



FRAUD AND FEDERAL GRANTS

THE ROLE OF THE U.S. ATTORNEY'S OFFICE



U.S. Attorney's Office, Districts of Guam and the N.M.I.

- Four full-time criminal prosecutors
- Priorities:
 - Drug interdiction
 - Human trafficking/smuggling
 - Public corruption





Advantages of Federal Prosecution

- Grand Jury subpoena power
- National jurisdiction to gather evidence
- Significant prison time under federal sentencing guidelines
- Mandatory restitution





Federal Felony Statutes

18 USC § 666 (a)(1)--Theft From a Program Receiving Federal Funds

Employee or agent of a state agency embezzles, steals or obtains by fraud, *or intentionally misapplies* property with a value of more than \$5,000, or accepts a bribe of at least \$5,000, where agency receives at least \$10,000 per year in federal funds or benefits.

18 USC § 666(a)(2) & (b)--Bribery in a Program Receiving Federal Funds

Asking for, offering, giving or accepting bribe by or of a state employee or official involving a transaction of at least \$5,000 where agency receives at least \$10,000 per year in federal funds or benefits.

Maximum Penalty: 10 Years Imprisonment





Statutes (cont.)

18 USC § 1341/43/46--Wire/Mail Fraud: Deprivation of Honest Services

Employee or official defrauds the government of its right to honest services and uses mail or interstate electronic communication to do it.

19 USC § 1951--Interference With Commerce by Acts of Extortion

Obtaining property of another, with that persons consent, by acting under color of official right.

Maximum Penalty: 20 Years Imprisonment





Other Statutes

18 USC § 1956--Money Laundering

Conducting monetary transactions using proceeds of specified unlawful activity with intent to conceal proceeds or further crime. *Maximum Penalty: 20 Years Imprisonment*

18 USC § 600--Election Fraud

Candidate directly or indirectly offers position enabled by an act of Congress in exchange for political support. *Maximum Penalty: One Year Imprisonment*





Retribution Against Whistleblowers

- Admission of Guilt
- Civil Lawsuits--Whistleblower Protection
- Criminal Charges--Obstruction & Witness Tampering

Risk of Not Blowing Whistle

- Fraud and False Statements--18 USC § 1001 *Max. Pen: 5 Years*
- Misprision of a Felony--18 USC § 4 *Max. Pen: 3 Years*
- Conspiracy--18 USC § 371 *Max. Pen: 5 Years*





Federal Bureau of Investigations

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