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U.S. ARMY CONTRACTING OFFICIAL CHARGED WITH BRIBERY AND RELATED CRIMES IN OFF-POST HOUSING SCHEME

WASHINGTON – A U.S. Army contracting official was charged today with bribery and unlawful salary supplementation in connection with two schemes to solicit more than \$30,000 in bribes from an Egyptian businessman in Kuwait, announced Assistant Attorney General Lanny A. Breuer of the Criminal Division and U.S. Attorney Neil H. MacBride of the Eastern District of Virginia.

William Rondell Collins, 46, of Bartlett, Tenn., was charged today in a four-count indictment, returned by a federal grand jury in the Eastern District of Virginia, with two counts of soliciting and accepting bribes as a public official and two counts of unlawful salary supplementation from a source other than the U.S. government.

According to the indictment, the U.S. Army Area Support Group-Kuwait (ASG-KU) is responsible for maintaining Camp Arifjan, a U.S. military installation providing support for operations in Afghanistan, Iraq, and other locations in the Southwest Asian Theater. As part of those responsibilities, the ASG-KU maintains an off-post housing office in downtown Kuwait City, which procures, leases, and supervises off-post housing for government employees and military service members stationed at Camp Arifjan. According to the indictment, Collins was employed in the ASG-KU's off-post housing office as a housing specialist responsible for supervising private contractors and procuring off-post apartment rentals.

The indictment alleges that, in January 2009, a company owned by an Egyptian businessman was awarded a fixed-price U.S. government contract to provide maintenance services for off-post housing managed by Collins and the ASG-KU off-post housing office.

According to the indictment, in July 2009, Collins allegedly solicited a monthly fee of approximately \$1,400 from the Egyptian businessman in return for Collins's agreement to provide favorable and preferential treatment and advice to the Egyptian businessman's company on the performance and renewal of the contract. Collins also allegedly agreed to conceal from his supervisors the existence and nature of the monthly fee arrangement. According to the indictment, Collins allegedly accepted five \$1,400 payments from the Egyptian businessman between July and December 2009.

The indictment also alleges that, between July and December 2009, Collins solicited a monthly payment of approximately \$962 from the Egyptian businessman in exchange for drafting and submitting an inflated off-post apartment lease to the United States for approval. According to the indictment, Collins allegedly received approximately \$5,775 from the Egyptian businessman on Dec. 13, 2009, representing a six-month advance on the scheme.

The bribery counts each carry a maximum penalty of 15 years in prison and a fine of the greater of \$250,000 or twice the value gained or lost. The unlawful salary supplementation counts each carry a maximum penalty of five years in prison and a fine of the greater of \$250,000 or twice the value gained or lost.

The case is being prosecuted by Special Assistant U.S. Attorney Steve A. Linick, Deputy Chief of the Criminal Division's Fraud Section, and Fraud Section Trial Attorneys James J. Graham and Ryan S. Faulconer. The investigation is being conducted by the FBI, the U.S. Army Criminal Investigative Division, the Defense Criminal Investigative Service, and members of the National Procurement Fraud Task Force and the International Contract Corruption Task Force (ICCTF).

The National Procurement Fraud Task Force, created in October 2006 by the Department of Justice, was 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 ICCTF is a joint law enforcement agency task force that seeks to detect, investigate, and dismantle corruption and contract fraud resulting from U.S. Overseas Contingency Operations, including in Kuwait, Afghanistan, and Iraq.

The charges contained in the indictment are merely accusations and the defendant is presumed innocent until proven guilty at trial beyond a reasonable doubt.

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