

## **STATEMENT OF U.S. ATTORNEY GREG FOURATT on the Sentencing of Marc Schiff**

To the public, Marc Schiff held himself out to be a principal of the successful and thriving architectural firm Design Collaborative Southwest (DCSW). But with respect to his firm's work on the construction of the Bernalillo County Metro Court, he had a private side that was anything but legitimate. From 1999 through 2004, the secret of much of Schiff's success came from paying bribes and kickbacks to powerful public officials in exchange for state business.

The pay-to-play scheme was straightforward: in return for DCSW receiving the lucrative architecture design contract for the Metro Court, Schiff agreed to funnel hundreds of thousands of dollars generated from fraudulently bloated invoices back to former State Senate Majority Leader Manny Aragon and former Metro Court Administrator Toby Martinez. Using former Albuquerque Mayor Ken Schultz as a bagman, Schiff kicked back to Aragon and Martinez all or a portion of 43 separate checks that DCSW received from the State of New Mexico. The total fraud built into the architecture design contract – and, thus, the amount fleeced from the taxpayers of New Mexico – was approximately \$918,000.00.

This case demonstrates the principle that public corruption rarely happens without the involvement of private citizens, for it is they who pay the bribes and kickbacks. Whether they engineer the idea themselves or simply accept a proposal from a corrupt public official, private citizens are indispensable participants in the enterprise of public corruption. In this case, to get the Metro Court work, Marc Schiff had to be willing to line the wallets of former Senator Aragon and former Administrator Martinez. It is a story line that is all too familiar and one of which the taxpayers of New Mexico have grown tired.

Fortunately for the citizens of New Mexico, however, Schiff made the right decision in early 2006 when he was approached by the FBI. He soon confessed and agreed to secretly record an incriminating conversation with former Mayor Schultz. In addition, Schiff soon pleaded guilty and agreed to testify against his confederates.

Today, Schiff received his measure of justice. He was sentenced to a term of imprisonment of 12 months and 1 day, three years of supervised release, and \$678,015.38 in restitution to the New Mexico State Treasurer's Office. In imposing the sentence, Judge Conway weighed the breadth and severity of Schiff's wrongdoing and then factored in the quality and quantity of his assistance to the United States in the investigation and prosecution of his confederates. The sentence that Schiff received today, while appropriately stiff, represents an enormous reduction from the sentence he would have faced had he been convicted at trial.

The sentencing of Marc Schiff, at long last, brings to a close the district court proceedings in this historic case. This case is perhaps the most important result in a criminal case to issue from a federal courthouse in New Mexico in generations. The United States Attorney's Office, the New Mexico Attorney General's Office, and the FBI will continue to follow evidence of public corruption wherever it takes us. And, in doing so, we always will be guided by the principle that no public official nor any of his or her associates – no matter how powerful or connected or influential – is above the law.