

RECEIVED  
FILED  
IN CLERK'S OFFICE  
U.S. DISTRICT COURT E.D.N.Y.  
★ SEP 10 2019 ★  
LONG ISLAND OFFICE

ALB:EEA  
F. #2017R01771

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK  
----- X

UNITED STATES OF AMERICA

- against -

GEOFFREY GIRNUN,

Defendant.  
----- X

INDICTMENT

**CR 19 0416**

C. No. (T. 18, U.S.C., §§ 2, 641, 666(a)(1)(A),  
981(a)(1)(C), 982(a)(1), 982(b)(1),  
1343, 1956(a)(1)(B)(i) and 3551  
et seq.; T. 21, U.S.C., § 853(p); T. 28,  
U.S.C., § 2461(c)) **HURLEY, J.**

**LINDSAY, M.J.**

THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

I. The Defendant and Relevant Entities

1. The defendant GEOFFREY GIRNUN was a resident of Woodmere, New York. GIRNUN held a doctoral degree in cancer biology.

2. Atlas Metabolomic, LLC ("Atlas") was a limited liability corporation incorporated by the defendant GEOFFREY GIRNUN in the name of John Doe #1, an individual whose identity is known to the Grand Jury, in Florida in or about 2013.

GIRNUN and John Doe #1 set up a bank account for Atlas at a PNC Bank, N.A. ("PNC") branch in Florida in or about 2013.

3. Empyrean Biosciences, LLC ("Empyrean") was a limited liability corporation incorporated by the defendant GEOFFREY GIRNUN in Maryland in or about

2017. GIRNUN set up a bank account for Empyrean at a Bank of America, N.A. branch in Maryland in or about 2017.

4. The National Institutes of Health (“NIH”) was a part of the United States Department of Health and Human Services, and was the primary agency of the United States government responsible for research grant funding and conducting biomedical and public health research.

5. NIH research grants were subject to the regulations set forth in 42 C.F.R. § 52, Subpart F, which required institutions with investigators receiving NIH research grant funds to direct those investigators to disclose any conflicting financial interests. Subpart F “promotes objectivity in research by establishing standards to ensure there is no reasonable expectation that the . . . reporting of research funded . . . will be biased by any conflicting financial interest of an Investigator.” 42 C.F.R. § 52, Subpart F. A “Principal Investigator” was defined as “the individual(s) judged by the applicant organization to have the appropriate level of authority and responsibility to direct the project or program supported by the grant and who is or are responsible for the scientific and technical direction of the project.” 42 C.F.R. § 52.2.

6. Stony Brook University (“SBU”) was a New York State public university located in Stony Brook, New York, which received state and federal funds. At all relevant times, SBU received in excess of \$10,000 each calendar year from federal programs involving grants, contracts, subsidies, loans, guarantee insurance and other forms of federal assistance provided by federal agencies, including the Department of Health and Human Services, the Department of Education and the National Science Foundation.

7. In or about and between November 2013 and September 2019, the defendant GEOFFREY GIRNUN was employed as an associate professor in the Department of Pathology of Medicine at SBU, and served as a Principal Investigator for various research projects. GIRNUN was contractually required as both an employee of SBU and as a grantee of NIH funds to disclose any conflicting financial interests.

8. SBU used a cloud-based provider called Jaggaer, formerly known as SciQuest, for its procurement process. Jaggaer was headquartered in Morrisville, North Carolina. Jaggaer's computer servers were also located in North Carolina. When a Principal Investigator at SBU submitted a procurement request for items related to research projects, the request and invoice for the items were electronically transmitted from SBU's computer servers in Stony Brook, New York to Jaggaer's computer servers in North Carolina.

## II. The Fraudulent NIH Grant Funds Scheme

9. In or about and between December 2013 and December 2017, both dates being approximate and inclusive, the defendant GEOFFREY GIRNUN caused SBU to fraudulently distribute NIH grant funds to Atlas and Empyrean for his own personal gain, rather than for cancer-related research. Specifically, GIRNUN caused the electronic submission of fraudulent invoices for NIH grant funds for equipment, goods and services that were never received or provided. As a result of fraudulent invoices submitted by GIRNUN, SBU paid approximately \$78,000 in NIH grant funds to Atlas and Empyrean from its bank account at J.P. Morgan Chase Bank, N.A. ("Chase") in New York, New York.

10. In furtherance of the scheme, the defendant GEOFFREY GIRNUN then transferred some of the NIH grant funds SBU paid to Atlas and Empyrean, and

deposited checks SBU made out to Atlas and Empyrean into his personal bank accounts. GIRNUN also withdrew the fraudulently obtained NIH grant funds from Atlas and Empyrean's bank accounts via cash withdrawals and wire transfers. GIRNUN then used these monies for personal expenses, including payments toward the mortgage on his residence.

### III. The Fraudulent SBU Funds Scheme

11. In or about and between May 2014 and September 2019, both dates being approximate and inclusive, the defendant GEOFFREY GIRNUN caused SBU to fraudulently distribute SBU grant and foundation funds to Atlas and Empyrean for his own personal gain, rather than for cancer-related research. Specifically, GIRNUN caused the electronic submission of fraudulent invoices for SBU grant and foundation funds for equipment, goods and services that were never received or provided. As a result of fraudulent invoices submitted by GIRNUN, SBU paid approximately \$147,000 in SBU grant and foundation funds to Atlas and Empyrean.

12. In furtherance of the scheme, the defendant GEOFFREY GIRNUN transferred some of the funds SBU paid to Atlas and Empyrean, and deposited checks SBU made out to Atlas and Empyrean into his personal bank accounts. GIRNUN also withdrew the fraudulently obtained SBU grant and foundation funds from Atlas's and Empyrean's bank accounts via cash withdrawals and wire transfers. GIRNUN then used these monies for personal expenses, including payments toward the mortgage on his residence.



COUNT ONE  
(Theft of Government Funds)

13. The allegations contained in paragraphs one through 12 are realleged and incorporated as if fully set forth in this paragraph.

14. In or about and between December 2013 and December 2017, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant GEOFFREY GIRNUN, together with others, did knowingly and willfully steal, purloin and convert to his own use and the use of another money and things of value of the United States and a department and agency thereof, to wit: NIH research grant funds.

(Title 18, United States Code, Sections 641, 2 and 3551 et seq.)

COUNT TWO  
(Theft From an Organization or Program Receiving Federal Funds)

15. The allegations contained in paragraphs one through 12 are realleged and incorporated as if fully set forth in this paragraph.

16. In or about and between May 2014 and April 2019, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant GEOFFREY GIRNUN, together with others, being an agent of an organization that received in a one year period benefits in excess of \$10,000 under a Federal program involving a grant, contract, subsidy, loan, guarantee, insurance and other form of Federal assistance: to wit, SBU, did knowingly and intentionally embezzle, steal, obtain by fraud and otherwise without authority knowingly convert to his own use and intentionally misapply property, in connection with business and one or more transactions and series of transactions

of such organization involving things of value of \$5,000 or more, to wit: SBU foundation and grant funds.

(Title 18, United States Code, Sections 666(a)(1)(A), 2 and 3551 et seq.)

COUNTS THREE THROUGH SIX  
(Wire Fraud)

17. The allegations contained in paragraphs one through 12 are realleged and incorporated as if fully set forth in this paragraph.

18. On or about the dates set forth below, within the Eastern District of New York and elsewhere, the defendant GEOFFREY GIRNUN, together with others, did knowingly and intentionally devise a scheme or artifice to defraud SBU and NIH, and to obtain money or property from SBU and NIH, by means of one or more materially false and fraudulent pretenses, representations and promises, and for the purpose of executing such scheme and artifice, did transmit and cause to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, pictures and sounds, as set forth below:

<b>Count</b>	<b>Approximate Date of Wire Transmission</b>	<b>Description of Wire Transmission</b>
THREE	October 7, 2016	GIRNUN's fraudulent electronic invoice submission through SBU in Stony Brook, New York to Jaggaer in North Carolina for payment to Atlas for approximately \$2,425
FOUR	June 30, 2017	GIRNUN's fraudulent electronic invoice submission through SBU in Stony Brook, New York to Jaggaer in North Carolina for payment to Empyrean for approximately \$4,480
FIVE	July 24, 2017	GIRNUN's fraudulent electronic invoice submission through SBU in Stony Brook, New York to Jaggaer in North Carolina for payment to Empyrean for approximately \$3,750
SIX	September 19, 2018	Wire transfer from SBU's bank account at Chase in New York, New York to Atlas's bank account at PNC in Florida as payment for a fraudulent invoice for approximately \$3,835

(Title 18, United States Code, Sections 1343, 2 and 3551 et seq.)

COUNT SEVEN  
(Money Laundering)

19. The allegations contained in paragraphs one through 12 are realleged and incorporated as if fully set forth in this paragraph.

20. In or about and between January 2014 and May 2019, within the Eastern District of New York and elsewhere, the defendant GEOFFREY GIRNUN, together with others, did knowingly and intentionally conduct financial transactions affecting interstate commerce, which involved the proceeds of specified unlawful activity, to wit: wire fraud, in violation of Title 18, United States Code, Section 1343, knowing that the property involved in such financial transactions represented the proceeds of some form of unlawful

activity, and knowing that such transactions were designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of the specified unlawful activity.

(Title 18, United States Code, Sections 1956(a)(1)(B)(i), 2 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION  
AS TO COUNTS ONE THROUGH SIX

21. The United States hereby gives notice to the defendant that, upon his conviction of any of the offenses charged in Counts One through Six, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offenses to forfeit any property, real or personal, constituting, or derived from, proceeds obtained directly or indirectly as a result of such offenses, including but not limited to: all right, title and interest in the real property and premises located at 8 Andover Lane, Woodmere, New York 11598, and all proceeds traceable thereto.

22. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

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



it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461(c))

CRIMINAL FORFEITURE ALLEGATION  
AS TO COUNT SEVEN

23. The United States hereby gives notice to the defendant that, upon his conviction of the offense charged in Count Seven, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(1), which requires any person convicted of such offense to forfeit any property, real or personal, involved in such offense, or any property traceable to such property, including but not limited to: all right, title and interest in the real property and premises located at 8 Andover Lane, Woodmere, New York 11598, and all proceeds traceable thereto.

24. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be

divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(1) and 982(b)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL

  
FOREPERSON

---

RICHARD P. DONOGHUE  
UNITED STATES ATTORNEY  
EASTERN DISTRICT OF NEW YORK

BY:   
ACTING UNITED STATES ATTORNEY  
PURSUANT TO 28 C.F.R. O.136

No. \_\_\_\_\_

---

**UNITED STATES DISTRICT COURT**

EASTERN *District of* NEW YORK

CRIMINAL DIVISION

---

THE UNITED STATES OF AMERICA

vs.

GEOFFREY GIRNUN,

Defendant.

---

**INDICTMENT**

(T. 18, U.S.C., §§ 2, 641, 666(a)(1)(A), 981(a)(1)(C), 982(a)(1),  
982(b)(1), 1343, 1956(a)(1)(B)(i) and 3551 et seq.; T. 21, U.S.C., §  
853(p); T. 28, U.S.C., § 2461(c))

---

*A true bill*



\_\_\_\_\_  
*Foreperson*

---

*Filed in open court this* \_\_\_\_\_ *day,*

*of* \_\_\_\_\_ *A.D. 20* \_\_\_\_\_

\_\_\_\_\_  
*Clerk*

---

*Bail, \$* \_\_\_\_\_

---

*Erin E. Argo, Assistant U.S. Attorney (631) 715-7846*