

NATIONAL SCIENCE FOUNDATION  
OFFICE OF INSPECTOR GENERAL  
OFFICE OF INVESTIGATIONS

## CLOSEOUT MEMORANDUM

<b>TO:</b> AIGI	<b>File Number:</b> I97060024	<b>Date:</b> 6 June 2002
<b>Subject:</b> Closeout Memo		Page 1 of 1

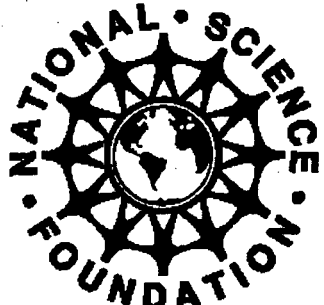
There was no closeout written at the time this case was closed. The following information was extracted from the file in conformance with standard closeout documents.

Our office was informed that the subject<sup>1</sup> was alleged to have gone to court for credit card fraud committed by getting the Social Security number of another NSF employee. NSF-OIG investigated this allegation and confirmed that the subject pled guilty in the Maryland District Court to signing another person's credit card. A memo of this finding was written to the Division Director.

Accordingly this case is closed.

[REDACTED]

Name:	Prepared by:	Cleared by:		
	Agent:	Attorney:	Supervisor:	AIGI
Signature & date:				



MEMORANDUM

Date: June 26, 1997

To: [REDACTED] Division Director, Division of Human Resource Development

From: [REDACTED] Special Agent-in-Charge, Investigations Section, Office of Inspector General

Re: [REDACTED]

We received information that [REDACTED] an NSF program assistant in the Division of Human Resource Development (HRD), Directorate for Education and Human Resources at NSF, had been in court on June 12, 1997, instead of at work, to face charges of credit card fraud against another NSF employee. We investigated to determine the nature of these charges and the extent to which they related to NSF activities, functions, and interests.

The Prince George's County Maryland District Court confirmed that [REDACTED] had appeared in court on June 12, 1997 because she had been charged with the following Maryland State felonies:

<u>Article</u>	<u>Section</u>	<u>Violation</u>	<u>Description</u>
27	145 (c) (6)	1 count #0198	Signing another's credit card
27	145 (c) (4)	1 count #2803	Unlawfully receiving a credit card
27	145 (d)	1 count #0203	Impersonating listed name on credit card to obtain over \$300 worth of goods
27	145 (g)	1 count #0206	Using false credit card/charging over \$300 worth of goods with false card
27	48	2 counts #2520	Obtaining goods/money through forgery

In court, she pled guilty to 1 count of #0198, which had alleged that [REDACTED] "did, with intent to defraud J.C. Penney Co., Inc., sign a credit card issued to [REDACTED], without her consent, in violation of Maryland Annotated Code Article 27 § 145 (c)(6)." [REDACTED] received a sentence of "probation (2 years) before judgment." (see attachment) The remaining charges were not prosecuted pursuant to the negotiated agreement.

██████████ represented by an attorney, who has not made her available for a meeting. We have not, therefore, spoken to her about the facts underlying her plea.

According to a Nordstrom Visa fraud investigator and a signed statement from the arresting police officer, these charges against ██████████ stem from her arrest on April 26, 1997, at J.C. Penney in Hyattsville, MD for purchasing items with a fraudulent credit card. The card had been flagged by the card issuer, Nordstrom Visa, after it determined that the card had been applied for fraudulently. Nordstrom Visa determined that ██████████ whose name and social security number were on the application, did not submit the application. ██████████ impersonated ██████████ over the telephone (once on a cellular phone) on two occasions. While waiting at J.C. Penney for the credit card transaction to process, ██████████ spoke to a Nordstrom Visa employee, identifying herself as ██████████ and attempted to expedite the credit card approval for the transaction. That day, ██████████ had purchased items totaling \$307.99 at J.C. Penney. ██████████ admitted to the police officer at the time of her arrest that she signed ██████████ name on the back of the credit card.

We spoke to ██████████s (a former NSF employee<sup>1</sup>) and confirmed that her name and social security number were used in ██████████ scheme to obtain credit cards unlawfully and to purchase various items of value. ██████████ stated that ██████████ most likely obtained ██████████ personal information through their work together at NSF. There is no indication that ██████████ had access to any of ██████████ personal information outside of the office.

██████████ was charged with state felonies in regard to only one credit card. However, at least eight fraudulent credit card applications were submitted in ██████████ name since December 1996, using the U.S. mails and interstate commerce. These applications were sent to various credit card issuing financial institutions. At least three of the cards were issued before ██████████ had a chance to cancel them. ██████████ received information that one card in particular was reported to be "very active".

In addition to the Maryland statutes referenced above, this evidence demonstrates that ██████████ may have violated federal criminal statutes <sup>2</sup> and the following NSF employee conduct regulation:

**NSF Personnel Manual 14, Section 143 - NSF Employee Conduct** - NSF employees are expected to adhere to basic standards of integrity and decency. NSF employees must not engage in criminal, dishonest, immoral, or any other conduct prejudicial to the Government.

<sup>1</sup> ██████████ officially retired on disability from NSF on June 12, 1997, but had been out of the office on the leave donor program since October 1996.

<sup>2</sup> 42 USC § 408 *Penalties* (Using another's social security account number); 18 USC § 1341 *Frauds and swindles*; 18 USC § 1342 *Fictitious name and address*; 18 USC § 1343 *Fraud by wire, radio, or television*; 18 USC § 1344 *Bank fraud*; and, 15 USC § 1644 *Fraudulent use of credit cards; penalties*. Because the U.S. Government does not routinely prosecute cases that have already been prosecuted at the state level, the Department of Justice has declined to prosecute ██████████ on these charges.

[REDACTED] conduct clearly violated section 143. Importantly, she abused her position at NSF to obtain [REDACTED] social security number as part of a criminal fraud. Although her "probation before judgment" sentence does not constitute a criminal conviction for legal purposes, this does not change the fact that the crime occurred, and that [REDACTED] admitted, at her arrest and in court, to having committed that crime.

[REDACTED] continues to have access to sensitive employee information through her work in HRD. We recommend that NSF take appropriate administrative action against [REDACTED]

cc:

[REDACTED] Assistant Director, EHR  
[REDACTED] Branch Chief, HRM

Author: [REDACTED] at nsf17  
Date: 8/25/97 10:50 AM  
Priority: Normal  
TO: [REDACTED]  
TO: [REDACTED]  
TO: [REDACTED] at nsf3  
Subject: Close Out

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Message Contents  
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[REDACTED] The subject of your report to Dr. [REDACTED] dated June 26, 1997 regarding her credit card fraud, was issued a notice of proposed separation on August 18, 1997. On August 21, 1997, subject sent an e-mail message to her boss that she wanted to resign effective August 22, 1997. HRM processed her resignation on Friday and notified DAS to deactivate her proximity card by COB 8/22/97. They have confirmed that action to me this morning. Other than the fact that subject has not out-processed, which places her final check on hold, we believe the case is closed at this time.

[REDACTED]

Author: [REDACTED] at nsf17  
Date: 8/25/97 7:16 AM  
Priority: Normal  
TO: [REDACTED]  
TO: [REDACTED]  
TO: [REDACTED] at nsf3  
Subject: Re: [REDACTED]

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----- Message Contents -----

case closed.

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Forward Header

Subject: Re: [REDACTED]  
Author: [REDACTED] at nsf17  
Date: 8/24/97 11:18 AM

Thanks, Linda. You and your staff should congratulate yourselves for seeing that the right thing got accomplished with minimum disruption and publicity for the agency. [REDACTED]

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[REDACTED] I promised to keep you posted on this case. [REDACTED]  
has submitted her resignation. Today is her last day. Her  
access card will be deactivated tonight.

[REDACTED]