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Virginia Woman Pleads Guilty in Government Contract Rigging Scheme

(Alexandria, VA) - Nadine B. Lucas, age 59, of King George County, Virginia, pled guilty today to one count of conspiracy to pay illegal gratuities to fellow King George County resident, Michael A. Causer. Causer was a government official working at the Department of Public Works, Naval Facilities and Engineering Command, at the Naval Surface Warfare Center, Dahlgren, Virginia. Chuck Rosenberg, United States Attorney for the Eastern District of Virginia, Rod Baldwin, Special Agent in Charge, Naval Criminal Investigative Service; and, Charles J. Cunningham, Special Agent in Charge, FBI Richmond Field Office, made the announcement after the guilty plea was accepted by United States District Judge James C. Cacheris. Sentencing has been set for May 11, 2007. The maximum potential penalty for conspiracy is five years incarceration and a fine of \$250,000.

According to court documents, from the mid 1990s through 2004, Causer was the Utilities Supervisor for the Department of Public Works at the Navy's Dahlgren facility. Lucas owned and operated Management Control Systems ("MCS"), a government contractor providing technical and related services in the field of information technology. In September 2003, with assistance provided by Causer, MCS was awarded a General Services Administration (GSA) approved contract to provide a broad range of information technology services to the Dahlgren facility. The GSA contract authorized up to \$2 million in business per year. Court documents state that, after the GSA contract was awarded, Lucas gave Causer the following gratuities for and because of his past and anticipated future assistance to her company: a new \$22,000 Kioti tractor; furniture valued at \$7,900; and, \$5,000 in postal money orders payable to the IRS to satisfy Causer's 2003 tax obligation. Court documents also state that for the months of October and November 2003, Lucas fraudulently double billed to Dahlgren's Department of Public Works the labor hours associated with an MCS employee, resulting in an overcharge to the government of approximately \$20,000.

In November 2006, Michael A. Causer pled guilty to conspiracy and was sentenced to 15 months in prison and was ordered to pay \$252,000 in restitution. In December 2006, Anthony Mingo, a former MCS consultant, pled guilty to illegally supplementing Causer's federal government salary by delivering, at Lucas' request, the Kioti tractor to Causer's residence. Mingo is scheduled to be sentenced on March 9, 2007.

In October 2006, Deputy Attorney General Paul J. McNulty 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 contracting activity for national security and other government programs. The Procurement Fraud Task Force chaired by Assistant Attorney General Alice S. Fisher of the Criminal Division includes the FBI, the U.S. Inspectors General community, the U.S. Attorneys office for the Eastern District of Virginia, and others.

The Causer/Lucas investigation was conducted by the Naval Criminal Investigative Service and the FBI. The prosecution of the case is being handled by Assistant United States Attorney Stephen Learned.

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