

IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF VIRGINIA  
Alexandria Division

UNITED STATES OF AMERICA

v.

KIMBERLY BREWER,

Defendant.

No. 1:18-MJ-290

STATEMENT OF FACTS

The United States and the defendant, Kimberly Brewer, stipulate that the allegations in the one-count Criminal Information and the following facts are true and correct. The United States and the defendant further stipulate that had the matter gone to trial, the United States would have proven the allegations in the Criminal Information and the following facts beyond a reasonable doubt:

**I. Factual Background**

1. The Secretary of Defense Communications Office (“SDC”) is an arm of the United States government and a branch of the U.S. Department of Defense that is responsible for, among other things, managing, developing, acquiring, operating, and maintaining the communications systems supporting the U.S. Secretary of Defense.

2. Beginning in or about May 2008 and continuing through in or about May 2016, defendant Kimberly Brewer (hereinafter “Brewer” or “the defendant”) was an employee of the SDC, and thus an officer and employee of the executive branch of the United States. Brewer served as the SDC’s Director of Customer Support until January 2011, when she became the Director of the Program Management Office. Brewer worked at The Pentagon in Arlington, Virginia, within the Eastern District of Virginia.

3. Beginning in or about May 2010 and continuing through at least in or about 2016, Brewer's husband, J.B., was the President and Chief Executive Officer of Insight Technology Group, LLC ("ITG"), a company located in Fredericksburg, Virginia that provided information technology, computer integrated systems design, and other services.

4. The defendant herself also provided assistance to her husband and ITG in managing the company's payroll and finances. In that capacity, Brewer exchanged frequent correspondence with Paychex, ITG's payroll company. She also prepared some checks drawn on ITG's bank account at Bank of America (ending in 1936) by writing the payees and amounts for J.B.'s signature. Brewer did not have signatory authority on the account.

5. In or about September 2015, ITG was selected as a subcontractor to Company A, a company headquartered in Herndon, Virginia that provides information technology and cyber security services. Company A received a firm fixed price contract valued at approximately \$4.68 million to provide the SDC with help desk and other information technology ("IT") services, and selected ITG as the subcontractor on that contract.

6. ITG had previously served in a similar capacity as a subcontractor under Company B, the prior prime contractor on the same IT contract with the SDC. Company B had been awarded that contract in or about February 2012 and thereafter awarded the subcontract to ITG.

## **II. Conflict of Interest**

7. As early as in or about January 2012, Brewer notified her supervisors at the SDC about her potential conflict of interest involving her husband's company, ITG. On September 20, 2012, after receiving guidance from the Office of General Counsel, the defendant signed a "Disqualification Statement – Financial Interest" providing notice of her financial interest in ITG

due to her spouse's employment by and ownership interest in ITG. In that document, the defendant affirmed that:

I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Insight Technology Group, LLC for the duration of my tenure as the Director, Program Management Office, unless I first obtain a written waiver . . . or qualify for [a regulatory exemption].

In the event that I am assigned a matter which may have a direct and predictable effect on these interests, I will immediately inform [the Deputy Director of the SDC] and make the necessary arrangements to ensure I am not involved.

On or about August 14, 2015, the defendant signed and submitted another "Disqualification Statement – Financial Interest" containing that same affirmation.

8. In consultation with legal counsel from the Department of Defense's Washington Headquarters Services, the SDC also adopted a mitigation plan to address the conflict of interest involving Brewer and ITG and to ensure that in her role as the Director of the SDC's Program Management Office, the defendant did not participate personally and substantially in any matter which might have a direct and predictable effect on ITG's financial interests.

9. Notwithstanding her signed disqualification statements and the mitigation plan, however, Brewer did in fact participate in matters affecting ITG's financial interests. More specifically, from at least in or about September 2015 through at least in or about May 2016, the defendant was involved in various meetings and discussions at the SDC in a manner that gave the appearance of her giving directions to ITG and Company A personnel. In the case of disputes between ITG and Company A or others, Brewer also intervened and advocated on behalf of ITG, her husband, and other ITG employees, all while serving in her role as a federal government employee at the SDC. By way of example, the following are three such incidents that occurred in early 2016:

a. On or about January 6, 2016, Brewer sent an email from her personal email account to the personal email account of her direct supervisor at the SDC regarding an upcoming meeting to address conflicts that had arisen between ITG and Company A. In the email, the defendant defended ITG against accusations by Company A and suggested questions that her supervisor should ask of Company A's representatives at the meeting "to help reveal the large elephant in the room." The defendant also advised her supervisor that her husband should be permitted to attend the meeting, stating: "It would be cleaner if [J.B.] was able to state the facts, respond to their accusations, etc. . . . Then it doesn't look like you're covering for ITG or defending ITG or anything like that."

b. On or about April 5, 2016, Brewer held a weekly SDC projects meeting. During the meeting, Brewer questioned why an ITG employee had been assigned to a particular task by Company A. J.B. also queried why the ITG employee was working on that particular project, and the defendant advocated on behalf of her husband's position by stating that using the ITG employee on that specific task was a waste of resources.

c. In or about April 2016, Brewer provided input concurring with the organization's consensus not to retain an SDC employee after his probationary period ended. That employee was the task monitor for the portion of the IT contract on which Brewer's husband's company, ITG, was the subcontractor.

10. ITG derived substantial revenue from its subcontract with Company A, much of which flowed to the defendant's husband, J.B., as the majority owner of the company. J.B. paid himself a salary and kept his share of the profits earned each year in the company. Upon closure of ITG, on or about September 14, 2016, \$450,000 in profits earned since 2010 was transferred from ITG's account at Bank of America (ending in 1936) to J.B. and the defendant's joint checking

account at Bank of America (ending in 8350). The defendant and her husband subsequently used approximately \$430,137.06 of that sum to refinance the mortgage on their joint residence in Fredericksburg, Virginia on or about October 21, 2016.

11. On or about May 6, 2016, following complaints about her conflict of interest, Brewer was reassigned from her position at the SDC to the Washington Headquarters Services' Joint Service Provider.

### **III. Conclusion**


12. Brewer's actions in relation to the conflict of interest, including but not limited to the acts described above, were undertaken knowingly, and not because of accident, mistake, or other innocent reason.

13. The foregoing statement of facts is a summary of the principal facts that constitute the legal elements of a conflict of interest. This summary does not describe all of the evidence that the United States would present at trial or all of the relevant conduct that would be used to determine the defendant's sentence under the Sentencing Guidelines. The defendant acknowledges that the foregoing statement of facts does not describe all of her conduct relating to the offense charged in this case.

Respectfully submitted,

G. ZACHARY TERWILLIGER  
United States Attorney

By:

  
Samantha P. Bateman  
Assistant United States Attorney  
United States Attorney's Office  
Eastern District of Virginia

ANNALOU TIROL  
Acting Chief, Public Integrity Section

By:



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Victor R. Salgado  
Trial Attorney  
Public Integrity Section  
Criminal Division  
U.S. Department of Justice

Defendant's Stipulation and Signature: After consulting with my attorney and reviewing the above Statement of Facts, I stipulate that the above Statement of Facts is true and accurate. I further stipulate that had the matter proceeded to trial, the United States would have proven the same beyond a reasonable doubt.

  
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Kimberly Brewer  
Defendant

Defense Counsel's Signature: I am the defendant, Kimberly Brewer's, attorney. I have carefully reviewed the above Statement of Facts with her. To my knowledge, her decision to stipulate to these facts is an informed and voluntary one.

  
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James Rodio, Esq.  
Counsel for the Defendant