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ties from a contractor. Mr. Sandhu appealed his removal to the Merit Systems Protection Board, which upheld the USACE's decision to remove Mr. Sandhu on 21 December 2006. (MAJ McDonald)

(6) Theft of Government Property (Fort Stewart, Georgia).

On 28 December 2007, the Army SDO debarred Richard W. Patrick, Sr. (Mr. Patrick), from contracting with the Government. On 9 February 2006, Mr. Patrick was convicted of theft of Government property in the U.S. District Court for the Southern District of Georgia. The court sentenced Mr. Patrick to serve 60 months imprisonment; 3 years supervised release, and payment of \$223,305.99 of criminal restitution to the Department of Treasury. Between January 2001 and January 2004, Mr. Patrick used his Government Purchase Card (GPC) to make unauthorized payments to his family members. Although the specific amount of money Mr. Patrick embezzled is unknown, the estimated value is over \$200,000.00. (Ms. McCaffrey)

Termination of Suspension/ Proposed Debarments.

(1) Axion Corporation, Alexander Latifi, Cherokee Advanced Systems and Beth Latifi (AMCOM, Redstone Arsenal, AL). On 14 November 2007 the Army SDO terminated the suspensions of Mr. Alexander Nooredin Latifi, and Axion Corporation based on the acquittal of Mr. Latifi and Axion, and dismissal of indictment, after a trial in the United States District Court for

the Northern District of Alabama. The suspensions of Ms. Beth Latifi and Cherokee Advanced Systems were also terminated by the Army SDO on November 14, 2007 based on their affiliation with Mr. Latifi and Axion. (Mr. Persico)

(2) Eric W. Barton (MNSTC-I, International Zone, Baghdad, Iraq). On 20 December 2007 the Army SDO notified Eric W. Barton that a determination had been made that he was a presently responsible Government contractor and that the proposal for debarment was terminated on that same date and his name was removed from the GSA Excluded Parties List System. The Army SDO made this determination in accordance with FAR 9.406-1 based on written and oral presentations by Mr. Barton regarding accusations of misconduct in the award of convoy security delivery orders in Iraq. (Mr. Persico)

Administrative Hearings/ Compliance Agreements

(1) Compliance Agreement with ITT Corporation. On 11 October 2007, the Army SDO, on behalf of the Army, executed an Administrative Compliance Agreement with ITT Corporation as a result of its 29 March 2007 guilty plea to two counts of violating the Arms Export Control Act as implemented by the International Traffic in Arms Regulations and to the company's deferred prosecution agreement with the U.S. Attorney's Office for the Western District of Virginia for a

third count. As part of its guilty plea, ITT admitted to knowingly violating export regulations by sending exporting technical data, drawings, specifications, services and equipment related to classified military night vision systems to third parties in Singapore and the United Kingdom without export licenses from the Department of State. As a result of its failure to adhere to export controls, classified information regarding night vision systems was passed on to manufacturers in China. The Agreement entered into by the Army with ITT provides for Army oversight of the company's internal control systems, government contracts and ethics training and mandates regular reports to the Army Procurement Fraud Branch regarding its progress in meeting specific milestones designed to improve its responsibility as a Government contractor. Also, an Independent Monitor, John S. Pachter, has been appointed by the Army SDO to oversee the day to day administration of the agreement, conduct investigations into allegations of misconduct on the part of the corporation and to assist in the accounting of the deferred prosecution monetary penalty required by the deferred prosecution agreement with the Department of Justice. With regard to this deferred prosecution monetary penalty, Attachment 3 to the Agreement implements the provision by ITT to the Army of \$50 million in research and development into advanced night vision technologies under the oversight of the Army

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Night Vision Laboratory, Roanoke, Virginia. Attachment 3 was signed by Dr. Thomas H. Killion, Deputy Assistant Secretary for Research and Technology and Chief Scientist for the Department of the Army due in recognition of the cooperation necessary between the Procurement Fraud Branch and the Army Night Vision Laboratory in the implementation of this requirement of the Agreement. (Mr. Persico)

On 29 November the Army SDO and the Chief, PFB met with company officials at ITT in McLean VA for a presentation on the company's plan to implement its ethics program throughout its company. (Mr. Kittel, Mrs. McCommas and Mr. Persico).

(2) EOD Technologies, Inc (MNSTC-I, International Zone, Baghdad, Iraq). On 3 December 2007, the Army SDO met with representatives of EOD Technologies, Inc., regarding a 14 September 2007 show cause letter regarding the award of convoy security delivery orders. Specifically, the letter addressed allegations of misconduct by an EOD Technologies employee charged with overseeing the submission of bids for convoy security work. EOD Technologies presented materials in support of its claim that it is a presently responsible contractor and steps taken to correct the circumstances which led to the dispatch of the Show Cause Letter. (Mr. Persico)

(3) Eric W. Barton (MNSTC-I, International Zone, Baghdad, Iraq). On 18 December 2007, the Army SDO met with Eric W. Barton, a former employee of EOD Tech-

nologies, Inc., regarding a 14 September 2007 proposal for debarment resulting from allegations of misconduct in the award of convoy security delivery orders associated with contract number W91GY0-06-A-0003. Mr. Barton presented materials in support of his claim that he is a presently responsible contractor and had taken steps to prevent similar allegations in the future. (Mr. Persico)

Show Cause Letters

(1) EOD Technologies, Inc. (MNSTC-I, International Zone, Baghdad, Iraq). On 14 September 2007 the Army SDO sent EOD Technologies, Inc., a show cause letter in response to allegations that one of its employees received procurement sensitive information regarding the prospective awards of contracts and delivery orders from a Government official in a violation of 41 U.S.C. § 423(b). Due to the fact that the employee's actions resulted in an alleged an unfair advantage in the award of convoy security delivery orders valued at \$2,555,332.50, the SDO determined that it was in the best interests of the Government to have EOD Technologies show cause as to why it should not be proposed for debarment as a result its employee's actions. (Mr. Persico).

(2) ABSI Corporation and Telepresence LLC (Washington State National Guard). On 19 September 2007 the Army Procurement Fraud Branch sent show cause letters to ABSI Corporation and Telepresence LLC regarding

their relationships with Mr. Richard O'Connor, a former employee of the Washington National Guard indicted on 12 March 2007 in the United States District Court for the Western District of Washington. Mr. O'Connor is accused of actively seeking employment for himself, and his company, Information Technologies Associates, as well as commission payments for obtaining contracts, with companies seeking the award of contracts which he oversaw as a Government employee, in violation of 18 U.S.C. §§ 208 and 216 (a)(2). Both ABSI Corporation and Telepresence LLC employed Mr. O'Connor on a commission basis for the purpose of obtaining Government contracts, resulting in the purchase of computer software by the Washington National Guard. (Mr. Persico).

(3) AKAL Security Inc. (IMCOM/ACA). On 13 December 2007, the Army Procurement Fraud Branch issued a show cause letter to AKAL based on a 13 July 2007 civil settlement by the company with the DOJ for \$18 million to resolve a qui tam complaint filed in the United States District Court, Topeka, KS by former AKAL security guards at Fort Riley who were allegedly terminated by the company when they raised questions about improper and inadequate training that was required by the contract. AKAL was awarded contracts at a number of Army installations in 2003. Allegations concerning inadequacy of training surfaced at other Army installations including Fort Lewis, Fort Hood, Fort