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INVESTIGATION OF INTERNATIONAL FRAUDULENT CONSPIRACY RESULTS IN INCARCERATION FOR TWO CO-CONSPIRATORS

Washington, DC – The United States Agency for International Development (USAID) announced today that as a result of an investigation conducted jointly by the USAID Office of Inspector General and the Federal Bureau of Investigation, a federal judge in the District of Columbia sentenced two former employees of the Central Asian American Enterprise Fund (CAAEF). Richard Pitchford and Patrick Dickey were sentenced based upon their respective roles in an international conspiracy designed to defraud a major U.S. Government program.

CAAEF was formed and wholly funded via a special act of Congress to help support the development of the private sector in Central Asia and to promote the benefits of private enterprise and capitalization. Both Pitchford and Dickey were employed as vice presidents with the CAAEF.

On September 13, 2002, after a three-year investigation, Richard Pitchford pleaded guilty to criminal charges of one count of government program fraud, one count of conspiracy to commit fraud, and one count of violating the Foreign Corrupt Practices Act. And, on the same date, Patrick Dickey pleaded guilty to criminal charges arising out of the same investigation involving one count of government program fraud, one count of wire fraud, and one count of conspiracy to commit fraud.

On November 22, 2002, pursuant to their prior guilty pleas, Pitchford was sentenced to 12 months incarceration in federal prison, three years of supervised release, 200 hours of community service and ordered to pay restitution to the U.S. government in the amount of \$400,000. Dickey was sentenced to 18 months incarceration in federal prison, three years of supervised release and 200 hours of community service. Dickey was also order to pay restitution to the U.S. government in the amount of \$300,000.

As disclosed in their respective guilty plea agreements, both men received illegal kickbacks for arranging contracts on behalf of the CAAEF. During the investigation, federal agents seized a yacht and \$150,000 in a brokerage account. The cash obtained from the brokerage account along with the proceeds from the sale of the yacht will be applied toward the restitution to the U.S. government.

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