

<input type="checkbox"/> FILED	<input checked="" type="checkbox"/> LODGED
<input type="checkbox"/> RECEIVED	<input type="checkbox"/> COPY
MAR 01 2016	
CLERK U.S. DISTRICT COURT DISTRICT OF ARIZONA	
BY <u>M. Nasher</u> DEPUTY	

JOHN S. LEONARDO
United States Attorney
District of Arizona
FRANK T. GALATI
Assistant U.S. Attorney
Arizona State Bar No. 003404
Two Renaissance Square
40 N. Central Ave., Suite 1200
Phoenix, Arizona 85004
Telephone: 602-514-7500
Email: Frank.Galati@usdoj.gov
Attorneys for Plaintiff

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

United States of America,

Plaintiff,

vs.

Sharon M. Helman,

Defendant.

CR-16-00245-PHX-SPL

PLEA AGREEMENT

Plaintiff, United States of America, and the defendant, Sharon M. Helman, hereby agree to dispose of this matter on the following terms and conditions:

1. PLEA

The defendant will plead guilty to **Count 1** of the information charging the defendant with **Making a False Statement to a Government Agency**, a violation of Title 18, United States Code, § 1001, a Class D felony offense.

2. MAXIMUM PENALTIES

a. A violation of 18 U.S.C. § 1001, is punishable by a maximum fine of **\$250,000**, a maximum term of imprisonment of **five (5) years**, or both, and a term of supervised release of **three (3) years**. A maximum term of probation is **five (5) years**.

b. According to the Sentencing Guidelines issued pursuant to the Sentencing Reform Act of 1984, the Court shall order the defendant to:

1 (1) make restitution to any victim of the offense pursuant to 18 U.S.C.
2 § 3663 and/or § 3663A, unless the Court determines that restitution would not be
3 appropriate;

4 (2) pay a fine pursuant to 18 U.S.C. § 3572, unless the Court finds that a
5 fine is not appropriate;

6 (3) serve a term of supervised release when required by statute or when
7 a sentence of imprisonment of more than one year is imposed (with the understanding
8 that the Court may impose a term of supervised release in all other cases); and

9 (4) pay upon conviction a **\$100** special assessment for each count to
10 which the defendant pleads guilty pursuant to 18 U.S.C. § 3013.

11 c. The Court is required to consider the Sentencing Guidelines in determining
12 the defendant's sentence. However, the Sentencing Guidelines are advisory, and the
13 Court is free to exercise its discretion to impose any reasonable sentence up to the
14 maximum set by statute for the crime(s) of conviction, unless there are stipulations to the
15 contrary that the Court accepts.

16 **3. AGREEMENTS REGARDING SENTENCING**

17 a. **Stipulation.** Pursuant to Fed. R. Crim. P. 11(c)(1)(C), the United States
18 and the defendant stipulate that defendant shall be sentenced to **probation under terms**
19 **and conditions set by the court.**

20 b. **Restitution.** The parties agree that there is **no restitution** to be ordered in
21 this case.

22 c. **Assets and Financial Responsibility.** The defendant shall make a full
23 accounting of all assets in which the defendant has any legal or equitable interest. The
24 defendant shall not (and shall not aid or abet any other party to) sell, hide, waste, spend,
25 or transfer any such assets or property before sentencing, without the prior approval of
26 the United States (provided, however, that no prior approval will be required for routine,
27 day-to-day expenditures). The defendant also expressly authorizes the United States
28 Attorney's Office to immediately obtain a credit report as to the defendant in order to

1 evaluate the defendant's ability to satisfy any financial obligation imposed by the Court.
 2 The defendant also shall make full disclosure of all current and projected assets to the
 3 U.S. Probation Office immediately and prior to the termination of the defendant's
 4 supervised release or probation, such disclosures to be shared with the U.S. Attorney's
 5 Office, including the Financial Litigation Unit, for any purpose. Finally, the defendant
 6 shall participate in the Inmate Financial Responsibility Program to fulfill all financial
 7 obligations due and owing under this agreement and the law.

8 d. **Acceptance of Responsibility.** If the defendant makes full and complete
 9 disclosure to the U.S. Probation Office of the circumstances surrounding the defendant's
 10 commission of the offense, and if the defendant demonstrates an acceptance of
 11 responsibility for this offense up to and including the time of sentencing, the United
 12 States will recommend a two-level reduction in the applicable Sentencing Guidelines
 13 offense level pursuant to U.S.S.G. § 3E1.1(a). If the defendant has an offense level of 16
 14 or more, the United States will recommend an additional one-level reduction in the
 15 applicable Sentencing Guidelines offense level pursuant to U.S.S.G. § 3E1.1(b).

16 **4. AGREEMENT TO DISMISS OR NOT TO PROSECUTE**

17 a. Pursuant to Fed. R. Crim. P. 11(c)(1)(A), the United States Attorney,
 18 District of Arizona shall not prosecute the defendant for any offenses committed by the
 19 defendant, and known by the United States, other than those to which defendant is
 20 entering pleas of guilty, **in connection with VA-OIG case numbers 2014-02890-IW-**
 21 **0097 and 2014-02890-IW-0073, and FBI case number 209A-PX-5011734 .**

22 b. This agreement does not, in any manner, restrict the actions of the United
 23 States in any other district or bind any other United States Attorney's Office.

24 **5. COURT APPROVAL REQUIRED; REINSTITUTION OF PROSECUTION**

25 a. If the Court, after reviewing this plea agreement, concludes that any
 26 provision contained herein is inappropriate, it may reject the plea agreement and give the
 27 defendant the opportunity to withdraw the guilty plea in accordance with Fed. R. Crim. P.
 28 11(c)(5).

1 b. If the defendant's guilty plea or plea agreement is rejected, withdrawn,
2 vacated, or reversed at any time, this agreement shall be null and void, the United States
3 shall be free to prosecute the defendant for all crimes of which it then has knowledge and
4 any charges that have been dismissed because of this plea agreement shall automatically
5 be reinstated. In such event, the defendant waives any and all objections, motions, and
6 defenses based upon the Statute of Limitations, the Speedy Trial Act, or constitutional
7 restrictions in bringing later charges or proceedings. The defendant understands that any
8 statements made at the time of the defendant's change of plea or sentencing may be used
9 against the defendant in any subsequent hearing, trial, or proceeding subject to the
10 limitations of Fed. R. Evid. 410.

11 **6. WAIVER OF DEFENSES AND APPEAL RIGHTS**

12 The defendant waives (1) any and all motions, defenses, probable cause
13 determinations, and objections that the defendant could assert to the indictment or
14 information; and (2) any right to file an appeal, any collateral attack, and any other writ
15 or motion that challenges the conviction, an order of restitution or forfeiture, the entry of
16 judgment against the defendant, or any aspect of the defendant's sentence, including the
17 manner in which the sentence is determined, including but not limited to any appeals
18 under 18 U.S.C. § 3742 (sentencing appeals) and motions under 28 U.S.C. §§ 2241 and
19 2255 (habeas petitions), and any right to file a motion for modification of sentence,
20 including under 18 U.S.C. § 3582(c). This waiver shall result in the dismissal of any
21 appeal, collateral attack, or other motion the defendant might file challenging the
22 conviction, order of restitution or forfeiture, or sentence in this case. This waiver shall
23 not be construed to bar an otherwise-preserved claim of ineffective assistance of counsel
24 or of "prosecutorial misconduct" (as that term is defined by Section II.B of Ariz. Ethics
25 Op. 15-01 (2015)).
26
27
28

1 **7. DISCLOSURE OF INFORMATION**

2 a. The United States retains the unrestricted right to provide information and
3 make any and all statements it deems appropriate to the U.S. Probation Office and to the
4 Court in connection with the case.

5 b. Any information, statements, documents, and evidence that the defendant
6 provides to the United States pursuant to this agreement may be used against the
7 defendant at any time.

8 c. The defendant shall cooperate fully with the U.S. Probation Office. Such
9 cooperation shall include providing complete and truthful responses to questions posed
10 by the U.S. Probation Office including, but not limited to, questions relating to:

- 11 (1) criminal convictions, history of drug abuse, and mental illness; and
12 (2) financial information, including present financial assets or liabilities
13 that relate to the ability of the defendant to pay a fine or restitution.

14 **8. FORFEITURE, CIVIL, AND ADMINISTRATIVE PROCEEDINGS**

15 Nothing in this agreement shall be construed to protect the defendant from
16 administrative or civil forfeiture proceedings or prohibit the United States from
17 proceeding with and/or initiating an action for civil forfeiture. Pursuant to 18 U.S.C.
18 § 3613, all monetary penalties, including restitution imposed by the Court, shall be due
19 immediately upon judgment, shall be subject to immediate enforcement by the United
20 States, and shall be submitted to the Treasury Offset Program so that any federal payment
21 or transfer of returned property the defendant receives may be offset and applied to
22 federal debts (which offset will not affect the periodic payment schedule). If the Court
23 imposes a schedule of payments, the schedule of payments shall be merely a schedule of
24 minimum payments and shall not be a limitation on the methods available to the United
25 States to enforce the judgment.

1 **9. ELEMENTS**

2 **Making a False Statement to a Government Agency**

3 **[18 U.S.C. § 1001]**

4 On or about March 21, 2014, in the District of Arizona:

- 5 1. Sharon M. Helman made a false statement in a matter within the
6 jurisdiction of the United States Department of Veterans Affairs; and
7 2. Sharon M. Helman acted willfully; that is, deliberately and with knowledge
8 that the statement was untrue and that her conduct was unlawful; and
9 3. The statement was material to the activities or decisions of the United
10 States Department of Veterans Affairs; that is, it had a natural tendency to
11 influence, or was capable of influencing, the agency's decisions or activities.

12 **10. FACTUAL BASIS**

13 The defendant admits that the following facts are true and that if this matter were
14 to proceed to trial the United States could prove the following facts beyond a reasonable
15 doubt:

16 **A. BACKGROUND**

17 I, SHARON M. HELMAN, was the Director of the Department of Veterans
18 Affairs Medical Center (VAMC) in Phoenix, Arizona, from February 2012 until
19 December 2014. I had previously served as Director of the VA Medical Centers in Hines,
20 Illinois (January 2010-February 2012), Spokane, Washington (June 2008-January 2010),
21 and Walla Walla, Washington (January 2007-June 2008). I also served as the Associate
22 Director and Acting Director of the VAMC in Roseburg, Oregon (March 2005-January
23 2007).

24 Person A was also employed by the Department of Veterans Affairs for many
25 years. As it pertains to this matter, Person A was the Director of the Veterans Integrated
26 Service Network, headquartered in Vancouver, Washington (known as VISN 20) from
27 May 2005-January 2009. As such, Person A was my supervisor during that period of
28 time.

After leaving the VA, Person A became an executive consultant at Consulting Group B from June 2010-March 2013. After a brief hiatus, Person A returned to Consulting Group B and served as a vice president from July 2013-December 2014.

Consulting Group B provides government and industry clients with consultation on improving missions and operations. Its practice areas include federal business development, and government consulting and lobbying, with self-described expertise in the areas of federal procurement, health care, and veterans issues. Consulting Group B provided consulting and lobbying services to companies specifically to enable them to expand their business with VA.

I have been informed by the United States, and do not contest, that over the past five years, VA contracts obtained by some of Consulting Group B's clients were valued in the hundreds of millions of dollars. Additionally, the United States has informed me that according to the Federal Procurement Data System, from October 1, 2009 through February 17, 2015, Consulting Group B itself was awarded more than \$5.3 million in VA contracts.

As is required by federal law (Title 5 U.S.C., § 101 *et seq.*), I completed a financial disclosure report for each calendar year, 2006-2013. Each report required that I disclose, among many other things, gifts received during the applicable calendar year.

B. FALSITY OF STATEMENTS

During calendar year 2013, I received the following gifts from Person A:

Date of gift	Type of Gift	Value of Gift
March 15, 2013	Roundtrip Airfare Phoenix-to-El Paso	\$317.60
March 28, 2013	Resort spa services	\$660
October 11, 2013	Roundtrip airfare Phoenix-to-Chicago	\$441.80
November 16, 2013	Automobile	\$11,900
December 7, 2013	Concert tickets & parking pass	\$729.50
December 11, 2013	Marathon registration fee	\$282.98

December 14, 2013	Check	\$5,000
2013 TOTAL		\$19,331.88

On or about March 21, 2014, in the District of Arizona, I, SHARON M. HELMAN, electronically signed and submitted my 2013 Financial Disclosure Report, OGE form 278. My signature certified "that the statements I have made on this form...are true, complete and correct to the best of my knowledge." On that report, I checked "None" under the section requiring the disclosure of gifts. In relevant part, the section instructions state: "For you, your spouse and dependent children, report the source, a brief description, and value of: (1) gifts (such as tangible items, transportation, lodging, food or entertainment) received from one source totaling more than \$350...Also, for purposes of aggregating gifts to determine the total value from one source, exclude items worth \$140 or less...." The instructions also provide examples of the proper reporting of gifts, examples that report the name and address of the source, and a description of the gift, such as "Leather briefcase (personal friend)."

C. WILLFULLNESS

I acted willfully when filing the aforementioned false 2013 Financial Disclosure Report because I knew that my statements that I had received no gifts in 2013 were false and I knew that I had a legal obligation to file a complete and accurate OGE 278 form.

I knew of my legal obligation to file truthful Financial Disclosure Reports because, as a VAMC director and a member of Senior Executive Service, I had received mandatory ethics training each year since 2007. Included in those trainings was the imperative of compliance with federal conflict of interest laws, and the requirement that I file accurate annual Financial Disclosure Reports, and that I disclose receipt of gifts, such as those detailed in an earlier paragraph. Additionally, as stated above, the OGE 278 Financial Disclosure Report instructions, including the examples, give notice of the proper reporting of gifts and their sources.

D. MATERIALITY

I have been informed by the United States, and do not contest, that my false statements in my 2013 Financial Disclosure Report are material because, according to the United States, they influenced the activities and decisions of the Department of Veterans Affairs in the following ways, among others. I signed and submitted my 2013 report on March 21, 2014. As is the general practice, upon receipt of my annual reports, a VA ethics official reviewed each report. As is evidenced by the official's signature dated May 20, 2014, regarding my 2013 report, the officer concluded that "[o]n the basis of information contained in this report...[HELMAN] is in compliance with the applicable laws and regulations." Had I properly reported the aforementioned gifts and their source in 2013, the Office of General Counsel would have then undertaken a conflict-of-interest analysis to determine whether my acceptance of these gifts from Person A was permitted under applicable laws and regulations.

E. RELEVANT CONDUCT (Guidelines §1B1.3)

During calendar year 2012, I received the following gifts from Person A:

Date of gift	Type of Gift	Value of Gift
May 3, 2012	Roundtrip Airfare Phoenix-to-Vancouver, BC	\$465.07
October 5, 2012	Roundtrip airfare Phoenix-to-Chicago	\$355.60
November 15, 2012	Resort spa services	\$234
November 28, 2012	Resort spa gift card	\$1000
2012 TOTAL		\$2,054.67

On or about March 22, 2013, in the District of Arizona, I electronically signed and submitted my 2012 Financial Disclosure Report, OGE form 278. My signature certified "that the statements I have made on this form...are true, complete and correct to the best of my knowledge." On that report, I checked "None" under the section requiring the disclosure of gifts. In relevant part, the section instructions state: "For you, your spouse and dependent children, report the source, a brief description, and value of: (1) gifts (such as tangible items, transportation, lodging, food or entertainment) received from one

source totaling more than \$350...Also, for purposes of aggregating gifts to determine the total value from one source, exclude items worth \$140 or less....” The instructions also provide examples of the proper reporting of gifts, examples that report the name and address of the source, and a description of the gift, such as “Leather briefcase (personal friend).”

F. ADDITIONAL GIFTS RECEIVED (Guidelines §1B1.4)

During calendar year 2014, I received the following gifts from Person A.:

Date of Gift	Type of gift	Value of gift
January 2, 2014	Check	\$3,000
January 22, 2014	Resort spa services	\$516.70
February 1, 2014	8 day Disneyland vacation	\$11,205.28
February 11, 2014	Check	\$3,000
April 10, 2014	Check	\$5,000
July 1, 2014	Check	\$5,000
2014 TOTAL		\$27,721.98

I have not filed a Financial Disclosure Report for 2014.

The defendant shall swear under oath to the accuracy of this statement and, if the defendant should be called upon to testify about this matter in the future, any intentional material inconsistencies in the defendant’s testimony may subject the defendant to additional penalties for perjury or false swearing, which may be enforced by the United States under this agreement.

APPROVAL AND ACCEPTANCE OF THE DEFENDANT

I have discussed the case and my constitutional and other rights with my attorney. I understand that by entering my plea of guilty I shall waive my rights to plead not guilty, to trial by jury, to confront, cross-examine, and compel the attendance of witnesses, to present evidence in my defense, to remain silent and refuse to be a witness against myself

1 by asserting my privilege against self-incrimination, all with the assistance of counsel,
2 and to be presumed innocent until proven guilty beyond a reasonable doubt.

3 I agree to enter my guilty plea as indicated above on the terms and conditions set
4 forth in this agreement.

5 I have been advised by my attorney of the nature of the charges to which I am
6 entering my guilty plea. I have further been advised by my attorney of the nature and
7 range of the possible sentence and that my ultimate sentence shall be determined by the
8 Court after consideration of the advisory Sentencing Guidelines.

9 My guilty plea is not the result of force, threats, assurances, or promises, other
10 than the promises contained in this agreement. I voluntarily agree to the provisions of
11 this agreement and I agree to be bound according to its provisions.

12 I understand that if I am granted probation or placed on supervised release by the
13 Court, the terms and conditions of such probation/supervised release are subject to
14 modification at any time. I further understand that if I violate any of the conditions of my
15 probation/supervised release, my probation/supervised release may be revoked and upon
16 such revocation, notwithstanding any other provision of this agreement, I may be
17 required to serve a term of imprisonment or my sentence otherwise may be altered.

18 This written plea agreement, and any written addenda filed as attachments to this
19 plea agreement, contain all the terms and conditions of the plea. Any additional
20 agreements, if any such agreements exist, shall be recorded in a separate document and
21 may be filed with the Court under seal; accordingly, additional agreements, if any, may
22 not be in the public record.

23 I further agree that promises, including any predictions as to the Sentencing
24 Guideline range or to any Sentencing Guideline factors that will apply, made by anyone
25 (including my attorney) that are not contained within this written plea agreement, are null
26 and void and have no force and effect.

27 I am satisfied that my defense attorney has represented me in a competent manner.
28

1 I fully understand the terms and conditions of this plea agreement. I am not now
 2 using or under the influence of any drug, medication, liquor, or other intoxicant or
 3 depressant that would impair my ability to fully understand the terms and conditions of
 4 this plea agreement.

5
 6 3-1-16

7 Date

8 Sharon M. Helman
 Sharon M. Helman
 Defendant

9
 10 **APPROVAL OF DEFENSE COUNSEL**

11 I have discussed this case and the plea agreement with my client in detail and have
 12 advised the defendant of all matters within the scope of Fed. R. Crim. P. 11, the
 13 constitutional and other rights of an accused, the factual basis for and the nature of the
 14 offense to which the guilty plea will be entered, possible defenses, and the consequences
 15 of the guilty plea including the maximum statutory sentence possible. I have further
 16 discussed the concept of the advisory Sentencing Guidelines with the defendant. No
 17 assurances, promises, or representations have been given to me or to the defendant by the
 18 United States or any of its representatives that are not contained in this written
 19 agreement. I concur in the entry of the plea as indicated above and that the terms and
 20 conditions set forth in this agreement are in the best interests of my client. I agree to
 21 make a bona fide effort to ensure that the guilty plea is entered in accordance with all the
 22 requirements of Fed. R. Crim. P. 11.

23 March 1, 2016
 24 Date

25 E. R. Shur for Justin V. Shur
 Justin V. Shur, Esq.
 Molo Lamken LLP
 Attorney for Defendant

APPROVAL OF THE UNITED STATES

I have reviewed this matter and the plea agreement. I agree on behalf of the United States that the terms and conditions set forth herein are appropriate and are in the best interests of justice.

JOHN S. LEONARDO
United States Attorney
District of Arizona

03/01/2016
Date


FRANK T. GALATI
Assistant U.S. Attorney

ACCEPTANCE BY THE COURT

Date

HONORABLE STEVEN P. LOGAN
United States District Judge