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PRESS RELEASE

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Former Deputy Director of USAID Contractor and His Wife Accused of Embezzling More Than \$1 Million Meant for Global Health - Indicted on Conspiracy, Wire Fraud, Money Laundering, Other Charges -

WASHINGTON - Mark Adams, 43, a former deputy director at a private USAID contractor, and his wife, Latasha Bell, 36, have been indicted by a federal grand jury on charges that they stole more than \$1 million from a program meant to address global health problems such as HIV/AIDS. Among other things, Adams and Bell are accused in the indictment of using the money to renovate their home and purchase two luxury cars worth over \$110,000.

The indictment was announced today by Ronald C. Machen Jr., U.S. Attorney for the District of Columbia and Michael G. Carroll, Acting Inspector General for the U.S. Agency for International Development (USAID).

The 23-count indictment was filed April 10, 2012 in the U.S. District Court for the District of Columbia. It includes one count of conspiracy, 10 counts of wire fraud, two counts of mail fraud, seven counts of theft from a program receiving federal funds, one count of conspiracy to launder money, and two counts of aggravated identity theft.

If convicted, Adams and Bell, of Fort Washington, Md., each face a maximum sentence of 20 years in prison and a \$250,000 fine on each wire fraud charge, as well as additional time for other counts. The aggravated identity theft charges carry a mandatory two-year prison term. Both defendants pled not guilty to the charges at their arraignments today.

“With this indictment, we are alleging that a former director of a federal contracting company and his wife conspired to steal money that was intended to assist developing countries with serious public health problems,” said U.S. Attorney Machen. “Instead of the funds being used to assist in the treatment of conditions such as HIV/AIDS, the money was allegedly used by Mr. Adams and Ms. Bell to pay for expensive home renovations and purchase luxury vehicles such as a Cadillac EXT and a Mercedes S550.”

“This indictment reflects the hard work exhibited by the USAID OIG Investigators and the U.S. Attorney’s Office for the District of Columbia,” said Acting Inspector General Carroll. “It is our intention that through our joint efforts that justice will be carried out against those who try to wrongfully profit from the U.S. taxpayer.”

According to the indictment, Adams used his position as deputy director at a private USAID contractor to submit and approve false and fraudulent invoices worth more than \$1 million between 2005 and 2010. The bogus invoices claimed to bill for services purportedly provided by Bell and companies controlled by Adams’s friends, such as a co-conspirator named Everett Lipscomb Jr. However, the work and services claimed on the invoices were not in fact provided.

According to the indictment, Adams’s approval caused the private USAID contractor to pay the bogus invoices. Adams and Bell then received the proceeds of those payments either directly as check and wire payments to Bell or indirectly when Lipscomb and others paid Adams and Bell part of the funds they received from the contractor. Adams and Bell also used such fraudulent invoices to pay a home renovation contractor to complete an extensive renovation of their home. In other instances, Adams and Bell received funds from Lipscomb and others that they used to buy a Cadillac EXT and a Mercedes S550 luxury automobile.

As alleged in the indictment, Adams, Bell and the other co-conspirators used e-mail and Internet “chats” to discuss execution of the conspiracy, and to forge fraudulent submissions and messages which provided false documentation and support for the invoices to employees at the private USAID contractor. In other instances, Adams and Bell used the identities of other people to operate the scheme. For example, Adams forged the name of another employee on various forms needed to request and approve the payment of the bogus invoices.

On March 2, 2012, Lipscomb pleaded guilty to one count of conspiracy to commit wire fraud and related forfeiture allegations. Lipscomb, 42, of Aliso Viejo, California, faces a maximum sentence of 20 years in prison and a \$250,000 fine.

The indictment against Adams and Bell includes a forfeiture allegation seeking all proceeds obtained through the scheme. The forfeiture allegation also states that the government has already seized about \$49,000 in proceeds from the scheme.

The case was investigated by the USAID Office of the Inspector General and is being prosecuted by the U.S. Attorney’s Office for the District of Columbia. The investigation is ongoing.

An indictment is merely a formal charge that a defendant has committed a violation of criminal laws and is not evidence of guilt. Every defendant is presumed innocent until, and unless, proven guilty.