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**NASA SCIENTIST PLEADS GUILTY TO PARTICIPATING IN AWARD OF
CONTRACTS TO HIS WIFE**

*Defendant Directed NASA Contracts to Wife's Small Business and Failed to Disclose Financial
Conflict of Interest*

Greenbelt, Maryland - Mark Schoeberl, age 60, of Silver Spring, Maryland, a senior manager and scientist at NASA's Goddard Space Flight Center (GSFC), pleaded guilty today to a felony conflict of interest charge in connection with his participation in NASA contracts given to his wife's company, announced United States Attorney for the District of Maryland Rod J. Rosenstein.

"When government officials direct business to themselves or their family members, other people are deprived of a fair chance to compete," said U.S. Attorney Rod J. Rosenstein. "It is illegal for any federal employee to make an official decision that directly affects their financial interest, unless they disclose that conflict of interest and get approval from the government. Mark Schoeberl personally arranged for NASA contracts to be directed to a business owned by his wife, and he filed a financial disclosure form that failed to disclose that NASA had paid her more than \$50,000 in 2007."

According to the plea agreement, between July 2004 and June 2009, Schoeberl personally participated as a NASA employee in matters in which he knew his wife had a financial interest. Specifically, Schoeberl was the chief scientist of the Earth Sciences Division at GSFC and the project scientist for the Aura Project, a NASA mission to study the Earth's ozone, air quality and climate. In his capacity as the project scientist for the Aura Project, Schoeberl had the authority to initiate and direct funds budgeted to the project. Schoeberl's wife owned Animated Earth, a software and kiosk display manufacturer.

Schoeberl specifically admitted to his participation in the following matters: between July and September 2004, after encountering resistance to his proposal to appropriate \$20,000 directly to Animated Earth, he asked a colleague to approve the appropriation, knowing that the funds would eventually reach Animated Earth; between January and March 2009, Schoeberl asked GSFC personnel that Animated Earth be paid incrementally for work completed in one of its NASA contracts and after receiving advice from NASA personnel, Schoeberl instructed his

wife as to how to invoice NASA for work performed by her company; in May 2009, Schoeberl prepared a "sole source justification" document to justify Animated Earth being the only company eligible for a new contract for maintenance on kiosks that Animated Earth had previously installed on NASA grounds; in June 2009, Schoeberl directed financial personnel to initiate a \$60,000 procurement of software to be purchased from Animated Earth and provided a "sole source justification" document for that procurement; and in June 2009, Schoeberl asked a NASA colleague to speak with another colleague about awarding federal stimulus package funds to Animated Earth.

As a senior NASA manager, Schoeberl was required to disclose in annual ethics reports any income he and his wife earned from outside activities. Schoeberl's 2007 financial disclosure form omitted any mention of his interest in Animated Earth, even though the company had generated over \$50,000 in income from NASA that year and Animated Earth had been included in Schoeberl's 2006 financial disclosure form.

Schoeberl faces a maximum sentence of five years in prison and a \$250,000 fine. U.S. District Judge Peter J. Messitte has scheduled sentencing for December 1, 2009 at 9:30 a.m.

United States Attorney Rod J. Rosenstein thanked the NASA's Acting Inspector General Tom Howard and the NASA Office of Inspector General for their investigative work, as well as the management of NASA's Goddard Space Flight Center for their cooperation. Mr. Rosenstein commended Assistant United States Attorneys Jonathan Su and James A. Crowell IV, who are prosecuting the case.