

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



August 1, 2012

The Honorable Vincent C. Gray
Mayor
District of Columbia
1350 Pennsylvania Avenue, N.W.
Mayor's Correspondence Unit, 2nd Floor, Suite 316
Washington, D.C. 20004

Re: Significant Activity Report

Dear Mayor Gray:

This report is to inform you that on July 3, 2012, a U.S. District Court judge sentenced George Hughes, a member of the public, to 36 months of probation and ordered Mr. Hughes to pay \$15,280 in restitution. On July 13, 2012, a U.S. District Court judge sentenced Patricia Smith, a member of the public, to 48 months of probation, and ordered Ms. Smith to pay \$37,865 in restitution. Both Mr. Hughes and Ms. Smith participated with Mary Ayers-Zander in a scheme to defraud the District through fraudulent tax refunds on dormant accounts. Ms. Ayers-Zander was previously sentenced for her role in the scheme.

Special Agent John DiGravio of the D.C. Office of the Inspector General conducted the investigation. The investigation revealed that from February 2007 to January 2011, Ms. Ayers-Zander engaged in a scheme to defraud the District of \$413,651. At the beginning of the fraudulent scheme, Mr. Hughes and Ms. Smith each allowed Ms. Ayers-Zander to amend their tax returns and use their bank accounts so that they would receive tax refunds from the District to which they were not entitled, in exchange for giving Ms. Ayers-Zander half of those tax refunds. Accordingly, Mr. Hughes and Ms. Smith each pled guilty to wire and mail fraud.

If you need any additional information, please feel free to call me or Stacie Pittell, Assistant Inspector General for Investigations, at (202) 727-2540. When calling, please reference OIG Control Number: 2011-0171.

Sincerely,



Charles J. Willoughby
Inspector General

CJW/jd