

(12/3/1997)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 09-02-2011 BY 60324UCBAW/SB/CNW

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE

Date: 07/24/1997

To: FBI Headquarters

Attn: NSD, SSA [redacted]

From: Chicago

IT-1

Contact: SA [redacted]

Approved By: [redacted]

Drafted By: [redacted] smw

Case ID #: 265C-CG-101942 (Pending)

Title: VULGAR BETRAYAL

Synopsis: Request approval from FBIHQ for contract to hire KPMG-Peat Marwick/West River Group to conduct analysis of [redacted] obtained during the course of investigation of captioned matter.

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Reference: 265C-CG-101942 Serial 202

Enclosures: Two copies of STATEMENT OF WORK for the United States Department of Justice (DOJ) detailing need for analytical support from outside contractor.

Details: Reference is made to EC dated 7/14/97 to All Divisions setting out detailed synopsis of predication and investigation to date of captioned matter. [redacted] have been subpoenaed [redacted]

It has been determined that there is no expertise in the Chicago Division to conduct the type of analysis needed for such a large volume of [redacted] Assistant United States Attorney (AUSA) [redacted] has advised that [redacted]

Due to the nature of the work involved in this complex analysis, it is estimated that 80% of the funds for payment would come from forfeiture funds and the remaining 20% would come from appropriated funds.

Chicago has been in contact with the Asset Forfeiture Management Staff (AFMS), [redacted] within DOJ and based upon their recommendation a Statement of Work has been prepared for AFMS and enclosed for NSD review. DOJ recommends KPMG-Peat Marwick as contractor and that preference be given to the West River Group.

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Fortune
Analyst

To: FBI Headquarters From: Chicago
Re: 265C-CG-1012, 07/24/1997

LEAD (s):

Set Lead 1:

NATIONAL SECURITY

AT WASHINGTON, DC

The Bureau is requested to approve the contract to hire KPMG-Peat Marwick/West River Group as set out above and in Statement of Work enclosed. It is further requested that NSD agrees to pay 20% of said contract costs with the balance of funds being provided by the DOJ Asset Forfeiture Fund. In the event funds are not available through DOJ Asset Forfeiture Fund, the Bureau is requested to fund this project completely.

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NATIONAL SECURITY DIVISION

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ADDENDUM

The Chicago Division has requested that FBIHQ authorize the division to hire KPMG-Peat Marwick/West River Group accounting firm to assist with an investigation. VULGAR BETRAYAL is the code name of an Act of Terrorism - White Collar Crime predicate, investigation in the Chicago Division. The investigation [REDACTED]

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The Chicago Division investigation, through the use of a Grand Jury has identified [REDACTED] that will have to be further investigated. [REDACTED] Grand Jury subpoenas, most involving [REDACTED] have been issued. There are leads set for every FBI division as part of this investigation. Potential illegal activity includes [REDACTED]

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The Terrorism Section Supervisor at Headquarters who oversees this investigation has traveled to Chicago to be briefed by the two case agents, the squad supervisor and the ASAC. The Chicago division contends, and [REDACTED] agrees that the accounting work associated with this investigation is too voluminous for SA-accountants and/or accounting technicians to handle. As discussed in the attached Chicago proposal, the Chicago division is pursuing the availability of DOJ forfeiture funds to assist with paying the accounting firm, as the investigation could involve sizeable funds.

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NSD/[REDACTED] concurs with this Chicago Division request. FBIHQ point of contact is SSA [REDACTED]