
partnerships among Inspectors General, law enforcement agencies, and DOJ to more effectively address procurement fraud.”⁶

8. Much of the Division’s effort in outreach and training programs is focused on the *Red Flags of Collusion* and helping procurement officials to identify signs of bid rigging. At the same time, however, the training will sensitize procurement officials to the seriousness and risks of corruption, and to the need to report signs of corruption as well as of bid rigging to authorities.

9. After Typhoon Paka hit Guam in 1997, leaving thousands of people homeless, the U.S. Federal Emergency Management Agency (FEMA) made more than \$70 million in federal funds available for disaster relief. The Division conducted a bid-rigging and public corruption investigation jointly with the U.S. Attorney’s Office in Guam and agents from the FEMA Office of Inspector General, the FBI, the Internal Revenue Service, and the Department of Interior. The investigation resulted in numerous convictions, including that of Austin J. “Sonny” Shelton, who was the Director of Guam’s Department of Parks and Recreation and was responsible for awarding contracts to repair typhoon damage. Shelton was convicted after trial of organizing three separate bid-rigging conspiracies, soliciting and receiving bribes in return for the award of contracts, committing wire fraud, and conspiring to launder money. Shelton violated competitive bidding regulations and conspired with contractors to award Paka clean-up related projects through rigged bids. He allocated these projects in return for substantial bribes out of the contract proceeds and as a favor to a close friend. Shelton was sentenced to serve 100 months in prison, the longest sentence ever imposed for an individual convicted on at least one Sherman Act count.⁷ Following that successful partnership, the Division also worked with FEMA to provide proactive assistance to the State of New Mexico following the Los Alamos fires in 2000.

10. *U.S. v. McNair* involved a Division prosecution of county officials and government contractors who were convicted after trial of conspiracy to commit bribery, bribery, and public corruption relating to a \$3 billion repair and rehabilitation project for a sewer and wastewater treatment system in the Birmingham, Alabama area.⁸
