



U.S Department of Defense Standards of Conduct Office

2017 ENCYCLOPEDIA OF ETHICAL FAILURE UPDATE¹

(Bribery)

Can Partake in Scandal

Washington Post, May 18, 2017

The first active-duty admiral ever to be convicted of a felony pled guilty for partaking in the “Fat Leonard” scandal. Leonard Glenn Francis (Fat Leonard), a defense contractor, has pled guilty to taking millions of dollars from the Department of Defense to bribe Navy personnel with prostitutes, cash, lavish goods, alcohol, and meals. Investigations began 4 years ago and continue to lead to charges. This is just one of the many Fat Leonard cases.

Here, the Admiral became involved with Fat Leonard 20 years ago when Fat Leonard immediately began providing the Admiral with dinners, hotel stays, and prostitutes. Prosecutors alleged that the Admiral pocketed \$40,000 in cash kickbacks from Fat Leonard as part of a scheme to overcharge the Navy for pumping wastewater from ships. The Admiral denied this charge but admitted to lying to federal agents about his relationship with Fat Leonard. He attributes his misconduct to PTSD, survivor’s guilt, and a head injury, but prosecutors note that overt symptoms of a psychiatric condition did not begin until other participants in the scandal

***DISCLAIMER:** DoD SOCO is unable to confirm the accuracy of all information reported in the cited articles. The purpose of the document is to provide leader’s ethics counselors with examples they may use when training personnel. This document should not be cited as authoritative guidance, DoD policy or law.

were caught. Under the plea deal, he agreed to pay \$150,000 in fines and restitution but was allowed to retain rights to his military pension paying almost \$10,000 a month. On May 17, 2017, the Admiral was sentenced to 18 months in prison.

(Credit card abuse)

Fallen Star

USA Today, February 10, 2017

A promising three-star general, was demoted to one star and retired following his involvement in a scandal. Allegations against him involved visiting night clubs in Seoul and Rome, a \$1,000 bar tab on his government issued credit card, and an inappropriate relationship with a female subordinate. The General will lose approximately \$10,000 in pension payments per year due to the demotion.

(Abuse of position)

Playing with Fire

Federal News Radio, February 8, 2017

A supervisory agent of the Bureau of Land Management (BLM) used his law enforcement status to obtain three tickets to the sold-out Burning Man gathering in 2015 despite warnings on appearance concerns from his supervisors. Additionally, he ordered subordinates to book hotel arrangements, used on-duty BLM officers to transport his guests, and allowed his girlfriend to spend the night in an officially-assigned BLM trailer. His actions violated the ban on soliciting gifts from prohibited sources and misuse of BLM personnel and equipment. He was removed from his position.

(Misuse of government resources and personnel)

Two-star General Has G2G [GOT TO GO]

Army Times, December 16, 2016

An Army General was stripped of his stars and forced out of the military for an eleven-year extramarital affair as well as living a swinger lifestyle, which he maintained with the help of his Department cell phone. Between June and November 2015, the General logged over 1,400 minutes of conversation with the woman who was a government contractor. Between October 2010 and November 2015, they exchanged 800 personal emails. The affair cost him \$40,000 in annual retirement pay.

(Fraud)

Secret Side Job Results in Sentencing

Justice News, October 25, 2016

A former senior employee of the Interior Department's Fish and Wildlife Service (FWS), pleaded guilty for making false statements in financial disclosure forms in an attempt to conceal approximately \$300,000 of income which he gained by deceptively working as treasurer of an association that received grants and cooperative agreements from FWS. He was sentenced to 3 years of probation and a \$10,000 fine for falsifying financial disclosure reports.

(Bribery)

May I Take Your Order?

Washington Post, November 16, 2016

Retired Navy captain and U.S. naval attache stationed in the Philippines pleaded guilty to conspiracy to commit bribery for working as an agent for Asian defense contractor Leonard Glenn Francis ("Fat Leonard") in exchange for fine wines, hotel rooms, electronics, watches, and

prostitutes. The Navy Captain gave Fat Leonard confidential correspondence and contracting documents. He was was sentenced to 41 months in prison.

(Bribery)

(Abuse of position)

Needed: Code for “Caught”

Justice News, October 13, 2016

A U.S. Navy Lieutenant Commander pleaded guilty to bribery involving foreign defense contractor Leonard Glenn Francis (“Fat Leonard”) in exchange for Navy information.

Specifically, he advised Glenn Defense Marina Asia (GDMA) executives to inflate their invoices to the Navy to cover the cost of illicit gifts provided to him and provided inside information about competitors’ bids and an investigation into GDMA’s billing practices. He also used his position to advance GDMA’s interests, such as by approving inflated invoices for services never rendered that he directed Fat Leonard to submit. The Navy Lieutenant Commander additionally requested GDMA to provide him with an apartment, 3 hotel rooms, 2 cell phones, a van, and money. He was sentenced to 30 months in prison and to pay a \$15,000 fine as well as \$37,000 in restitution to the Navy.

(Political activity violation)

Need to Separate Work and Politics

Federal Soup, September 27, 2016

A Commerce Department supervisor was suspended for 50 days without pay for violating the Hatch Act. The supervisor engaged in partisan political activities while at work and solicited contributions for a political party by inviting about one hundred people to a fundraiser and asking them to mail checks to his home.

(Abuse of Position)

Free Living

Washington Post, September 24, 2016

A Major General was demoted for having an inappropriate relationship with a junior officer, which involved calling and texting her over 850 times in a 10 month period. His wife was supposedly aware of the affair and posted messages regarding cheating on Twitter. Soldiers filed complaints about concerns for his ability to lead because of the affair. He was formally reprimanded and forced to retire.

(Misuse of Government Resources)

Run Amuck

OIG

A Senior Official at a Combatant Command liked his spouse so much that he traveled with her in his official capacity to watch her run marathons. The only problem was that the Senior Official performed no official duties during these trips. He committed fraud by submitting time cards claiming he was on official duty when he was not performing official duties. After being threatened with termination, he chose to resign from his position.