



PRESS RELEASE
*Office of the United States Attorney
Middle District of Florida*

PAUL I. PEREZ
UNITED STATES ATTORNEY

400 North Tampa Street
Suite 3200
Tampa, Florida 33602
813/274-6000
813/274-6300 (Fax)

300 North Hogan Street
Suite 700
Jacksonville, Florida 32201
904/301-6300
904/301-6310 (Fax)

501 W. Church Street
Suite 300
Orlando, Florida 32805
407/648-7500
407/648-7643 (Fax)

2110 First Street,
Suite 3-137
Fort Myers, Florida 33901
239/461-2200
239/461-2219 (fax)

Contact: Steve Cole ♦ Public Affairs Specialist ♦ 813/274-6352

For Immediate Release

July 21, 2004

EX-NASA CONTRACTOR EMPLOYEE GETS 13 MONTHS FOR TAX EVASION

Today Kenneth E. McDonald, of Ormond Beach, Florida was sentenced by U. S. District Judge G. Kendall Sharp to 13 months in prison and 2 years supervised release for tax evasion. McDonald pled guilty to tax evasion on March 23, 2004, along with Gregory L. Hansen.

McDonald and Hansen were both former employees of NASA contractor, Olson Electric Company (Olson). McDonald and Hansen submitted false invoices totaling \$400,459 to Olson Electric from Industrial Fabrication Services, Inc. (IFS), a sham corporation. McDonald and Hansen diverted these funds to their personal bank accounts and did not report any of the income on their income tax returns filed in 1997, 1998, and 1999.

The investigation was conducted by Special Agents of the Internal Revenue Service – Criminal Investigation Division, U.S. Air Force Office of Special Investigations, and the NASA Office of Inspector General. The prosecution was handled by Trial Attorney Richard E. Reed, U.S. Department of Justice, Antitrust Division, Atlanta, GA.

Hansen is set to appear before Senior U.S. District Court Judge Sharpe for sentencing in the Middle District of Florida, Orlando, FL on October 20, 2004.