



## Office of the Inspector General Commonwealth of Massachusetts

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### **Massachusetts Office of the Inspector General Probe Leads to Indictment of the Former CFO of the Merrimack Education Center, December 2013**

The Department of Justice, Office of Carmen M. Ortiz, United States Attorney for the District of Massachusetts, on December 17, 2013 charged Carl A. Nystrom, the former chief financial officer of the Merrimack Education Center (MEC), a non-profit corporation headquartered in Chelmsford, with mail and wire fraud. The indictment alleges that Nystrom engaged in a scheme to defraud the state by allowing ineligible MEC employees to enroll in a state pension plan, making it appear as though those individuals were employees of a state entity when they were not. Nystrom was one of the ineligible MEC employees who enrolled in the state pension plan, the indictment alleges. The Massachusetts Office of the Inspector General was the lead investigatory agency in the probe.

“I am pleased that our joint investigation with the U.S. Attorney has resulted in the indictment of Carl Nystrom, the Merrimack Education Center’s longtime CFO,” said Inspector General Glenn A. Cunha. “Mr. Nystrom’s leadership role at the non-profit organization put him in a position to ensure that MEC followed the law. Instead, the indictment alleges, he chose to disregard state pension law and approve the misappropriation of funds.”

For more information, see the U.S. Justice Department’s Press Release at <http://www.justice.gov/usao/ma/news/2013/December/NystromCarlindictedPR.html>.

Also see the following letters issued by the Office of the Inspector General:

- Letter to General Counsel James H. Salvie, Massachusetts Teachers Retirement System Regarding the Public Pension of John Barranco, April 2011
- Letter to Executive Director Nicola Favorito, State Board of Retirement Regarding the State Pension of Richard W. McDonough, June 2011
- Letter to the Co-Executive Directors of the MSEC Regarding Invalid Agreements Between the MSEC & the Merrimack Education Center Inc., June 2011
- Letter to the Board Members of the Merrimack Education Center Inc. (MEC) Regarding Misconduct by the Organization’s Executive Director, June 2011