



Department of Justice

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FEDERAL INMATE PLEADS GUILTY TO OBSTRUCTING DOJ OFFICE OF THE INSPECTOR GENERAL

WASHINGTON - A federal inmate pleaded guilty today in Kansas City, Mo., to obstruction of justice by making false statements and creating false evidence related to identity theft in an attempt to lessen penalties for charges in an underlying case, announced Assistant Attorney General Lanny A. Breuer of the Criminal Division.

Margie P. Shephard, 45, pleaded guilty in the Western District of Missouri to one count of endeavoring to obstruct the administration of justice. Shephard also pleaded guilty to one count of conspiracy to commit identity theft and one count of aggravated identity theft related to the underlying case against her. Shephard has been in federal custody on the identity theft charges, which were brought by the U.S. Attorney's Office for the Western District of Missouri.

According to court documents, from June 29, 2007, to Aug. 7, 2007, Shephard admitted she operated a scheme to manufacture counterfeit payroll checks in the names of identity theft victims and pass the checks in order to obtain money. When she was arrested on Aug. 7, 2007, Shephard was in possession of 71 counterfeit checks drawn upon various financial institutions, as well as four drivers' licenses, credit cards and other items in the names of identity theft victims. According to the plea agreement, Shephard admitted that from approximately April 2009 to January 2010, she gave false statements and provided physical evidence to the Department of Justice Office of the Inspector General (DOJ-OIG), falsely alleging an ongoing identity theft scheme instigated by a federal government employee. Shephard admitted she provided this false evidence in an attempt to persuade the U.S. Attorney's Office to request a reduction in her prison sentence in the pending conspiracy and identity theft case.

Shephard's actions caused the recusal of the U.S. Attorney's Office from the investigation of her false allegations, the continuance of the underlying criminal case against her while the allegations were investigated, and the use of substantial OIG resources in investigating her claims. Shephard admitted she continued to provide false statements and physical evidence that she knew was being provided to a grand jury and to the court, as well as attempted to convince others to manufacture false evidence to support her allegations. Ultimately, the government determined that the alleged ongoing scheme involving a federal government employee did not exist.

At sentencing, Shephard faces up to 10 years in prison on the obstruction charge, five years in prison on the conspiracy charge and two years in prison on the identity theft charge.

The two-year sentence for aggravated identity theft is a mandatory consecutive prison term to the remaining charged counts. A sentencing date has not yet been scheduled by the court.

The obstruction case is being prosecuted by Senior Trial Attorney Richard C. Pilger of the Criminal Division's Public Integrity Section, and was investigated by the DOJ-OIG. The underlying conspiracy and identity theft case is being prosecuted by Assistant U.S. Attorney Daniel M. Nelson of the Western District of Missouri, and was investigated by the Independence, Mo., Police Department; the Kansas City, Mo., Police Department; and the Overland Park, Kan., Police Department.

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10-183