



THE UNITED STATES ATTORNEY'S OFFICE
EASTERN DISTRICT *of* WASHINGTON

SEARCH THE SITE

Search

SEARCH

HOME

ABOUT

NEWS

MEET THE U.S. ATTORNEY

DIVISIONS

PROGRAMS

JOBS

CONTACT US

Home » News » Press Release

NEWS



"United States Announces Over \$100,000 In Civil Fines For Three Remaining Defendants In Chg Time Card Fraud Case"

FOR IMMEDIATE RELEASE

December 17, 2014

Spokane – Today, the United States Attorney's Office for the Eastern District of Washington announced that a former supervisor and two former managers of CH2M Hill Hanford Group Inc., (CHG) would each be required to pay tens of thousands of dollars in civil fines for their roles in the multimillion dollar CHG Time Card Fraud Scheme. Collectively the civil fines for these three remaining defendants totals over \$100,000. The CHG Time Card Fraud Scheme involved routine and systematic inflation of overtime hours claimed by CHG workers over nearly a decade. The inflated hours were paid for directly by the Department of Energy (DOE) with taxpayer money. In addition to these civil fines, the investigation and prosecution of the scheme has resulted in 11 guilty pleas to felony conspiracy charges, two by former CHG supervisors, as well as an \$18.5 million settlement with CHG, which itself admitted to the routine and systematic practice of defrauding the government with inflated labor hours.

In October a jury returned verdicts of not guilty for four former supervisors, known as Persons in Charge or PICs, for their alleged role in the CHG Time Card Fraud Scheme. The settlements with three of the remaining defendants: a former supervisor, Stephanie Hilton Livesey; and two former managers, Ryan Albert Dodd and Terrence Leroy Hissong; were part of individual global resolutions in which the pending criminal charges against them are anticipated to be dismissed.

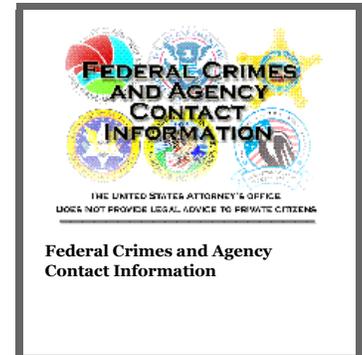
"While we respect the decision of the jury in the PIC time card fraud trial, we do not understand it to be a rejection of what nearly a dozen former employees, including supervisors, have admitted to along with their former employer CHG- that there was a systemic pattern of time card fraud at CHG that stole millions from the taxpayers," stated Michael C. Ormsby United States Attorney's Office for the Eastern District of Washington. "Today's resolution of three of the remaining defendants should serve as a further warning to those who would assist fraud at Hanford in any way- we will aggressively use all tools at our disposal to appropriately hold you accountable," said Mr. Ormsby.

Ryan Albert Dodd was a Vice President at CHG during the time card fraud scheme and was placed on notice of the fraud as early as 2004, according to court documents filed by the United States Attorney. According to the civil settlement agreement, the United States contended that Mr. Dodd knowingly utilized the false time card information to justify inflated payments from DOE as well as to obtain corporate bonuses for himself. Under the terms of the settlement agreement Mr. Dodd did not admit to the allegations. Mr. Dodd has paid his fine of \$44,000.00 in settlement of the allegations that he knowingly participated in the CHG Time Card Fraud Scheme.

Terrence Leroy Hissong worked for CHG as a Single Shell Tank Retrieval Director and as Tank Farms Management Director. Similar to Mr. Dodd, the United States contended that Mr. Hissong knowingly authorized overtime hours that he knew would not be fully worked but that would be charged nonetheless to the Department of Energy. The United States further contended that Mr. Hissong also knew that some workers, while not leaving the Tank Farms early, nonetheless lied on their time cards claiming that they were working a particular job when in fact they were doing busy work or no work at all while just running out the clock. As a result of his participation in the fraud, the United States claims Mr. Hissong received corporate bonuses that he otherwise would not have. Under the terms of the settlement agreement Mr. Hissong did not admit to the allegations. Mr. Hissong has paid a fine of \$44,000.00 in settlement of the allegations that he knowingly participated in the CHG Time Card Fraud Scheme.

Stephanie Hilton Livesey worked for CHG as a first line manager with time card approval authority. The United States contended that she knowingly approved false time cards of the hourly workers below her which allowed them to be paid by DOE for hours they did not work. Unlike, Mr. Dodd and Mr. Hissong, Ms. Livesey did not receive corporate bonuses while at CHG. Ms. Livesey did not admit to the allegations under the terms of the settlement agreement. Ms. Livesey agreed to pay a fine of \$22,000.00 in settlement of the allegations that she knowingly participated in the CHG Time Card Fraud Scheme.

The United States' criminal case against these three defendants was captioned as United States of America



vs. Ryan Albert Dodd, Terrence Leroy Hissong, and Stephanie Hilton Livesey, CR-13-6016-EFS. The United States' civil settlements with those three defendants is available upon request to the United States Attorney's Office for the Eastern District of Washington.

[Return to Top](#)



HOME

ABOUT

- Mission Statement
- About The District
- About The Office

NEWS

MEET THE U.S. ATTORNEY

DIVISIONS

- Civil Division
- Criminal Division

PROGRAMS

- Federal Agency Contacts
- LECC
- PSC
- PSN
- VWA
- VWA Spokane
- VWA Yakima

JOBS

CONTACT US

- Telephone
- Mail
- Webmaster

[Accessibility](#)

[Site Map](#)

[FOIA](#)

[Privacy Policy](#)

[Legal Policies & Disclaimers](#)

[Justice.gov](#)

[USA.gov](#)