



Department of Justice

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**FORMER ANNISTON ARMY DEPOT EMPLOYEE PLEADS GUILTY TO
COMPUTER FRAUD AND THEFT**

BIRMINGHAM, AL - United States Attorney Alice H. Martin of the Northern District of Alabama announced that FREIDA SPEARMAN HOLMES has plead guilty to Computer Fraud and Theft of Government Property charges before U.S. District Judge Lynwood Smith in Huntsville.

HOLMES, 61, of Oxford, Alabama plead guilty to a Two-count indictment. Count 1 of the indictment charges Holmes with stealing \$33,026.90 in government funds in violation of Title 18, United States Code, Section 641. Count 2 of the indictment charges Holmes, while employed by the Anniston Army Ordnance Depot as a Customer Service Representative for Payroll with exceeding her authorized computer access to a government computer, in violation of Title 18, United States Code, Section 1030(a)(4).

During the hearing, Assistant U.S. Attorney Mike Whisonant said that HOLMES, while employed by the Anniston Army Ordnance Depot as a Customer Service Representative for Payroll, accessed the Defense Civilian Pay System using her ID and password. According to the indictment, Holmes altered the pay files for her son over a period of almost a year causing him to be paid more than \$31,000 for time in which he did not actually work. HOLMES also altered the pay files of her daughter to give her 200 hours of sick leave that she was not entitled to receive. This alteration caused her daughter to receive approximately \$2,000 in benefits.

Judge Smith set sentencing in the case for 1:30 p.m. on Tuesday, August 19, 2008. The maximum sentence for theft of government property as charged in Count 1 is

ten (10) years in prison and a fine of \$250,000. The maximum sentence for unauthorized computer access with intent to defraud as charged in Count 2 is 5 (5) years in prison and a fine of \$ 250,000.

“Mrs. Holmes abused her position with the Anniston Army Ordnance Depot to commit this cyber crime, and we will ask the Judge to consider that in his sentence,” stated U.S. Attorney Alice H. Martin.

Special Agents of the U.S. Army Criminal Investigation Division and the F.B.I. worked together on the investigation of this case. Assistant United States Attorney Michael W. Whisonant is prosecuting this case.

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