

**U.S. Department of Justice***United States Attorney
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January 24, 2006

NEWS SUMMARY**Grand Jury Indicts State of Wisconsin employee
for fraud in connection with state travel contract**

A federal grand jury in Milwaukee has indicted a State of Wisconsin employee for misapplication of funds and fraud in connection with the awarding of a travel agency contract, United States Attorney Steven M. Biskupic announced January 24, 2006.

Georgia Thompson (d/o/b 3/31/50 of Waunakee, Wisconsin), an employee of the State of Wisconsin Department of Administration, was charged with two felony counts related to her conduct in the selection process for the state "Partner" travel contract, the largest of six travel contracts under consideration by state officials in 2005. The contract was awarded to Adelman Travel Group. The Indictment alleges that Thompson misused her position by using "political considerations" in the selection process. The Indictment specifically alleges that Thompson:

- (a) intentionally inflated her scores for Adelman Travel during the oral presentation portion of the Partner contract selection;
- (b) stated to other evaluators that she had intentionally inflated her scores for another travel agency during the oral presentation portion of the Athletics contract and did so in order to use that score as a negotiating tool in favor of Adelman Travel in dealings with other members of the committee on the Partner contract;
- (c) prevented the otherwise unanimous determination of the other committee members that the Partner contract be awarded to a recipient other than Adelman Travel ; and
- (d) suggested committee members change the scores evaluating the Partner contract.

The Indictment further alleges that as a result of Thompson's actions, an additional evaluation step was utilized in the selection process, resulting in the contract being awarded to Adelman Travel.

If convicted of both counts, Thompson faces up to 20 years imprisonment.

The charge is the result of a joint investigation by federal and state officials. The lead investigative agencies were the Federal Bureau of Investigation and the Wisconsin Department of Justice, Division of Criminal Investigation, which is overseen by Wisconsin Attorney General Peg Lautenschlager. Lautenschlager's office, Biskupic and Dane County District Attorney Brian Blanchard all participated in a review of the evidence, as did Madison-based United States Attorney Steve Sinnott.

Because the U.S. Attorney's Office in Milwaukee regularly appears in front of a federal judge who has family connections to Adelman Travel Group, the U.S. Department of Justice assigned U.S. Attorney Sinnott to work on this matter and to oversee the federal aspects of the investigation concerning Adelman Travel.

No court date has yet been set for Thompson.

The public is cautioned that an Indictment is a formal method for issuing charges and does not constitute evidence of guilt. An individual is presumed innocent until such time as guilt is established by proof beyond a reasonable doubt. The public is further cautioned that an Indictment alleges violations of law only by those charged in the Indictment. An Indictment does not allege wrongdoing, either explicitly or implicitly, against any other person.

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For more information contact:
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UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No. 06-CR-

GEORGIA THOMPSON,

Defendant.

INDICTMENT

The Grand Jury Charges:

Allegations Common to All Counts

1. At all times relevant to the Indictment, Georgia Thompson was an employee of the State of Wisconsin, Department of Administration.
2. As part of her employment, Thompson was involved in the selection process for travel agency contracts.
3. As part of the selection process, Thompson and others made up a committee that evaluated proposals from various travel agencies.
4. The evaluation process involved a review of multiple factors, including written proposals, costs and oral presentations.
5. The selection process involved six separate state contracts, referred to as: (a) Partner; (b) Athletics; (c) Student; (d) Online Booking; (e)

Group/Meeting; and (f) Business Alliance.

6. Partner was the largest contract, covering approximately 40 percent of the State's travel business.

7. During a one-year period encompassing March 2005 and the time frame of the other activities described herein, the State of Wisconsin received in excess of \$10,000 under federal programs involving grants, contracts, subsidies and other forms of federal assistance.

8. In fiscal year 2004, the State of Wisconsin spent approximately \$75 million on travel-related expenses. Of that amount, approximately \$18 million was covered through federal funds.

9. Adelman Travel Group (hercafter "Adelman") was one of the vendors seeking a state contract for travel agency services.

Travel Contract Selection Process

10. During the selection process for the State of Wisconsin travel contracts described herein, Thompson and the others on the evaluation committee agreed to and were otherwise obligated under state law, regulations and procedures to evaluate and recommend contract award recipients using approved criteria of a scoring system.

11. This obligation included the duty of Thompson and the others on the committee to provide honest services in the evaluation and selection process.

12. This obligation also included the duty to refrain from using political considerations to evaluate and select contract recipients.

Misuse of Position

13. During the time period described herein, Thompson misused her position by using political considerations to:

- (a) intentionally inflate her scores for Adelman during the oral presentation portion of the Partner contract selection;
- (b) state to other evaluators that she had intentionally inflated her scores for another travel agency during the oral presentation portion of the Athletics contract and to do so in order to use that score as a negotiating tool in favor of Adelman in dealings with other members of the committee on the Partner contract;
- (c) prevent the otherwise unanimous determination of the other committee members that the Partner contract be awarded to a recipient other than Adelman; and
- (d) suggest committee members change the scores evaluating the Partner contract.

Resulting Contractual Obligations

14. As a result of the actions of Thompson, an additional evaluation step was utilized that resulted in the Partner contract being awarded to Adelman by the State of Wisconsin.

15. The obligation of the State of Wisconsin under the Partner contract to Adelman was of a value in excess of \$5,000.

The Grand Jury Further Charges:

COUNT ONE

1. Between on or about February 28, 2005, and on or about March 18, 2005, in the State and Eastern District of Wisconsin, and elsewhere,

Georgia Thompson,

through the factual allegations described above, did knowingly and intentionally cause the misapplication of funds under the care, custody and control of the State of Wisconsin.

All in violation of Title 18, United States Code, sections 2 and 666(a)(1)(A).

The Grand Jury Further Charges:

COUNT TWO

1. Between on or about February 28, 2005, and on or about March 18, 2005, in the State and Eastern District of Wisconsin, and elsewhere,

Georgia Thompson,

through the factual allegations described above, did knowingly devise and participate in a scheme to defraud the State of Wisconsin of the right of honest services.

2. The scheme to defraud included the false material pretenses and representations described above.

3. Thompson intended her actions to cause political advantage for her supervisors.

4. The actions of Thompson also helped and were intended to help her job security.

5. On or about March 10, 2005, in the State and Eastern District of Wisconsin, and elsewhere, in furtherance of the scheme to defraud, Georgia Thompson did cause a communication to be delivered, according to the directions thereon, by a private interstate carrier. The communication was a correspondence from the State of Wisconsin to Adelman for a "best and final" offer on the Partner contract.

All in violation of Title 18, United States Code, sections 2, 1341, and 1346.
A TRUE BILL:

FOREPERSON

Dated: _____

STEVEN M. BISKUPIC
United States Attorney