

# **NEWS RELEASE**

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For Immediate Release

## **SUSPENDED DEPARTMENT OF DEFENSE PURCHASING AGENT PLEADS GUILTY TO CHARGES OF GOVERNMENT THEFT**

St. Louis, MO: Steven Brown pled guilty to federal charges of theft of government funds involving the use of Brown's government issued credit card to pay sham invoices, United States Attorney Catherine L. Hanaway announced today.

"Procurement fraud diverts important government resources from soldiers and sailors, and will be vigorously prosecuted by this office. Mr. Brown's crimes are a black mark against the hard working employees of the Department of Defense that work every day to support our Nation's defense." said Hanaway.

"Individuals who defraud the Department of Defense by placing personal gain above the needs of our men and women in uniform should be punished to the fullest extent of the law. They betray the trust of the American people for their personal enrichment. The Defense Criminal Investigative Service (DCIS) will continue to support the Department of Justice in its efforts to uncover corruption and fraud in the federal procurement process," said Richard Zott, Special Agent in Charge of DCIS.

According to documents filed with the court, Brown was a civilian employee at the Arnold, Missouri facility of the National Geospatial-Intelligence Agency (NGA), which is part of the United States Department of Defense, from 1984 until he was suspended in July 2007. Part of Brown's job duties involved purchasing office and computer supplies, and Brown was issued a Government funded credit card, commonly referred to as a P-Card, to make official agency purchases. In July 2005, Brown's co-defendant, Teresa Shrum, started a company called Infiniti Business Solutions (IBS), with Shrum listing the type of business in city records as "credit card merchant processing."

During 2004-2006, a personal relationship developed between Brown and Shrum, and Brown periodically provided financial assistance to Shrum, including help with a car loan. Brown and Shrum met in February 2007 for dinner and discussed using Brown's P-card for their personal use. Between February 2007 and the end of July 2007, Shrum and Brown used his Government P-card to steal approximately \$284,892 from the Government by creating false invoices for computer equipment and various supplies that IBS did not provide to the Government at the time of the purchases, always making sure that each transaction never exceeded the \$3000 single purchase limit of Brown's card. A credit card transaction exceeding \$3000 would have required Brown to seek supervisory authorization before payment could be made.

Brown, 49, Godfrey, IL; pled guilty to one felony count of theft of public money. He appeared before United States District Judge Charles A. Shaw. Brown now faces a maximum penalty of ten years in prison and/or fines up to \$250,000, when he is sentenced on December 30, 2008.

Co-defendant Teresa Shrum, 33, Hannibal, MO, was indicted with Brown last June on twenty felony counts of theft of public money and is now facing trial, currently set for November 3, 2008.

NGA's mission is to provide timely, relevant and accurate geospatial intelligence in support of the nation. The term "geospatial intelligence" means the exploitation and analysis of imagery and geospatial information to describe, assess and visually depict physical features and geographically referenced activities on the Earth. Headquartered in Bethesda, Md., NGA ([www.nga.mil](http://www.nga.mil)) has major facilities in the Washington, D.C., Northern Virginia and St. Louis, Mo., areas and has NGA support teams worldwide.

Hanaway commended the work on the case by the Defense Criminal Investigative Service of the United States Department of Defense and the Office of Inspector General for NGA.

The charges set forth in an indictment are merely accusations, and defendant Shrum is presumed innocent until and unless proven guilty.