Service national employee of the United States Consulate in Dubai, United Arab Emirates, pled guilty to conspiracy to commit visa fraud. Marghi, who has dual Canadian/Iranian citizenship, had been previously indicted along with her husband and co-conspirator Shahram Shajirat, a citizen of Iran, on eleven charges relating to a visas-for-sale ring.

The Dubai, United Arab Emirates Consultant was the staging ground for a visas-for-sale ring in the summer of 1999. Through this scheme, at least 25 Iranian men, women, and children purchased United States non-immigrant visas from Soraya Marghi and Shahram Shajirat for travel to the United States without undergoing the required security protocols.

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### **United States v. Mayers, District of Columbia**

On October 24, 2005, Oscar S. Mayers, Jr., a former Assistant United States Attorney in the District of Columbia, was sentenced to unsupervised probation for failure to pay child support. Mayers pled guilty in January 2005.

In response to claims that Mayers was behind on child support payments, Mayers twice presented altered copies of cancelled checks to the court in an attempt to persuade the Judge he had made additional payments. After the second incident, the Judge noticed irregularities on the checks. In a written proffer filed with the court, Mayers admitted to failure to pay child support and to altering an evidentiary document. As part of the plea agreement, Mayers agreed not to dispute these facts before any licensing or administrative

hearing and to refrain from applying for any future employment with the Department of Justice or any job which would require official or legal representation of the United States Government.

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### **United States v. Powers, District of Columbia**

On May 6, 2005, Percy Lee Powers, the former Deputy Commander and Civilian Executive Assistant for the United States Army, Depot Support Activity, Far East (DSAFE) for United States Forces, Korea, was sentenced to 26 months of imprisonment, three years of supervised release, and ordered to pay \$55,124 in restitution to the Army. Powers previously pled guilty to a two-count information charging that he accepted more than \$20,000 in bribes and conspired to defraud the United States Army of more than \$55,000.

Between 2001 and 2003, Powers served as the Deputy Commander for DSAFE in Seoul, Korea, and was responsible for purchasing and contracting on behalf of the Army. Powers used his official position to violate DOD contracting rules and sole-source several DOD contracts for truck parts, supplies, and services to a Korean contractor in exchange for more than \$20,000 in bribes.

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**United States v. Raikes, District of Columbia**

On August 16, 2005, Patricia Raikes, a former State Department Chief Consular Officer at the United States Embassy in Beirut, Lebanon, was sentenced to one year of probation and a \$3,000 fine. Raikes pleaded guilty on April 28, 2005 to a conflict of interest involving illegal supplementation of salary.

As Chief Consular Officer, Raikes was responsible for oversight of the full range of consular activities at the United States Embassy in Lebanon, including the issuance of visas and the enforcement of established embassy regulations. From 1999 through 2001, while serving as Chief Consular Officer, Raikes received thousands of dollars in benefits from foreign businesspeople in the form of paid airline travel and hotel stays for Raikes and her family members. After receiving these benefits, Raikes subsequently issued and/or approved more than 35 visa applications submitted or referred by the foreign

business persons. Many of the individuals who received visas issued and/or approved by Raikes were in fact ineligible to have received tourist visas under the embassy policy at that time.

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**United States v. Mapel and Reynolds, Southern District of West Virginia**

On January 6, 2005, Mark Anthony Reynolds was sentenced to ten years of imprisonment, three years of supervised release, and restitution of \$32,000 following his conviction by a jury on August 3, 2004 for wire fraud and obstruction of justice.

On February 10, 2005, co-defendant Carl R. Mapel, Jr. was sentenced to 66 months of imprisonment, three years of supervised release, a fine of \$2,000, and ordered to pay restitution of \$32,000.

Mapel had once been a lawyer, but, at the time of this scheme, was a convicted felon not licensed to practice law. Nevertheless, Mapel appeared as a defense lawyer in a federal money laundering case in the Southern District of West Virginia. Reynolds, a candidate for the West Virginia State Senate, served as Mapel's paralegal assistant. At his arraignment, Mapel pled guilty to the wire fraud and the obstruction of justice that arose from a "rainmaking" scheme in which Mapel and Reynolds falsely claimed they were purchasing favorable official action on the sentencing of the defendant charged with money laundering before a United States District Court Judge. Mapel repeatedly demanded \$50,000 during recorded interstate telephone calls to fix the defendant's sentencing. Mapel traveled from Arizona to Pineville, West Virginia, where he took from FBI undercover agents \$9,000 immediately prior to his arrest.

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### **United States v. Safavian, District of Columbia**

On October 5, 2005, David H. Safavian, the former Chief of Staff for the General Services Administration (GSA), was indicted by a federal grand jury on charges of obstructing a GSA proceeding, obstructing a United States Senate proceeding, and making false statements.

The indictment alleged that from May 16, 2002, until January 2004, Safavian made false statements and obstructed investigations into his relationship with Jack Abramoff, a Washington, D.C., lobbyist. The investigations focused on whether Safavian, the Chief of Staff at the GSA from May 2002 until January 2004, aided Abramoff in his attempts to acquire GSA-controlled property in and around Washington, D.C. In August 2002, Abramoff allegedly took Safavian and others on a golf trip to Scotland.

Safavian was charged with obstructing justice during investigations into the Scotland trip by GSA's Office of the Inspector General and the Senate Indian Affairs Committee. He was also charged with making false statements, or concealing information, from GSA ethics officials, a GSA inspector general investigator, and a Senate investigator. The indictment alleged that Safavian claimed Abramoff had no business before GSA at the time of the Scotland trip.

From November 2004 until September 2005, Safavian had served as the administrator of the Office of Federal Procurement Policy at the Office of Management and Budget. Safavian was charged previously by criminal complaint and was arrested on September 19, 2005.

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**United States v. Stein, Bloom, Harrison and Wheeler,**  
**District of Columbia and District of New Jersey**

As described below, criminal complaints were filed against and arrests made of a Defense Department Official, a Contractor, and two high-ranking Army Officers involved in the reconstruction of Iraq.

On November 15, 2005, Robert J. Stein and Phillip Bloom were arrested on charges of conspiring to commit money laundering and wire fraud in connection with a bribery, fraud, and money laundering scheme in Al-Hillah., Iraq. Stein is the former Comptroller and Funding Officer for the Coalition Provisional Authority (CPA) - South Central Region, Al-Hillah. Bloom owns and operates numerous construction and service companies doing business in Iraq. The affidavit filed in support of the arrest warrant alleged, among other things, that Stein and Bloom conspired to rig the bids on federally funded contracts being awarded by the CPA so that all of the contracts were awarded to Bloom.

Debra Harrison and Michael Brian Wheeler, both Lieutenant Colonels in the United States Army Reserve, were arrested on November 30, 2005 and December 15, 2005 respectively on charges of conspiring to commit bribery, money laundering, possession of automatic weapons, theft, and wire fraud in connection with a scheme to defraud the CPA. In 2003 and 2004, Harrison and Wheeler were on active duty for the United States Army, attached to and serving the CPA in Al-Hillah, Iraq, where they were responsible for developing and ordering contracts and contract solicitations on which the CPA expended funds in support of the United States reconstruction efforts in Iraq. Harrison also served as the assistant to the Comptroller and Funding Officer for the CPA and, during April 2004, became its Acting Comptroller and Funding Officer.

According to affidavits filed in United States District Court in the District of New Jersey, beginning in 2003, CPA officials and a contractor conspired to rig the bids on contracts being awarded by the CPA so that numerous contracts were awarded to the contractor's businesses. The affidavits alleged that Harrison and Wheeler accepted money and gifts in return for using their official positions to award contracts to the contractor and his companies. Harrison was accused of accepting a \$50,000 vehicle and a \$6,000 airline

ticket from the contractor in return for official action that benefitted the contractor. The affidavits also alleged that CPA officials, including Harrison and Wheeler, stole CPA funds, smuggled some of the funds into the United States, and used the money for home improvements and other personal items.

Harrison and Wheeler were also charged with numerous firearms violations including conspiring to embezzle and possess numerous .45 caliber pistols, 5.56 and 7.76 caliber automatic machine guns, and several grenade launchers that were purchased with CPA funds. According to the affidavits, Harrison and Wheeler used CPA funds to purchase dozens of firearms and related military grade hardware in North Carolina, which they then converted to their own personal use.

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**United States v. Steinhauser, Eastern District of New York**

On July 22, 2005, Lucia Steinhauser was sentenced to six months of home confinement with electronic monitoring, three years of probation, and 300 hours of community service for stealing federal funds through the submission of fraudulent time and attendance forms.

Steinhauser was a support technician employed by the National Weather Service in Farmingdale, New York. Her duties included acting as the office timekeeper. From September 2000 until September 2003, Steinhauser completed and processed time and attendance sheets that falsely indicated she had worked 4,002 hours of overtime. She, in fact, did not work any overtime. As a result, Steinhauser received \$105,698.98 for work that she did not perform. On April 14, 2005, she pled guilty to theft of government property. Prior to sentencing Steinhauser made full restitution of the \$105,698.98.

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**United States v. Strong, Boone, Ready, Eastern District of Michigan**

On October 28, 2005, Myron Strong, a former FBI informant, was sentenced to 121 months of imprisonment for scheming to deceive the FBI during a three-year federal grand jury investigation. Strong's associates in the scheme, Robert Ready and Andre Boone, were also sentenced. Ready was sentenced to 51 months of imprisonment on October 31, 2005, and Boone was sentenced to three months of home confinement on October 24, 2005. Both Ready and Boone had previously pled guilty to conspiracy to obstruct justice

and defraud the government, obstruction of justice, witness tampering, and retaliation against a federal law enforcement officer.

Strong pleaded guilty to eight criminal charges: obstruction of justice, witness tampering, theft of government property, retaliation against a federal official, and four counts of drug distribution. He also pleaded guilty to an additional obstruction of justice charge for crimes committed from prison while awaiting trial on the indictment. Strong admitted that he had engaged in a scheme to defraud law enforcement officials by inventing a fictitious international drug-trafficking organization that he claimed was distributing illegal drugs across the country. During the scheme, Strong falsely accused individuals, including two targets of an FBI drug investigation, of being drug dealers and provided drugs and other substances as ostensible evidence of their crimes. He also recruited individuals, including Ready and Boone, to pose as drug dealers during scripted phone calls and staged drug deals. As a result of these schemes, Strong and his associates netted approximately \$240,000 in undercover buy money.

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### **United States v. Trapp, Middle District of Louisiana**

On October 26, 2005, Russell F. Trapp, a former employee of the United States Attorney's Office for the Middle District of Louisiana, was sentenced to three years of supervised probation, a \$5,000 fine, and 200 hours of community service. Trapp had previously pleaded guilty to the felony charge of willfully engaging in a conflict of interest when he was the Coordinator for the Law Enforcement Coordinating Committee ("LECC") Program of the United States Attorney's Office. Trapp was responsible for arranging training and had the discretion and authority to recommend and hire government vendors who provided the training, both within his District and at other United States Attorneys' Offices.

In October 1999, Trapp began negotiating with a government vendor, PHI Investigative Consultants (PHI), to give periodic LECC-sponsored training seminars for the Middle District of Louisiana and other United States Attorneys' Offices. At the same time, he arranged for PHI to hire his wife to plan and coordinate all seminars that PHI conducted. After first negotiating with PHI about the cost of the work his wife was going to do, Trapp also contacted the LECC Coordinator in the Western District of Texas and recommended that the coordinator hire PHI to conduct training seminars in that District. As the result of these business dealings, PHI paid Trapp's wife more than \$55,000 and Trapp directly received more than \$20,000 as a result of this conflict of interest.

## **United States v. Washington, District of Columbia**

On March 30, 2005, James L. Washington, a former United States Department of State contractor, pleaded guilty to theft of government property. While serving as a Lead Systems Administrator, Washington removed a laptop computer from a secure storage area and used it to obtain a cash loan from the business King Pawn. Washington used the money to support his crack cocaine addiction. On June 10, 2005, Washington was sentenced to one year of probation with the condition that Washington participate in and complete a 46-week substance abuse treatment program.

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## **GSA Contract Fraud Prosecutions Northern District of Illinois**

The following cases are the result of a five-year undercover investigation during which numerous consensual recordings were made of General Services Administration (GSA) officials and contractors by cooperating GSA employees. The investigation has led to the convictions of several individuals who participated in a scheme to bribe GSA officials in exchange for receiving favorable treatment in the awarding of GSA contracts. These prosecutions were handled by the Public Integrity Section with the assistance of Assistant United States Attorney Dean Polales of the United States Attorney's Office for the Northern District of Illinois; the remainder of the United States Attorney's Office was recused from this investigation.

## **United States v. Hardy**

On March 18, 2005, Glenn Hardy, a former GSA supervisor, was sentenced to 15 months of imprisonment and ordered to pay \$22,000 in restitution to GSA after pleading guilty to bribery. He admitted to accepting thousands of dollars in bribes in exchange for awarding lucrative GSA contracts.

## **United States v. Ingram**

On April 6, 2005, Raletta Ingram, a former GSA building manager, was sentenced to 30 months of imprisonment and ordered to pay \$45,000 in restitution to GSA. Ingram had pleaded guilty to bribery in connection with her role in the scheme. The government established during a sentencing hearing that Ingram received over \$20,000 in improvements to her private residence, including new windows, new siding, and a new furnace, in exchange for awarding a contractor a lucrative no-work contract. The Court also found that Ingram tried to obstruct the investigation by attempting to obtain a bogus



receipt in order to convince investigators that she had actually paid for the work done on her house.

### **United States v. Jeffries**

On July 12, 2005, former GSA employee Val Gertie Jeffries was sentenced to one year of probation and ordered to pay \$650 in restitution for her role in this scheme. Jeffries had previously pled guilty to theft of government property. She admitted that she unlawfully took possession of a snowblower from Hardy that she knew Hardy had fraudulently obtained from GSA.

### **United States v. Marzullo**

On October 19, 2005, Donald Marzullo, a former GSA Planner-Estimator, was sentenced to four months of imprisonment followed by two years of supervised release, a \$3,000 fine, \$2,200 in restitution, and 200 hours of community service for his role in the bribery scheme.

Marzullo, who pleaded guilty on July 12, 2005 to bribery, admitted that on four separate occasions in 2001 and 2002 he created bogus bid documents from fictitious businesses in order to help a GSA contractor obtain GSA contracts. On a fifth occasion during this same time frame, Marzullo submitted fraudulent paperwork that purported to show that an otherwise legitimate business had bid on a contract, when in actuality it had not. On each of these five occasions, Marzullo submitted the fraudulent bids so that the contractor in question would appear to be the low bidder. As a result of Marzullo's actions, the contractor was awarded the contracts, valued in excess of \$100,000. Marzullo agreed to assist the contractor in this fashion because the contractor had stated that he would reward Marzullo financially for his assistance.

### **United States v. Pease**

On April 5, 2005,Carolynn Pease, a former GSA contractor, was sentenced to three years of probation, including eight months of home confinement, and \$11,180 in restitution for her role in the scheme. At the time of her plea, Pease admitted to paying thousands of dollars in kick-backs to GSA officials in exchange for lucrative contracts.

### **United States v. Cahill**

Michael Cahill, a former GSA contractor, was sentenced on August 24, 2005, to three years of probation, a \$1,200 fine, and \$12,000 in restitution for participation in the scheme. Cahill had previously pled guilty to making false statements. At the time of his plea, Cahill admitted that he submitted fictitious bids to GSA from two companies so that it would appear that his company's bid was the lowest bid on a contract he was seeking. As a result of the fraudulent bids, Cahill's company was awarded a contract worth \$42,000.

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**Operation Lively Green  
District of Arizona (Tucson Division)**

During numerous court proceedings throughout the year, forty current or former military personnel and law enforcement officials pleaded guilty to one-count informations charging them with participating in a widespread bribery and extortion conspiracy. The convictions arose from Operation Lively Green, an undercover investigation conducted by the Federal Bureau of Investigation that began in December 2001.

The defendants admitted to conspiring to enrich themselves by obtaining cash bribes from persons they believed to be narcotics traffickers (but who were in fact special agents of the FBI) in return for using their official positions to assist, protect, and participate in the activities of an illegal narcotics trafficking organization engaged in the business of transporting and distributing cocaine from Arizona to other locations in the southwestern United States. In order to protect the shipments of cocaine, the defendants wore their official uniforms and carried their official forms of identification, used official vehicles, and used their authority to prevent police stops, searches, and seizures of the narcotics as they drove the cocaine shipments through checkpoints manned by the United States Border Patrol, the Arizona Department of Public Safety, and Nevada law enforcement officers. Many of the defendants also accepted additional cash bribes in return for recruiting other public officials they believed to be corrupt to further facilitate the activities of the ostensible narcotics trafficking organization.

The defendants who have pled guilty are:

- Sheldon Anderson, a former Sergeant in the United States Army;
- Michael E. Antone, a Specialist in the Arizona Army National Guard (AANG);
- Robert L. Bakerx, a former Sergeant in the AANG;
- David M. Bustamante, a former Corrections Officer with the Arizona Department of Corrections (ADOC);
- Joel Bustamante, a former Corrections Officer with the United States Bureau of Prisons;

- Jorge A. Calzadillas, a Private First Class in the AANG;
- Demian F. Castillo, a Specialist First class with the AANG;
- John M. Castillo, a former Inspector for the Immigration and Naturalization Service (INS);
- James M. Clear, a former Sergeant in the United States Marine Corps;
- Benjamin L. De La Garza, a Private First Class in the AANG;
- Roman A. DeLaMora, a former Corrections Officer with the ADOC;
- Adrian Figueroa, a Private First Class in the AANG;
- Mark A. Fillman, a former Sergeant in the AANG;
- Anthony Fimbres, a Private First Class in the AANG;
- Jimmy L. Ford, Jr., a former Corrections Officer with the ADOC;
- Guillermo German, a former Corrections Officer with the ADOC;
- Daryl R. Harris, a former Specialist in the AANG;
- Angel S. Hernandez, a former Sergeant in the United States Army;
- Moises Hernandez, a former Private in the AANG;
- Rafael Hernandez, a former Corrections Officer with the ADOC;
- Leslie B. Hidalgo, a Private First class in the AANG;
- Dustin R. Huyck, a former Specialist in the AANG;
- Jason E. Kitzmiller, a former Corporal in the United States Army;
- Steven L. Lawler, a former Sergeant in the United States Army;
- John F. Manje, a former Sergeant in the AANG;
- Ciriam Mantante, a former Corrections Officer with the ADOC;
- Francisco A. Marinez, a former Private First Class in the AANG;
- Bennie Perkins III, formerly a Sergeant in the USAF;
- Bret M. Riddle, a former Corrections Officer with the ADOC;
- Eddie Rosas III, a former employee of the Nogales, Arizona Police Department;
- Rene A. Salas, a former Private in the AANG;
- David Salazar, a former Corrections Officer with the ADOC;
- Gladys Sanchez, a former Corrections Officer with the ADOC;
- Mark Sanchez, a former Corrections Officer with the ADOC;
- Ray Segala, a Sergeant in the AANG;
- Angel Soto, a former Corrections Officer with the ADOC;
- Mario Quintana, a former Private First Class in the AANG;
- Phillip Varona, a former officer with the Nogales, Arizona Police Department;
- Michael A. Vildusea, a former Corrections Officer with the ADOC; and
- Jared A. Wright, a Sergeant in the USMC.

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## **Visa Fraud Prosecutions**

## Eastern District of California

Eleven individuals, including two State Department officials, either pled guilty or were convicted of participating in a visa fraud scheme at the United States Embassy in Colombo, Sri Lanka, in which hundreds of thousands of dollars were paid for issuing visas to foreign nationals, including numerous citizens of India and Vietnam. These cases were handled jointly by the Public Integrity Section and the United States Attorney's Office for the Eastern District of California.

### **United States v. Bhullar, D., Bhullar, N., Jaisingh, Johnson, Lam, Lee, Prasad, M., Prasad, V., Singh, Trinh, and Virk**

On February 11, 2005, Vinesh Prasad and Minesh Prasad, visa brokers, and Kim Chi Lam were sentenced to 57, 41, and 30 months of imprisonment, respectively, and three months supervised release each for their role in a large-scale visa fraud scheme. The Prasads also agreed to forfeit \$75,000 and Lam agreed to forfeit approximately \$40,000 in illicit gains. Minesh and Vinesh Prasad had previously pled guilty to conspiracy to defraud the United States, bribery, and visa fraud. Lam had previously pled guilty to conspiracy.

On January 21, 2005, Rachhpal Singh, a visa broker, was sentenced to 20 months of imprisonment followed by three years of supervised release and a fine of \$10,900 for his role in the scheme. Singh had previously pled guilty to conspiracy to defraud the United States, bribery, and visa fraud.

Long N. Lee, a high-level employee of the State Department, and her husband, Acey R. Johnson, a former consular associate, were previously sentenced to 60 and 63 months of imprisonment, respectively, for their leading roles in the scheme. Lee was a career Foreign Service Officer, and her husband Johnson was a Consular Associate responsible for processing visa applications. Starting in 1995, Lee and Johnson were paid hundreds of thousands of dollars to issue visas to foreign nationals at various embassies around the world, and from 2000 to 2003 while both were working at the United States Embassy in Colombo, Sri Lanka. To facilitate the purchase of visas, Vinesh Prasad, Minesh Prasad, Rachhpal Singh, and Narinderjit Singh Bhullar acted as middlemen for the foreign nationals and their sponsors. The brokers collected substantial sums of money from the purchasing aliens/sponsors and forwarded substantial payments to Johnson and Lee, or to members of Lee's family, for the visas.

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**Bank of China–International Corruption  
District of Nevada**

### **United States v. Yu Xuhui and Yu Zhendong**

On April 26, 2005, Yu Xuhui (aka, Fion Yu), Zhendong pleaded guilty to unlawfully procuring United States citizenship. Five Chinese nationals, including two high-ranking Bank of China officials, their wives, and Ms. Yu, were previously charged with conspiring and engaging in an elaborate marriage and visa fraud scheme geared toward circumventing United States immigration laws. A third former bank manager, Yu Zhendong, (aka, Mr. Yu and the Chinese husband to Mrs. Yu), previously pleaded guilty to a racketeering scheme involving the embezzlement of approximately \$500 million from the Bank of China and laundering the proceeds through a myriad of shell companies based in China and Hong Kong that moved funds into the United States and Canada. The bank managers and their wives then entered into fraudulent marriages with United States citizens in order to flee China and immigrate to the United States. Mr. Yu was previously sentenced to twelve years of imprisonment.

### **United States v. Shanna Yu Ma**

On December 5, 2005, in the District of Nevada, Shanna Yu Ma (aka, Yu Shuzhan) pleaded guilty to filing a fraudulent document with the Immigration and Naturalization Service (INS), a component of the Department of Homeland Security. Ms. Ma purported to marry Mr. Yu and then petitioned the INS to grant him permanent resident immigration status falsely claiming the existence of a valid marriage between them. Also, in an application for naturalization, Ms. Ma stated that she and Yu Xuhui, a Chinese national who was separately charged and convicted, were sisters and that Ms. Ma had been financially supporting Ms. Xuhui for two years. Pursuant to a plea agreement with the United States, Ms. Ma is required to cooperate with the governments of the United States, China, Hong Kong, and Canada in ongoing investigations into the elaborate immigration conspiracy embezzlement schemes.

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## **STATE AND LOCAL GOVERNMENT**

At the end of 2005, nineteen matters of alleged corruption involving state or local government were open in the Public Integrity Section. In 2005 the Section closed five such investigations. Also during 2005, the Section prosecuted the following cases involving state or local corruption:

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### **United States v. Diaz, J., Diaz, O., Minor, Teel, and Whitfield, Southern District of Mississippi**

On April 25, 2005, Jennifer Diaz pled guilty to tax charges relating to a mail fraud and bribery scheme. Diaz had been previously charged in an 18-count superseding indictment along with co-defendants Oliver E. Diaz, Jr., her husband, and a justice on the Mississippi Supreme Court; Paul Minor, a personal injury attorney; John Whitfield, a former Mississippi Circuit Court judge; and Walter W. “Wes” Teel, a former Mississippi Chancery Court judge, with multiple violations of federal criminal law.

On August 16, 2005, after a three-month trial, the jury acquitted Oliver Diaz of honest services mail fraud, extortion, and federal program bribery. However, the jury was unable to reach a verdict on charges against the remaining three defendants and the court declared a mistrial.

The superseding indictment alleged that beginning in 1998, Minor provided things of value to the judges, including guaranteeing bank loans, providing money to make payments on those loans, and, in return, sought and received favorable treatment for himself and his clients. It further alleged that Minor and the judges took numerous steps to conceal their financial relationships; that the judges failed to disclose their relationship with Minor on reports required under Mississippi law and to counsel and parties opposite Minor in cases pending before them; and that Minor covered up and concealed his involvement by using intermediaries, cash payments, and false documents.

Minor was charged with racketeering, honest services mail and wire fraud, bribery in a program receiving federal funds, extortion, and attempted extortion, based on his solicitation of \$20,000 from two attorneys who had a \$9 million medical malpractice judgment pending for review by Diaz on the supreme court. Teel was charged with the use of the mails to defraud the citizens of the State of Mississippi of his honest services, and bribery in a program receiving federal funds. Whitfield was charged with the use of the mails and wires to defraud the citizens of the State of Mississippi of his honest services and bribery in a program receiving federal funds. Retrial has been scheduled for Minor, Whitfield, and Teel.

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### **United States v. Dowe, District of the Virgin Islands**

On October 5, 2005, a jury acquitted former Virgin Islands Senator Carlton Dowe of two counts of wire fraud relating to his alleged theft of government funds while in office.

Dowe had been previously indicted for engaging in a fraudulent scheme to resubmit a \$50,000 court judgment for back pay to the Virgin Islands Fire Service, where Dowe had

served as Director, after receiving payment in full through the Legal Judgments Special Fund administered by the Virgin Islands Attorney General. In doing so, Dowe allegedly involved a Fire Service employee in the alteration of his payroll records, without informing her that he had already received the \$50,000 payment, and then allegedly coaxed her to lie to investigators. In the end, Dowe allegedly received, through a series of interstate wire transfers, a duplicate payment from the territorial government in the pre-tax amount of \$75,207.75.

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**United States v. London and Hendrick, Southern District of Florida**

On July 13, 2005, John “Jack” L. London, former Mayor of Key West and Monroe County Commissioner, pleaded guilty to tax perjury. London had been previously indicted in on charges of filing a false 1997 Tax Return and lying to the Federal Bureau of Investigation on three separate occasions regarding the source of the unreported income. On May 19, 2005, London’s indictment was superseded to add as a defendant former Monroe County Attorney James T. Hendrick on charges of conspiring to obstruct and tamper with witnesses involved in the grand jury investigation of London.

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**United States v. Moolenaar, District of the Virgin Islands**

On December 15, 2005, Lucien A. Moolenaar, DDS, former Acting Commissioner of the United States Virgin Islands Department of Health and Deputy Commissioner of Public Health Services, was sentenced to five years of probation and ordered to pay a fine of \$30,883.09. A federal jury in St. Thomas had previously convicted Moolenaar of converting United States Government funds, grand larceny, and making a false statement to territorial officials in connection with his conversion of 63 monthly payments from the territorial government totaling \$102,497.85, which Moolenaar had repaid as restitution by the time of his sentencing.

Moolenaar has appealed his conviction and the United States has cross-appealed the sentence imposed because it fell significantly below the sentence of 15 to 21 months of imprisonment recommended by the United States Sentencing Guidelines.

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**United States v. Paulus, United States Court of Appeals for the Seventh Circuit**

On August 22, 2005, the United States Court of Appeals for the Seventh Circuit affirmed the 58-month prison sentence of Joseph Paulus, the former elected District

Attorney of Winnebago County, Wisconsin. Paulus had pleaded guilty to bribery and filing a false tax return in connection with a bribery scheme he engaged in with a local defense attorney whereby he agreed to drop or reduce charges in numerous cases in exchange for a percentage of the clients' retainer fees. Although the plea agreement included a 33-month prison sentence, the court disagreed and *sua sponte* departed upward six levels to the maximum 58-month sentence.

Paulus appealed, asserting principally that the 58-month sentence was unconstitutional under the Supreme Court's Booker decision and was imposed in violation of the Ex Post Facto clause. The Seventh Circuit affirmed the sentencing, ruling that the District Court properly considered the admitted facts in determining its sentence, including the number of bribes, the amount of bribe money, and the loss of public confidence in the justice system resulting from Paulus' conduct.

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**Alabama State Government  
Middle District of Alabama**

**United States v. Siegelman, Hamrick, Scrushy, and Roberts**

On December 15, 2005, former Alabama Governor Don Eugene Siegelman, former Chief of Staff Paul Michael Hamrick, former Director of the Alabama Department of Transportation (ALDOT), Gary Mack Roberts, and former HealthSouth Chief Executive Officer Richard M. Scrushy were charged in a second superseding indictment related to a widespread racketeering conspiracy that included bribery and extortion.

The indictment charged Siegelman and Hamrick with violating the Racketeer Influenced and Corrupt Organizations (RICO) Act and with honest services mail and wire fraud while Siegelman served as Governor of Alabama from 1999 to 2003. Siegelman was also charged with bribery for allegedly accepting money in exchange for actions taken as Governor as well as obstruction of justice, extortion, and other offenses for allegedly demanding payments from individuals under the threat of harming their business interests with the State of Alabama.

Richard Scrushy was charged with bribery and mail fraud for making two disguised payments totaling \$500,000 to Siegelman in exchange for Siegelman's appointment of Scrushy to Alabama's Certificate of Need Review Board.

Gary Mack Roberts was charged with honest services mail and wire fraud for his alleged role in influencing ALDOT actions on behalf of Siegelman.



Three other individuals have pleaded guilty to public corruption charges in connection with this scheme. These individuals include Clayton “Lanny” Young, an Alabama businessman, Nick Bailey, former Alabama Department of Economic and Community Affairs Acting Director, and William Curtis Kirsch, architect. The indictment alleged that Siegelman and Hamrick took hundreds of thousands of dollars in bribes from Young to aid Young’s business interests, including the awarding of contracts to companies controlled by Young.

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**American Samoa  
District of Hawaii**

The following cases are part of an investigation into systemic corruption in American Samoa, an unincorporated territory of the United States that is not located within any judicial district.

**United States v. Sataua**

On October 17, 2005, Kerisano Sili Sataua, former Director of the American Samoa Department of Education (ASDOE) for the United States Territory of American Samoa, was sentenced to 30 months of imprisonment and ordered to pay \$61,000 in restitution. Sataua pleaded guilty on January 26, 2005 to conspiracy to commit bribery and fraud concerning federal programs.

The charges against Sataua stem from his use of his position as Director and Chief of Staff to fraudulently award over \$1.1 million worth of federally funded contracts to build bookshelves and library furniture for schools in American Samoa in exchange for his co-conspirators providing him with money. As Director, Sataua oversaw the ASDOE, which receives in excess of \$10,000,000 per year from the United States Department of Education. In addition, Sataua stole and misappropriated over \$250,000 worth of food and goods from the ASDOE School Lunch Program that had been designated for feeding children in the American Samoa Public School System. The ASDOE School Lunch Program is funded entirely by the United States Department of Agriculture National School Lunch Program and the United States Department of Education.

**United States v. Seumanutafa**

On October 3, 2005, Fa’au Seumanutafa, former Director of the Office of Procurement for the United States Territory of American Samoa, was sentenced to eight months of imprisonment and ordered to pay a \$5,000 fine and \$80,000 in restitution. Seumanutafa had previously pleaded guilty to conspiring to commit bribery and fraud

concerning federal programs. The charges against Seumanutafa stem from his role in a conspiracy to pre-set the prices on several federally funded ASDOE contracts for bookshelves and library furniture for American Samoa schools. Seumanutafa used his official position to approve and submit for payment from the American Samoa Department of Treasury numerous false purchase orders for which he received thousands of dollars. Further, Seumanutafa paid bribes to other American Samoa government officials in exchange for having certain federally funded contracts awarded to his son's company.

### **United States v. Solaita**

On October 6, 2005, Toetu Solaita, former Director of the ASDOE School Lunch Program for the United States Territory of American Samoa, was sentenced to five years of probation, 1,000 hours of community service, and \$68,000 in restitution. Solaita had previously pleaded guilty to conspiracy to commit fraud and bribery concerning federal programs. Solaita admitted that he used his official position to approve the theft of food and goods purchased by the School Lunch Program that were originally designated for feeding children in the American Samoa Public School System.

### **United States v. Mageo**

On October 17, 2005, Patolo Mageo, former Director of the American Samoa Department of Human and Social Services (DHSS) for the United States Territory of American Samoa, was sentenced to 15 months of imprisonment and ordered to pay \$40,000 in restitution. Mageo had previously pleaded guilty to an information charging him with conspiring to commit bribery and fraud concerning federal programs. The charges against Mageo stem from his use of his position as Director to fraudulently award over \$120,000 worth of federally funded DHSS contracts to build housing facilities for at-risk women and children in American Samoa in exchange for \$10,000 from his co-conspirator.

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### **Fen-Phen Settlement Fund Fraud Southern District of Mississippi**

The following cases involved a scheme to defraud, through corruption of the state judicial process, a \$400 billion settlement fund that was established following a suit against American Home Products, the maker of the diet drugs Redux and Pondomin, for injuries caused by the so-called "Fen-Phen" drugs. The cases were handled jointly by the Public Integrity Section, the Criminal Division's Fraud Section, and the United States Attorney's Office for the Southern District of Mississippi.

### **United States v. Johnson and Durrell**

On May 9, 2005, Samuel Johnson and Cora Durrell were sentenced as a result of their guilty pleas to charges related to falsifying prescription documents. Johnson, who had previously pled guilty to wire fraud and money laundering, was sentenced to 21 months of imprisonment, followed by three years of supervised release. Johnson was also ordered to pay \$250,000 in restitution to Wyeth, the corporate successor to American Home Products. Durrell, who pled guilty to wire fraud and tax evasion, was sentenced to 18 months of imprisonment, followed by three years of supervised release. Durrell was also ordered to pay \$250,000 in restitution to Wyeth.

Johnson and Durrell, working with other individuals, submitted false documents to the Fen-Phen settlement fund. They each received an award of \$250,000 minus expenses and attorneys' fees.

### **United States v. Fountain**

On March 23, 2005, Ethel Fountain was sentenced to 18 months of imprisonment followed by three years of supervised release and ordered to pay \$250,000 in restitution to Wyeth. Fountain had previously pled guilty to an information charging conspiracy to commit wire fraud and wire fraud relating to the falsification of prescription documents. Fountain, working with other individuals also under investigation, submitted false documents to the Fen-Phen settlement fund and received an award of \$250,000 minus expenses and attorneys' fees.

### **United States v. Buie**

On April 7, 2005, Robert Buie was sentenced to 18 months of imprisonment, followed by three years of supervised release and ordered to pay \$250,000 in restitution to Wyeth. Buie had previously pled guilty to conspiracy to commit wire fraud and tax evasion related to falsifying prescription documents in order to obtain funds from a \$400 billion settlement fund established following a suit against American Home Products. He agreed to forfeit property purchased with the settlement money and to cooperate with the government.

### **United States v. Green**

On March 1, 2005, Regina Reed Green was sentenced to six months of home confinement followed by three years of probation conditioned on her paying her tax debt for her role in a scheme to falsify prescription documents to obtain funds from a \$400

billion settlement fund. She further agreed to forfeit \$250,000, the amount of her fraudulent award. Green had previously pled guilty to tax evasion in connection with this scheme.

**United States v. Johnson**

On August 9, 2005, Eva Johnson was sentenced to 31 months of imprisonment, followed by three years of supervised release, and was ordered to pay \$750,000 in restitution to Wyeth. Johnson had previously pled guilty to an information charging conspiracy to commit wire fraud and tax evasion.

**United States v. Malone**

On August 9, 2005, Evelyn Malone was sentenced to 10 months of imprisonment followed by three years of supervised release. Malone previously pled guilty to an information charging tax evasion.

**United States v. Johnson**

On March 1, 2005, Sabrena Johnson was sentenced to 18 months of imprisonment, followed by three years of supervised release, and was ordered to pay \$250,000 in restitution to Wyeth. Sabrena Johnson had previously pled guilty to wire fraud and tax evasion.

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**The Gray Enterprise**

**United States v. Gray, Jackson, Jividen, Jones, Teamor, and McGilbra,**  
**Northern District of Ohio**

On January 14, 2005, a federal grand jury returned a 45-count superseding indictment charging six defendants in a wide-ranging public corruption and fraud scheme. The charges included conspiracy to commit racketeering (RICO), extortion, mail fraud, and wire fraud and stemmed from activities beginning in the mid-1990s, also known as the “Gray Enterprise.” Those indicted were Nate Gray, a Cleveland businessman; Gilbert Jackson, Senior Vice President of an international engineering firm; Brent Jividen, a

former salesperson for Honeywell Corporation; Joseph Jones, Cleveland City Councilman; Richard Teamor, Cleveland area lawyer; and Monique McGilbra, the former Director of Building Services for the City of Houston.

On August 17, 2005, a federal jury returned guilty verdicts against defendants Nathaniel Gray and Gilbert Jackson. An earlier trial in June 2005 ended with a mistrial based on the jury's inability to reach a unanimous verdict on all counts. All but one of the remaining defendants pled before the trial began.

The indictment charged that Gray, Jividen, and Jackson conspired to violate racketeering laws from at least the mid-1990s into 2005. In addition to these three, Jones, Teamor, and McGilbra were charged with using the mails and wires to further their scheme to commit numerous acts of extortion and deprive the public of the honest services of its public officials. The indictment set forth numerous things of value, including money and luxury items, that were provided to public officials in return for official acts.

On September 2, 2005, Emmanuel Onunwor, the former mayor of East Cleveland who already was in custody, was sentenced to 108 months of imprisonment, three years of supervised release, and a \$2,200 special assessment. The court also ordered Onunwor to pay restitution of \$5,111,000 to the city of East Cleveland. Onunwor had previously been convicted on charges at a trial of 22 counts brought by the United States Attorney's Office in Cleveland. The charges included RICO conspiracy, extortion under color of official right, mail fraud, bankruptcy fraud, and filing false tax returns.

On September 2, 2005, Monique McGilbra, the former Director of Building Services for the city of Houston, was sentenced to 36 months of imprisonment, two years of supervised release and a \$5,000 fine. McGilbra had pleaded guilty to conspiracy to commit mail and wire fraud on May 6, 2005 and cooperated with the government in its trial and investigation. She was also sentenced in the Southern District of Texas on other bribery charges developed during the course of this investigation to a concurrent sentence of 30 months of imprisonment and two years of supervised release.

Oliver Spellman, the former chief of staff to the mayor of Houston, Texas, was also sentenced on September 2, 2005 to two years of probation and a \$10,000 fine. Spellman had previously pleaded guilty to conspiracy to commit extortion under color of official right and cooperated in the investigation and trial.

Brent Jividen, a former employee of Honeywell Corporation and associate of Nate Gray, was sentenced to 30 months of imprisonment and two years of supervised release on November 16, 2005. Jividen had pleaded guilty on February 25, 2005 to RICO

conspiracy, involving predicate acts of conspiring to commit extortion under color of official right and of mail and wire fraud and cooperated in the investigation.

Ricardo Teamor, an attorney and associate of Nate Gray, was sentenced on November 16, 2005 to four months of imprisonment, followed by four months of home detention, two years of supervised release, and a \$15,000 fine. Teamor had pleaded guilty on April 27, 2005 to extortion and conspiracy to commit extortion under color of official right. He also cooperated in the trials of his co-conspirators. He resigned from the practice of law at the time of his plea.

On October 20, 2005, former Cleveland City Councilman Joseph Jones was sentenced to six months of home confinement and two years of supervised release. According to his plea agreement of August 10, 2005, Jones mailed a false 2002 financial disclosure statement in which he failed to report his receipt of a \$5,000 interest-free loan from Nate Gray, a local lobbyist, and Ricardo Teamor, an attorney in exchange for Jones's willingness to use his office to assist them in several matters before the Commission involving various city offices. At the time of his plea, Jones resigned from his position as Cleveland City Councilman that he had held for seven years.

On November 16, 2005, Nathaniel Gray was sentenced to 180 months of imprisonment to be followed by three years of supervised release. He was also ordered to pay restitution in the amount of \$1 million, which represents his unpaid taxes since the early 1980s. Gray was convicted of 35 counts, including RICO conspiracy and numerous extortion and honest services counts relating to a bribery scheme for government contracts involving four cities. As the evidence at trial established, working with his co-conspirators, he orchestrated bribes of city officials for his consulting clients and for his own parking-related businesses. Following the trial in August 2005, Gray entered a guilty plea to willful failure to pay approximately \$1.5 million in federal income taxes, which he was convicted of evading in the 1980s. This count had been severed from the trial on corruption charges.

On December 12, 2005, co-defendant Gilbert C. Jackson, a New Orleans businessman, was sentenced to 82 months of imprisonment for his convictions on RICO conspiracy, bribery and honest services mail and wire fraud. He was also ordered to pay \$100,000 in restitution to the City of Cleveland and three years of supervised release following his release from prison.

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## **FEDERAL ELECTION CRIMES**

As described in Part I, during 2005 the Public Integrity Section continued its nationwide oversight of the handling of election crime investigations and prosecutions. The Section also continued to assist in the implementation and execution of the Department's Ballot Access and Voting Integrity Initiative. The purposes of this ongoing Initiative are to increase the Department's efforts to deter and prosecute election crimes, and to protect voting rights. As a result of the Initiative, during 2005 the number of election crime matters investigated by federal prosecutors and investigators throughout the country continued to increase, as did the Section's operational involvement in election crime matters. At the end of 2005, the Section was supervising and providing advice on approximately 180 election crime matters nationwide. The Section also concurred in the closing of an additional 85 election crime matters nationwide during the year. In addition, as of December 31, 2005, 34 matters involving possible election crimes were pending in the Section.

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### **United States v. W. & B. Dugatkin, District of Columbia**

On June 29, 2005, a federal grand jury returned an indictment charging William Dugatkin, aka Bill Baulding, and Blanche Dugatkin, aka Jade Newhart, with wire fraud and attempted wire fraud relating to a scheme to defraud the 2004 presidential campaign of former Congressman Richard A. Gephardt and potential donors to the Gephardt campaign.

On November 22, 2005, both defendants pled guilty to making fraudulent misrepresentations to solicit contributions in violation of the Federal Election Campaign Act. As part of their plea, the Dugatkins admitted that from June through August 2003, acting under aliases and through a company they formed called "Never Stop Dreaming, Inc.," they devised a scheme to set up a purported Gephardt fundraiser at the National Museum for Women in the Arts in Washington, D.C. As part of their scheme, the Dugatkins met with museum officials and others, executed a contract with the museum for a Gephardt fundraiser on September 23, 2003, and sent numerous electronic transmissions from their hotel suite in Alexandria, Virginia, to museum officials. In these meetings and communications, the Dugatkins falsely represented that they were close personal friends of the Gephardt family, that they had been authorized by the Gephardt campaign to hold the fundraiser, and that they were working directly with the candidate and his wife on the particulars of the fundraising event. In fact, the Gephardts had never heard of the defendants or their company and neither the candidate nor anyone on his campaign staff had authorized the museum fundraiser. The fundraiser ultimately did not take place.

### **United States v. Madden, Eastern District of Kentucky**

On May 19, 2005, Patrick “Buck” Madden was re-sentenced to time served of approximately 14 months of imprisonment and two years of supervised release. Madden had pled guilty to vote-buying in the Eastern District of Kentucky. The Sixth Circuit Court of Appeals previously ruled that Madden's original sentence of 20 months of imprisonment incorrectly included an enhancement for targeting vulnerable victims who were also complicit in the offense. The district court also relied on a personal family tragedy that left a disabled son requiring care.

Madden was originally charged with vote-buying and lying to the FBI in connection with paying three persons, including two mentally ill persons, to vote by absentee ballot in the Knott County, Kentucky, primary election held in May 1998. Madden paid the individuals to vote for the successful candidate for County Judge Executive, who was separately convicted along with others in connection to the vote-buying scheme.

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### **United States v. Noe, Northern District of Ohio**

On October 27, 2005, a federal grand jury indicted Thomas W. Noe, a former Republican Party fundraiser, in connection with a scheme to make illegal campaign contributions using conduit donors in violation of the Federal Election Campaign Act (FECA).

The three-count indictment alleged that, beginning in October 2003, Noe made contributions to President George W. Bush's 2004 reelection campaign above the limits established by FECA. Noe’s motive in committing these violations was to fulfill a pledge to raise \$50,000 for a Bush-Cheney fundraiser held in Columbus, Ohio, on October 30, 2003. The indictment also alleged that Noe disguised his illegal contributions by recruiting and providing money to friends and associates, who then made campaign donations in their own names; and that Noe wrote his checks in amounts slightly less than the maximum allowable to avoid suspicion. Altogether, Noe contributed \$45,400 of his own money through 24 conduits to the 2006 Bush presidential campaign.

Noe was charged with making donations in the names of others, in violation of FECA's anti-conduit provision and with conspiring to fraudulently disrupt and impede the disclosure and enforcement responsibilities of the Federal Election Commission (FEC) by



making contributions in the names of others, and thereby causing the recipient political committees to submit false statements to the FEC. The indictment's third count charged that Noe caused the conduits to fill out donor cards and forms falsely certifying that they were making the donations themselves, and that these false statements caused President Bush's campaign committee to unknowingly submit a false campaign finance report to the FEC.

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### **United States v. Rosen, Central District of California**

A federal grand jury previously returned an indictment charging David F. Rosen with causing the submission of false statements to the Federal Election Commission. The jury returned a not guilty verdict on May 27th, 2005.

The case stemmed from an investigation into false statements made by Rosen in connection with fundraising for Hillary Rodham Clinton's 2000 United States Senate campaign. "New York Senate 2000" was a joint fundraising committee that primarily benefitted Hillary Rodham Clinton's campaign. In August 2000, New York Senate 2000 held a large-scale fundraising event in Los Angeles, California. The fundraising event, the "Hollywood Gala Salute to President William Jefferson Clinton" was a star-studded tribute to the outgoing President, and cost approximately \$1.2 million to produce. Entrepreneur Peter Paul, through his corporate entities, paid for approximately \$1.1 million of these costs. New York Senate 2000 paid approximately \$122,000 in event costs. The event raised approximately \$1 million. Rosen was aware of the rising costs of the event and that Peter Paul was the source of the money paying for the event. Paul, a convicted felon, was later indicted in the Eastern District of New York and the Central District of California for stock manipulation, fraud, and other crimes and has since pled guilty in that case.

Rather than reporting the full \$1.1 million in contributions from Peter Paul, the indictment charged that Rosen only reported approximately \$400,000 of in-kind contributions to the New York Senate 2000 compliance officers, causing New York Senate 2000 to file these false amounts with the FEC.

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### **United States v. Schwartz, District of Columbia, and United States v. Cuza, Central District of California**

On September 27, 2005, Alan M. Schwartz, a former consultant to Mattel, Inc.,

was sentenced in the District of Columbia to one year of probation, a \$1,000 fine, and one hundred hours of community service for his role in a scheme involving the fraudulent financing of federal campaign contributions.

Schwartz pleaded guilty on May 17, 2005 to causing the submission of false statements to the Federal Election Commission (“FEC”). Schwartz admitted he and Fermin Cuza, the former Senior Vice-President of International Trade and Government Relations for Mattel, Inc., began making campaign contributions to various candidates for state and federal offices in California under their own names and the names of family members and associates. Schwartz’s company, AMS Consulting, then billed Mattel under the guise of “consulting services” or “international trade services,” in the amounts of the campaign contributions and related expenses. Schwartz was reimbursed for those contributions made in his name with the payments he received from Mattel. He would then reimburse Cuza for the remaining contributions.

Cuza was sentenced on July 11, 2005 in the Central District of California to two years of probation and ordered to pay a \$500 fine for his role in the scheme.

In all, Schwartz and Cuza made \$102,214 in contributions to thirty-one separate federal campaign committees. In turn, the responsible official of each committee submitted reports to the FEC that falsely characterized the contributions as being funded by the individuals listed, when in fact the contributions were funded through Mattel’s general treasury funds.

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**United States v. Slone, United States Court of Appeals for the Sixth Circuit**

On June 3, 2005, the United States Court of Appeals for the Sixth Circuit affirmed Phillip Slone’s conviction in the Eastern District of Kentucky for vote-buying. As part of a plea agreement, Slone had admitted to paying another person to vote in Knott County Kentucky for a candidate for County Judge Executive in an election with federal candidates on the ballot. Slone appealed his conviction, arguing that the vote-buying statute did not reach conduct intended to influence a local election, and, if it did, the statute was unconstitutional. Slone also appealed the trial court’s refusal to grant a downward departure based on Slone’s medical condition. Slone’s case was one of seven cases against ten defendants brought against partisans on both sides of the May 1998 local primary contest for County Judge Executive.

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**United States v. Tobin, District of New Hampshire**

After a four-day trial, on December 15, 2005, a federal jury convicted James Tobin, the former New England Regional Director of the Republican National Committee, of charges stemming from a scheme to disrupt phone service to five Democratic Party offices and a firefighters' ride-to-the-polls program on Election Day November 2002.

Tobin was convicted of conspiracy to commit telephone harassment and aiding and abetting related to telephone harassment. Another count of the superseding indictment had been dismissed prior to submission of the case to the jury, and Tobin was acquitted on a charge of conspiring to injure persons in the free exercise of the right to vote for federal officials.

The prosecution was jointly handled by the Criminal Division's Computer Crime and Intellectual Property Section and the Public Integrity Section.

Previously, Allen Raymond and Charles McGee had each pled guilty to telephone harassment. McGee, former Executive Director for the New Hampshire Republican Party, hired a telemarketing company to place repeated, hangup calls to Democratic Party headquarters on election day. Tobin had agreed to help with this scheme and arranged for

McGee and Allen Raymond, president of GOP Marketplace, a telemarketing company, to meet. On February 28, 2005, Raymond was sentenced to five months of imprisonment (subsequently reduced to three months) and a \$15,600 fine. McGee was sentenced on March 22, 2005 to seven months of imprisonment and a \$2,000 fine.

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**PART III**

**NATIONWIDE FEDERAL PROSECUTIONS  
OF PUBLIC CORRUPTION BY U.S. ATTORNEYS' OFFICES**

**INTRODUCTION**

The tables in this section of the Report reflect data that is compiled from annual nationwide surveys of the United States Attorneys' Offices by the Public Integrity Section.

As discussed in Part I, most corruption cases are handled by the local United States Attorney's Office in the district where the crime occurred. However, on occasion, outside prosecutors are asked either to assist the local office on a corruption case, or to handle the case entirely as a result of recusal of the local office due to a possible conflict of interest. The figures in the following tables include all public corruption prosecutions by the United States Attorney's Offices.

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**TABLE I**  
**NATIONWIDE FEDERAL PROSECUTIONS**  
**OF PUBLIC CORRUPTION BY U.S. ATTORNEYS' OFFICES**  
**IN 2005**

**Federal Officials**

Charged	445
Convicted	390
Awaiting Trial	118

**State Officials**

Charged	96
Convicted	94
Awaiting Trial	51

**Local Officials**

Charged	309
Convicted	232
Awaiting Trial	148

**Others Involved**

Charged	313
Convicted	311
Awaiting Trial	134

**Totals**

Charged	1,163
Convicted	1,027
Awaiting Trial	451

**TABLE II**

**PROGRESS OVER THE LAST TWO DECADES:  
FEDERAL PROSECUTIONS OF PUBLIC CORRUPTION BY U.S. ATTORNEYS' OFFICES**

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
<b>FEDERAL OFFICIALS</b>										
Charged	596	651	629	695	615	803	624	627	571	527
Convicted	523	545	529	610	583	665	532	595	488	438
Awaiting Trial as of 12/31	83	118	86	126	103	149	139	133	124	120
<b>STATE OFFICIALS</b>										
Charged	88	102	66	71	96	115	81	113	99	61
Convicted	71	76	69	54	79	77	92	133	97	61
Awaiting Trial as of 12/31	24	26	14	18	28	42	24	39	17	23
<b>LOCAL OFFICIALS</b>										

Charged	232	246	276	269	257	242	232	309	248	236
Convicted	207	204	229	201	225	180	211	272	202	191
Awaiting Trial as of 12/31	55	89	79	122	98	88	91	132	96	89
<b>PRIVATE CITIZENS</b>										
Charged	292	277	303	313	208	292	252	322	247	227
Convicted	225	256	240	284	197	272	246	362	182	188
Awaiting Trial as of 12/31	84	135	109	109	71	67	126	99	95	91
<b>TOTALS</b>										
Charged	1,208	1,276	1,274	1,348	1,176	1,452	1,189	1,371	1,165	1,051
Convicted	1,026	1,081	1,067	1,149	1,084	1,194	1,081	1,362	969	878
Awaiting Trial as of 12/31	246	368	288	375	300	346	380	403	332	32

**TABLE II (continued)**

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Totals
<b>FEDERAL OFFICIALS</b>											
Charged	456	459	442	480	441	502	478	479	424	445	11,062
Convicted	459	392	414	460	422	414	429	421	381	390	9,770
Awaiting Trial as of 12/31	64	83	85	101	92	131	119	129	98	118	2,173
<b>STATE OFFICIALS</b>											
Charged	109	51	91	115	92	95	110	94	111	96	1,839
Convicted	83	49	58	80	91	61	132	87	81	94	1,597
Awaiting Trial as of 12/31	40	20	37	44	37	75	50	38	48	51	664
<b>LOCAL OFFICIALS</b>											
Charged	219	255	277	237	211	224	299	259	268	309	5,044
Convicted	190	169	264	219	183	184	262	119	252	232	4,185
Awaiting Trial as of 12/31	60	118	90	95	89	110	118	106	105	148	1,879
<b>PRIVATE CITIZENS</b>											
Charged	200	292	364	302	256	266	249	318	410	313	5,657
Convicted	170	243	278	306	242	261	188	241	306	311	4,927
Awaiting Trial as of 12/31	80	106	128	89	109	121	126	139	168	134	2,149
<b>TOTALS</b>											
Charged	984	1,057	1,174	1,134	1,000	1,087	1,136	1,150	1,213	1,163	23,602
Convicted	902	853	1,014	1,065	938	920	1,011	868	1,020	1,027	20,509
Awaiting Trial as of 12/31	244	327	340	329	327	437	413	412	419	451	7,062



**TABLE III****FEDERAL PUBLIC CORRUPTION CONVICTIONS BY DISTRICT  
OVER THE PAST DECADE**

<b>U.S. Attorney's Office</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Totals</b>
Alabama, Middle	4	6	4	2	3	9	7	6	7	9	57
Alabama, Northern	4	4	1	17	9	15	11	6	4	17	88
Alabama, Southern	1	9	0	6	0	2	10	2	2	0	32
Alaska	2	3	1	4	16	6	5	0	0	1	38
Arizona	6	8	5	7	8	1	4	10	9	48	106
Arkansas, Eastern	1	4	4	5	7	0	0	18	18	4	61
Arkansas, Western	0	1	1	0	1	0	3	1	0	0	7
California, Central	66	58	39	58	31	33	35	45	22	42	429
California, Eastern	26	17	18	17	18	18	20	20	39	30	223
California, Northern	16	7	14	9	18	3	4	5	14	3	93
California, Southern	16	2	4	4	7	12	5	5	2	10	67
Colorado	0	0	2	1	3	22	16	7	8	11	70
Connecticut	5	4	6	8	8	14	3	12	8	24	92
Delaware	0	1	4	2	1	8	7	3	5	2	33
District of Columbia	37	32	72	60	46	43	44	20	33	15	402
Florida, Middle	24	15	12	24	28	8	9	14	10	13	157

**TABLE III (continued)**

<b>U.S. Attorney's Office</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Totals</b>
Florida, Northern	7	8	5	4	8	5	5	4	2	5	53
Florida, Southern	29	31	79	106	71	83	38	37	78	24	576
Georgia, Middle	5	6	3	2	2	11	1	8	4	7	49
Georgia, Northern	11	Not Reported	1	6	Not Reported	10	26	12	9	21	96
Georgia, Southern	1	38	6	3	0	3	6	1	0	4	62
Guam & NMI	3	7	6	7	19	19	13	16	9	5	104
Hawaii	4	4	6	2	3	2	10	4	14	4	53
Idaho	4	3	7	5	5	4	7	4	3	1	43
Illinois, Central	10	7	8	2	3	2	5	5	14	3	59
Illinois, Northern	71	55	55	53	49	24	19	54	22	51	453
Illinois, Southern	2	2	4	5	7	4	6	1	6	20	57
Indiana, Northern	12	14	3	8	7	4	4	10	13	9	84
Indiana, Southern	5	4	4	1	4	2	2	10	4	5	41
Iowa, Northern	2	1	3	2	0	0	1	1	1	3	14
Iowa, Southern	0	0	1	0	0	0	2	8	1	1	13
Kansas	1	3	3	6	8	5	6	0	5	3	40
Kentucky, Eastern	8	11	8	17	25	15	25	22	27	10	168
Kentucky, Western	11	4	6	8	0	2	2	4	1	4	42
Louisiana, Eastern	30	24	17	19	18	20	19	17	29	26	219

**TABLE III (continued)**

<b>U.S. Attorney's Office</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Totals</b>
Louisiana, Middle	7	4	13	3	2	6	2	2	0	8	47
Louisiana, Western	11	11	9	2	3	6	9	6	1	4	62
Maine	6	4	0	0	5	2	0	5	2	3	27
Maryland	11	3	5	7	8	8	6	12	28	17	105
Massachusetts	35	12	27	21	6	15	8	22	17	15	178
Michigan, Eastern	4	10	14	18	7	18	14	10	17	11	123
Michigan, Western	14	3	0	8	4	9	10	14	13	11	86
Minnesota	7	1	14	8	4	8	8	3	9	3	65
Mississippi, Northern	6	3	0	42	9	5	7	14	9	5	100
Mississippi, Southern	9	4	8	17	14	19	13	13	5	0	102
Missouri, Eastern	5	7	15	16	3	4	10	3	4	8	75
Missouri, Western	16	18	1	10	9	6	3	7	6	13	89
Montana	0	1	4	5	16	3	13	2	7	1	52
Nebraska	1	1	0	0	0	0	1	2	2	4	11
Nevada	6	1	7	9	6	5	6	6	0	0	46
New Hampshire	0	0	1	1	2	0	5	3	0	2	14
New Jersey	41	21	58	43	28	28	28	41	44	39	371
New Mexico	5	Not Reported	0	Not Reported	7	2	2	2	5	3	26
New York, Eastern	11	39	17	18	21	10	38	7	25	31	217

**TABLE III (continued)**

<b>U.S. Attorney's Office</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Totals</b>
New York, Northern	22	9	9	9	8	11	5	22	16	11	122
New York, Southern	38	43	61	33	48	34	33	28	28	28	374
New York, Western	11	11	3	7	4	13	6	6	7	12	80
North Carolina, Eastern	5	9	5	4	0	7	4	9	18	2	63
North Carolina, Middle	0	4	8	7	4	5	12	6	0	3	49
North Carolina, Western	1	8	3	3	5	1	3	5	7	8	44
North Dakota	4	5	6	0	2	2	5	16	5	9	54
Ohio, Northern	25	29	90	25	36	34	29	28	32	28	356
Ohio, Southern	13	11	10	29	20	17	21	9	26	21	177
Oklahoma, Eastern	4	3	7	3	2	10	0	0	0	2	31
Oklahoma, Northern	2	4	4	2	3	2	5	3	0	2	27
Oklahoma, Western	1	1	0	7	4	0	2	1	4	17	37
Oregon	0	0	1	3	4	3	1	3	0	4	19
Pennsylvania, Eastern	11	35	25	37	30	36	57	57	26	26	340
Pennsylvania, Middle	8	14	7	12	14	20	9	13	12	19	128
Pennsylvania, Western	10	2	4	8	7	5	6	4	3	11	60
Puerto Rico	4	2	0	13	10	9	101	24	31	6	200
Rhode Island	0	2	1	3	5	2	6	0	2	4	25
South Carolina	4	6	13	11	13	8	5	8	8	0	76
South Dakota	6	7	7	1	2	2	4	3	2	3	37

**TABLE III (continued)**

<b>U.S. Attorney's Office</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>Totals</b>
Tennessee, Eastern	5	6	Not Reported	4	3	2	9	8	6	9	52
Tennessee, Middle	4	1	0	6	0	0	4	6	8	5	34
Tennessee, Western	10	13	7	12	8	13	8	11	16	22	120
Texas, Eastern	5	2	9	3	4	14	5	5	8	5	60
Texas, Northern	5	26	7	9	6	3	13	33	14	22	138
Texas, Southern	26	34	22	31	29	30	10	17	11	25	235
Texas, Western	9	2	15	10	5	15	21	16	27	17	137
Utah	0	5	2	5	2	2	8	5	0	6	35
Vermont	0	0	1	2	2	2	0	3	0	2	12
Virgin Islands	Not Reported	5	8	11	6	4	6	2	2	2	46
Virginia, Eastern	7	9	32	17	22	22	17	8	21	23	178
Virginia, Western	1	2	2	8	7	3	13	3	16	2	57
Washington, Eastern	0	1	0	1	1	0	3	2	3	6	17
Washington, Western	8	6	10	10	16	10	3	1	15	7	86
West Virginia, Northern	0	1	1	3	0	0	0	0	0	3	8
West Virginia, Southern	3	2	8	3	6	3	4	8	10	14	61
Wisconsin, Eastern	8	6	11	4	8	10	10	8	10	18	93
Wisconsin, Western	1	0	0	0	4	3	0	3	3	2	16
Wyoming	3	3	0	1	1	0	0	2	1	8	19

