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For Immediate Release

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**U.S. MINT EMPLOYEE PLEADS GUILTY TO FRAUD CHARGES**

PHILADELPHIA - Michael Walker, 51, of upper Darby, PA, an employee of the United States Mint in Philadelphia (the "Mint"), pleaded guilty today to mail fraud, wire fraud, conflict of interest violations, and making false statements to the federal government. Walker was charged with devising a scheme to defraud the Mint, between 1998 and 2006, while he was employed as an inventory management specialist in the Supply Department. The indictment charged that Walker caused the Mint to buy hundreds of thousands of dollars worth of supplies from a Bucks County company - KLH Enterprises, LLC, which was owned by a close friend of Walker's and in which Walker had a financial interest. Walker worked for KLH from at least 2005 and was taking cash and gifts from the company's president. Walker used two methods to direct the Mint to buy supplies from KLH. One was through a government-issued credit card, with which Walker made more than \$555,000 in direct purchases from KLH between January 2003 and March 2006. The other was through a requisition process, where Walker asked the Mint's Procurement Department to buy more than \$200,000 worth of additional supplies from KLH and a corporate predecessor between 2000 and 2006.

The government alleged that Walker submitted at least 13 requisitions that contained false representations that the Mint had a Blanket Purchase Agreement with KLH for the purchase of office supplies; that Walker structured the purchases so as to avoid a competitive bidding process; and that the requisitions led to the Mint paying KLH nearly \$65,000 between October 2004 and October 2005. Walker tried to cover up his employment with KLH and the gifts he received from the company's president by failing to report those relationships on his annual reporting forms and by lying to investigators.

Sentencing is scheduled for May 26, 2011 before U.S. District Court Judge Legrome D. Davis. Walker faces a substantial term of imprisonment, a \$4.75 million fine, 3 years supervised release and a \$1,900 statutory assessment.

The case was investigated by the Office of the Inspector General for the Department of the Treasury and is being prosecuted by Assistant United States Attorney Mark B. Dubnoff.

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