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LEGAL ADVISORY

TO: Designated Agency Ethics Officials

FROM: David J. Apol  
Acting Director and General Counsel

SUBJECT: 2016 Conflict of Interest Prosecution Survey

The U.S. Office of Government Ethics (OGE) has completed its annual survey of prosecutions involving the conflict of interest criminal statutes (18 U.S.C. §§ 202-209) and other related statutes for the period January 1, 2016 through December 31, 2016. Information on 11 new prosecutions by the U.S. Attorneys' offices and the Public Integrity Section of the Department of Justice was provided to OGE with the assistance of the Executive Office for United States Attorneys. Summaries of the prosecutions reported to OGE for past years can be found at [www.oge.gov](http://www.oge.gov) under the topic of "[Enforcement](#)."

**18 U.S.C. §§ 205, 207, 208 & 1001**

*1. United States v. William D. Montague*

According to the Superseding Indictment, beginning in 1975, Defendant William D. Montague worked for the Veterans Administration (VA) in various roles. From August 1995 through his retirement on February 2010, he was the Cleveland VA Medical Center (VAMC) Director, a career Senior Executive Service position. In this role, Mr. Montague had responsibility for executive-level management of two facilities that comprised the VAMC and several outpatient clinics. He retired from this position in February 2010, and became subject to the post-employment restrictions applicable to former senior employees.

Regarding the count charging violation of 18 U.S.C. § 205, the Superseding Indictment stated that Business 73 was a non-profit organization that provided a variety of human services programs to help people in need, including providing social services to veterans. In or around 2007 or 2008, Business 73 had business with the Cleveland VA, including a program through which Business 73 provided traditional housing and training for homeless veterans. Around the end of 2007, Business 73 tried to implement programs similar to that in Cleveland in other VA facilities. From around July 2008 through July 2009, Mr. Montague was engaged in a paid consulting agreement with Business 73, pursuant to which he helped Business 73 pursue work with the VA in various states, including North Carolina. As part of this work, he contacted VA officials in other states on behalf of Business 73, and was successful in scheduling meetings for Business 73 to present its services to VA officials.



Regarding the count charging violation of 18 U.S.C. § 208, the Superseding Indictment states that during the time that Mr. Montague was negotiating for employment with Business 73, the VA conducted two periodic inspections at Business 73 facilities that offered VA services. Following those inspections, he signed a VA Medical Center Director Review Sheet approving placing veterans at the Business 73 facility and re-appointing a project liaison.

Regarding the first count charging violation of 18 U.S.C. § 1001, the Superseding Indictment states that Mr. Montague was required to file annual public financial disclosure reports (OGE 278s) in his position. In his calendar year 2008 financial disclosure form, he failed to disclose his consulting agreement with Business 73, which covered a twelve-month period from July 1, 2008 to July 1, 2009.

Regarding the second count charging violation of 18 U.S.C. § 1001, the Superseding Indictment states that in October 2009, while he was still employed at the VA, Mr. Montague and Business 68 negotiated a consulting arrangement pursuant to which he would receive approximately \$2,500 per month. Business 68 was a publicly traded company with multiple divisions, including a construction/design division, and at the time, the company was attempting to advance its position with the VA for architectural, program management and other consulting services. On February 4, 2010, the day after Mr. Montague retired from the Cleveland VA, Business 68 hired him as a consultant. In February 2010, Mr. Montague filed his calendar year 2009 financial disclosure report, in which he failed to report his employment arrangement with Business 68.

Regarding the first count charging violation of 18 U.S.C. § 207(c), the Superseding Indictment states that following his February 2010 retirement from the VA, Mr. Montague worked as a consultant for Business 73 from July 2010 through September 2010. In July 2010, he contacted a VA employee he had mentored during his tenure at the VA, and, representing that he was working on a project with a non-profit organization, he asked for a list of all medical offices that performed purchase care work for the VA. The VA employee provided multiple documents to Mr. Montague in response to his request, and Mr. Montague invoiced Business 73 for \$5,000 for his work in researching and identifying relevant clinical providers. In August and September 2010, Mr. Montague asked the same VA employee for the Cleveland VA Fee Schedule for medical procedures, as well as for information about the most common outpatient medical procedures requested and billed by the Cleveland VA. The VA employee provided Mr. Montague with information responsive to those requests.

Regarding the second count charging violation of 18 U.S.C. § 207(c), the Superseding Indictment states that Mr. Montague engaged in post-employment contacts with the VA on behalf of Business 68 from February 2010 through November 2010. Specifically, he met with multiple VA employees regarding Business 68, which was pursuing national VA contracts during that timeframe, and requested and obtained information from VA employees relating to the status and timing of VA decisions regarding contracts Business 68 was pursuing. Mr. Montague also requested from the VA documents relating to logistics, construction funding and the VA Facilities Transformation Initiative, which helped Business 68 remain efficient with time and money related to VA projects.

Regarding the third count charging violation of 18 U.S.C. § 207(c), the Superseding Indictment states that Mr. Montague communicated with the VA on behalf of Business 69 and

Business 70 in January 2011. Specifically, he asked a VA employee to meet with those businesses, which he explained would help those businesses successfully complete their strategic goal of competing effectively for larger projects.

Mr. Montague was charged in a 65-count Superseding Indictment that stated the above offenses, as well as violations of 18 U.S.C. § 201, 18 U.S.C. § 1341 (mail fraud), 18 U.S.C. § 1343 (wire fraud), 18 U.S.C. § 1349 (conspiracy to commit mail/wire fraud), 18 U.S.C. § 1951 (Hobbs Act conspiracy), 18 U.S.C. § 1957 (money laundering), 41 U.S.C. § 2101 (disclosing public contract information), 41 U.S.C. § 2102 (disclosing public contract information), and 41 U.S.C. § 2105 (disclosing public contract information). On September 19, 2014, he entered into a Superseding Plea Agreement pursuant to which he pleaded guilty to all but one count of the Superseding Indictment (the count alleging violation of 18 U.S.C. § 201). Mr. Montague was sentenced on June 10, 2016 to 57 months of imprisonment and two years of supervised release. The court also ordered him to pay a special assessment of \$6,400 and restitution of \$3,332.40. In a separate Order of Forfeiture dated July 1, 2014, the court ordered forfeiture in the aggregate amount of \$391,215.95.

This case was handled by the United States Attorney's Office for the Northern District of Ohio. For a copy of the Superseding Indictment, see [https://www.oge.gov/web/OGE.nsf/Resources/Montague+Superseding+Indictment+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Montague+Superseding+Indictment+(2016)).

### **18 U.S.C. § 207**

#### *2. Civil Settlement*

According to court documents, the employee retired from the Securities and Exchange Commission (SEC) in early 2012. In mid-2013, he prepared and submitted an expert report to a private firm, conveying his expert opinion regarding whether the firm's policies and procedures were consistent with certain SEC rules applicable to the firm. The firm then submitted that report to the SEC in a submission advocating why the agency should not institute an enforcement action in a specific matter. This was a matter before the SEC on which the employee had worked while employed there. The United States alleged that in this case the former employee's expert report constituted a communication to the SEC that was prohibited under 18 U.S.C. § 207.

To resolve the charges that he violated 18 U.S.C. § 207, the former employee entered into a civil settlement in early 2016 pursuant to which he agreed to pay a civil fine of \$40,000 (out of an applicable maximum of \$50,000). This case was handled by the United States Attorney's Office for the Eastern District of Texas.

### **18 U.S.C. § 208**

#### *3. United States v. Londra Watson*

Defendant Londra Watson was employed with the District of Columbia Water and Sewage Authority (DC Water) since 1981. In his capacity as the Supervisor of Documents and Permits, his responsibilities included supervising the processing of permit applications that sought approval to make modifications to existing plumbing connections from DC Water lines to existing structures.

In November 2007, Mr. Watson started a company named ARDNOL of DC, LLC (ARDNOL is “Londra” spelled backwards); he was the registered agent and sole employee of ARDNOL, as well as the sole signatory on the company bank account. Between November 2007 and February 2012, applicants seeking permits from DC Water provided checks totaling \$141,066.00 to ARDNOL to assist them in preparing design plans, permit applications, plumbing and utility plans, as well as DC Water “permit expediting” services. Once a client paid the required fee to ARDNOL, Mr. Watson would prepare the complete permit package and return it to the client, who would then submit the package to DC Water for approval. In his official capacity with DC Water, Mr. Watson approved, directly or indirectly through his subordinates, permit applications and issued DC Water permits to a number of applicants who were ARDNOL clients. He intentionally failed to disclose his financial interest in ARDNOL to DC Water.

Mr. Watson entered into a plea agreement filed with the court on March 30, 2016, pursuant to which he pleaded guilty to violating 18 U.S.C §§ 208 & 216(a)(2). He was sentenced on June 28, 2016 to 12 months of probation and a \$100 assessment.

This case was handled by the United States Attorney’s Office for the District of Columbia. For a copy of the Information, see [https://www.oge.gov/web/OGE.nsf/Resources/Watson+Information+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Watson+Information+(2016)). For a copy of the Statement of the Offense, see [https://www.oge.gov/web/OGE.nsf/Resources/Watson+Statement+of+Offense+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Watson+Statement+of+Offense+(2016)).

#### 4. *United States v. Linda Worth*<sup>1</sup>

From 1994 through February 2010, Defendant Linda Worth was a Physician Assistant at the VA Medical Center (VAMC) in Atlanta, Georgia. During her tenure at the VAMC, she established the hospital’s Vascular Wound Clinic, where she treated patients recovering from serious wounds. As part of her official duties, Ms. Worth had the authority to request orders of medical products for her patients at the VAMC, which would then be processed for purchase.

In mid-2008, the VAMC began using “Procellera,” an antimicrobial wound dressing for the management of a variety of wounds manufactured by Vomaris Wound Care, Inc. (Vomaris), and Ms. Worth used the product with her patients. Intermed Resources LLC (Intermed), a company operated by Richard VanNoy, had entered into an Exclusive Distribution Agreement to be the sole distributor of Procellera in Georgia and other states; as a result of this agreement, Intermed received income based on orders of Procellera in its sales region, including orders from the VAMC.

In mid-2009, the VAMC decided not to approve Procellera for use as a recurring item, and as a result, Ms. Worth’s department could only order the product as a specialty item at the request of a VAMC employee. Following this decision, she requested that the VAMC order Procellera on 18 different occasions between July 24, 2009 and February 1, 2010, and based on these requests, the VAMC ordered Procellera from Vomaris. Ms. Worth resigned from the VAMC on February 10, 2010 and joined Vomaris as its National Director-Clinical Affairs the following month.

On September 9, 2009, Ms. Worth attended a one-hour long ethics training session presented by the designated ethics official at the VAMC. On September 11, Ms. Worth sent an

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<sup>1</sup> Note, this case is related to the *VanNoy* case reported in the 2015 Prosecution Survey.

email to the ethics official inquiring about ethics rules relating to her being offered a part-time position as a subject matter expert for Vomaris to teach wound care principles she developed in her experience as a physician's assistant. The ethics counselor spoke with Ms. Worth on December 15, 2009 regarding her draft opinion that Ms. Worth could not receive compensation for lecturing on wound care. In that same conversation, Ms. Worth told the ethics counselor that Vomaris had offered her a full-time position in November 2009 that she intended to accept; in response, the ethics official discussed relevant restrictions and stated that she would later provide a formal written opinion. On January 5, 2010, Ms. Worth received a formal written ethics opinion signed by Regional Counsel which provided post-employment guidance as well as instructions on ethics rules that would apply to Ms. Worth after she secured her new job, while she continued to work at the VA. Among other things, the opinion noted her recusal requirement while negotiating for employment and the restrictions of 18 U.S.C. § 208, and advised that Ms. Worth recuse herself from "recommending what product to order" in connection with her VA duties. Subsequent to her receipt of this letter, Ms. Worth requested that the VAMC make additional purchases of Procellera on four occasions; these were in addition to four Procellera orders she requested after Vomaris offered her the job in November 2009, but before she received January 2010 ethics letter.

In addition to the above activities relating to Vomaris, Ms. Worth provided paid consulting services for Intermed regarding the medical use of Procellera during the period she was promoting the wound care medical benefits of Procellera at the VAMC and requesting orders of Procellera for patient treatment purposes. She accepted a total of \$4,000 from Intermed in the form of several checks, including one deposited on January 26, 2010 – after she received the ethics opinion letter and when she knew that Intermed was the distributor of Procellera for the VAMC, and thus had a financial interest in the VAMC's orders of Procellera. Ms. Worth did not disclose her receipt of these checks from Intermed.

Ms. Worth was initially charged with conspiracy to accept a payment of a gratuity by a public official, in violation of 18 U.S.C. § 371; receipt of a gratuity by a public official, in violation of 18 U.S.C. § 201; and conflict of interest by a government employee, in violation of 18 U.S.C. § 208(a). The parties agreed that the Government would dismiss the conspiracy-related charges; to further narrow the issues, the parties entered into a stipulation that all elements of Ms. Worth's violation of 18 U.S.C. § 208 had been established, and that trial would be limited to the issue of whether she willfully committed a violation of Section 208 (thereby making the violation a felony rather than a misdemeanor under 18 U.S.C. § 216(a)(2)). The court proceeded with a bench trial on February 3, 2016, and on December 2, 2016, entered a 31-page opinion and order that ultimately concluded that Ms. Worth had acted willfully in violation of 18 U.S.C. § 208 for the final period of her employment after January 5, 2010 (but not prior to that date). On February 6, 2017, the court sentenced Ms. Worth to one year of probation, with the first 90 days in home confinement, and a \$100 special assessment.

This case was handled by the United States Attorney's Office for the Northern District of Georgia. For a copy of the of the court's 31-page Verdict, see [https://www.oge.gov/web/OGE.nsf/Resources/Worth+Order+and+Verdict+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Worth+Order+and+Verdict+(2016)).

5. *United States v. Craig Kolhagen*

Defendant Craig Kolhagen was a Chief Warrant Officer in the Marine Corps. One of his duties was serving as the Contracting Officer's Representative for aviation maintenance-related contracts for Marine Helicopter Squadron One (HMX-1), and he participated personally and substantially in a particular solicitation issued by the Navy for maintenance of the HMX-1 helicopters. Specifically, among other things, Mr. Kolhagen was a member of the technical review board that evaluated all of the bidders vying for the HMX-1 maintenance contract. In this capacity, he recommended selection of Defense Contractor X as the winning bidder.

Prior to the release of the solicitation, Mr. Kolhagen shared confidential, proprietary government information with senior corporate officers at Defense Contractor X who, in turn, used the information to coach and direct him how to draft the solicitation's statement of work in such a way as to tailor it to the company's anticipated bid proposal. As a competing bidder, Defense Contractor X had a strong financial interest in the outcome of the matter; Mr. Kolhagen did not share the statement of work with any other bidders. Before Defense Contractor X submitted its bid proposal, senior corporate officers of the company engaged in discussions with Mr. Kolhagen regarding prospective employment opportunities with the company after he retired from the Marine Corps. He did not disclose his conflict of interest to superior officers in his chain of command.

On October 25, 2016, Mr. Kolhagen pleaded guilty to violating 18 U.S.C. § 208(a). He was sentenced the same day to one year of probation, a \$25 special assessment and a \$250 fine.

This case was handled by the United States Attorney's Office for the Eastern District of North Carolina.

6. *United States v. Richard Craig Rooney et al.*

Defendant Dr. Rooney, a Lieutenant Colonel and Spinal Surgeon in the U.S. Army, was the lead defendant in what was initially filed as a 65-count Indictment charging four individuals and two companies in connection with an estimated \$7.3 million health care fraud scheme.

The government alleged that between 2002 and 2010, Dr. Rooney conspired with Julia Eller, the vice president and later owner of various spinal implant development, manufacturing and sales companies; Dr. Angie Song, Dr. Rooney's wife; and Charlie Song, his father in law. Also charged in the conspiracy were two limited liability companies created to receive and launder kickbacks, one owned by Dr. Song and the other by Ms. Eller. The goal of the conspiracy was to cause two Army hospitals to purchase nearly all of Dr. Rooney's surgical tools and spinal implants from Ms. Eller's companies. In exchange, Ms. Eller funneled a variety of illegal remuneration to Dr. Rooney, Dr. Song and Mr. Song, including firearms, hunting trips, fraudulent consulting agreements, checks and cash.

On January 19, 2015, Dr. Rooney pleaded guilty to an Information alleging violations of 18 U.S.C. §§ 208 & 2 (aiding and abetting criminal activity). He was originally sentenced in September 2015 to 30 months of imprisonment, three years of supervised release, and a \$15,000 fine. Dr. Rooney subsequently filed a motion in January 2016 asserting that his sentence was in excess of the statutory maximum set by the law, because he did not admit to a willful violation. The court granted Dr. Rooney's motion in May 2016, ruling that "neither the information nor the

plea agreement alleged that Rooney acted willfully.” At a new sentencing hearing on June 24, 2016, the court sentenced Dr. Rooney to 12 months of imprisonment, one year of supervised release, a \$15,000 fine and a \$25 special assessment.

This case was handled by the United States Attorney’s Office for the Western District of Texas. For a copy of the Information, see [https://www.oge.gov/web/OGE.nsf/Resources/Rooney+Information+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Rooney+Information+(2016)).

#### 7. *United States v. Gary Thomas Meredith*

For over 20 years, Defendant Gary Thomas Meredith served as the Energy Manager at Fort Knox and was responsible for developing and implementing energy savings measures at Fort Knox. As part of his duties, he worked closely with Nolin Rural Electric Cooperative Corporation (Nolin) on nearly 100 energy conservation projects, worth over \$250 million.

In 2005, Fort Knox began to consider developing a contractor position, called a Resource Efficiency Manager (REM) to perform the same duties as and work in tandem with the Energy Manager; the REM was going to be hired through Nolin. While he was still a federal employee, Mr. Meredith reached an agreement with Nolin that he would work for Nolin as a REM contractor when he retired. Fort Knox officials were unaware of his interest in the REM position and his arrangements with Nolin. In October 2005, Mr. Meredith began drafting the documents necessary to create the REM position, and in September 2006, he secretly misappropriated over \$582,000 to provide future funding for the position. In December 2006, while still a federal employee, he completed both the Fort Knox documents necessary to create the REM position as well as Nolin’s proposal for the position. Mr. Meredith also negotiated the pricing of the REM position with Nolin on behalf of Fort Knox, even though he already had an arrangement with Nolin that he was going to be the REM when he retired.

In July 2007, Mr. Meredith received an ethics opinion from a Fort Knox ethics advisor that stated that he could work for Nolin as a REM contractor; that advisor was unaware, however, that Mr. Meredith had a personal financial interest in the position dating back to April 2005, that he had misappropriated \$582,000 to fund the position, and that he had prepared Nolin’s proposal. Mr. Meredith retired in August 2007, and became Nolin’s REM on October 1, 2007. He earned approximately twice the rate of his federal salary in the REM position.

In addition to the above conduct, the government also asserted various other misconduct on the part of Mr. Meredith while he was in the REM position, including instructing Nolin to overbill Fort Knox for natural gas, and invoicing for his salary in advance.

Mr. Meredith was charged in a Second Superseding Indictment with violating multiple laws, including 18 U.S.C. § 208, 18 U.S.C. § 207(a)(1) and 18 U.S.C. § 1343 (wire fraud). After one day of trial, Mr. Meredith entered into a plea agreement dated December 1, 2015 pursuant to which he pleaded guilty to violating 18 U.S.C. § 208 by being personally and substantially involved as a federal employee in the creation of a contract in which he had a direct financial interest. On March 16, 2016, he was sentenced to three years of probation, \$137,500 in restitution, and a \$100 special assessment.

This case was handled by the United States Attorney's Office for the Western District of Kentucky. For a copy of the Second Superseding Indictment, see [https://www.oge.gov/web/OGE.nsf/Resources/Meredith+Second+Superseding+Indictment+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Meredith+Second+Superseding+Indictment+(2016)).

8. *United States v. Norbert Vergez*

From January 2010 through November 2012, Defendant Norbert Vergez was a Colonel in the U.S. Army, serving as the Program Manager for a component of the U.S. Army called Non-Standard Rotary Wing Aircraft (NSRWA). In this position, he had program management oversight over cost, schedule and performance of the programs under his purview. As part of his duties, Mr. Vergez had frequent contact with representatives of Contractor Z, a foreign firm in the business of providing various services associated with Mi-17 helicopters. At the time he started working at NSRWA, Contractor Z was a subcontractor under a government contract to overhaul Mi-17s.

In or around March 2012, Mr. Vergez began negotiating for possible future employment with Person X, who controlled two companies: Company 1, which provided management services to Person X's companies, and Company 2, which was a helicopter manufacturing company. In April 2012, Person X offered Mr. Vergez an employment opportunity with Company 2. After being informed by the Army in May 2012 that he was prohibited from receiving compensation from Company 2 for a year, Mr. Vergez subsequently engaged in negotiations to instead work for Company 1 for a year, after which time he would work directly for Company 2. In September 2012, Mr. Vergez signed an offer of employment at Company 1 at substantially the same terms as proposed in April 2012, to commence upon his retirement from the Army in 2013. He began working at Company 1 in March 2013, and began directly working for Company 2 in November 2013. While he was engaged in these negotiations for future employment during the summer of 2012, Mr. Vergez took official acts in matters in which Company 2 had a financial interest. Specifically, during that time period when Company 2 and NSRWA were negotiating a contract, he caused the payment terms of the contract to be adjusted so that Company 2 would receive "progress payments" that would result in it being paid faster than it otherwise would have been.

In addition, Mr. Vergez made various false statements on his Confidential Financial Disclosure Report (OGE 450). Specifically, in January 2013, he certified his OGE 450 form for calendar year 2012 that failed to disclose: (1) a Rolex wristwatch, worth approximately \$4,000, given to his spouse by the wife of a representative of Contractor Z in the summer of 2012; (2) his arrangement for future employment with Company 1; and (3) a check for \$30,000 given to him by Company 1 in late 2012, the stated reason for which was relocation expenses. Mr. Vergez's plea agreement also notes other false statements he made to the Inspector General's office, which was auditing and investigating Mi-17 contracts and contract disputes.

On April 7, 2015, Mr. Vergez entered into a plea agreement pursuant to which he pleaded guilty to violating 18 U.S.C. § 1001 and 18 U.S.C. §§ 208 & 216(a)(2). He was sentenced on April 26, 2016 to 60 months of probation with eight months of home detention, and a \$10,000 fine.

This case was handled by the United States Attorney's Office for the Northern District of Alabama. For a copy of the Information, see <https://www.oge.gov/web/OGE.nsf/Resources/>



[Vergez+Information+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Vergez+Plea+Agreement+(2016)). For a copy of the Plea Agreement, see [https://www.oge.gov/web/OGE.nsf/Resources/Vergez+Plea+Agreement+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Vergez+Plea+Agreement+(2016)).

## 18 U.S.C. § 1001

### 9. *United States v. Sharon M. Helman*

From February 2012 to December 2014, Defendant Sharon M. Helman was the Director of the Department of Veterans Affairs Medical Center (VAMC) in Phoenix, Arizona; she had previously served in similar roles at other VAMCs since 2005. From May 2005 through January 2009, Person A was her supervisor.

After leaving the VA, Person A began working for Consulting Group B, a company that claimed expertise in the areas of federal procurement, health care, and veterans issues, and provided consulting and lobbying services to companies specifically to enable them to expand their business with the VA. Person A worked as an executive consultant at Consulting Group B from June 2010 to March 2013, and served as a vice president of the company from July 2013 through December 2014. Over a five year period from approximately 2011 through 2016, VA contracts obtained by Consulting Group B's clients were valued in the hundreds of millions of dollars. In addition, from October 2009 through February 2015, Consulting Group B itself was awarded more than \$5.3 million dollars in VA contracts.

Ms. Helman was required to file financial disclosure reports as part of her employment with the VA. She confirmed in her plea agreement that she knew of her legal obligation to file truthful financial disclosure reports because, as a VAMC Director and a member of the Senior Executive Service, she had received mandatory ethics training each year since 2007. Notwithstanding Ms. Helman's obligation to submit truthful financial disclosure reports, she willfully failed to disclose gifts she received from Person A in financial disclosure reports covering calendar years 2012 and 2013; specifically, she failed to disclose gifts including roundtrip plane tickets, resort spa services, an automobile, concert tickets and a \$5,000 check, among others. Gifts she received from Person A in 2012 totaled \$2,054.67, and in 2013 totaled \$19,331.88. Ms. Helman's failure to report those gifts prevented the VA Office of General Counsel from undertaking a conflict of interest analysis to determine whether her acceptance of those gifts was permitted under applicable laws and regulations. Ms. Helman did not file a financial disclosure report for 2014, but agreed in her plea agreement that she received \$27,721.98 in gifts from Person A during that year, including an 8-day Disneyland vacation and multiple checks, ranging from \$3,000 to \$5,000 each.

On March 1, 2016, Ms. Helman entered into a plea agreement pursuant to which she pleaded guilty to a one count Information charging her with making a false statement to a government agency in violation of 18 U.S.C. § 1001. She was sentenced on May 16, 2016 to two years of probation.

This case was handled by the United States Attorney's Office for the District of Arizona. For a copy of the Information, see [https://www.oge.gov/web/OGE.nsf/Resources/Helman+Information+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Helman+Information+(2016)). For a copy of the Plea Agreement, see [https://www.oge.gov/web/OGE.nsf/Resources/Helman+Plea+Agreement+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Helman+Plea+Agreement+(2016)).

#### *10. United States v. Stephen M. Barton*

Beginning around September 2007, Defendant Stephen M. Barton worked for the Fish and Wildlife Service (FWS) as Chief of Administration and Information Management. Beginning in 2004 through early 2014, he also worked as Treasurer for Entity A, a non-profit association that received several grants and cooperative agreements from FWS during his tenure as Treasurer.

As a senior employee of FWS, Mr. Barton was required to complete a Confidential Financial Disclosure Report (OGE Form 450) that required disclosure of, among other things, all sources of income in excess of \$200 during the preceding calendar year. From 2008 to 2014, Mr. Barton received compensation from Entity A totaling \$377,363.18. He failed to disclose compensation he received from Entity A in five financial disclosure reports filed in 2011 through 2015 (which covered calendar years 2010-2014). Specifically, he failed to disclose the following compensation received from Entity A: \$51,602.83 of income received during 2010; \$56,361.48 of income received during 2011; \$70,458.44 of income received during 2012; \$109,242.74 of income received during 2013; and \$12,732.48 of income received during 2014.

On September 27, 2016, Mr. Barton entered into a plea agreement pursuant to which he pleaded guilty to a one-count Information charging him with making false statements in violation of 18 U.S.C. § 1001. He was sentenced on February 9, 2017 to three years of probation, a \$10,000 fine, and a \$100 special assessment.

This case was handled by the Public Integrity Section of the Department of Justice and the United States Attorney's Office for the District of Idaho. For a copy of the Factual Basis for Plea, see [https://www.oge.gov/web/OGE.nsf/Resources/Barton+Factual+Basis+for+Plea+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Barton+Factual+Basis+for+Plea+(2016)).

#### *11. United States v. Leonardo Silva*

From 2008 through 2014, Defendant Leonardo Silva was a Resident Agent in Charge (RAC) of the Monterrey, Mexico field office of the Drug Enforcement Administration. As the RAC, he was the highest-ranking DEA official in the Monterrey field office, and was required to file annual public financial disclosure reports. During this period, Mr. Silva developed a social relationship with Person A, a Mexican national who had business dealings in the U.S. and Mexico and access to an 18-passenger private plane. Mr. Silva also developed a social relationship with Person B, a U.S. citizen who was an owner of companies that specialized in selling aircrafts, leasing aircrafts and brokering charter flights.

From late September 2010 through November 2014, Mr. Silva travelled for personal reasons between Monterrey, Mexico and McAllen, Texas on private planes owned and operated by foreign nationals and U.S. civilians. Over this approximate four year period, he flew on roughly 100 private flights, including 27 flights in 2013; of these flights, four were on an aircraft connected to Person A, and approximately 24 were on aircrafts connected to Person B. Mr. Silva failed to pay fair market value for these flights, which was in excess of the \$350 reporting requirement for gifts on financial disclosure forms (although he occasionally did pay the fuel costs associated with the flights). In financial disclosure reports filed in 2012, 2013 and 2014, he did not disclose these flights, and instead certified that he did not receive gifts or travel

reimbursements totaling more than \$350 from any one source. In addition to these false statements on his financial disclosure report, the Statement of Offense agreed to by Mr. Silva also detailed his involvement in providing false statements about certain Mexican nationals, which led to the revocation of their visas.

Mr. Silva pleaded guilty to violating 18 U.S.C. § 1001(a)(2) on May 18, 2016. He was sentenced on February 14, 2017 to two years of probation, 100 hours of community service, and a \$100 special assessment.

This case was handled by the Public Integrity Section of the Department of Justice and the United States Attorney's Office for the District of Columbia. For a copy of the Statement of Offense, see [https://www.oge.gov/web/OGE.nsf/Resources/Silva+Statement+of+Offense+\(2016\)](https://www.oge.gov/web/OGE.nsf/Resources/Silva+Statement+of+Offense+(2016)).