

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	CRIMINAL NO. <u>10 -</u>
v.	:	DATE FILED: <u>June 3, 2010</u>
SERENA THOMAS-ERBY	:	VIOLATIONS:
MARIAN MURPHY	:	18 U.S.C. § 371 (conspiracy – 1 count)
	:	18 U.S.C. § 641 (conversion of
	:	government funds - 1 count)
	:	18 U.S.C. § 1343 (wire fraud - 3 counts)
	:	18 U.S.C. § 2 (aiding and abetting)
	:	Notice of Forfeiture

INDICTMENT

COUNT ONE

(Conspiracy)

THE GRAND JURY CHARGES THAT:

BACKGROUND

At all times relevant to this indictment:

1. Global Associates, Ltd. (“Global”) contracted with the United States Naval Inactive Ships Maintenance Office (“NISMO”) to maintain inactive vessels at the Philadelphia Naval Shipyard and elsewhere and, in the performance of its duties under the contract, submitted claims to the United States for reimbursement of travel and other expenses.
2. Defendant SERENA THOMAS-ERBY was hired by Global in or about May 1990 as an accounting clerk and was promoted to budget analyst in the accounting department a short time later.
3. Defendant MARIAN MURPHY was hired by Global in or about 1987 as an administrative assistant, and her duties included payroll and employee travel.

THE CONSPIRACY

4. From in or about 2000 through and including in or about September 2007, in the Eastern District of Pennsylvania, defendants

SERENA THOMAS-ERBY and MARIAN MURPHY

conspired and agreed, together and with others unknown to the grand jury, to commit an offense against the United States, that is, to knowingly embezzle, steal and convert to their own use a thing of value of the United States in an amount over \$1,000, that is, more than \$400,000 in federal funds, in violation of Title 18, United States Code, Section 641, and to knowingly devise a scheme to defraud the United States and Global, and to obtain money and property of the United States and Global by means of false and fraudulent pretenses, representations, and promises, and to use the United States mails, commercial interstate carriers, and interstate wire communications to further the scheme to defraud, in violation of Title 18, United States Code, Sections 1341 and 1343.

MANNER AND MEANS

It was part of the conspiracy that:

5. Defendants SERENA THOMAS-ERBY and MARIAN MURPHY agreed to use mail and wire transmissions to embezzle public funds by causing fraudulent travel and other expense documentation to be submitted for reimbursement to the Defense Finance and Accounting Service ("DFAS") located in Columbus, Ohio, thereby causing losses of at least \$431,181.

6. Defendants SERENA THOMAS-ERBY and MARIAN MURPHY added fraudulent travel expenses to requests for reimbursement they prepared in the course of their employment which they caused to be submitted to DFAS for Global employees. After DFAS issued inflated reimbursement payments to Global, defendants THOMAS-ERBY and MURPHY fully reimbursed the Global employees for their actual expenses (often in cash) and retained the fraudulently inflated difference for themselves.

7. Defendants SERENA THOMAS-ERBY and MARIAN MURPHY used funds in Global bank accounts to purchase items for their personal use, such as computers and, thereafter, fraudulently obtained reimbursement from DFAS for these purchases.

8. Defendant SERENA THOMAS-ERBY also stole funds from Global bank accounts by writing checks to herself without authorization.

OVERT ACTS

In furtherance of this conspiracy, the defendants and others known and unknown to the grand jury committed the following overt acts, among others, in the Eastern District of Pennsylvania and elsewhere:

1. On or about June 22, 2006, in Philadelphia, defendants SERENA THOMAS-ERBY and MARIAN MURPHY caused a claim to be submitted to DFAS via interstate mail and wire transmissions seeking reimbursement for at least \$8,391.25 of fraudulent expenses.

2. On or about November 17, 2006, in Philadelphia, defendants SERENA THOMAS-ERBY and MARIAN MURPHY caused a claim to be submitted to DFAS via

interstate mail and wire transmissions seeking reimbursement for at least \$6,684.91 of fraudulent expenses.

3. On or about August 27, 2007, in Philadelphia, at the instruction of defendant SERENA THOMAS-ERBY, defendant MARIAN MURPHY signed two checks from a Global bank account totaling approximately \$2,100 in order to purchase computers for the personal use of defendant THOMAS-ERBY.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO

(Conversion of Government Funds)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1-3, 5-8 and Overt Acts 1-3 of Count One of this indictment are incorporated here.

2. From in or about 2000 through and including in or about 2007, in the Eastern District of Pennsylvania, defendants

**SERENA THOMAS-ERBY
and
MARIAN MURPHY**

embezzled, stole, purloined, and knowingly converted to their own use a thing of value of the United States in an amount over \$1,000, that is, more than \$400,000 in fraudulently obtained reimbursement payments from the Defense Finance and Accounting Service.

In violation of Title 18, United States Code, Sections 641 & 2.

COUNTS THREE THROUGH FIVE

(Wire Fraud)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1-3 of Count One of this indictment are incorporated here.

THE SCHEME TO DEFRAUD

2. From in or about 2000 through and including in or about 2007, in the Eastern District of Pennsylvania, defendant

SERENA THOMAS-ERBY

devised and intended to devise a scheme to defraud and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

MANNER AND MEANS

3. It was part of the scheme to defraud that defendant SERENA THOMAS-ERBY, together with Marian Murphy (charged elsewhere in this indictment) engaged in the manner and means described in paragraphs 5-8 of Count One of this indictment.

4. On or about the dates listed below, in the Eastern District of Pennsylvania, and elsewhere, defendant

SERENA THOMAS-ERBY

for the purpose of executing the scheme described above, and attempting to do so, and aiding and abetting its execution, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

<u>COUNT</u>	<u>DATE</u>	<u>DESCRIPTION</u>
3	June 22, 2006	Transmitted claim from Philadelphia, PA to DFAS in Columbus, Ohio via facsimile seeking reimbursement for approximately \$8,391.25 of fraudulent expenses.
4	November 17, 2006	Transmitted claim from Philadelphia, PA to DFAS in Columbus, Ohio via facsimile seeking reimbursement for approximately \$6,684.91 of fraudulent expenses.
5	July 5, 2007	Caused wire transmission to be sent from Office Depot store in Cherry Hill, New Jersey, to New York, New York, in connection with the use of a corporate credit card by defendant SERENA THOMAS-ERBY to purchase computer equipment for her personal use.

In violation of Title 18, United States Code, Sections 1343 and 2.

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 371, 641 & 1343 set forth in this indictment, defendants

**SERENA THOMAS-ERBY
and
MARIAN MURPHY**

shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offenses, including, but not limited to the sum of at least 431,181, and any and all right, title, and interest in the real property and appurtenances known as 2445 43rd Street, Pennsauken, New Jersey, 08110.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c),

incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461, and Title 18, United States Code, Section 981(a)(1)(C).

A TRUE BILL:

GRAND JURY FOREPERSON

ZANE DAVID MEMEGER
United States Attorney