

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

UNITED STATES OF AMERICA : **CRIMINAL NO.** _____
 :
 v. : **DATE FILED:** _____
 :
 JOAN FREITAG RYAN : **VIOLATIONS:**
 a/k/a "Joan A. Ryan" : **18 U.S.C. §§ 208, 216 (conflict of interest –**
 : **1 count)**
 : **18 U.S.C. § 201(c)(1)(B) (soliciting a**
 : **gratuity – 1 count)**
 : **18 U.S.C. § 1001 (false statements – 6**
 : **counts)**

INDICTMENT

COUNT ONE

(Conflict of Interest)

THE GRAND JURY CHARGES THAT:

At all times relevant to this indictment:

1. The United States General Services Administration ("GSA") was an agency of the executive branch of the United States Government. Among other things, GSA was responsible for contracting with government contractors to provide goods and services to the government.
2. In or about 1979, defendant JOAN FREITAG RYAN was hired by GSA, and served in various positions, including Supply Systems Analyst, Program Analyst, IT Specialist, Marketing Specialist, and Administrative Officer.
3. In or about October 2002, at the expense of GSA, defendant JOAN FREITAG RYAN attended training to become a "Certified EQ Map® Instructor," so that she could instruct agency employees in "emotional intelligence." Defendant RYAN completed the

certification requirements on or before January 20, 2003. At some point in 2003, defendant RYAN started a business called PeoplePreneurs and began using her GSA-supplied expertise and certification in "emotional intelligence" to train non-GSA employees for pay. In or about June 2003, without the approval of GSA, defendant RYAN paid to transfer her certification as an "EQ Map® Instructor" from GSA to herself.

4. In November 2007, defendant JOAN FREITAG RYAN was an Administrative Officer for GSA. Among other duties, defendant RYAN was designated as the Contracting Officer's Technical Representative ("COTR") for GSA's Central Support Services ("CSS") contract. The purpose of the CSS contract was to provide document management services, to include copying and filing, to the GSA Mid-Atlantic Region.

5. Defendant JOAN FREITAG RYAN, was selected to participate on a Source Selection Board ("SSB") to re-bid the CSS contract and award the four-year contract to a qualified vendor.

6. As part of the process to join an SSB, it was required that a member complete a Conflict of Interest Acknowledgement and Nondisclosure Agreement ("Agreement"). Defendant JOAN FREITAG RYAN signed the Agreement on or about November 13, 2007, which stated, in relevant part,

To the best of my knowledge and belief, no conflict of interest exists that may either: (1) Diminish my capacity to impartially review the proposals submitted. (2) Or result in a biased opinion or unfair advantage.

* * *

I have a continuing obligation to disclose any circumstances that may create an actual or apparent conflict of interest. If I learn of any such conflict, I will report it immediately to the Contracting Officer. I will perform no more duties related to evaluating proposals until I receive instructions on the matter.

7. On or about November 27, 2007, representatives of Contractor #1, who is known to the grand jury, attended a pre-proposal conference for the CSS contract, the purpose of which was to give bidders an overview of the contract and explain the source selection process. Contractor #1 subsequently submitted a bid for the CSS contract.

8. Defendant JOAN FREITAG RYAN had an existing business relationship with Contractor #1 that she did not disclose when signing the Agreement, in that defendant RYAN had been hired and paid by Contractor #1, through her company PeoplePreneurs, to hold classes for Contractor #1's employees in 2005, 2006 and 2007.

9. Two days prior to signing the Agreement, defendant JOAN RYAN had attended a professional football game, using tickets that she obtained at no charge from Person #1, an officer of Contractor #1, who is also known to the grand jury.

10. Defendant JOAN FREITAG RYAN communicated with Person #1 about the CSS contract from her personal email account, ranked Contractor #1 the highest of all eventual bidders, and complained within GSA when the contract was eventually awarded to another bidder instead of Contractor #1.

11. From in or about October 2007 until in or about January 2008, at Philadelphia, in the Eastern District of Pennsylvania, defendant

JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"

being an officer and employee of the executive branch of the United States Government, knowingly and willfully participated personally and substantially as a Government officer and employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a contract, claim, or other particular matter in which defendant

RYAN, an organization in which she served as an officer or employee, and an organization with whom defendant RYAN was negotiating or arranging prospective employment had a financial interest, in that she participated materially and substantially in the Source Selection Board re-bidding the CSS contract for which Contractor #1 was competing.

All in violation of Title 18, United States Code, Sections 208(a) and 216(a).

COUNT TWO

(Accepting a Gratuity)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 10 of Count One are incorporated herein by reference.
2. In or about September through November 2007, in the Eastern District of Pennsylvania and elsewhere, defendant,

**JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"**

a public official, otherwise than as provided by law for the proper discharge of official duties, directly and indirectly demanded, sought, received, accepted, and agreed to receive and accept something of value personally, that is, tickets to a professional football game on or about November 11, 2007, for and because of an official act performed and to be performed by such official, that is because of her position on the Source Selection Board for the CSS contract.

All in violation of Title 18, United States Code, Section 201(c)(1)(B).

COUNT THREE

(False statement)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count One are incorporated herein by reference.
2. Office of Government Ethics ("OGE") Form 450, Confidential Financial Disclosure, was a written form, the purpose of which was to assist employees and their agencies in avoiding conflicts between official duties and private financial interests or affiliations. It was used by certain executive branch employees, including defendant JOAN FREITAG RYAN, to report personal financial interests as well as other interests outside of government.
3. On or about February 5, 2007, at Philadelphia, in the Eastern District of Pennsylvania, defendant

**JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"**

in a matter within the jurisdiction of the General Services Administration, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations on Office of Government Ethics ("OGE") Form 450, which defendant RYAN submitted to the General Services Administration, in that defendant RYAN reported holding no outside positions, reported that she had no outside income or gifts, and reported no income from her spouse, when, in truth and in fact, as defendant RYAN well knew, she was the sole owner of a business, PeoplePreneurs, had received income from outside sources through PeoplePreneurs, had reportable income from gambling, and had a spouse who had earned reportable income.

In violation of Title 18, United States Code, Section 1001.

COUNT FOUR

(False statement)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count One and Paragraph 2 of Count Three are incorporated herein by reference.

2. On or about February 7, 2008, at Philadelphia in the Eastern District of Pennsylvania, defendant

**JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"**

in a matter within the jurisdiction of the General Services Administration, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations on Office of Government Ethics ("OGE") Form 450, which defendant RYAN submitted to the General Services Administration, in that defendant RYAN failed to report all outside income or the sources of that income, and reported no income from her spouse, when, in truth and in fact, as defendant RYAN well knew, RYAN had received income from outside sources through PeoplePreneurs, had reportable income from gambling, and had a spouse who had earned reportable income.

In violation of Title 18, United States Code, Section 1001.

COUNT FIVE

(False statement)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 3 of Count One and Paragraph 2 of Count Three are incorporated herein by reference.

2. On or about August 31, 2008, defendant JOAN FREITAG RYAN began working for the Federal Emergency Management Agency ("FEMA") as Branch Chief of Administrative Services, responsible for all administrative support functions in FEMA's Region III, including contracting.

3. On or about January 29, 2009, at Philadelphia, in the Eastern District of Pennsylvania, defendant

**JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"**

in a matter within the jurisdiction of the Federal Emergency Management Agency, an agency of the Department of Homeland Security, a department of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations on Office of Government Ethics ("OGE") Form 450, which defendant RYAN submitted to the Federal Emergency Management Agency, in that defendant RYAN reported no outside income or gifts, and reported no income from her spouse, when, in truth and in fact, as defendant RYAN well knew, she had received income from outside sources through PeoplePreneurs, had reportable income from gambling, and had a spouse who had earned reportable income.

In violation of Title 18, United States Code, Section 1001.

COUNT SIX

(False statement)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 3 of Count One, Paragraph 2 of Count Three, and Paragraph 2 of Count Five are incorporated herein by reference.

2. On or about January 19, 2010, at Philadelphia, in the Eastern District of Pennsylvania, defendant

**JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"**

in a matter within the jurisdiction of the Federal Emergency Management Agency, an agency of the Department of Homeland Security, a department of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations on Office of Government Ethics ("OGE") Form 450, which defendant RYAN submitted to the Federal Emergency Management Agency, in that defendant RYAN reported no outside income or gifts, when, in truth and in fact, as defendant RYAN well knew, she had received income from outside sources through PeoplePreneurs, and had reportable income from gambling.

In violation of Title 18, United States Code, Section 1001.

COUNT SEVEN

(False statement)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 3 of Count One, Paragraph 2 of Count Three, and Paragraph 2 of Count Five are incorporated herein by reference.

2. On or about February 3, 2011, at Philadelphia, in the Eastern District of Pennsylvania, defendant

**JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"**

in a matter within the jurisdiction of the Federal Emergency Management Agency, an agency of the Department of Homeland Security, a department of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations on Office of Government Ethics ("OGE") Form 450, which defendant RYAN submitted to the Federal Emergency Management Agency, in that defendant RYAN reported no outside income or gifts, when, in truth and in fact, as defendant RYAN well knew, she had received income from outside sources through PeoplePreneurs.

In violation of Title 18, United States Code, Section 1001.

COUNT EIGHT

(False statement)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraph 3 of Count One and Paragraph 2 of Count Five are incorporated herein by reference.
2. On or about November 9, 2010, at Philadelphia, in the Eastern District of Pennsylvania, defendant

**JOAN FREITAG RYAN
a/k/a "Joan A. Ryan,"**

in a matter within the jurisdiction of the Office of Personnel Management, an agency of the executive branch of the United States, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations, in that defendant RYAN told an investigator of the Office of Personnel Management, Federal Investigative Services Division, that she had not held classes through PeoplePreneurs since 2007, when, in truth and in fact, as defendant RYAN well knew, she had conducted classes through PeoplePreneurs, and had received income for doing so, as recently as September 2010.

In violation of Title 18, United States Code, Section 1001.

A TRUE BILL:

GRAND JURY FOREPERSON


ZANE DAVID MEMEGER
United States Attorney