

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of the Inspector General**

Inspector General



July 22, 2004

The Honorable Anthony A. Williams  
Mayor  
District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue, N.W., Suite 600  
Washington, D.C. 20004

**RE: SIGNIFICANT ACTIVITY REPORT**

Dear Mayor Williams

This report is to inform you of the results of an investigation that was conducted by Special Agent James Glymph, of this Office, and Special Agent N. James Massey, Federal Bureau of Investigation, concerning Lois Alston-Graves, former Support Enforcement Specialist, Office of Paternity and Child Support Enforcement, District of Columbia Department of Human Services.

On January 8, 2002, Alston-Graves was indicted by a federal grand jury as a co-conspirator and charged with violations of 18 U.S.C. § 371 (Conspiracy) and 18 U.S.C. § 1343 (Wire Fraud) for her involvement with others to unlawfully and knowingly devise a scheme and artifice to defraud finance companies, in the factoring business, and obtain monies through false and fraudulent pretences.

The investigation revealed that during the months of December 1997 and January 1998, Alston-Graves used her government telephone to verify bogus information to several finance companies in an attempt to receive short-term commercial loans based on fake account receivables. In the scheme Alston-Graves purported to be a Contracting Officer and falsely represented that co-defendant John Harrison Smith, of Daytona Beach, Florida, had a District government contract, and was owed over \$1,000,000 on invoices for past services. Alston-Graves verified that the government was processing certain paperwork purportedly ensuring that the finance company would receive the money owed on a bogus invoice. As a result of her actions, a finance company wired over \$83,000 to Smith.

On March 20, 2004, a federal jury sitting in the United States Court for the District of Columbia returned a verdict of guilty against Alston-Graves on charges of Conspiracy

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and Wire Fraud. On July 12, 2004, The Honorable Judge Ellen S. Huvelle sentenced Alston-Graves to a prison term of 27 months on each count, to run concurrently. Judge Huvelle also ordered Alston-Graves to pay \$83,740 in restitution.

This sentence is the most recent in this case. On May 14, 2004, Judge Huvelle sentenced co-defendant Smith to five years probation and ordered Smith to pay \$83,740 in restitution.

If you need additional information, please call me or Robert G. Andary, Assistant Inspector General for Investigations, on (202) 727-2540.

Sincerely,

A handwritten signature in black ink, appearing to read "Austin A. Andersen", with a long horizontal flourish extending to the right.

Austin A. Andersen  
Interim Inspector General

AAA/jg

Attachment