

**REPORT TO CONGRESS
ON THE ACTIVITIES AND OPERATIONS
OF THE
PUBLIC INTEGRITY SECTION
FOR 2002**



**Public Integrity Section
Criminal Division
United States Department of Justice**

**Submitted Pursuant to
Section 603 of the Ethics in Government Act of 1978**

INTRODUCTION

This Report to Congress is submitted pursuant to the Ethics in Government Act of 1978, which requires the Attorney General to report annually to Congress on the operations and activities of the Justice Department's Public Integrity Section. The Report describes the activities of the Public Integrity Section during 2002. It also provides statistics on the nationwide federal effort against public corruption during 2002 and over the previous two decades.

The Public Integrity Section was created in 1976 in order to consolidate in one unit of the Criminal Division the Department's oversight responsibilities for the prosecution of criminal abuses of the public trust by government officials. Section attorneys prosecute selected cases involving federal, state, or local officials, and also provide advice and assistance to prosecutors and agents in the field regarding the handling of public corruption cases. In addition, the Section serves as the Justice Department's center for handling various issues that arise regarding public corruption statutes and cases.

An Election Crimes Branch was created within the Section in 1980 to supervise the Department's nationwide response to election crimes, such as ballot fraud and campaign-financing offenses. The Branch reviews all major election crime investigations throughout the country and all proposed criminal charges relating to election crime.

Andrew Lourie served as Chief of the Section for the first nine months of 2002. In October 2002, Noel L. Hillman, the Section's Principal Deputy Chief, was named Acting Chief of the Section by the Assistant Attorney General, Criminal Division. During the year the Section maintained a staff of approximately 25 attorneys, including experts in extortion, bribery, election crimes, and criminal conflicts of interest.

Part I of the Report discusses the operations of the Public Integrity Section and highlights its major activities in 2002. Part II describes the cases prosecuted by the Section in 2002. Part III presents nationwide data based on the Section's annual surveys of United States Attorneys regarding the national federal effort to combat public corruption from 1983 through 2002.

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PART I

OPERATIONAL RESPONSIBILITIES OF THE PUBLIC INTEGRITY SECTION

A. RESPONSIBILITY FOR LITIGATION

The work of the Public Integrity Section focuses on public corruption, that is, crimes involving abuses of the public trust by government officials. Most of the Section's resources are devoted to the supervision of investigations involving alleged corruption by government officials and to prosecutions resulting from these investigations. Decisions to undertake particular matters are made on a case-by-case basis, based on Section resources, the type and seriousness of the allegation, the sufficiency of factual predication reflecting criminal conduct, and the availability of federal prosecutive theories to reach the conduct.

Cases handled by the Section generally fall into one of the following categories: recusals by United States Attorneys' Offices, sensitive cases, multi-district cases, referrals from federal agencies, and shared cases. These categories are discussed below, and examples of cases handled by the Section in 2002 under the categories are noted. The examples are described, along with the Section's other 2002 casework, in Part II.

1. Recusals by United States Attorneys' Offices

The vast majority of federal corruption prosecutions are handled by the local United States Attorney's Office for the geographic district where the crime occurred, a fact demonstrated by the statistical charts in Part III of this Report. At times, however, it may be inappropriate for the local United States Attorney's Office to handle a particular corruption case.

Public corruption cases tend to raise unique problems of public perception that are generally absent in more routine criminal cases. An investigation of alleged corruption by a government official, whether at the federal, state, or local level, or someone associated with such officials, always has the potential to be high-profile, simply because its focus is on the conduct of a public official. In addition, these cases are often politically sensitive, because their ultimate targets tend to be politicians or government officials appointed by politicians.

A successful public corruption prosecution requires both the appearance and the reality of fairness and impartiality. This means that a successful corruption case includes not just a conviction, but public perception that the conviction was warranted and not the result of improper motivation by the prosecutor. Therefore, if the local United States Attorney or a prosecutor in his or her office has had a significant business, social, political, or personal relationship with a subject or a principal witness in a corruption investigation, it may be difficult, as well as inappropriate, for that office to handle the investigation because of the

appearance of a conflict of interest between the official and the private interests of the prosecutor.

In cases where the local conflict of interest is substantial, the local office is removed from the case by a procedure called recusal. Recusal occurs when the local office either asks to step aside, or is asked to step aside by Department Headquarters, as primary prosecutor. Federal cases involving corruption allegations in which the conflict is substantial are usually referred to the Public Integrity Section either for prosecution or direct operational supervision.

Allegations involving possible crimes by federal judges almost always require recusal of the local office, for significant policy as well as practical reasons. In addition to possible professional or social ties with a judge who is the subject or target of the investigation, local prosecutors are likely to have official responsibilities before the judge on their other cases, both during and after the investigation. Having the case handled outside the local office eliminates the possible appearance of bias, as well as the practical difficulties and awkwardness that would arise if an office investigating a judge were to appear before the judge on other matters. Thus, as a matter of established Department practice, federal judicial corruption cases generally are handled by the Public Integrity Section.

Similar concerns regarding the appearance of bias also arise when the target of an investigation is a federal prosecutor, a federal investigator, or other employee assigned to work in or closely with a particular United States Attorney's Office. If an Assistant United States Attorney (AUSA) were to investigate a fellow AUSA in the same office, the public may well question the vigor and impartiality of the investigation. Thus, cases involving United States Attorneys, AUSAs, or federal investigators or employees working with AUSAs in the field generally result in a recusal of the local office. These cases are typically referred to the Public Integrity Section, where they constitute a significant portion of its caseload, as can be seen from a review of the cases described in Part II.

During 2002 the Section handled a number of significant prosecutions as a result of recusals. The chief uniformed federal police officer of the Federal Protective Service (FPS) in Atlanta was convicted by a jury in connection with an official audit, and a codefendant, also an FPS officer, pled guilty to concealing public records.

In another significant recusal in 2002, three Doctors of Podiatric Medicine, who were former employees of the United States Department of Veterans Affairs, were charged in a twenty-count indictment with various corruption offenses. One defendant pled guilty to engaging in a scheme to defraud the United States of money and property, the second defendant pled guilty to aiding and abetting theft of government property, and the third defendant was convicted at trial of bribery, honest services wire fraud, and theft of government property. A final example of a 2002 recusal case resulted in the conviction of six Police Department Officers of Prichard, Alabama. The six officers used their positions with the Prichard Police Department to enrich themselves by among other things, extorting, robbing and soliciting bribes from individuals detained by the Department in return for not pursuing criminal charges against them.

2. Sensitive and Multi-District Cases

In addition to recusals, the Public Integrity Section handles other special categories of cases. At the request of the Assistant Attorney General of the Criminal Division, the Section handles cases that are highly sensitive and cases that involve the jurisdiction of more than one United States Attorney's Office.

Cases may be sensitive for a number of reasons. Because of its importance, a particular case may require close coordination with high-level Department officials. Alternatively, it may require substantial coordination with other federal agencies in Washington. The latter includes cases involving classified information, which require careful coordination with the intelligence agencies. Sensitive cases may also include those that are so politically controversial on a local level that they are most appropriately handled out of Washington.

The Section handled a number of sensitive cases in 2002. For example, in one case, a former Supervisory Deputy United States Marshal in Colorado pled guilty to perjury, arising from his false statements relating to his involvement with an alternate juror in the 1997 trial of Timothy McVeigh. In another case, the former Special Assistant and Executive Assistant to the Secretary of the Department of Housing and Urban Development was sentenced on her convictions for conspiracy to defraud the United States, accepting an unlawful gratuity, and perjury before Congress.

In addition to sensitive cases, this category encompasses multi-district cases, or cases that involve allegations that cross judicial district lines and hence fall under the jurisdiction of two or more United States Attorneys' Offices. In these cases the Section is occasionally asked to coordinate the investigation among the various United States Attorneys' Offices, to handle a case jointly with one or more United States Attorneys' Offices, or, when appropriate, to assume operational responsibility for the entire case. An example of a multi-district case is a case the Section handled in 2002 arising from bribes paid by a Houston wastewater treatment company to a New Orleans Sewerage and Water Board official.

3. Federal Agency Referrals

In another area of major responsibility, the Section handles matters referred to it directly by federal agencies concerning possible federal crimes by agency employees. The Section reviews these allegations to determine whether an investigation of the matter is warranted and, ultimately, whether the matter should be prosecuted.

Agency referrals of possible employee wrongdoing are an important part of the Section's mission. The Section works closely with the Offices of Inspector General (OIG) of the executive branch agencies, as well as with other agency investigative components, such as the Offices of Internal Affairs and the Criminal Investigative Divisions, and also invests substantial time in training agency investigators in the statutes involved in corruption cases and the investigative approaches that work best in these cases. These referrals from the various agencies require close consultation with the referring agency's investigative component and prompt prosecutive evaluation.

As in previous years, the Section handled numerous referrals from federal agencies in 2002, including a referral from the Federal Bureau of Investigation concerning a former FBI Special Agent who submitted false claims to the United States, a referral from the Department of Justice, Office of the Inspector General, relating to bribes paid by an immigration attorney to a Supervisory Special Agent of the Immigration and Naturalization Service, and a referral from the Central Intelligence Agency, Office of the Inspector General, concerning the involvement of a former human resources supervisor for the Agency and her husband in a scheme to obtain student loans by fraud.

4. Requests for Assistance; Shared Cases

The final category of cases in which the Section becomes involved are cases that are handled jointly by the Section and a United States Attorney's Office or other component of the Department.

At times the available prosecutorial resources in a United States Attorney's Office may be insufficient to undertake sole responsibility for a significant corruption case. In these cases the local office may request the assistance of an experienced Section prosecutor to share responsibility for prosecuting the case. In addition, on occasion the Section may be asked to provide operational assistance or to assume supervisory responsibility for a case due to a partial recusal of the local office. Finally, the Public Integrity Section may be assigned to supervise or assist with a case initially assigned to another Department component.

In 2002 the Section shared operational responsibility in a number of significant corruption cases. One example was a drug conspiracy case handled by the Section and the United States Attorney's Office for the Eastern District of Louisiana, which resulted in convictions during 2002 of a Louisiana State Court Judge and his codefendant. In another example of a 2002 shared case, the Section and the United States Attorney's Office for the Central District of California prosecuted a former special agent of the Drug Enforcement Administration (DEA), who ultimately pled guilty to bribery, subscribing to false tax returns, and failure to appear for trial. In a final example, the Section and the United States Attorney's Office for the Southern District of Florida convicted two Hialeah police officers for using their positions as police officers to identify and target individuals for robberies.

B. SPECIAL SECTION PRIORITIES

In addition to the general responsibilities discussed above, in 2002 the Public Integrity Section continued its involvement in a number of additional priority areas of criminal law enforcement.

1. Election Crimes

One of the Section's law enforcement priorities is its supervision of the Justice Department's nationwide response to election crimes. The purpose of Headquarters' oversight of election crime matters is to ensure that the Department's nationwide response to election crime is uniform, impartial, and effective. An Election Crimes Branch, headed by a Director and staffed by Section attorneys on a case-by-case basis, was created within the Section in 1980 to handle this supervisory responsibility.

The Election Crimes Branch oversees the Department's handling of all election crime allegations other than those involving civil rights violations, which are supervised by the Voting Section of the Civil Rights Division. Specifically, the Branch supervises four types of corruption cases: crimes that involve the voting process, crimes involving the financing of federal election campaigns, crimes relating to political shakedowns and other patronage abuses, and illegal lobbying with appropriated funds. Vote frauds and campaign-financing offenses are the most significant and also the most common types of election crimes.

The election-related work of the Section and its Election Crimes Branch falls into the following categories:

a. Consultation and Field Support. Under long-established Department procedures, the Section's Election Crimes Branch reviews all major election crime investigations, including all grand jury investigations and FBI full field investigations, and all election crime charges proposed by the various United States Attorneys' Offices for legal and factual sufficiency. In addition, the Branch reviews all proposed investigations concerning alleged violations of the Federal Election Campaign Act (FECA), 2 U.S.C. §§ 431-455, including all preliminary investigations. The increased coordination with the Section on FECA matters is the result of both the complexity of the campaign financing statutes and the Department's shared jurisdiction over willful violations of these statutes with another federal agency, the Federal Election Commission.

The Section's consultation responsibility for election matters includes providing advice to prosecutors and investigators regarding the application of federal criminal laws to election fraud and campaign-financing abuses, and the most effective investigative techniques for particular types of election offenses. It also includes supervising the Department's use of the federal conspiracy and false statements statutes (18 U.S.C. § 371 and § 1001) to address schemes to subvert the campaign financing laws. In addition, the Election Crimes Branch helps draft election crime charges and other pleadings when requested.

Vote frauds. During 2002 the Branch assisted United States Attorneys' Offices in Alabama, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Mississippi, Missouri, Nevada, North Carolina, Rhode Island, South Carolina, South Dakota, Texas, Utah, West Virginia, and Wisconsin in handling vote fraud matters that occurred in their respective districts. This assistance included providing expertise in the evaluation of allegations to determine whether investigation would produce prosecutable federal criminal cases, helping to structure investigations, providing legal assistance with respect to the formulation of charges, and assisting in establishing task force teams of federal and state law enforcement officials to investigate vote fraud matters.

Campaign-financing crimes. During 2002 the Branch also continued its assistance in the implementation of the Department's nationwide enforcement strategy for criminal violations of the Federal Election Campaign Act. As part of this effort, the Branch assisted United States Attorneys in Arkansas, California, Connecticut, the District of Columbia, Minnesota, New Jersey, New York, Nevada, Ohio, Pennsylvania, and Texas in applying this strategy to campaign-financing cases in their respective districts.

b. Litigation. The Branch Director or Section attorneys also prosecute selected election crimes, either by assuming total operational responsibility for the case or by handling the case jointly with a United States Attorney's Office. The Section also may be asked to supervise the handling of a case in the event of a partial recusal of the local office. For example, in 2002 the Branch continued to supervise the prosecution of a sheriff and his election attorney for using data from the National Crime Information Center regarding voters' criminal histories to wage an election contest.

c. District Election Officer Program. The Branch also assists in implementing the Department's long-standing District Election Officer (DEO) Program. This Program is designed to ensure that each of the 93 United States Attorneys' Offices has a trained prosecutor available to oversee the handling of election crime matters within the district and to coordinate district responses with Headquarters regarding these matters.

The DEO Program involves the appointment of an Assistant United States Attorney in each federal district to serve a two-year term as a District Election Officer; the training of these prosecutors in the investigation and prosecution of election crimes; and the coordination of election-related initiatives and other law enforcement activities between Headquarters and the field. In addition, the DEO Program is a crucial feature of the Department's nationwide Election Day Program, which occurs in connection with the federal general elections held in November of even-numbered years. The Election Day Program ensures that federal prosecutors and investigators are available both at the Department's Headquarters in Washington and in each district to receive and handle complaints of election irregularities from the public while the polls are open and that the public is aware of how these individuals can be contacted on election day. In 2002 the Department enhanced the DEO Program by establishing a Ballot Integrity Initiative, discussed below.

d. Ballot Integrity Initiative. Beginning in September of 2002, the Public Integrity Section, acting at the request of the Attorney General, assisted in the implementation of a Ballot Integrity Initiative for the 2002 general election and subsequent elections. This initiative included increasing the law enforcement priority the Department gives to election crimes; holding a special day-long training event in Washington, DC for representatives of the 93 United States Attorneys' Offices; publicizing the identities and telephone numbers of the DEOs through press releases issued shortly before the November elections; and requiring the 93 U.S. Attorneys to communicate the enhanced federal prioritization of election crime matters to state and local election and law enforcement authorities.

As part of Ballot Integrity Initiative, on October 8, 2002, the Public Integrity Section and the Voting Rights Section of the Department's Civil Rights Division co-sponsored a Voting Integrity Symposium for District Election Officers representing each of the 93 federal judicial districts. Topics discussed included the types of conduct that are prosecutable as federal election crimes and the federal statutes used to prosecute such cases. Attorney General John Ashcroft delivered the keynote address on the importance of election crime and ballot integrity enforcement. Assistant Attorney General of the Civil Rights Division Ralph Boyd and Assistant Attorney General of the Criminal Division Michael Chertoff also spoke to attendees on the protection of voting rights and the prosecution of election cases.

e. Inter-Agency Liaison. The Election Crimes Branch is the formal liaison between the Justice Department and the Federal Election Commission (FEC), an independent federal agency which shares enforcement jurisdiction with the Department over willful campaign-financing violations. The FEC has exclusive civil jurisdiction over all violations of the FECA; the Justice Department has exclusive criminal jurisdiction over FECA violations. The Branch also serves as the Department's point of contact with the United States Office of Special Counsel (OSC). The OSC has jurisdiction over noncriminal violations of the Hatch Act, 5 U.S.C. §§ 7321-7326, §§ 1501-1508, which may also involve criminal patronage abuses that are within the Department's jurisdiction.

2. Conflicts of Interest Crimes

Conflicts of interest is a wide-ranging and complex area of law, with many layers of administrative and oversight responsibility. Moreover, the federal criminal conflicts of interest laws overlap to some extent with the sometimes broader ethics restrictions imposed by civil statutes, agency standards of conduct, Presidential orders, and, in the case of attorneys, bar association codes of conduct.

The Public Integrity Section's work in the conflicts area falls into the following categories:

a. Criminal Referrals from Federal Agencies and Recusals. The Section's criminal enforcement role comes into play with respect to a narrow group of conflicts of interest matters, namely, those that involve possible misconduct proscribed by one of the federal conflicts of interest statutes. 18 U.S.C. §§ 203-209. These crimes are prosecuted either by a United States Attorney's Office or by the Public Integrity Section. Conflicts of interest matters are often referred to the Section by the various federal agencies. If investigation of a referral is warranted, the Section coordinates the investigation with the Inspector General for the agency concerned, the FBI, or both. If prosecution is warranted, the Section prosecutes the case. In addition, on occasion the Section is asked to handle recusals and special assignments regarding conflicts matters.

b. Civil Enforcement for Conflicts of Interest. During 2002 the Section continued implementing an enforcement strategy for conflicts matters that is designed to accomplish the objectives of criminal enforcement while conserving prosecutorial and government resources. Under the federal criminal code, violations of the criminal conflicts of interest statutes may be addressed through civil sanctions as well as criminal prosecution. 18 U.S.C. § 216. The tiered remedies for conflicts violations reflect congressional recognition that many conflicts violations do not warrant criminal prosecution, yet nevertheless raise serious public policy and law enforcement concerns. In addition, the civil enforcement option for conflicts matters is particularly useful in those cases where proof of the requisite criminal intent to support criminal prosecution is difficult to establish beyond a reasonable doubt. The goal of this strategy is to encourage compliance with the law by achieving timely, predictable, and appropriate resolution of conflicts allegations while at the same time making it clear that violations are not tolerated.

c. Coordination. The Public Integrity Section works closely with the United States Office of Government Ethics (OGE), in order to coordinate conflicts of interest issues with

OGE and other executive branch agencies and offices. The purpose of this coordination is to ensure that the Administration's overall legislative and enforcement efforts in this area are both complementary and consistent. OGE has broad jurisdiction over noncriminal conduct by executive branch personnel, as well as the authority to provide guidance concerning the coverage of the federal criminal conflicts of interest statutes. The Section's coordination with OGE ensures that consistent guidance is provided with respect to the overlapping criminal, civil, and administrative interests implicated by the statutory and regulatory restrictions on federal personnel.

3. Special Counsel Matters

When the Independent Counsel Act expired in June 1999, the Attorney General adopted regulations to replace the Act. The regulations, set forth in Part 600 of Title 28 of the Code of Federal Regulations, describe the Attorney General's discretionary authority to appoint an outside Special Counsel when the Attorney General concludes that a conflict of interest or other extraordinary circumstances exist such that the public interest would be served by removing a large degree of responsibility for a matter from the Department of Justice. The regulations provide for the appointment by the Attorney General of an outside Special Counsel to handle the matter, free from day-to-day oversight of his or her decisionmaking. When requested to do so, the Section reviews matters that may raise issues under the regulations and provides recommendations and advice to senior Department officials regarding these matters.

C. LEGAL AND TECHNICAL ASSISTANCE

In addition to its litigation and oversight responsibilities, the Public Integrity Section provides legal and technical assistance to various federal, state, and local law enforcement agencies, as well as to other Departments and international organizations, on public corruption issues. The Section's assistance falls into the following general areas:

1. Training and Advice

The Public Integrity Section is staffed with specialists who have considerable experience investigating and prosecuting corruption cases. Section attorneys participate in a wide range of formal training events for federal prosecutors and investigators. They are also available to provide informal advice on investigative methods, charging decisions, and trial strategy in specific cases.

The Section helps plan and staff the annual public corruption seminar sponsored by the Attorney General's Advocacy Institute. Speakers at this seminar typically include both the Section's senior prosecutors and Assistant United States Attorneys from the field who have handled significant corruption cases. The seminars provide training for federal prosecutors and FBI agents in the statutes most commonly used in corruption cases, guidance in the use of the complex and difficult investigative techniques necessary to investigate government corruption, and advice from experienced prosecutors on conducting corruption trials. In 2002 the Acting Chief, Deputy Chief and one of the Section's senior prosecutors addressed attendees on the federal laws and prosecutive theories relating to corruption, the

use of computer evidence in corruption cases, and the prosecution of campaign financing crimes.

2. Advisor to President's Council on Integrity and Efficiency and Executive Council on Integrity and Efficiency

The Public Integrity Section serves, pursuant to Executive Order 12993 (Mar. 21, 1996), as legal advisor to the Integrity Committee of the President's Council on Integrity and Efficiency (PCIE) and the Executive Council on Integrity and Efficiency (ECIE). The PCIE/ECIE is a body composed of the Inspectors General of the various agencies of the executive branch of the federal government. The Integrity Committee of the PCIE/ECIE was charged by the Executive Order with handling allegations against Inspectors General and senior members of their staff.

In addition, the Integrity Committee was charged by the Executive Order with establishing policies and procedures to ensure consistency in conducting administrative investigations. The Committee's procedures, drafted with the assistance of the Public Integrity Section, provide a framework for the investigative function of the Committee. Allegations of wrongdoing by Inspectors General and their senior staff are initially reviewed by the Public Integrity Section for potential criminal prosecution. In noncriminal matters, the procedures guide the Committee's discretion to investigate the alleged misconduct and to report on its findings. The Public Integrity Section also advises the Integrity Committee on matters of law and policy relating to its investigations.

3. Legislative Activities

An important responsibility of the Public Integrity Section is the review of proposed legislation that may affect, directly or indirectly, the investigation and prosecution of public officials. The Section is often called upon to comment on legislation proposed by Congress, by the Administration, or by other departments of the executive branch; to draft or review testimony for congressional hearings; and to respond to congressional inquiries concerning legislative proposals. In addition, on occasion the Section drafts legislative proposals relating to various corruption matters. For example, in 2002 the Section provided comments and recommendations on the sentencing guideline for campaign financing offenses that was proposed by the United States Sentencing Commission in response to the Bipartisan Campaign Reform Act of 2002. Many of the Section's recommendations were ultimately adopted by the Commission and included in the Commission's 2003 interim campaign financing guideline.

Also during the year, the Section reviewed and commented on legislative proposals relating, among other things, to the exchange of employees between the public and private sectors; criminal conflicts of interest statutes; homeland security; codification of various common law privileges; the anti-lobbying statute; complaints against federal judges; presidential gifts; and disclosure of confidential information.

4. Case Supervision and General Assistance

Public corruption cases are often controversial, complex, and highly visible. These factors may warrant Departmental supervision and review of a particular case. On occasion Section attorneys are called upon to conduct a careful review of a sensitive public corruption case, evaluating the quality of the investigative work and the adequacy of any proposed indictments. Based on its experience in this area, the Section can often identify tactical or evidentiary problems early on and either provide needed assistance or, if necessary, assume operational responsibility for the handling of the prosecution.

The Section also has considerable expertise in the supervision of the use of undercover operations in serious corruption cases. The Section's Chief serves as a permanent member of the FBI's Criminal Undercover Operations Review Committee. Additionally, a number of the Section's senior prosecutors have experience in the practical and legal problems involved in such operations, and have the expertise to employ effectively this sensitive investigative technique and to advise law enforcement personnel on its use.

5. International Advisory Responsibilities

The Section's responsibilities in the area of international law enforcement have increased dramatically over the past few years, as the Justice Department's international law enforcement efforts have increasingly expanded. In addition to its routine briefings of foreign delegations on United States public corruption issues, the Section has become increasingly involved in supporting the United States' efforts to assist the international community in its efforts to combat public corruption in foreign countries and at the international level. This work included both participation in international proceedings and coordination with other components of the Justice Department and the State Department on the Administration's position in this area.

Beginning in 2002, a Section Deputy Chief served as a delegate to the United Nations negotiations of an international convention against corruption, the first global treaty to address the problem of corruption as a matter of prevention, law enforcement, and mutual assistance.

As noted above, Section experts also routinely address visiting foreign officials in connection with the detection and prosecution of public corruption offenses and continued to do so throughout 2002. These presentations are generally conducted under the auspices of the State Department's Foreign Visitor Program and the Justice Department's Office of Overseas Prosecutorial Development Assistance and Training. During 2002 the Section made presentations on corruption topics to officials from Austria, Kenya and Nigeria. Also during the year the Section's Election Crimes Director addressed visiting foreign lawmakers and election officials from Belarus, Columbia, Egypt, Ghana, Russia and South Korea on United States election crime statutes and their enforcement.

PART II
PUBLIC INTEGRITY SECTION
INDICTMENTS, PROSECUTIONS, AND APPEALS
IN 2002

INTRODUCTION

As described in Part I, the Public Integrity Section's role in the prosecution of public corruption cases ranges from sole responsibility for the entire case to approving an indictment or providing advice on the drafting of charges. This portion of the Report describes each corruption case for which the Section had either sole or shared operational responsibility during 2002. These cases are also included in the nationwide statistics provided in Part III, which reflect the total number of public corruption cases brought by the Justice Department in 2002 and over the previous two decades. Part II also provides statistics on the number of matters closed by the Section without prosecution during 2002 and the number of matters pending at the end of the year. A "case" involves a person who has been charged by indictment or information; a "matter" is an investigation that has not resulted in a criminal charge.

The Section's corruption cases for calendar year 2002 are separated into categories, based on the branch or level of government affected by the corruption. Election crime cases are grouped separately. Related cases are grouped together; unrelated cases are separated by double lines. In those cases where a conviction but not a sentence is reported, the sentencing occurred in a later year and will be included in that year's report.

FEDERAL JUDICIAL BRANCH

As of December 31, 2002, three matters involving allegations of corruption affecting the federal judicial branch were pending in the Public Integrity Section. During 2002 the Section closed three such matters. Also during 2002, the Section handled the following cases involving crimes affecting the judicial branch:

United States v. Bedell, District of Colorado

On June 7, 2002, J. Clayton Bedell pled guilty to a one-count information charging false statements. Bedell was a United States probation officer from September 1993 until April 2001, when he resigned from his position after admitting that he falsified official court records.

From April 1999 until March 2001, Bedell repeatedly falsified official Probation Office records to conceal his failure to contact and perform drug tests on probationers over whom he had supervisory duties. As part of his scheme, Bedell created records of fictitious personal contacts with probationers, employers, and family members, and he also falsely reported the collection and testing of urine specimens. In addition, Bedell submitted travel vouchers falsely claiming he had traveled to make personal contacts with the probationers.

On October 1, 2002, Bedell was sentenced to three years' probation, 360 hours of community service, a \$1,500 fine, and \$343 in restitution.

United States v. Marquez and Pagan, District of Puerto Rico

On May 19, 2002, Hector Luis Marquez Figueroa, a licensed attorney in Puerto Rico, and Rafael Humberto Pagan Santini were charged by a superseding indictment with obstruction of justice, perjury, subornation of perjury, and conspiracy. The charges stem from Marquez's and Pagan's participation in a scheme to present perjured testimony and false documentary evidence during a high-profile federal corruption investigation and trial in Puerto Rico. Previously, on April 10, 2002, the grand jury had returned an indictment charging Pagan with offenses stemming from this conspiracy. The superseding indictment added Marquez as Pagan's co-defendant.

The trial, which was prosecuted by the United States Attorney's Office in Puerto Rico in 1999, involved allegations that former officers and employees of a non-profit corporation that managed and operated the San Juan AIDS Institute, a municipal entity which provided AIDS education and treatment in Puerto Rico, embezzled approximately \$1.4 million in federal program funds for their own personal benefit and for the payment of bribes and illegal campaign contributions to local politicians during the early 1990s. All of the defendants, including lead defendant Yamil H. Kouri-Perez, a medical doctor who served as a consultant to the Institute, were convicted.

During the trial, it became apparent that Kouri and others were engaged in a scheme to present perjured testimony and false documentary evidence. The Public Integrity Section began an investigation into the alleged perjury and obstruction which resulted in the initial and superseding indictments.

Marquez and Pagan were both subsequently found guilty by a jury after a five week trial.

United States v. Pace, Northern District of Florida

On March 4, 2002, Larry Pace, former Clerk of the United States Bankruptcy Court for the Northern District of Florida, was sentenced to 36 months of probation, and ordered to pay a fine of \$2,500. Previously, Pace pled guilty to making a false statement.

As Clerk of the Bankruptcy Court, Pace was responsible for the purchase of services and equipment for the Bankruptcy Court. The FBI was investigating allegations that public officials were receiving bribes and gratuities in connection with the performance of their official duties. In the course of an interview with the FBI, Pace stated that no vendor doing business or seeking to do business with the Bankruptcy Court had ever offered or given him any bribe, gratuity, gift or incentive. Pace also stated that no employee of Ralston Communications, Inc., ever offered or gave him anything of value at the time that the company was seeking to do business with the Bankruptcy Court. However, Pace received a \$2,000 television set from the President of Ralston Communications, at a time when the company was doing business and seeking to do more business with the Bankruptcy Court.

FEDERAL LEGISLATIVE BRANCH

As of December 31, 2002, four matters involving allegations of corruption in or affecting the federal legislative branch were pending in the Public Integrity Section. During 2002 the Section closed no such matters and handled no cases involving the federal legislative branch.

FEDERAL EXECUTIVE BRANCH

As of December 31, 2002, 62 matters involving allegations of corruption within the federal executive branch were pending in the Public Integrity Section. During 2002 the Section closed 60 such matters. Also during 2002, the Section handled the following cases involving executive branch corruption:

United States v. Adegbile, Southern District of Ohio

On November 8, 2002, Isaiah O. Adegbile, a former official with the Dayton, Ohio Office of the Census Bureau, United States Department of Commerce, pled guilty to one count of accepting a gratuity.

Adegbile, formerly a Census Bureau community partnership specialist, worked in community outreach and promotion relating to the Census Bureau's Census 2000 campaign. He was authorized to purchase promotional goods such as T-shirts, rulers, and mugs from local vendors to advertise Census 2000. An undercover investigation determined that between Fall 1999 and Spring 2000, Adegbile misused his Census position to solicit and receive at least \$1,750 in secret cash payments from four Dayton vendors in exchange for favorable treatment in purchasing Census 2000 promotional goods from those vendors.

United States v. Aguilar and Ocampo, District of Minnesota

On December 17, 2002, Antonio Cedillo Aguilar and Arturo Reyes Ocampo were charged by criminal complaint with conspiracy to distribute more than one kilogram of cocaine.

The charges stem from the defendants' involvement in a cocaine distribution conspiracy operating in the Minneapolis metropolitan area between September 2001 and September 2002. This case is part of an ongoing investigation into allegations that Minneapolis law enforcement personnel improperly disclosed information to informants during an investigation.

United States v. Nunez, District of Minnesota

On December 13, 2002, Enrique Nunez was charged by criminal complaint with conspiracy to distribute and possess with intent to distribute more than one kilogram of cocaine.

United States v. Bailey, District of Colorado

Benny Bailey, formerly a supervisory Deputy United States Marshal, was indicted on February 26, 2002, in a two-count indictment charging him with perjury and false statements. Bailey pled guilty to perjury on May 10, 2002.

As a Deputy United States Marshal, Bailey was assigned to supervise the jury in the 1997 trial of Timothy McVeigh. After the McVeigh trial concluded, Bailey became involved in an intimate relationship with an alternate juror from the trial. In 1998 the trial court and McVeigh's attorney received anonymous facsimiles alleging that Bailey not only had a relationship with a juror, but that he attempted to influence the outcome of the trial by persuading this juror of McVeigh's guilt. When questioned, Bailey lied to his supervisor, the United States Marshal for the District of Colorado, when he falsely denied having had an intimate relationship with any McVeigh juror at any time. The McVeigh trial judge held a hearing to inquire into Bailey's relationship with the alternate juror. At the hearing, Bailey lied under oath about the nature and extent of his interactions with the juror.

The investigation ultimately revealed that Bailey did in fact have an intimate relationship with the juror; however no evidence suggested that the relationship began prior to the conclusion of the McVeigh case. The investigation yielded no evidence that Bailey made improper contacts with the McVeigh jury during either the trial or the jury deliberations. Moreover, the alternate juror in question did not deliberate or participate in the verdict in any way. The trial court concluded that the verdict in the McVeigh case had not been improperly influenced or affected.

On August 2, 2002, Bailey was sentenced to three months of imprisonment, three months of home confinement with electronic monitoring, and two years of supervised release. In addition, Bailey was ordered to pay a \$2,000 fine.

United States v. Bullard, Dixon, and Kolar, Southern District of Georgia

On April 2, 2002, a federal jury returned verdicts of not guilty in the trial of Billy R. Dixon, Director of the Savannah Customer Service Center of the General Services Administration (GSA), John A. Kolar, building management specialist at the Savannah Customer Service Center, and William Bullard, a construction contractor who performed contracts for GSA.

The indictment charged all three defendants with conspiracy to defraud the United States, conspiracy to commit false statements, and with making false statements. In addition, Dixon and Bullard were charged with honest services mail fraud and Kolar was charged with witness tampering. The charges stemmed from allegations that from January 1996 through October 2000, Dixon and Kolar, who were in charge of assigning GSA construction contracts in the Savannah region, conspired with Bullard to assign numerous contracts to Bullard without the required competitive bidding. The indictment alleged that Dixon, Kolar, and Bullard created false documents to give the appearance of competitive bidding when in fact there was none. In addition, Bullard, according to the indictment, arranged for a crew of subcontractors to work on Dixon's personal residence in November 1996, and Bullard paid the subcontractors approximately \$6,000 for the work, all while Dixon was overseeing the assignment of contracts to Bullard without competition. Further, the indictment alleged that in July 2000, Kolar confronted a person whom he knew to be a witness in this matter, addressed her in an intimidating manner, and attempted to persuade her to testify to facts he knew to be untrue.

United States v. Bryant, District of Columbia

On December 11, 2002, John R. Bryant, a contract employee with the United States Army Corps of Engineers, was sentenced to one year of probation. Bryant previously pled guilty to bribery.

Bryant's official duties included recommending personnel to travel to Army Corps Headquarters in Washington, DC, in connection with disasters and other emergencies. Bryant was also responsible for coordinating travel for the personnel he recommended, including arranging long-term housing paid for by the Army Corps. Beginning in 1996, Bryant began arranging for personnel traveling on official government business to use a certain apartment complex for long-term housing paid for by the Army Corps. In return for his actions in providing approximately \$250,000 of government business to that apartment complex, Bryant solicited and accepted from the managers of the apartment complex payments totaling over \$5,000. Bryant also solicited and received money from other residential providers in exchange for providing Army Corps business.

United States v. Calatayud, Central District of California

On August 5, 2002, Emilio Calatayud, a former special agent with the Los Angeles Field Division of the Drug Enforcement Administration (DEA), pled guilty to one count of bribery, three counts of subscribing to a false tax return, and one count of failure to appear for trial.

Between 1993 and 1999, Calatayud schemed to defraud the DEA and the public of his honest services by using his public office to enrich himself. Calatayud also illegally exceeded his authorized access to law enforcement computer systems to acquire information from the National Crime Information Center and the Narcotics and Dangerous Drug Information System, two exclusive law enforcement databases operated by the United States Government, by searching for sensitive criminal history and law enforcement information about individuals being investigated by a Los Angeles private investigations firm. In exchange for conducting the unauthorized searches, Calatayud received at least \$22,500 in secret payments from the private investigations firm, which he did not report on his income taxes. Trial was set to commence on February 5, 2002, but Calatayud failed to appear and fled the country, becoming a fugitive. He was apprehended by Mexican authorities on June 6, 2002, and deported back to the United States.

On December 16, 2002, Calatayud was sentenced to a term of 27 months' imprisonment, a \$5,000 fine, and supervised release. The court also ordered that Calatayud obtain the permission of the United States Probation Service before applying for any future law enforcement position.

The prosecution was handled jointly by the Public Integrity Section and the United States Attorney's Office for the Central District of California.

United States v. Carroll, Northern District of Illinois

On June 13, 2002, Thomas Patrick Carroll was sentenced to 262 months of imprisonment, and three years of supervised release. In addition, the court ruled that Carroll must forfeit approximately \$2.5 million in cash, as well as other assets derived from, or traceable to, the proceeds obtained from his visa fraud offenses. Previously, Carroll pled guilty to one count of conspiracy to commit visa fraud, one count of producing illegal identification documents, one count of bribery, and a forfeiture allegation for the proceeds of the first two counts.

Carroll was stationed at the United States Embassy in Georgetown, Republic of Guyana, where he served one year as a vice consul with authority to adjudicate applications for nonimmigrant visa applications by foreign nationals. Following a proactive investigation in Guyana and elsewhere, which produced extensive tape-recorded evidence of Carroll recruiting a cooperating witness to take money in exchange for issuing visas to persons identified by Carroll, federal agents arrested Carroll in March of 2000. Searches conducted pursuant to numerous warrants subsequently discovered, among other things, approximately

\$1,000,000 in United States currency, together with ten 100 ounce gold bars worth approximately \$200,000, in safe deposit boxes maintained by Carroll.

This case, and the case immediately following, were handled jointly by the Public Integrity Section and the United States Attorney's Office for the Northern District of Illinois.

United States v. Khan, Northern District of Illinois

On August 1, 2002, Haleem Khan, a resident of the Republic of Guyana, was sentenced to 38 months in prison and three years of supervised release. Previously, Khan pled guilty to one count of conspiracy to commit bribery and one count of alien smuggling. The court also entered a forfeiture order for \$250,000, which was not contested by Khan. The court further ordered Khan to surrender to INS immediately upon his release.

Beginning in December 1998, Khan recruited numerous individuals willing to pay him to obtain nonimmigrant visas at a cost of approximately \$12,500 per visa. Khan then provided the names of these individuals to Thomas Carroll, who issued the nonimmigrant visas in exchange for approximately \$8,000 per visa from Khan. This arrangement continued through March 2000, when Khan and Carroll were arrested by federal officials. Also, beginning in 1996 and continuing until October 1997, Khan recruited citizens of Guyana who were willing to pay him \$10,000 in exchange for being transported illegally into the United States. Khan arranged for these aliens to be transported from Guyana to Canada. The aliens were then transported covertly across the United States-Canada border.

United States v. Clark, Eastern District of Virginia

On November 18, 2002, Kimberlee L. Clark pled guilty to an information charging her with nine counts of theft of government money. As part her plea, Clark agreed to pay full restitution in the amount of \$5,930.

Clark is the former personnel assistant at the United States Patent and Trademark Office. The charges arose from Clark's service as a timekeeper for her office. Among Clark's responsibilities were the collection and compilation of time and attendance data for herself and fellow employees, and the preparation of such information for transmission over the wires to the National Finance Center in New Orleans, Louisiana. Clark credited herself, and was paid for, more hours than those which were confirmed and certified in each of fourteen separate pay periods in 1999 and 2000. The number of surplus hours Clark received for a relevant pay period ranged from five to forty-four, and resulted in her receiving approximately \$5,930 in unearned salary.

United States v. Davis, Southern District of New York

On February 8, 2002, Yolanda Davis, a former legal instruments examiner at the United States Coast Guard Regional Examination Center in New York, pled guilty to a one-count information charging her with theft of government funds.

As a legal instrument examiner, one of Davis's duties was to process applications and collect fees from persons who sought licenses from the Coast Guard. License applicants were allowed to pay license fees by cash, check, or charge card. From 1997 through 2000, Davis stole between \$70,000 and \$120,000 in cash that she collected in license fees.

On July 24, 2002, Davis was sentenced to 10 months of home confinement with electronic monitoring, and five years of supervised probation. In addition, Davis was ordered to pay \$80,000 in restitution to the Coast Guard.

United States v. Davis and Perez-Davis, Northern District of Georgia

On May 1, 2002, a federal jury convicted Major Darla K. Davis, the chief uniformed federal police officer in the Atlanta zone office of the Federal Protective Service (FPS), of conspiring to defraud the General Services Administration (GSA) and the Office of Personnel Management (OPM) during an official audit that took place in 1997. Davis and her Acting Sergeant, Francisco T. Perez-Davis, were indicted jointly in 2000 for conspiracy to defraud the United States, false statements, and concealing public records. Following a mistrial in 2001, the defendants' cases were severed for trial. On April 19, 2002, two weeks before his trial was to commence, Perez-Davis pled guilty to concealing public records, and he later testified against Davis at her trial. At the time Davis was convicted of conspiracy, she was acquitted on the false statement and concealing public documents charges.

Davis, together with Perez-Davis, directed several FPS police officers under her command to alter and falsify police reports that were provided to OPM auditors. The auditors were reviewing the Atlanta FPS officers' 1996 workload to determine the propriety of a decision made by GSA to increase the base annual salary of FPS officers nationwide. To retain the salary increase, Davis and Perez-Davis conspired to defraud OPM and GSA by representing that fraudulent police reports accurately reflected an increase in the number and type of complex criminal investigations their office handled in 1996.

United States v. Dean, District of Columbia

On January 24, 2002, Deborah Gore Dean, a former official of the Department of Housing and Urban Development (HUD), was sentenced to three years of probation, six months of home detention, 200 hours of community service, and a \$5,000 fine.

Dean, a Special Assistant and Executive Assistant to HUD Secretary Samuel Pierce during the 1980's, was convicted by a jury in 1993 on numerous corruption-related charges. Her indictment was part of an extensive investigation by HUD Independent Counsel Arlin Adams into HUD's improper allocation of moderate rehabilitation housing units to local housing developers. In 1995 the District of Columbia Circuit Court affirmed Dean's convictions on three counts of conspiracy to defraud the United States, one count of accepting an unlawful gratuity, and three counts of perjury before Congress. However, the circuit court vacated Dean's original sentence of twenty-one months of imprisonment based upon its finding that the evidence was insufficient to establish much of the conduct charged

in the conspiracy counts, and it remanded the case for re-sentencing with the instruction that the district court reconsider its upward departure from the applicable sentencing guidelines.

Independent Counsel Adams was succeeded by Independent Counsel Larry Thompson, who closed his office and turned the case over to the Department of Justice in 1999. The Chief Judge held the case open for several years following the remand, and did not schedule Dean's re-sentencing until the parties filed a Joint Sentencing Recommendation.

United States v. Floto, District of Arizona

On March 15, 2002, Gregory B. Floto, a senior inspector with the United States Customs Service and president of the Arizona chapter of the National Treasury Employees Union (Chapter 116), pled guilty to filing false reports about disbursements of union funds with the United States Department of Labor. As part of his plea agreement, Floto admitted to converting thousands of dollars in union funds to his personal use and filing false reports with the Government to conceal his theft. The plea agreement required Floto to resign from the Customs Service and from any union offices he held by the time of sentencing.

Floto admitted that from August 1994 through January 1997 he misappropriated Chapter 116 funds to pay the balances due on his personal credit card bills, and to cause the union to pay for official travel expenses for which Floto had also sought and obtained reimbursement from Customs. Floto further admitted that, as alleged in the indictment, he furthered and concealed this scheme by falsifying the Chapter 116 check register to make it appear that questionable expenditures were for legitimate union business, submitting to the National Treasury Employees Union in Washington false and misleading reports stating that audits of Chapter 116 finances had been conducted, and filing false reports with the Department of Labor. Floto admitted that the reports to the Department of Labor were false in that they grossly underestimated the amount of union funds disbursed to him during applicable reporting periods and falsely stated that audits of Chapter 116 finances had been conducted.

On September 10, 2002, Floto was sentenced to six months of home confinement and three years of probation. The court also ordered Floto to pay a \$2,000 fine and restitution to the union in the amount of \$7,714.

United States v. Green, Herring, and Morales, District of Columbia

On August 2, 2002, Crystal N. Green, a former United States Department of State employee, Yashica N. Herring, a Federal Aviation Administration employee, and Jacemyein Morales, a private citizen, were indicted on one count of conspiracy to commit wire fraud and one count of wire fraud. On August 20, 2002, Morales pled guilty to a one-count information charging her with conspiracy to commit conversion by a government employee. On August 26, 2002, Herring pled guilty to a one-count information charging her with conspiracy to commit conversion by a government employee. On September 19, 2002, Green pled guilty to one count of conspiracy to commit wire fraud. In her plea agreement, Green

acknowledged that an increase in her sentence for obstruction of justice would be appropriate for acts she committed after her indictment, including making a threatening phone call to a potential witness in August 2002. The judge ordered Green be held without bond pending sentencing.

In 2001 Green, whose official duties included processing vouchers to reimburse State Department employees for charges incurred in the course of official government travel on their government credit cards, provided Herring and Jamiel Lloyd, a State Department intern, with credit card numbers and identifying information of other employees. On numerous occasions, Green, Lloyd, and Herring called Western Union and accessed the Western Union website, provided Western Union with credit card numbers and identifying information for State Department employees, and requested that money be paid from those credit cards to Green, Herring, Lloyd, and, most often, Morales, a personal associate of Green's, without the employees' authorization.

The scheme as a whole resulted in the theft of more than \$1,800 from State Department employees and the additional attempted theft of more than \$7,000. In addition, Green used State Department employees' personal credit cards to pay for more than \$2,700 in bills owed by Lloyd.

On November 25, 2002, Herring was sentenced to a three-year term of probation and ordered to pay \$1,895 in restitution.

United States v. Lloyd, District of Columbia

On March 18, 2002, Jameil C. Lloyd, a clerical intern for the United States Department of State, pled guilty to a one-count information charging conspiracy to commit conversion by a government employee.

Crystal Green provided Lloyd with credit card numbers and identifying information of other State Department employees. On several occasions, Lloyd called Western Union and accessed the Western Union website, provided Western Union with credit card numbers and identifying information for State Department employees, and requested that money be paid from those credit cards to herself and others, without the employees' authorization. Lloyd directly participated in one successful and one unsuccessful transaction, totaling \$988. Lloyd was also aware that Green used State Department employees' credit cards to pay for more than \$2,000 in her own personal bills.

United States v. Landolfi, District of Columbia

On June 19, 2002, former FBI Special Agent Eugene J. Landolfi pled guilty to a one-count information charging him with one count of submitting false claims to the United States.

Landolfi served as a special agent of the FBI for 31 years. He retired in January 1998 and became a special investigator with the FBI's Background Investigative Contract Service

(BICS), which performs background investigations for persons needing security clearances for federal positions. From about January 2000 to March 2001, Landolfi submitted approximately \$30,000 in false and fraudulent invoices to BICS indicating that he had traveled in order to interview witnesses in person, and that he had expended hours of time and incurred mileage on his vehicle in doing so. Landolfi did not in fact conduct these interviews in person and did not incur any actual time or mileage traveled.

Landolfi also made misleading statements on reports of interviews that he generated to memorialize background interviews. Landolfi falsely indicated on reports of interviews that he showed witnesses documents, such as security questionnaires, when in fact he had not interviewed the witnesses in person and had not showed them any documents.

On August 21, 2002, Landolfi was sentenced to a five-year term of probation and 100 hours of community service. Landolfi was also ordered to pay restitution in the amount of \$30,000.

United States v. Lindsay, Eastern District of Michigan

On January 9, 2002, a federal grand jury returned a one-count indictment charging Sean Lamont Lindsay, a convicted felon, with possession of a firearm. The indictment charged Lindsay with having possessed a 9mm Smith & Wesson semi-automatic pistol, after having previously been convicted of armed robbery. On April 15, 2002, Lindsay pled guilty to one count of felon in possession of a firearm.

This prosecution arises from an investigation into the alleged theft of two United States Customs Service firearms that were issued to Customs inspector Bonita Lett. Lindsay, who has a personal relationship with Lett, stole the firearms from Lett. The indictment charged Lindsay with possession of one of these firearms.

On August 7, 2002, Lindsay was sentenced to 54 months of incarceration, with credit for nine months already served, followed by three years of supervised release.

United States v. Mamaril, Northern District of California

On August 27, 2002, Claro Mamaril, a Bay Area immigration law attorney, was sentenced to two years of probation and a \$5,000 fine. He was also required to report his conviction to the State Bar of California as a condition of probation. Mamaril previously pled guilty to a one count misdemeanor information, which charged him with paying unauthorized compensation to Michael Smirnoff, an employee of the Immigration and Naturalization Service. Mamaril cooperated in the investigation and was instrumental in the successful prosecution of Smirnoff.

United States v. Smirnoff, Northern District of California

On May 8, 2002, Michael Smirnoff, a supervisory special agent of the Immigration and Naturalization Service, pled guilty to a one count information charging him with accepting bribes.

Smirnoff, a retired section chief in the San Francisco office of the Immigration and Naturalization Service, accepted more than \$20,000 in cash between December 1995 and July 1998 from attorney Claro Mamaril. Smirnoff received the cash for expediting the processing at the INS of Mamaril's alien clients, who were illegally in the United States and were seeking hearings at the INS to obtain lawful permanent resident status. Smirnoff's actions enabled Mamaril's clients to by-pass hundreds of other aliens who had been waiting as long as two to three years to obtain residency hearings. Smirnoff also admitted in the plea proceedings that during the Government's investigation he induced a friend to lie for him to investigators about the source of several thousand dollars in cash that Smirnoff's ex-wife discovered in Smirnoff's pockets in 1996.

Smirnoff was sentenced on August 27, 2002, to 30 months in prison, two years of supervised release, and a \$30,000 fine.

United States v. Menyweather, Ninth Circuit Court of Appeals

On May 16, 2002, the United States Court of Appeals for the Ninth Circuit vacated the sentence imposed by a federal judge for the Central District of California against Dorothy Menyweather and remanded the case to the district court for resentencing. Menyweather, a former employee of the United States Attorney's Office for the Central District of California, previously pled guilty to one count of honest services mail fraud in connection with her theft of more than \$430,000 from the United States Attorney's Office. The district court at sentencing departed eight levels downward from the applicable sentencing guidelines and sentenced Menyweather to forty days of incarceration, to be served on weekends, five years of probation, 3,000 hours of community service, and full restitution. The Government appealed the sentence, arguing that the district court erred in failing to state reasons either for the direction or for the extent of its guidelines departure. The Government further argued that the district court abused its discretion in departing where the legal threshold for departure had not been met. The Court of Appeals, after hearing oral argument, determined that the district court erred in failing to give reasons for its departure and vacated the sentence. In remanding for resentencing, the Court of Appeals did not reach the question of whether adequate grounds for departure exist in the case.

On July 22, 2002, Menyweather was resentenced to the same original sentence of forty days of incarceration, to be served on weekends, five years of probation, 3,000 hours of community service, and full restitution. At the resentencing, the court heard arguments and resentenced Menyweather without stating reasons. The United States has appealed this sentence based on the insufficiency of the evidence and the failure to give notice of grounds upon which the departure was based. The appeal is pending.

United States v. Karen and Wayne Northart, Eastern District of Virginia

On October 17, 2002, a federal grand jury returned a seven-count indictment against Karen Northart, a former human resources supervisor for the Central Intelligence Agency, and her husband, Wayne Northart. The indictment charged both defendants with conspiracy to obtain student loans by fraud, obtaining student loans by fraud, and mail fraud and honest services mail fraud. Karen Northart was also charged with conversion of government property and false statements to the CIA. On October 28, 2002, Karen Northart pled guilty to false statements to the CIA, mail fraud, and honest services mail fraud. On the same day, Wayne Northart pled guilty to mail fraud and honest services mail fraud.

The CIA agreed to pay full tuition for Karen Northart to attend a Master's degree program at American University. For the 1997-1998 academic year, Karen and Wayne Northart also applied for student loans for the same Master's degree program. On the loan applications they significantly understated the amount of employer tuition assistance Karen was receiving, and misstated the number of family members in college. These false statements significantly increased the amount of loan money to which the Northarts were entitled. Furthermore, Karen Northart submitted false vouchers to the CIA stating that her tuition advances had been used to pay American University, when in fact they were not. Karen Northart converted a portion of these funds to her personal use and failed to pay American University \$4,260 in tuition.

In addition, Karen Northart served as treasurer of the Colonial Swim League, a non-profit children's swim league in northern Virginia. From February 1996 through September 1999, she wrote more than \$30,000 in checks from the swim league's bank account to herself, to Wayne Northart, and to cash, all of which she and her husband converted for their personal use. Karen Northart neglected to pay for many of the swim league's legitimate expenses, including insurance for the children and their coaches. The Northarts also failed to disclose the money they obtained from the swim league on Karen's school loan applications.

United States v. Pearson, Eastern District of Virginia

_____ On February 15, 2002, Kristina Pearson, formerly an office automation clerk at the Bureau of the Census of the United States Department of Commerce, was sentenced to two years of probation and \$6,125 in restitution to the Bureau of the Census. Pearson previously pled guilty to theft of government money.

Pearson, whose duties included the processing of credit card payments by outside purchasers of census data, credited her personal bank card numerous times, and used the credited funds to purchase goods and services for her own benefit.

United States v. Profera, Haritatos-Semko, and Semko, Western District of Virginia

On January 17, 2002, a federal grand jury returned a twenty-count indictment against three Doctors of Podiatric Medicine: Benedict A. Profera, Daniel D. Semko, and Suzanne Haritatos Semko (Haritatos), all former employees of the United States Department of Veterans Affairs Medical Center in Salem, Virginia (VAMC). All three defendants were charged with honest services wire fraud, bribery, theft, and aiding and abetting bribery and theft. On June 13, 2002, Semko pled guilty to engaging in a scheme to defraud the United States of money and property, and on the same day Haritatos pled guilty to aiding and abetting theft of government property. As part of their plea agreements, both Semko and Haritatos agreed to cooperate and testify at Profera's trial. On June 19, 2002, a jury convicted Profera of bribery, honest services wire fraud, and theft of government property.

Profera formerly headed the Podiatric Department and Podiatric Residency Program at VAMC. Semko and Haritatos were residents in the one-year program for the 1997-1998 term and worked under Profera's supervision. From March 1997 through March 1999, the three defendants engaged in a scheme in which Profera used his official position to allow Semko to receive all benefits for full participation in the residency program, including salary, professional credit, and other benefits, even though Semko rarely participated in the residency program and remained in Indiana to run his private podiatric practice which he owned jointly with Haritatos. Semko and Haritatos influenced Profera to participate in this scheme by paying him \$25,000 the month before starting the residency program. To conceal Semko's absences and the scheme, Haritatos and Profera falsely represented to Salem VAMC employees that Semko was present and participating in the residency program.

On September 12, 2002, Semko was sentenced to five years of probation, \$15,400 in restitution, and fined \$10,000, and Haritatos was sentenced to three years of probation, \$15,400 in restitution, and fined \$2,500.

United States v. Punka, Northern District of Ohio

On April 18, 2002, Anthony Punka, III, a former senior special agent of the Office of the Inspector General, United States Department of Agriculture (OIG), pled guilty to a one-count felony information charging him with theft of government money.

In his position as senior special agent, Punka was responsible for conducting administrative and criminal investigations by OIG involving food stamp fraud. In 1994, Punka became the OIG's evidence custodian. In 1996, Punka, as the sole signatory, opened a safe-deposit box to secure federal money and food stamps used by the OIG agents in the Cleveland office during covert food stamp investigations. In January of 2002, the assistant special agent-in-charge scheduled an office equipment inventory and review of the evidence held in the Cleveland office. At the review, Punka confessed to the assistant special agent-in-charge that he had stolen cash evidence and that he had been doing so for years. A review of the OIG's bank's safe-deposit entry log disclosed that Punka never entered the box. A review of the evidence logs indicated that Punka stole a total of \$47,491 in cash.

On August 12, 2002, Punka was sentenced to a 12-month split sentence: six months of incarceration and six months of home detention with electronic monitoring; two years of supervised release, and mandatory mental health counseling. He was also sentenced to immediately pay \$47,491 in restitution. Structured as a fine, the judge further ordered Punka to pay the cost of his incarceration, at \$1,800 per month; and the cost of his electronic monitoring, at \$3 day per day. Punka, a licensed attorney, voluntarily relinquished his law license.

United States v. Ricketts, Middle District of Florida

On February 22, 2002, Thurlo Ricketts, a former customer service center manager of the General Services Administration (GSA), was sentenced to restitution and one year of probation. Ricketts previously pled guilty to a one-count information charging him with violating a criminal conflict of interest law.

In his position as customer service center manager, Ricketts supervised all GSA contractors in the Tampa area. Desmear Systems, Inc. (Desmear), was a GSA mechanical maintenance contractor under Ricketts' direct authority. In late 1998, Ricketts requested Desmear to prepare a quotation, under Desmear's existing contract with GSA, to provide secretarial services to the Tampa GSA office. Once Desmear prepared the information, Ricketts signed work orders for secretarial services to be provided by Desmear, and which Ricketts's wife was hired to fill. Mrs. Ricketts was paid approximately \$4,000. Also, in 1999 Ricketts submitted to GSA false financial disclosure documents related to the additional income.

United States v. Rock, Eastern District of Virginia

On November 1, 2002, Patsy Ann Rock pled guilty to a one-count information charging her with theft of government money. Rock was an administrative secretary for the Defense Security Service, an agency of the United States Department of Defense, until her resignation in October 2002.

From September 2000 through June 2001, Rock claimed 346 hours of overtime which she had not in fact worked, and was paid \$9,387 for those hours. Rock's job responsibilities included entering time, attendance, and payroll information onto official government systems. Because she was familiar with these systems and she knew the user name and password information for several supervisors, she was able to submit payroll information without obtaining required approval, which allowed her to conceal her false overtime.

United States v. Tatum, Northern District of Mississippi

On February 8, 2002, Alan Tatum, a former special agent with the FBI, pled guilty to a one-count information charging him with conversion of the money of another.

In April of 1999, officers of the Tunica County Sheriff's Department in Mississippi conducted a search of a hotel room and seized several items. At the conclusion of the search, the seized items were turned over to Tatum, in his capacity as FBI special agent. Included among the seized items was \$28,085 in cash. Although Tatum took possession of the items in the execution of his FBI duties, he did not turn over any of the seized items to the FBI, but instead kept the items for his own use.

On June 18, 2002, Tatum was sentenced to five months of incarceration, three months of home confinement, and three years of supervised release.

United States v. Washington-Lowery, Eastern District of Virginia

On June 19, 2002, Michelle Washington-Lowery pled guilty to a one-count information charging her with theft of more than \$10,000 in government money. Washington-Lowery was chief logistics officer of a component of the Central Intelligence Agency until her resignation in November 2001.

From January 1997 through January 2000, Washington-Lowery used her government-issued procurement credit card, known as an "Imprest card," to make personal purchases for which the Government was directly billed. The charges, which included automobile insurance and repairs, purchases of clothing and jewelry, and her son's college tuition, totaled \$10,552. Washington-Lowery falsely indicated on official forms that these purchases were made for official government purposes. In addition, in September 1996, Washington-Lowery submitted a voucher for a cash advance of \$2,000, claiming that the cash advance was for official government purposes, when in fact it was for personal use.

On September 6, 2002, Washington-Lowery was sentenced to a two-year term of probation and ordered to pay \$12,552 in restitution.

**Counterfeit Check Prosecutions
District of Columbia**

The following cases stem from an investigation of counterfeit checks written on accounts at banks located in the Washington, DC, metropolitan area. One of the accounts was controlled by the Federal Government. From November 1998 until September 2000, a group of counterfeit check passers was responsible for cashing over \$125,000 in counterfeit checks at Washington-area banks. The group created the checks on personal computers using financial information stolen from a variety of sources. The counterfeit checks, which were created to resemble corporate payroll checks, were typically made payable to the order of names obtained on stolen identification.

United States v. Badon

On May 15, 2002, Tonya Lee Badon was sentenced to a five-year term of probation. Badon previously pled guilty to conspiracy to commit bank fraud. Badon received a

downward departure from the applicable sentencing guidelines based on her substantial assistance to the Government's investigation.

Badon was a member of a group of counterfeit check passers that operated in the Washington metropolitan area. The leaders of the group drove Badon and other check passers to Washington-area banks and paid them to go into the banks and cash the counterfeit checks using the stolen identification.

United States v. Malone

On April 15, 2002, Gladys Malone pled guilty to one count of conspiracy to commit bank fraud.

Malone was a leader of a group of counterfeit check passers that operated in the Washington metropolitan area. Malone and others drove check passers to Washington-area banks and paid them to go into the banks and cash the counterfeit checks using the stolen identification. Malone also purchased stolen checks in furtherance of the conspiracy, arranged for passers to obtain fraudulent identification matching the stolen checks, and directed passers to Washington-area merchants, where they purchased goods for the benefit of the co-conspirators.

On July 3, 2002, Malone was sentenced to 42 months of imprisonment, three years of supervised release, and was ordered to pay over \$75,000 in restitution.

United States v. Robinson

On April 26, 2002, Felicia Robinson pled guilty to a one-count indictment charging her with conspiracy to commit bank fraud.

Robinson was a leader of a group of counterfeit check passers that operated in the Washington metropolitan area. Robinson created the checks on personal computers using financial information stolen from a variety of sources. Robinson and others drove check passers to Washington-area banks and paid them to go into the banks and cash the counterfeit checks using the stolen identification.

United States v. Shorts

On May 24, 2002, Anthony Shorts was sentenced to a one-year term of imprisonment and three years of supervised release. Shorts previously pled guilty to a one-count information charging him with conspiracy to commit bank fraud. Shorts received a downward departure from the applicable sentencing guidelines based on his substantial assistance to the Government's investigation.

Shorts was another member of the group of counterfeit check passers operating in the Washington metropolitan area. The leaders of the group drove Shorts and other check passers to Washington-area banks and paid them to go into the banks and cash the counterfeit checks using stolen identification.

**Southwest Border Investigation
Western District of Texas**

The following cases resulted from the Section's investigation into allegations of corruption by law enforcement agents on the Southwest Border employed by the United States Customs Service and the United States Border Patrol.

United States v. Barron

On February 22, 2002, Manuel Barron was sentenced to 40 months of imprisonment and four years of supervised release. Barron, a former confidential informant for the United States Customs Service, previously pled guilty to importation of marijuana and conspiracy to bribe a Customs inspector.

Barron, along with a corrupt United States Customs special agent named David Jenkins, was involved in the importation of approximately 250 kilograms of marijuana.

United States v. Cuanda-Munoz

On March 7, 2002, Benigno Cuanda-Munoz, a confidential informant for the United States Customs Service, was sentenced to 28 months of incarceration to be followed by three years of non-reporting probation. Cuanda-Munoz previously pled guilty to conspiracy to bribe a public official. Cuanda-Munoz, a Mexican national, will also be deported to Mexico.

As a confidential informant, Cuanda-Munoz established a close working relationship with Customs supervisory special agent Ramon Torrez. Beginning in approximately March 1999, he assisted the Customs Service by transporting large quantities of marijuana from Mexico to Texas as part of undercover controlled deliveries. At the same time, with the assistance of Torrez and some of the agents Torrez supervised, Cuanda-Munoz transported into Texas and delivered to his customers for further distribution throughout the United States almost eight tons of marijuana. Sometimes Torrez permitted the entire load to be smuggled by Cuanda-Munoz and other times he would permit Cuanda-Munoz to skim only part of a load which was later seized by his group.

In July 1999, Cuanda-Munoz told Torrez that he was being threatened by people associated with the owners of marijuana he had transported which had been seized by federal law enforcement agents, because the owners suspected he was a government informant. Cuanda-Munoz asked Torrez to help him import and deliver two additional tons of marijuana without seizure to dispel those rumors. Torrez told Cuanda-Munoz that he would help him and that he wanted \$80,000 for his assistance. Shortly thereafter, on two separate occasions, using Torrez's power and authority as a supervisory Customs agent, Torrez and Cuanda-Munoz transported approximately one ton of marijuana from Mexico to Texas. Neither Torrez nor any agents in his group seized the marijuana. Pursuant to their agreement, Cuanda-Munoz paid Torrez approximately \$80,000 in cash.

United States v. Diaz and Hernandez

On October 11, 2002, United States Customs Special Agent David Diaz and El Paso police officer Frank Hernandez were charged in a two-count misdemeanor information with searching without a warrant or consent and conspiring to do so in November of 1998.

The defendants were charged with knocking down the front door of a residence in El Paso which they had been told had been used to store narcotics and proceeds. Once inside, Diaz banged holes in the drywall. No contraband was found. During the search, an El Paso police officer arrived and then left after being advised that the agents were conducting an official investigation. After searching the house, the agents left, placing the loose door in the doorway. No oral or written reports were made of the entry.

At the time of the break-in, the house was being remodeled and was unoccupied. The house is owned by a couple who have been convicted of narcotics-related offenses. Both defendants were assigned to the Customs Task Force supervised by Customs supervisory special agent Ramon Torrez at the time of the break-in. Torrez was also present at the break-in, and has admitted that the entry was illegal.

United States v. Jenkins

On May 10, 2002, David H. Jenkins, II, was sentenced to six months' house arrest based on his previous guilty plea to a charge of misprision of a felony.

Until his resignation in June 2001, Jenkins was a United States Customs special agent in El Paso, Texas. He had been assigned to work in the Customs Task Force supervised by Torrez. Jenkins admitted to agents investigating allegations of misconduct involving Torrez's group that he had assisted one of his informants in the importation and delivery of marijuana. Jenkins admitted that he let the load go without making any seizures or any reports of the activity after his informant complained that he was being threatened by traffickers who suspected he was a government informant.

United States v. Torrez

On January 22, 2002, Ramon Torrez, a former supervisory special agent with United States Customs Service, pled guilty to a two-count superseding indictment charging him with conspiracy to defraud the United States and conspiracy to bribe a public official.

Torrez admitted that he assisted three informants in importing marijuana loads into the United States from Mexico, escorting the loads and then releasing all or parts of them onto the streets of El Paso on 15 different occasions. Torrez also admitted conspiring to receive a bribe from an informant in exchange for using his official position to assist the informant in importing and distributing without seizure two additional ton loads of marijuana in 1999. Torrez admitted that he carried out and concealed this scheme from his supervisors and other law enforcement agents by making false representations and by failing to prepare and direct others to prepare reports required of Customs agents involved in the federal enforcement of narcotics laws.

Torrez was responsible for designing and overseeing an undercover investigation called "Operation Porterhouse," which was intended to target certain transporters for large marijuana distributors operating out of Juarez, Mexico, near El Paso, Texas. Torrez's group received Commissioner's Citations and other significant recognition from the Customs Service for their apparent effectiveness at seizing large quantities of marijuana as part of Operation Porterhouse. In fact, the seizure statistics were derived from illegal activities, primarily allowing certain informants to "walk" large marijuana loads which made it possible for them to be entrusted with large loads that could be seized. Near the end of the Operation, Torrez agreed to take a bribe from one of his informants for his assistance in walking two more ton loads.

On March 29, 2002, Torrez was sentenced to ten years in prison, to be followed by three years of supervised release. He was also ordered to forfeit \$50,000 in bribe money and to perform 200 hours of community service.

STATE AND LOCAL GOVERNMENT

At the end of 2002, 11 matters of alleged corruption involving state or local government were open in the Public Integrity Section. In 2002 the Section closed three such investigations. Also during 2002, the Section prosecuted the following cases involving state or local corruption:

United States v. Anzelmo, Gottenstrater, Maraldo, and Stump, Southern District of Texas

On June 7, 2002, following a four-week trial, a federal jury convicted Michael M. Stump, former president of Professional Services Group, Inc. (PSG), a Houston wastewater treatment company, and Katherine R. Maraldo, a former member of the New Orleans Sewerage and Water Board, of one count of conspiracy and three counts of honest services mail fraud. Both defendants were acquitted on a wire fraud count and a Travel Act count. The jury was unable to reach a verdict on one count of conspiracy against a codefendant, PSG's former Louisiana lawyer, Salvador Anzelmo. Anzelmo and the fourth codefendant, William K. Gottenstrater, were acquitted on the remaining charges.

The charges in this case arose out of PSG's efforts to keep a lucrative contract to operate and manage wastewater treatment plants in New Orleans. The conspiracy began in 1993, the indictment alleges, when Stump, Anzelmo, and Gottenstrater began providing a variety of benefits to Maraldo to influence her official action concerning the administration and renewal of PSG's New Orleans contract. Initially, Maraldo became involved in a legal dispute with the City of New Orleans regarding the validity of her seat on the City's Sewerage and Water Board, and PSG officials paid over \$9,000 for her legal fees. Thereafter, in 1994 Maraldo and a business partner invested in a speculative real estate venture known as Oak Harbor. PSG paid over \$70,000 to Maraldo over the next two years, which Maraldo and her partner used to pay their Oak Harbor mortgage and other personal

expenses. To conceal the company's payments to Maraldo, the conspirators used a PSG employee and the business partner as conduits. Floyd Hill, the PSG conduit for these payments, previously pled guilty to a mail fraud scheme to deprive his employers of his honest services. In addition to the cash payments, the indictment alleged that PSG and Anzelmo provided Maraldo with legal services to make the Oak Harbor property more saleable, with Anzelmo billing PSG for his efforts. PSG's parent company, Aqua Alliance previously pled guilty to one count of bribery concerning a federally funded program.

United States v. Bodenheimer and Chewning, Eastern District of Louisiana

On July 17, 2002, a Louisiana State Court Judge Ronald D. Bodenheimer and Curly J. Chewning were indicted by a federal grand jury on one count of conspiracy to distribute and attempt to distribute, and to possess and attempt to possess with the intent to distribute, Oxycodone, a narcotic drug controlled substance, and three counts of knowingly and intentionally using a cellular telephone in committing the drug conspiracy. Chewning pled guilty on the same day as the indictment to one count of conspiracy to distribute and attempt to distribute, and to possess and attempt to possess with the intent to distribute, a narcotic drug controlled substance, and one count of knowingly and intentionally using a cellular telephone in committing the drug conspiracy.

Chewning admitted to conspiring with Bodenheimer to plant controlled substances in a vehicle of an FBI cooperating witness with whom Bodenheimer had a long history of disagreements over various matters. Chewning admitted that Bodenheimer asked Chewning to plant the drugs in the vehicle and that the two discussed the scheme on several occasions over the telephone. Specifically, in April of 2002, Chewning placed a plastic bag containing Oxycodone, a narcotic drug, in the glove compartment of the cooperating witness's vehicle. Bodenheimer and Chewning were subsequently arrested on a criminal complaint. This case is part of a larger investigation of alleged state judicial corruption.

On October 23, 2002, Chewning was sentenced to six months in a halfway house and five years of probation. He was also ordered to pay a \$1,000 fine. Chewning had been in jail since his arrest on June 5, 2002.

These prosecutions, as well as the one listed below, are being handled jointly by the Public Integrity Section and the United States Attorney's Office for the Eastern District of Louisiana.

United States v. Perez, Eastern District of Louisiana

On July 30, 2002, Danny Perez pled guilty to an information charging him with conspiracy to possess with the intent to distribute a narcotic drug. As part of his plea agreement, Perez agreed to provide full and truthful cooperation and testify as needed in all matters, including an ongoing investigation of alleged corruption.

United States v. DeSoto and Nunez, Southern District of Florida

On March 26, 2002, a federal jury found Cecilio Nunez, a suspended Hialeah police officer, guilty on two Hobbs Act robbery counts, one Hobbs Act conspiracy count, and two firearms counts. Nunez was found not guilty on two narcotics counts. On March 18, 2002, the day the trial began, Nunez's co-defendant, Orestes DeSoto, a recently retired Hialeah police officer, pled guilty to Hobbs Act, firearms, and narcotics charges.

The trial evidence showed that DeSoto and Nunez used their positions as police officers to identify and target individuals for robberies. Some of the robberies occurred while DeSoto and Nunez were on duty or using marked Hialeah police vehicles. One of the victims was stopped by a marked Hialeah Police car, hooded, handcuffed, abducted and taken to a warehouse, where he was beaten, threatened at gunpoint to disclose the location of narcotics, and robbed of his money and jewelry. Another victim testified that after she was robbed, she ran down the street in an effort to summon a police car parked nearby, only to watch it drive away with the subjects who committed the robbery.

On September 11, 2002, Nunez was sentenced to 272 months of imprisonment, five years of supervised release and ordered to pay \$22,170 in restitution. DeSoto was sentenced on September 12, 2002, to 319 months of imprisonment, five years of supervised release and ordered to pay \$22,170 in restitution.

The case was prosecuted jointly by the Public Integrity Section and the United States Attorney's Office for the Southern District of Florida.

Police Corruption Prosecutions Southern District of Alabama

_____The following prosecutions were part of a 25-count Racketeer Influenced and Corrupt Organizations (RICO) indictment charging six Prichard Police Department (PPD) officers with public corruption offenses. The indictment alleged that, from July 1999 through September 2000, six PPD officers used their positions with the PPD to enrich themselves by, among other things, extorting, robbing, and soliciting bribes from individuals detained by the PPD in return for not pursuing criminal charges against those individuals. A previous trial of all six defendants in 2001 resulted in a mistrial after a jury declared they could not reach a unanimous verdict.

United States v. Diaz & Pippins

On February 5, 2002, following a week-long retrial and several days of deliberations, a federal jury convicted former PPD Vice and Narcotics detective Frederick Pippins of one count of federal extortion under color of official right, and former PPD Vice and Narcotics detective Anthony Diaz of one count of unlawfully depriving an individual of rights under color of law. The jury failed to reach a unanimous verdict as to the remaining counts against Pippins and Diaz, resulting in a mistrial as to those counts.

Specifically, the jury found that, in December 1999, Pippins extorted at least \$10,000 from an individual detained by the PPD in exchange for not pursuing criminal charges against that person and releasing that person from police custody. Diaz was found to have unlawfully deprived an individual detained by the PPD of his civil rights during the execution of a search warrant in July of 1999, when he took money from that individual and kept it for himself.

On May 14, 2002, Pippins was sentenced to 43 months of imprisonment, and Diaz was sentenced to 12 months of imprisonment.

United States v. Gillis, McDuffie, Stallworth, and Stuckey

On January 4, 2002, one month before the retrial, four of the six former PPD police officers charged in the 25-count RICO indictment alleging police corruption pled guilty to various charges contained in that indictment. Specifically, former PPD lieutenant James Stallworth pled guilty to one count of racketeering; former PPD sergeant John Stuckey, the former supervisor of the PPD Vice and Narcotics Squad, pled guilty to one count of possession with intent to distribute crack cocaine; former PPD Vice and Narcotics detective Nathan McDuffie pled guilty to one count of participating in a conspiracy to deprive individuals detained by the PPD of property without due process of law; and former PPD Vice and Narcotics detective Derek Gillis pled guilty to one count of unlawfully depriving an individual of rights under color of law.

Specifically, Stallworth pled guilty to unlawfully extorting money on two occasions from individuals detained by the PPD by threatening criminal prosecution against them. Stallworth admitted that he committed these extortionate acts with other PPD police officers, and that he and two other former PPD officers kept the money for themselves. McDuffie admitted that he and other PPD police officers took money from detained individuals and kept some or all of that money for themselves. Gillis admitted that he participated in seizing money from a detained individual and permanently deprived that person of the money without due process of law. As part of the plea agreements, all four former police officers agreed to provide complete and truthful cooperation regarding their criminal activities and the criminal activities of others.

On April 30, 2002, all four defendants were sentenced: Stallworth was sentenced to 36 months of imprisonment, Stuckey was sentenced to 30 months of imprisonment, McDuffie was sentenced to 21 months of imprisonment, and Gillis was sentenced to two years of probation. Stallworth, Stuckey and Gillis each received a reduced sentence because they cooperated and testified or provided information later used at trial against their co-defendants Diaz and Pippins. McDuffie failed to cooperate with the Government as promised in his plea agreement, and therefore forfeited any reduction in his sentence.

FEDERAL ELECTION CRIMES

As described in Part I, during 2002 the Public Integrity Section continued its nationwide oversight role regarding the handling of election crime allegations. As part of a general Department effort to increase its effectiveness in this important area, the Section assisted in the planning and execution of the Department's 2002 Ballot Integrity Initiative. The purpose of this ongoing Initiative is to increase the Department's ability to deter, detect, and prosecute election crimes and voting abuses by prioritizing election crime cases. As a result of the Initiative, during 2002 the number of election crime matters opened by federal prosecutors throughout the country increased significantly, as did the Section's active involvement in election crime matters stemming from the Initiative. At the end of 2002, the Section was supervising and providing advice on approximately 43 election crime matters nationwide.

In addition, as of December 31, 2002, 11 matters involving possible election crimes were pending in the Section. During 2002 the Section closed two election crime matters and continued its operational supervision of the following election crime case:

United States v. Woodward and Jordan, Northern District of Alabama

Jimmy Woodward, the former Sheriff of Jefferson County, Alabama, and Albert Jordan, an attorney from Birmingham, were indicted in 2000 for conspiring to obtain criminal history records from the National Crime Information Center (NCIC) for use in an election contest, for converting NCIC records, and for accessing government computers without authority. The indictment charged that Woodward and Jordan conspired to use Sheriff's office personnel to access NCIC computers to run criminal history checks on hundreds of voters in Jefferson County who had voted by absentee ballot in the 1998 general election, in the hopes they would find criminal histories they could use to challenge the qualifications of voters who cast votes for Woodward's opponent. The charges were dismissed in 2000 on procedural grounds.

The Department appealed the dismissal of the charges. In 2001 the case was argued before the Eleventh Circuit Court of Appeals by the Appellate Section of the Criminal Division. The Court of Appeals subsequently reversed the trial court's dismissal of the charges and remanded the case for retrial.

The former United States Attorney for the Northern District of Alabama was recused from the case. The case is being prosecuted by an Assistant United States Attorney under the supervision of the Public Integrity Section.

PART III

NATIONWIDE FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS

INTRODUCTION

The tables in this section of the Report reflect data that is compiled from annual nationwide surveys of the United States Attorneys' Offices by the Public Integrity Section.

As discussed in Part I, most corruption cases are handled by the local United States Attorney's Office in the district where the crime occurred. However, on occasion outside prosecutors are asked either to assist the local office on a corruption case, or to handle the case entirely as a result of recusal of the local office due to a possible conflict of interest. The figures in the following tables include all public corruption prosecutions within each district.

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Nationwide Federal Prosecutions of Corrupt Public Officials

TABLE III: Federal Public Corruption Convictions by District
Over the Past Decade

TABLE I

NATIONWIDE FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS IN 2002

Federal Officials

Indicted	478
Convicted	429
Awaiting Trial	119

State Officials

Indicted	110
Convicted	132
Awaiting Trial	50

Local Officials

Indicted	299
Convicted	262
Awaiting Trial	118

Others Involved

Indicted	249
Convicted	188
Awaiting Trial	126

Totals

Indicted	1,136
Convicted	1,011
Awaiting Trial	413

TABLE II**PROGRESS OVER THE LAST TWO DECADES:
NATIONWIDE FEDERAL PROSECUTIONS OF CORRUPT PUBLIC OFFICIALS**

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992
FEDERAL OFFICIALS										
Indicted	460	408	563	596	651	629	695	615	803	624
Convicted	424	429	470	523	545	529	610	583	665	532
Awaiting Trial as of 12/31	58	77	90	83	118	86	126	103	149	139
STATE OFFICIALS										
Indicted	81	58	79	88	102	66	71	96	115	81
Convicted	65	52	66	71	76	69	54	79	77	92
Awaiting Trial as of 12/31	26	21	20	24	26	14	18	28	42	24
LOCAL OFFICIALS										
Indicted	270	203	248	232	246	276	269	257	242	232
Convicted	226	196	221	207	204	229	201	225	180	211
Awaiting Trial as of 12/31	61	74	49	55	89	79	122	98	88	91
PRIVATE CITIZENS INVOLVED IN PUBLIC CORRUPTION OFFENSES										
Indicted	265	262	267	292	277	303	313	208	292	252
Convicted	257	257	240	225	256	240	284	197	272	246
Awaiting Trial as of 12/31	77	97	97	84	135	109	109	71	67	126
TOTALS										
Indicted	1,076	931	1,157	1,208	1,276	1,274	1,348	1,176	1,452	1,189
Convicted	972	934	997	1,026	1,081	1,067	1,149	1,084	1,194	1,081
Awaiting Trial as of 12/31	222	269	256	246	368	288	375	300	346	380

TABLE II (continued)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Totals
FEDERAL OFFICIALS											
Indicted	627	571	527	456	459	442	480	441	502	478	11,027
Convicted	595	488	438	459	392	414	460	422	414	429	9,821
Awaiting Trial as of 12/31	133	124	120	64	83	85	101	92	131	119	2,081
STATE OFFICIALS											
Indicted	113	99	61	109	51	91	115	92	95	110	1,773
Convicted	133	97	61	83	49	58	80	91	61	132	1,546
Awaiting Trial as of 12/31	39	17	23	40	20	37	44	37	75	50	625
LOCAL OFFICIALS											
Indicted	309	248	236	219	255	277	237	211	224	299	4,990
Convicted	272	202	191	190	169	264	219	183	184	262	4,236
Awaiting Trial as of 12/31	132	96	89	60	118	90	95	89	110	118	1,803
PRIVATE CITIZENS INVOLVED IN PUBLIC CORRUPTION OFFENSES											
Indicted	322	247	227	200	292	364	302	256	266	249	5,456
Convicted	362	182	188	170	243	278	306	242	261	188	4,894
Awaiting Trial as of 12/31	99	95	91	80	106	128	89	109	121	126	2,016
TOTALS											
Indicted	1,371	1,165	1,051	984	1,057	1,174	1,134	1,000	1,087	1,136	23,246
Convicted	1,362	969	878	902	853	1,014	1,065	938	920	1,011	20,497
Awaiting Trial as of 12/31	403	332	323	244	327	340	329	327	437	413	6,525

TABLE III

FEDERAL PUBLIC CORRUPTION CONVICTIONS BY DISTRICT OVER THE PAST DECADE

U.S. Attorney's Office	1993	1994	1995	1996	1997	1998	1999	2000	2001 ¹	2002	Totals
Alabama, Middle	4	0	1	4	6	4	2	3	9	7	40
Alabama, Northern	4	12	2	4	4	1	17	9	15	11	79
Alabama, Southern	4	11	3	1	9	0	6	0	2	10	46
Alaska	0	0	2	2	3	1	4	16	6	5	39
Arizona	16	10	2	6	8	5	7	8	1	4	67
Arkansas, Eastern	4	2	0	1	4	4	5	7	0	0	27
Arkansas, Western	2	1	0	0	1	1	0	1	0	3	9
California, Central	92	62	94	66	58	39	58	31	33	35	568
California, Eastern	23	19	18	26	17	18	17	18	18	20	194
California, Northern	22	7	25	16	7	14	9	18	3	4	125
California, Southern	0	4	7	16	2	4	4	7	12	5	61
Colorado	0	Not Reported	0	0	0	2	1	3	22	16	44
Connecticut	3	16	8	5	4	6	8	8	14	3	75
Delaware	8	1	0	0	1	4	2	1	8	7	32
District of Columbia	39	80	Not Reported	37	32	72	60	46	43	44	453
Florida, Middle	11	Not Reported	22	24	15	12	24	28	8	9	153

¹The Statistics originally reported in the 2001 column of Table III in the 2001 Annual Report were incorrect. Instead of reporting the total number of public corruption convictions in all categories for that year, the 2001 column listed only the number of federal officials convicted of such offenses. This error has been corrected in this Report and Table III now accurately reflects the statistics for all federal public corruption convictions for the year 2001.

TABLE III (continued)

U.S. Attorney's Office	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Totals
Florida, Northern	10	5	5	7	8	5	4	8	5	5	62
Florida, Southern	22	51	42	29	31	79	106	71	83	38	552
Georgia, Middle	4	17	6	5	6	3	2	2	11	1	57
Georgia, Northern	13	19	19	11	Not Reported	1	6	Not Reported	10	26	105
Georgia, Southern	10	0	7	1	38	6	3	0	3	6	74
Guam	10	9	1	3	7	6	7	19	19	13	94
Hawaii	7	9	6	4	4	6	2	3	2	10	53
Idaho	3	0	7	4	3	7	5	5	4	7	45
Illinois, Central	4	4	10	10	7	8	2	3	2	5	55
Illinois, Northern	84	74	67	71	55	55	53	49	24	19	551
Illinois, Southern	1	2	24	2	2	4	5	7	4	6	57
Indiana, Northern	6	6	7	12	14	3	8	7	4	4	71
Indiana, Southern	5	8	5	5	4	4	1	4	2	2	40
Iowa, Northern	5	3	4	2	1	3	2	0	0	1	21
Iowa, Southern	4	0	0	0	0	1	0	0	0	2	7
Kansas	5	11	3	1	3	3	6	8	5	6	51
Kentucky, Eastern	9	13	9	8	11	8	17	25	15	25	140
Kentucky, Western	5	5	5	11	4	6	8	0	2	2	48
Louisiana, Eastern	13	20	6	30	24	17	19	18	20	19	186

TABLE III (continued)

U.S. Attorney's Office	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Totals
Louisiana, Middle	5	4	6	7	4	13	3	2	6	2	52
Louisiana, Western	8	11	8	11	11	9	2	3	6	9	78
Maine	10	3	1	6	4	0	0	5	2	0	31
Maryland	21	17	0	11	3	5	7	8	8	6	86
Massachusetts	9	12	27	35	12	27	21	6	15	8	172
Michigan, Eastern	11	6	1	4	10	14	18	7	18	14	103
Michigan, Western	9	10	11	14	3	0	8	4	9	10	78
Minnesota	4	5	5	7	1	14	8	4	8	8	56
Mississippi, Northern	13	13	12	6	3	0	42	9	5	7	110
Mississippi, Southern	12	6	3	9	4	8	17	14	19	13	105
Missouri, Eastern	7	17	19	5	7	15	16	3	4	10	103
Missouri, Western	6	9	6	16	18	1	10	9	6	3	84
Montana	0	3	0	0	1	4	5	16	3	13	45
Nebraska	1	1	4	1	1	0	0	0	0	1	9
Nevada	0	1	0	6	1	7	9	6	5	6	41
New Hampshire	1	1	0	0	0	1	1	2	0	5	11
New Jersey	21	23	16	41	21	58	43	28	28	28	307
New Mexico	6	6	0	5	Not Reported	0	Not Reported	7	2	2	28
New York, Eastern	62	20	23	11	39	17	18	21	10	38	259

TABLE III (continued)

U.S. Attorney's Office	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Totals
New York, Northern	14	8	11	22	9	9	9	8	11	5	106
New York, Southern	29	58	39	38	43	61	33	48	34	33	416
New York, Western	11	21	6	11	11	3	7	4	13	6	93
North Carolina, Eastern	3	2	2	5	9	5	4	0	7	4	41
North Carolina, Middle	4	3	1	0	4	8	7	4	5	12	48
North Carolina, Western	1	2	10	1	8	3	3	5	1	3	37
North Dakota	3	8	10	4	5	6	0	2	2	5	45
Ohio, Northern	35	19	19	25	29	90	25	36	34	29	341
Ohio, Southern	26	21	12	13	11	10	29	20	17	21	180
Oklahoma, Eastern	0	1	1	4	3	7	3	2	10	0	31
Oklahoma, Northern	10	0	2	2	4	4	2	3	2	5	34
Oklahoma, Western	6	6	6	1	1	0	7	4	0	2	33
Oregon	1	2	6	0	0	1	3	4	3	1	21
Pennsylvania, Eastern	29	10	24	11	35	25	37	30	36	57	294
Pennsylvania, Middle	9	9	8	8	14	7	12	14	20	9	110
Pennsylvania, Western	9	1	11	10	2	4	8	7	5	6	63
Puerto Rico	13	4	1	4	2	0	13	10	9	101	157
Rhode Island	2	6	6	0	2	1	3	5	2	6	33
South Carolina	26	22	5	4	6	13	11	13	8	5	113
South Dakota	1	1	6	6	7	7	1	2	2	4	37

TABLE III (continued)

U.S. Attorney's Office	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	Totals
Tennessee, Eastern	8	5	7	5	6	Not Reported	4	3	2	9	49
Tennessee, Middle	6	6	1	4	1	0	6	0	0	4	28
Tennessee, Western	12	16	12	10	13	7	12	8	13	8	111
Texas, Eastern	5	Not Reported	31	5	2	9	3	4	14	5	78
Texas, Northern	11	2	4	5	26	7	9	6	3	13	86
Texas, Southern	15	33	26	26	34	22	31	29	30	10	256
Texas, Western	16	7	7	9	2	15	10	5	15	21	107
Utah	0	0	0	0	5	2	5	2	2	8	24
Vermont	1	1	2	0	0	1	2	2	2	0	11
Virgin Islands	3	1	0	Not Reported	5	8	11	6	4	6	44
Virginia, Eastern	15	11	13	7	9	32	17	22	22	17	165
Virginia, Western	4	3	1	1	2	2	8	7	3	13	44
Washington, Eastern	Not Reported	2	0	0	1	0	1	1	0	3	8
Washington, Western	1	2	17	8	6	10	10	16	10	3	83
West Virginia, Northern	0	0	2	0	1	1	3	0	0	0	7
West Virginia, Southern	5	0	3	3	2	8	3	6	3	4	37
Wisconsin, Eastern	7	1	7	8	6	11	4	8	10	10	72
Wisconsin, Western	0	0	0	1	0	0	0	4	3	0	8
Wyoming	1	4	0	3	3	0	1	1	0	0	13