

**FOR FURTHER INFORMATION CONTACT**

**AUSA VICKIE E. LEDUC or  
MARCIA MURPHY at 410-209-4885**

**MARCH 2, 2012**

**FOR IMMEDIATE RELEASE**

<http://www.usdoj.gov/usao/md>

---

FATHER AND SON SENTENCED TO PRISON  
FOR FRAUDULENTLY BILLING NSA

Daughter Previously Pleaded Guilty to Failing to Pay Taxes on \$4.5 Million She  
Embezzled  
from Father's Manufacturing Company

Baltimore, Maryland - U.S. District Judge Richard D. Bennett sentenced both William Turley, age 71, of Annapolis, Maryland, and his son Donald Turley, age 54, of Owings, Maryland, today to 18 months in prison, each followed by a year of home detention as part of three years of supervised release, for conspiring to commit and committing wire fraud arising from a fraudulent billing scheme. Judge Bennett ordered William Turley to pay a \$100,000 fine and also ordered the Turleys to pay restitution of \$247,631.83. The Turleys were convicted on December 8, 2011, after a seven day trial.

The sentences were announced by United States Attorney for the District of Maryland Rod J. Rosenstein; George Ellard, Inspector General of the National Security Agency; Acting Special Agent in Charge Eric C. Hylton of the Internal Revenue Service - Criminal Investigation, Washington, D.C. Field Office; and Special Agent in Charge Robert Craig of the Defense Criminal Investigative Service - Mid-Atlantic Field Office.

According to evidence presented at the trial, William Turley owned Bechdon Company, a manufacturing company located in Upper Marlboro, Maryland, and was president of the company from 1966 until his resignation on November 19, 2008. The company manufactured metal, plastic and sheet metal parts and other specialty items for customers, including the National Security Agency (NSA). Donald Turley worked at his father's company until 2008, and served as the program manager on the NSA contract. Christina Turley Knott is William's daughter, and worked as a bookkeeper at her father's company until 2005, preparing and submitting invoices to the NSA for the time and materials used to produce products ordered by NSA.

Trial testimony showed that from 1997 until August 1, 2008, the three defendants instructed employees to inflate the amount of hours they spent working on NSA jobs and in some cases, to misreport the time they spent working on NSA jobs. Additionally, William and Donald Turley became aware that from 2002 through 2005, Christina Knott embezzled approximately \$4.5 million from the company, but chose not to pursue claims against Knott for fear that she would reveal their scheme to defraud NSA. Christina Knott did not report the embezzled funds as income on her 2004 federal income tax return. According to evidence presented at trial, William and Donald Turley sought security clearances with NSA in 2006 and 2007, respectively, in order to allow their company to bid on classified NSA contracts. To obtain those clearances, William and Donald Turley consented to voluntary interviews and polygraph examinations.

The evidence showed that during William Turley's interview on March 24, 2006, when asked whether he had ever committed a crime, William Turley admitted to "moving time around" on the NSA contract and admitted that his conduct was "illegal."

According to trial testimony, in response to the same question during his interview on April 17, 2007, Donald Turley admitted that in the week prior to his interview he had inflated the amount of time he recorded working on NSA jobs on his own daily time cards and had instructed Bechdon employees to inflate the hours they worked on NSA jobs on their daily time cards.

Christina Turley Knott, age 50, of Edgewater, Maryland, pleaded guilty to fraudulently billing NSA and to subscribing to a false tax return. She faces a maximum sentence of 20 years in prison for the conspiracy and three years in prison for the tax offense, and is scheduled to be sentenced on March 7, 2012.

United States Attorney Rod J. Rosenstein praised the NSA-OIG, IRS- Criminal Investigation and the DCIS for their work in the investigation. Mr. Rosenstein thanked Assistant United States Attorney Leo J. Wise and Jefferson M. Gray, who prosecuted the case.

---

[HOME](#)