

The Office of the Inspector General (OIG), Department of Defense (DoD), announced today that on July 25, 2000, a federal jury returned guilty verdicts against Lawrence Edwin Crumbliss, in Federal District Court, Eastern District of North Carolina, Raleigh, NC, the Honorable Earl Britt, presiding.

Crumbliss had been indicted on one count of embezzlement and one count of conspiracy to embezzle, and the jury returned guilty verdicts on both counts.

Crumbliss had been the Executive Director of the Cardinal Mental Health Group, Inc., (CMHG). The CMHG had implemented the Ft. Bragg Child/Adolescent Mental Health Demonstration Project, an approximately \$94 million dollar project which provided mental health services to new born to 18 year of age TRICARE eligible patients in the Ft. Bragg, Fayetteville, North Carolina catchment area.

Crumbliss and three other co-defendants had been charged with taking over \$300,000 from CMHG for their own use. Crumbliss's co-defendants had resolved their cases in plea bargain agreements. Sentencing for Crumbliss was set for October 2, 2000. Crumbliss faces a maximum sentence of 10 years incarceration on each count and \$20,000 in fines.