



July 31, 2024
LA-24-09

LEGAL ADVISORY

TO: Designated Agency Ethics Officials

FROM: Shelley K. Finlayson
Acting Director

SUBJECT: 2023 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 calendar year 2023. The survey highlights how the Department of Justice enforces the criminal conflict of interest laws, and is a useful resource ethics officials can use to educate employees about how these laws apply in real-world situations. With the assistance of the Executive Office for United States Attorneys, OGE received information on eight new prosecutions by the U.S. Attorneys' offices and the Public Integrity Section of the Department of Justice. Summaries of the prosecutions reported to OGE for past years can be found on OGE's website, www.oge.gov, organized [by year](#) and [by statute](#).

18 U.S.C. § 201 (Bribery)

1. United States v. Alfred Palma

From 2016 to 2021, Defendant Alfred Palma was the Ordering Officer (OO) for Institutional Training Directed Lodging and Meals (ITDLM) at Fort Sill, a U.S. Army facility near Lawton, Oklahoma. ITDLM managed lodging for soldiers who attended long-term training at Fort Sill, and as the OO for ITDLM, Mr. Palma was responsible for booking hotel rooms for soldiers who attended such training. If no rooms were available at on-post facilities, Mr. Palma had a duty to book rooms and distribute soldiers equally between two off-post hotels, Hotel C and Hotel S, at a rate of \$90 per soldier per night.

From October 2019 to October 2020, Candy Hanza, the general manager of Hotel C, paid bribes to Mr. Palma in exchange for him directing soldiers to Hotel C when booking off-post lodging. He admitted to accepting bribes totaling \$103,200 from Ms. Hanza in return for favoring Hotel C in soldier hotel bookings.

In a Plea Agreement filed with the court on June 26, 2023, Mr. Palma pleaded guilty to one count of a public official accepting a bribe in violation of 18 U.S.C. § 201(b)(2)(C). On



January 25, 2024, the court sentenced Mr. Palma to serve 29 days in Federal prison, followed by 11 months of home confinement and two years of supervised release. At a hearing on March 20, 2024, the court issued an amended judgment ordering Mr. Palma to pay \$103,200 in restitution and a \$100 special assessment. Ms. Hanza pleaded guilty to one count of paying a bribe to a public official in violation of 18 U.S.C. § 201(b)(2)(C). The court sentenced her to 18 months of imprisonment and two years of supervised release, and ordered her to pay \$171,776.46 in restitution and a \$100 special assessment.

This case was handled by the United States Attorney's Office for the Western District of Oklahoma. For additional information, see the original [Indictment](#).

18 U.S.C. § 207 (Post-Government Employment)

2. United States v. Richard Gustave Olson

Defendant Richard Gustave Olson was a career foreign service officer with the State Department. He served as the U.S. Ambassador to the United Arab Emirates from October 14, 2008 through May 2, 2011, and as the U.S. Ambassador to Pakistan from October 31, 2012 through November 17, 2015.

On January 27, 2015, while serving as the U.S. Ambassador to Pakistan, a third party provided Mr. Olson with first-class round-trip airfare tickets from New Mexico to London for purposes of attending a job interview. The same individual also provided Mr. Olson with lodging at a London hotel from January 30 through February 2, 2015. The value of the airfare exceeded \$18,000, and the value of the hotel accommodations exceeded \$1,000. As a senior U.S. Government official during this time, Mr. Olson filed public financial disclosure reports on an annual basis that required disclosure of, among other things, gifts and travel expenses received during the prior calendar year. His annual OGE Form 278 for the 2015 calendar year, which he filed on May 12, 2016, did not disclose these travel benefits.

From November 17, 2015 through November 30, 2016, Mr. Olson served as the U.S. Special Representative for Afghanistan and Pakistan, a position that placed him within a category of senior Government officials subject to a one-year cooling-off period that prohibited him from representing any foreign entity before any employee of any agency of the United States, or from providing aid or advice to any foreign entity with the intent to influence a decision of any employee of the United States (18 U.S.C. § 207(f)(1)). Notwithstanding this prohibition, beginning on February 14, 2017, Mr. Olson participated in a lobbying effort to convince the U.S. Government to endorse the establishment of U.S. Customs and Border Protection preclearance facilities at Doha International Airport in Qatar. In furtherance of the effort to establish such facilities, Mr. Olson helped draft a proposal that was sent to the Qatar government explaining how the preclearance facilities could be achieved, and recommended that the Qataris leverage certain factors to convince the U.S. Government to approve the proposal.

In addition, in June 2017, Mr. Olson participated in a lobbying effort to convince the U.S. Government to support Qatar in its efforts to oppose a blockade imposed upon it by its neighbors. As part of these efforts, he recruited a retired U.S. General to help provide advice to

Qatari officials regarding how to influence U.S. policy regarding the Gulf Diplomatic Crisis. A third party agreed to pay for the expenses of Mr. Olson and the General to travel to Doha to meet with representatives of the Qatar government; at the time, the third party was paying Mr. Olson \$20,000 monthly to provide services. Mr. Olson and the General told the Qatari government officials that they had traveled to Qatar as private citizens, not on behalf of the U.S. Government, but also noted that they had connections with U.S. Government officials that placed them in a position to help Qatar. In these meetings, the General provided strategic advice to Qatari government officials regarding U.S. involvement in the Crisis. During the same time period, with Mr. Olson's knowledge, the General solicited the help of the U.S. National Security Advisor and his staff to support the position of Qatar with respect to the Crisis. On June 28, 2017, Mr. Olson attended a dinner with the General, representatives of the Qatar government, and members of Congress in an effort to enlist U.S. support of Qatar.

In a Plea Agreement signed January 14, 2022, Mr. Olson pleaded guilty to one count of making a false writing in violation of 18 U.S.C. § 1018 and one count of aiding and assisting a foreign government with intent to influence decisions of U.S. officers in violation of 18 U.S.C. § 207(f)(1)(B). On September 15, 2023, the court sentenced him to three years of probation and ordered him to pay a \$93,350 fine and a \$50 special assessment.

This case was handled by the United States Attorney's Office for the Central District of California, the Department of Justice National Security Division, and the United States Attorney's Office for the District of Columbia (in April 2022, the case was transferred from the U.S. District Court for the Central District of California to the U.S. District Court for the District of Columbia). For additional information, see the [Information](#), the [Plea Agreement](#), and the [Statement of Offense](#) associated with the Plea Agreement.

18 U.S.C. § 208 (Acts Affecting a Personal Financial Interest)

3. United States v. Kevin Kuciapinski

Defendant Kevin Kuciapinski was an active-duty U.S. Air Force Major who worked at the National Reconnaissance Office (NRO), a Government agency in charge of designing, building, launching, and maintaining America's intelligence satellites. He was stationed at the Aerospace Data Facility-Colorado on Buckley Air Force Base, along with his co-Defendant Randolph Stimac, who was an employee of the National Security Agency.

Beginning on or about January 1, 2014 and continuing to on or about December 31, 2014, Mr. Kuciapinski and Mr. Stimac worked together to obtain a Government contract that would benefit them and Mr. Kuciapinski's then-wife, who owned a company that sought to do business with the Government. The contract at issue primarily focused on developing a streamlined process to take technology from the research and development stage to operational use amongst the intelligence community. In furtherance of the scheme, Mr. Kuciapinski provided technical advice on various occasions to Mr. Stimac and Mrs. Kuciapinski, which resulted in Federal funding for a Government contract that was to pay Mrs. Kuciapinski's company approximately \$479,898 as a subcontractor. Before losing any money other than administrative costs, the

Government discovered the scheme and canceled the contract; however, the U.S. Army lost the use of \$453,386 for that fiscal year as a result of the contract being cancelled.

A 49-count Superseding Indictment filed by the Government charged Mr. Kuciapinski, Mrs. Kuciapinski, and Mr. Stimac with various offenses, including one count of procurement fraud in violation of 18 U.S.C. § 371, six counts of unlawful disclosure of procurement information in violation of 41 U.S.C. § 2102, one count of an employee participating in a matter affecting the employee's financial interest in violation of 18 U.S.C. § 208, one count of making a false statement in violation of 18 U.S.C. § 1001, 30 counts of wire fraud and aiding and abetting in violation of 18 U.S.C. § 1343, and one count of major fraud against the United States in violation of 18 U.S.C. § 1031. In a Plea Agreement dated December 20, 2022, Mr. Kuciapinski ultimately pleaded guilty to a single count Information charging him with participating in a matter affecting his financial interest, in violation of 18 U.S.C. § 208. On August 17, 2023, the court sentenced him to three years of probation and ordered him to pay a \$1,000 fine and \$25 special assessment. Mr. Stimac pleaded guilty to one count of conspiracy to commit procurement fraud and defraud the United States, in violation of 18 U.S.C. § 371; the court sentenced him to five years of probation and ordered him to pay a \$1,000 fine and a \$100 special assessment. The court dismissed the Superseding Indictment against Mrs. Kuciapinski without prejudice under the Speedy Trial Act.

This case was handled by the United States Attorney's Office for the District of Colorado. For additional information, see the [Superseding Indictment](#) and the guilty pleas of [Mr. Kuciapinski](#) and [Mr. Stimac](#).

4. *United States v. Kathryn Drey*

Defendant Kathryn Drey worked as an Assistant United States Attorney (AUSA) in the United States Attorney's Office for the Northern District of Florida (USAO-NDFL). From approximately February 2019 through March 2021, she served as the Chief of the Civil Division for the USAO-NDFL. As an AUSA, Ms. Drey had the authority to request bids from companies for contracts with the USAO-NDFL, and, depending on the amount at issue, approve payments to the companies; she also had authority as a supervisor to review and approve expenditures requested by attorneys in the Civil Division of USAO-NDFL.

In August 2018, Ms. Drey directed a contract for litigation expenses between the USAO-NDFL and Company A, a Florida title-closing company owned by her spouse. Approximately one month later, the USAO-NDFL authorized payment of \$1,000 to Company A. Ms. Drey also sought to award Government contracts to two other businesses that served as title-closing companies for real estate transactions in Alabama and Florida (collectively, Company B). Ms. Drey's spouse was not an owner of Company B, but he was retained as an attorney by Company B in 2016 and again in 2020, and received approximately two-thirds of the funds paid to Company B by USAO-NDFL for the performance of title search contracts. Ms. Drey never informed her supervisors or others at USAO-NDFL of the arrangement between Company B and her spouse; instead, she advised the USAO-NDFL that Company B was the only title company willing to complete affordable title searches for the USAO-NDFL on defendants' properties in foreclosure litigation.

In February 2020, at Ms. Drey's recommendation, the Executive Office of United States Attorneys awarded a title search contract to Company B on behalf of USAO-NDFL. Over the remainder of calendar year 2020, USAO-NDFL and Company B executed ten additional contracts and contract modifications for the same services. As payment for these title search contracts, the United States deposited \$45,150 in Company B's bank account between March 2020 and December 2020. In various subsequent transactions, Ms. Drey's husband transferred money from Company B's bank account into a bank account he owned jointly with Ms. Drey.

In a Plea Agreement filed with the court on March 28, 2023, Ms. Drey pleaded guilty to a conflict of interest in violation of 18 U.S.C. § 208. On July 26, 2023, the court sentenced her to six months of probation and ordered her to pay a \$500 fine and \$100 special assessment.

This case was handled by the Public Integrity Section of the Department of Justice. For additional information, see the [Information](#) and the [Factual Basis for Plea Agreement](#).

5. *United States v. Sheron Spann*

Defendant Sheron Spann began working in the Contracting Office for the U.S. Office of Personnel Management (OPM) in April 2007. Her husband was a co-founder of an information technology (IT) company called Enlightened Inc.; he was listed in various state corporate filings as the Vice President of the company, and on at least one occasion, submitted proposals for Government IT contracts on behalf of Enlightened as its Vice President.

In August 2011, Ms. Spann proposed to an OPM Contracting Officer Representative that the agency invite Enlightened to bid on a particular solicitation to develop case management software to support background investigations for Federal employees and contractors. In late September 2011, OPM awarded Enlightened a Blanket Purchase Agreement (BPA) for the development of the background investigation case management system; the contract had a funding ceiling of \$4.5 million, and was scheduled to end in September 2016. Ms. Spann served as the OPM point of contact on the contract, as the primary Contract Specialist who prepared the contract documents, and as the OPM employee who oversaw the BPA. Notwithstanding the original ceiling on the contract, through modifications and work orders, work under the contract surpassed the original funding ceiling, and ultimately exceeded \$25 million.

At the same time that Ms. Spann was overseeing OPM's contracts with Enlightened, she was deriving a personal financial benefit from Enlightened through Tier 1 LLC (Tier 1), an intermediary company used by Enlightened as one of its contractors. Tier 1 financial records reflect approximately \$735,973.43 of deposits from Enlightened from March 2012 through April 2017, and funds flowing from Enlightened to Tier 1 were used to make payments that benefited both Ms. Spann and her husband, including towards a credit card account and vehicle payments. In addition to the above activities relating to Enlightened, Ms. Spann also awarded a contract worth \$495,670.71 to a contractor named 8-Koi. Her spouse wrote the proposal for the 8-Koi contract, acting on behalf of another company he worked for that served as a subcontractor to 8-Koi.

Ms. Spann never disclosed to OPM the nature or extent of her connections with Enlightened. In confidential financial disclosure reports she filed between 2013 and 2018, she reported varying information about Tier 1, for example, sometimes reporting it as a jointly held private business, and sometimes reporting a Vice President position with the company. In 2013, an OPM ethics official discussed with Ms. Spann the jointly owned consulting business that she reported on her financial disclosure report; Ms. Spann stated that the business she held jointly with her husband did not have contracts with OPM, and never would while she was employed with the agency. In 2017, OPM's Director of Procurement Operations discussed conflicts of interest with Ms. Spann, and she stated that her husband's IT business was not a concern, and that she had no conflicts of interest in her contracting role at OPM.

In a Plea Agreement filed with the court on May 19, 2023, Ms. Spann pleaded guilty to a single count Information charging her with acts affecting a personal financial interest in violation of 18 U.S.C. § 208. On September 21, 2023, the court sentenced her to 24 months of probation and ordered her to pay a \$10,000 fine and a \$100 special assessment.

This case was handled by the United States Attorney's Office for the District of Columbia. For additional information, see the [Statement of Offense](#) associated with Ms. Spann's guilty plea.

18 U.S.C. § 371 (Conspiracy to Commit Offense Against the United States)

6. United States v. Keith Alan Seguin

From March 1989 through July 8, 2017, defendant Keith Alan Seguin was a civilian employee at the 502 Trainer Development Squadron (RTD), an Air Force unit located at Randolph Air Force Base. The RTD procures and maintains simulator training systems such as flight simulators for Department of Defense agencies and authorized foreign militaries. Mr. Seguin was involved in the development and manufacture of simulators, and the RTD routinely appointed him as the Contracting Office's Representative on Government contracts. He had authority to solicit and accept orders for flight simulator technology and support, and to promote and manage related contracts for the Government.

Beginning in approximately 2007 and continuing into 2018, Mr. Seguin accepted \$2,375,725.26 in bribes from David Bolduc and his company QuantaDyn Corporation, a software engineering company that worked on RTD simulator projects. Specifically, in return for bribes from QuantaDyn, Mr. Boldue, and others, Mr. Seguin used his influence to persuade prime contractors on RTD contracts to award subcontracts worth tens of millions of dollars to QuantaDyn. As part of this scheme, Mr. Seguin shared confidential information such as competitor proposals and Government budget and contracting information with certain prime contractors, which helped ensure that these prime contractors could secure RTD contracts and maximize their profits. He also helped employees of these prime contractors develop fraudulent budget quotes related to contracts, and assisted them with fabricating artificial labor hours, costs, and profits to approximate the Government budgets for contracts that he had improperly disclosed to the contractors. Mr. Bolduc and QuantaDyn submitted quotes and claims to the prime contractors that were inflated by the amount of the bribes that they paid to Mr. Seguin; in

his role at RTD, Mr. Seguin recommended approval of these quotes and claims, which caused the Government to pay inflated claims that financed the bribery payments he received.

Mr. Seguin did not report the bribery income he received from QuantaDyn on his 1040 Individual Income Tax Return for 2016, and thus did not pay taxes on the same, causing a tax loss to the Government in the amount of \$180,358 for that tax year. In addition to the above activities, Mr. Seguin also purloined Government-owned simulator equipment and sold it for personal gain totaling nearly \$240,000.

The Government initially filed a three-count Indictment against Mr. Seguin and some co-conspirators charging one count of conspiracy to commit wire fraud in violation of 18 U.S.C. §§ 1349 and 1343, one count of conspiracy to commit money laundering in violation of 18 U.S.C. § 1956(h), and one count of conspiracy in violation of 18 U.S.C. § 371 (specifically conspiracy to defraud the United States, to commit bribery in violation of 18 U.S.C. § 201(b), to participate in procurement decisions in which he had a personal financial interest in violation of 18 U.S.C. § 208(a), and to disclose and receive confidential contractor bid and proposal information in violation of 41 U.S.C. §§ 2102 and 2105). On May 27, 2021, Mr. Seguin pleaded guilty to the count of the Indictment charging him with conspiracy to commit wire fraud, as well as to a single-count Information charging him with fraud and false statements in violation of 26 U.S.C. § 7206(1). On April 24, 2024, the court sentenced him to 188 months of imprisonment for the conspiracy to commit wire fraud charge, and three years of imprisonment for the false statements charge, to be served concurrently. The court also ordered him to pay \$736,618 in restitution to the Internal Revenue Service, and to forfeit \$2,342,095 that he received in bribe money. As part of the court's judgment, Mr. Seguin also is jointly and severally responsible, along with some of his co-conspirators, for paying \$38,733,720.65 in restitution to the Government. Several of Mr. Seguin's co-conspirators, including Mr. Bolduc, pleaded guilty and received sentences for their role in the conspiracy ranging from probation to 10 years of imprisonment, and were ordered by the court to pay varying amounts of restitution.

This case was handled by the United States Attorney's Office for the Western District of Texas. For additional information, see the initial [Indictment](#) and Mr. Seguin's [Factual Basis for Guilty Plea](#).

**18 U.S.C. § 643 (Accounting Generally for Public Money) and
18 U.S.C. § 654 (Conversion of Property)**

7. United States v. Gregory Camacho

Defendant Gregory Camacho was an employee of the National Park Service (NPS), a bureau of the U.S. Department of the Interior that is tasked with providing opportunities for public use and enjoyment of national parks and monuments, while also protecting its natural and historic resources. NPS properties on St. Croix, Virgin Islands include several sites; at Sion Farm on St. Croix, the NPS maintains Government housing units that are available for rent by NPS employees.

Mr. Camacho began working for the NPS in 2007 as a law enforcement ranger, and in 2015 was promoted to Supervisory Law Enforcement Ranger. In that role, he was stationed at multiple locations, including St. Croix. From September 2018 through March 2019, Mr. Camacho served a temporary detail as Acting Deputy Park Superintendent on St. Croix, and in June 2019, he was promoted to Deputy Park Superintendent on St. Croix. He also served as Acting Park Superintendent on St. Croix from June 2019 to August 2020.

House Three, one of the Government housing units available for rent on St. Croix, can be classified as a single-family home or dormitory style residence; the required rent for the unit is determined by the use and classification. From June 2019 through June 2020, Mr. Camacho resided in House Three and occupied at least two of the units. Although he paid rent for one unit for the period of February 2020 through June 2020, he failed to pay any rent for June 2019 through January 2020, and also failed to pay rent for the second unit of House Three from February 2020 to June 2020. As a result, the NPS incurred a loss of \$14,192.10.

Between October 2018 and September 2019, Mr. Camacho traveled as part of his official duties, and was entitled to reimbursement for various expenses relating to this travel. On four occasions, he submitted overlapping travel vouchers for reimbursement, resulting in the Government issuing him an additional \$1,922.50 in travel expense reimbursements to which he was not entitled. In addition, in July 2019, Mr. Camacho relocated from Florida to St. Croix, and falsely claimed that his wife and children relocated with him; as a result, he received \$13,387.50 in relocation expenses reimbursement to which he was not entitled.

The Government initially filed a 36-count Indictment against Mr. Camacho charging him with 15 counts of conversion of Government property in violation of 18 U.S.C. § 641; one count of acts affecting a personal financial interest in violation of 18 U.S.C. § 208; eight counts of wire fraud in violation of 18 U.S.C. § 1343; eight counts of false, fictitious or fraudulent claims in violation of 18 U.S.C. § 287; and four counts of theft of Government money in violation of 18 U.S.C. § 641. In a Plea Agreement filed with the court on May 11, 2023, Mr. Camacho pleaded guilty to a three-count Information charging him with one count of conversion of property in violation of 18 U.S.C. § 654 and two counts of accounting generally for public money in violation of 18 U.S.C. § 643. On April 3, 2024, the court sentenced him to four years of probation (with nine months of the probation spent on home detention), and ordered him to pay \$29,502.20 in restitution, a \$6,000 fine, and a \$75 special assessment.

This case was handled by the United States Attorney's Office for the District of the Virgin Islands. For additional information, see the original [Indictment](#) and the [Plea Agreement](#).

18 U.S.C. § 1001 (False Statements)

8. United States v. Charles McGonigal

Defendant Charles McGonigal was a Special Agent in Charge of the Federal Bureau of Investigation (FBI) New York Field Office from October 2016 until his retirement in September 2018. As part of his duties, he was responsible for overseeing counterintelligence and national security matters, including those involving European countries like Albania and Bosnia and

Herzegovina. As a Special Agent in Charge and a member of the Senior Executive Service, Mr. McGonigal was required to file annual public financial disclosure reports; he also was required by agency policy to report, using designated FBI forms, unofficial and official foreign travel as well as ongoing professional or official contacts with foreign nationals.

Mr. McGonigal was professional acquaintances with Person A, a naturalized U.S. citizen who was born in Albania. In the fall of 2017, in anticipation of his retirement from the FBI, Mr. McGonigal and Person A discussed a prospective joint business venture, including the formation of a private consulting services company. Mr. McGonigal also requested a loan from Person A, and ultimately received approximately \$225,000 from that individual. He did not disclose his personal business development efforts or the loan to the FBI.

From fall 2017 through his retirement, Mr. McGonigal had various interactions with Person A. On multiple occasions, he traveled internationally with Person A to countries like Albania; on these trips, Mr. McGonigal engaged with various foreign nationals, including a foreign government official and an individual who was a foreign politician and businessperson, on matters of interest to Person A and a business associate of Person A. Mr. McGonigal either failed to file the forms required by the FBI for reporting such travel, or failed to fully disclose all details regarding his travel and foreign contacts on the forms he did submit. He also did not report his ongoing professional or official contacts with foreign nationals on the required FBI forms. In addition, in 2018 and 2019, Mr. McGonigal filed financial disclosure forms in which he improperly failed to disclose the \$225,000 he received from Person A as either an asset or a liability.

According to the initial Indictment, Mr. McGonigal's private financial relationship with Person A actually or apparently conflicted with his FBI duties—for instance, among other things, the Government asserted that he caused the FBI to open a criminal investigation of a U.S. citizen in which Person A would serve as a confidential human source, and he also attempted to arrange a meeting between U.S. Government authorities and two other individuals that would benefit Person A financially, all while concealing his receipt of money from Person A.

The Government initially filed a nine-count Indictment against Mr. McGonigal charging him with one count of concealment of material facts in violation of 18 U.S.C. §1001(a)(1), six counts of false statements in violation of 18 U.S.C. § 1001(a)(2), and two counts of falsification of a record or document in violation of 18 U.S.C. § 1519. In a Plea Agreement filed with the court on September 22, 2023, he pleaded guilty to concealment of material facts in violation of 18 U.S.C. § 1001(a)(1). On February 16, 2024, the court sentenced him to 28 months of imprisonment and three years of supervised release. In an unrelated separate case prosecuted in the Southern District of New York, a different court sentenced Mr. McGonigal to 50 months of imprisonment and ordered him to pay a \$40,000 fine for conspiring to violate the International Emergency Economic Powers Act and to commit money laundering.

This case was handled by the United States Attorney's Office for the District of Columbia. For additional information, see the original [Indictment](#) and the [Statement of Offense](#) associated with Mr. McGonigal's Plea Agreement.