

Department of Justice
U.S. Attorney's Office
District of Maryland

FOR IMMEDIATE RELEASE

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Husband and Wife Admit to Procurement Fraud Scheme and to Embezzling Employee Benefits

Defendants Fraudulently Obtained Over \$30 Million in Government Service Contracts Using False Representations, Embezzled Over \$1.6 Million from Employee Benefits Plans

Baltimore, Maryland – Shaun Tucker, a/k/a “Shawn Turner,” and “Mark Tyler,” age 49, and his wife, Joanne Tucker, a/k/a “Joanne Krcma,” “Jill Swanson,” and “Jocelyn Turner,” age 50, both of Keymar, Maryland, pleaded guilty today to charges in connection with defrauding the United States of over \$30 million in connection with obtaining government contracts, stealing over \$1.6 million in employee benefits and evading taxes.

The guilty pleas were announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Steven Anderson, of the Washington Regional Office, U.S. Department of Labor - Office of Inspector General, Office of Labor Racketeering and Fraud Investigations; Special Agent in Charge Thomas Jankowski of the Internal Revenue Service - Criminal Investigation, Washington, D.C. Field Office; Marc I. Machiz, Director of the Philadelphia Regional Office of the Labor Department's Employee Benefits Security Administration; Special Agent in Charge Robert Craig of the Defense Criminal Investigative Service - Mid-Atlantic Field Office; Small Business Administration Inspector General Peggy E. Gustafson; and Brigadier General Keith M. Givens, Commander Air Force Office of Special Investigations.

“The Tuckers’ fraudulent actions deprived the federal contract employees of Quantell and Intaset of rightfully earned benefits under the Service Contract Act,” stated Special Agent in Charge Steven D. Anderson, of the Washington Regional Office, U.S. Department of Labor - OIG, Office of Labor Racketeering and Fraud Investigations. “My office remains committed to investigating these types of crimes, and we will continue to proactively work with our law enforcement partners to bring corrupt individuals and companies to justice.”

According to their pleas, the Tuckers were controlling officers and majority shareholders of Quantell, Inc. and Intaset Technologies Corporation from 2007 to 2010. Quantell and Intaset provided labor

services to federal government agencies. In 2010, the Tuckers sold Intaset, but continued to have influence on the operation of Intaset.

Federal Procurement Fraud

From 2007 to 2013, the Tuckers and their co-conspirators, including Jonathan Mickle, made false representations to the government regarding the eligibility of Quantell and Intaset for small business, Service Disable Veteran Owned Small Business and other set-aside contracts, including the 2007 Camp Lejeune contract, 2007 Battle Creek, Michigan contract, 2008 Andrews Air Force Base contract, 2008 Beale Air Force Base contract, 2011 Langley Air Force Base contract and 2011 Camp Lejeune contract. The Tuckers and co-conspirators falsely represented the past revenues, ownership, controlling officers, distribution of profits, location and other key attributes of Quantell and Intaset to multiple federal agencies. When bid protests were lodged by competing firms, the Tuckers and co-conspirators prepared and submitted false responses. The Tuckers' actions cause other companies, which the government actually meant to support with set-aside contracts, to lose out on valuable opportunities to provide contracting services to the federal government.

The Tuckers used the money from the government contracts for their own personal benefit, including building, purchasing and leasing a 5,000 square foot residence in Swanton, Maryland; additions to the real property in Taneytown, Maryland, including a personal residence, gym, bar and break room equipped with high definition TVs, top of the line weight equipment, video games and combat wrestling equipment; additions to the real property in Keymar; 45 foot sailboat named "Quantell;" 2008 Audi A8; 2011 BMW; and mortgage payments related to real estate, watercraft and vehicles.

The Tuckers and their co-conspirators used aliases and false identities to communicate with the U.S. Department of Defense (DOD) in order to falsely portray the past performance of Quantell. They created a fake corporate entity name Staff-It with a fake period of performance from 2005 to 2008 involving more than \$12 million of work by Quantell for Staff-It, and falsely indicated that Quantell was supplying service workers at military treatment facilities for Staff-It. Then they created phone lines and had conspirators participate in false phone conversations with DOD representatives so as to deceptively win the 2011 Camp Lejeune contract. The Tuckers and their co-conspirators carried out similar schemes with respect to other past performances, establishing internet phone lines to spoof the location of businesses, and labeling the phone lines based on the fake company contact person.

The Tuckers admit that as a result of the procurement fraud conspiracy, the full value of the contracts awarded to Quantell and Intaset based on false representations was at least \$30 million.

Employee Benefit Fraud

Moreover, the service contracts awarded by the United States to Quantell and Intaset, as well as the McNamara-O'Hara Service Contract Act (SCA), required Quantell and Intaset to provide bona-fide health and welfare benefits to the service contract employees of Quantell and Intaset hired to do the work for the federal government. From 2008 to at least 2012, however, the Tuckers stopped contributing the SCA funds to any bona-fide health and welfare plan. Instead, the Tuckers lied to employees of Quantell and Intaset, and to multiple federal agencies, regarding the compliance of Quantell and Intaset with the SCA, so that the Tuckers and their co-conspirators, including Jonathan Mickle, could divert at least \$1.6 million in SCA monies paid by the government to Quantell and Intaset under service contracts for their own personal benefit. The Tuckers and their co-conspirators used shell companies and companies that they were associated with to conceal the diversion of SCA funds to them. The Tuckers falsely told employees that they would be receiving health and welfare benefits, when they knew in fact that the money was being diverted to buy luxury vehicles, make improvements on the Tuckers' residences.

The Tuckers admit that as a result of the fraud involving employee benefits, more than \$1.6 million of the SCA funds were fraudulently diverted for the co-conspirators' benefit from at least 350 individual employees.

Tax Fraud

Finally, the Tuckers attempted to evade income tax due of \$492,961 for tax years 2009, 2010 and 2011.

The Tuckers and the government have agreed that if the Court accepts the plea agreements, Shaun Tucker will be sentenced to eight years in prison and Joanna Tucker will be sentenced to between six and 18 months in prison. Shaun Tucker further agrees to pay forfeiture of at least \$30 million and Joanne further agrees to pay forfeiture of at least \$20 million, and that their residence in Keymar is subject to forfeiture. Both Tuckers also agree to pay restitution of at least \$1.6 million in connection with the employee benefit fraud, and pay restitution to the IRS of \$492,961 for tax evasion. U.S. District Judge J. Frederick Motz has scheduled sentencing for both Tuckers for November 20, 2015, at 12:00 p.m.

In a related case, co-conspirator Jonathan Mickle, age 43, of Asheville, North Carolina, formerly of Taneytown, Maryland, pleaded guilty on June 25, 2015 to conspiracy to commit wire fraud and tax fraud in connection with the fraud schemes. Judge Motz has scheduled sentencing for November 3, 2015, at 2:15 p.m.

The National Procurement Fraud Task Force was formed in October 2006 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 includes the United States Attorneys' Offices, the FBI, the U.S. Inspectors General community and a number of other federal law enforcement agencies. This and other 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.

United States Attorney Rod J. Rosenstein commended the U.S. Department of Labor –OIG/Office of Labor Racketeering and Fraud Investigations, IRS – Criminal Investigation, U.S. Department of Labor - Employee Benefits Security Administration, DCIS, SBA Office of Inspector General, and Air Force Office of Special Investigations for their work in the investigation. Mr. Rosenstein thanked Assistant U.S. Attorneys Harry Gruber and Judson Mihok, who are prosecuting the case.

USAO - District of Maryland
Financial Fraud

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