

United States Department of Justice U.S. Attorney, District of New Jersey 401 East State Street, Room 430 Trenton, New Jersey 08608



Christopher J. Christie, U.S. Attorney

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Assistant U.S. Attorney MICHAEL A. GUADAGNO 609-989-2354 gerb1220.rel FOR IMMEDIATE RELEASE Dec. 20, 2004

Two Former Naval Air Warfare Center Employees and a Toms River Businessman Sentenced For Defrauding the Navy

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TRENTON – A former ordering officer employed at the Naval Air Warfare Center (NAWC) in Lakehurst was sentenced to 13 months in federal prison today for conspiring with a fellow employee and the owner of a Toms River shipping company in a false invoicing scheme that netted them more than \$100,000 in cash and luxury items, all paid for by the Navy, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Garrett E. Brown, Jr. also ordered Patricia Gerber, 35, formerly of Browns Mills and now of Marlton, to pay \$105,679 in restitution and serve three years of supervised release upon the completion of her prison sentence.

Gerber, Steven Citron, 43, of Whiting, and Ralph W. Freitas, 67, of Manchester, pleaded guilty on Aug. 25, 2004, before Judge Brown, to one-count Informations charging them with conspiracy to embezzle from the U.S. Navy, by charging luxury items to a government credit card issued to Gerber and by submitting bogus invoices through Freitas' company.

Also today, Judge Brown sentenced Citron, who was also employed at Lakehurst, to four years of probation which includes five months of home detention and 30 days in a halfway house. Citron also must pay \$13,300 in restitution. Additionally, Freitas was placed on three years of probation and ordered to pay \$15,856 in restitution.

At their plea hearings, Gerber admitted that between March 1998 and September 1999 she used a government credit card to purchase numerous items for her personal use, including tools, boating and fishing equipment, computers, home entertainment systems, and over \$17,000 in Home Depot gift certificates and landscaping material, including several artificial palm trees costing over \$4,000. Citron admitted that he introduced Gerber to his father-in-law, Freitas, who owned The Shipping Room in Toms River. Freitas admitted that he allowed Gerber to ship some of the items to his business.

All three defendants also described a false invoicing scheme where Gerber would provide Freitas with a government purchase order number and credit card number and instruct him to charge a certain amount to her government credit card. Gerber would then instruct Freitas to fabricate an invoice purporting to show that his company provided goods to NAWC. Freitas would then draw a check payable to Citron in the approximate amount of the invoice which was then cashed by Citron and split with Gerber.

Parole has been abolished in the federal system. Under Sentencing Guidelines, defendants who are given custodial terms must serve nearly all of that time.

Christie credited Capt. Mark L. Bathrick, Commanding Officer of the Naval Air Engineering Station at Lakehurst, and Special Agents of the Naval Criminal Investigative

Service, under the direction of Supervisory Special Agent John Sorrell, with developing the case against the three defendants.

The Government is represented by Assistant U.S. Attorney Michael A. Guadagno, of the U.S. Attorney's Office Criminal Division in Trenton.

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Defense Counsel:

Gerber: Francis J. Hartman, Esq. Moorestown Citron: Theodore Housel, Esq. Mays Landing Freitas: John E. Hogan, Esq. Woodbridge