



Department of Justice

FOR IMMEDIATE RELEASE
THURSDAY, JUNE 4, 2009
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CRM
(202) 514-2008
TDD (202) 514-1888

FORMER U.S. ARMY LIEUTENANT COLONEL SENTENCED FOR ROLE IN FRAUD SCHEME ARISING OUT OF AL-HILLAH, IRAQ

WASHINGTON – Debra Harrison, a former lieutenant colonel in the U.S. Army Reserves, was sentenced today to 30 months in prison for her participation in a scheme to defraud the U.S. government, the Republic of Iraq and the Coalition Provisional Authority - South Central Region (CPA-SC) in Al-Hillah, Iraq, announced Assistant Attorney General Lanny A. Breuer of the Criminal Division. Harrison was also ordered to serve two years of supervised release following her incarceration and to pay \$366,640 in restitution.

Harrison, 50, of Trenton, N.J., pleaded guilty to one count of honest services wire fraud on July 28, 2008, before Judge Mary L. Cooper at the U.S. District Court for the District of New Jersey, Trenton Division. At the plea hearing, Harrison admitted that in August 2004 she received a Cadillac Escalade from Philip Bloom, a contractor at the CPA-SC. The Escalade was financed through a series of wire transfer payments, which form the basis of the wire fraud charge. Harrison also admitted that she took more than \$300,000 from the CPA-SC while deployed there and that she used some of the stolen money to make improvements at her home. Harrison also admitted that in July 2004 she helped to move unregistered firearms from a hotel in North Carolina to the home of Robert Stein, a co-conspirator who worked with Harrison at the CPA-SC.

Stein was sentenced on Jan. 29, 2007, to nine years in prison and ordered to forfeit \$3.6 million. He pleaded guilty on Feb. 2, 2006, in U.S. District Court for the District of Columbia to conspiracy, bribery, money laundering, possession of machine guns and being a felon in possession of a firearm for his role in the scheme to defraud the CPA-SC.

On April 18, 2006, Bloom pleaded guilty in U.S. District Court for the District of Columbia to related charges of conspiracy, bribery and money laundering in connection with the scheme. Bloom was sentenced on Feb. 16, 2007, to 46 months in prison and ordered to forfeit \$3.6 million.

On Aug. 25, 2006, Lt. Col. Bruce Hopfengardner pleaded guilty in U.S. District Court for the District of Columbia to charges of conspiracy to commit wire fraud and money laundering in connection with the scheme. Hopfengardner was sentenced on July 2, 2007, to 21 months in prison and ordered to forfeit \$144,500.

On Feb. 1, 2007, Col. Curtis Whiteford, Lt. Col. Michael Wheeler, and civilians Seymour Morris Jr. and William Driver were charged in a 25-count indictment with related charges including conspiracy, bribery and money laundering in connection with this scheme. Whiteford

and Wheeler were convicted by a jury after trial on Nov. 7, 2008; Morris was acquitted; and Driver, whose case was severed, is currently awaiting trial.

An indictment is merely an allegation and is not evidence of guilt. A defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.

In October 2006, the Department of Justice announced the formation of a National Procurement Fraud Task Force designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in government contracting activity for national security and other government programs. The Procurement Fraud Task Force, chaired by Assistant Attorney General Breuer, includes the U.S. Attorneys' Offices, the FBI, the U.S. Inspectors General community, and a number of other federal law enforcement agencies. The cases brought by members of the Task Force demonstrate the Department of Justice's commitment to helping ensure the integrity of the government procurement process.

These cases are being prosecuted by Trial Attorneys John P. Pearson and Kevin Driscoll of the Criminal Division's Public Integrity Section, headed by Section Chief William M. Welch II, as well as former Section Trial Attorney Ann C. Brickley. The cases are being investigated by the Internal Revenue Service Criminal Investigation; the Special Inspector General for Iraq Reconstruction; U.S. Immigration and Customs Enforcement, Washington Field Office at the Department of Homeland Security; and the FBI's Washington Field Office.

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