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## DEBARMENTS AND SUSPENSIONS

Since December 2005, SIGIR has worked closely with the Department of Justice, Army Criminal Investigative Command, Defense Criminal Investigative Service, and the Army Legal Service Agency's Procurement Fraud Branch to suspend and debar contractors for fraud or corruption within the Army, including those involving Iraq reconstruction or Army support contracts in Iraq. These cases arise as the result of criminal indictments filed in federal district courts and allegations of contractor irresponsibility requiring fact-based examination by the Army's Suspension and Debarment Official.

In June 2003, the Department of Defense designated the Department of the Army as the executive agent for contracting support to the CPA. As a result, the Army's Suspension and Debarment Program leads the effort to ensure the integrity of contractors performing these contracts. The goal of this program is to ensure

that these contracts are awarded to, and performed by, contractors who are honest, ethical, and have the ability to successfully perform this important work. The Procurement Fraud Branch has also taken a leading role within the Army and at joint contracting organizations to train contracting officers to aid in the prevention and early detection of contractor fraud in Iraq reconstruction and support contracts.

To date, the Procurement Fraud Branch has suspended 14 individuals and companies, based on allegations of fraud and misconduct connected to Iraq reconstruction. Included in this list are five individuals involved in the Bloom/Stein conspiracy and Mr. Faheem Salam. In addition, 12 individuals and companies have been proposed for debarment to the Army Suspension and Debarment Official, resulting in 8 debarments. For information on specific debarments and suspensions, see Table M-1.

## APPENDIX M

NAME	POSITION	DATE ARRESTED	DATE SUSPENDED	DATE PROPOSED FOR DEBARMENT	DATE DEBARRED	REASON FOR ACTION	KNOWN PROCEEDS	CASE STATUS
Glenn Allen Powell	Contractor Employee - KBR - DynCorp Int'l	17-Sep-05	13-Dec-05	16-Feb-06	Bribery of Government Official	\$113,000 in Cash	Awarded contract to KBR subcontractor under LOGCAP III contract in exchange for 20% kickback of contract price. Employer unaware of actions. On August 19, 2005, pleaded guilty to a two-count criminal information charging him with fraud. On November 22, 2005, was sentenced to 15 months in confinement and criminal restitution of \$90,973.99. Case Closed.	
Thomas Nelson Barnes, III	Contractor Employee - DynCorp Int'l	19-Sep-2005	4-Nov-05	11-Nov-06	Conspiracy to defraud United States and counterfeiting and forgery of military passes		DynCorp International employee working on contract for theater-wide personnel identification badge program for Operation Iraqi Freedom coalition forces and support personnel as a badge team leader. Mr. Barnes, acting without authorization from his employer or U.S. Armed Forces, knowingly and unlawfully misappropriated access badges and converted them to the use of unauthorized persons. On May 11, 2006, Mr. Barnes pleaded guilty to one count of 18 U.S.C. § 641 (theft of Government property).	
Eagle Global Logistics, Inc.	Sub-Contractor - KBR		27-Feb-06		False Claims Act, False Statements		Subcontractor of Kellogg, Brown & Root to provide air-freight forwarding services to transport U.S. military equipment from Dubai to Baghdad. Compliance Agreement in Place.	
Christopher Joseph Cahill	Contractor Employee - Eagle Global Logistics	27-Feb-06	15-Sep-06	9-Nov-06	False Claims Act, False Statements		Plead guilty to a criminal information filed against him in the United States District Court, Central District of Illinois, charging him with committing major fraud against the United States. EGI was a subcontractor of Kellogg, Brown & Root to provide air-freight forwarding services to transport U.S. military equipment from Dubai to Baghdad.	
DXB International	Sub-Contractor - KBR	25-Jul-05	25-Jul-05	29-Sep-05	Failure to perform a contract		Failure to perform a contract for the delivery of ice to Army troops in Iraq. Case Closed.	
Name Withheld	Contractor Employee - DXB International	25-Jul-05	25-Jul-05		Failure to perform a contract		SDO decided against debarment due to lack of evidence. Case Closed.	
Steven Ludwig	Contractor Employee - DXB International	25-Jul-05	25-Jul-05	29-Sep-05	Failure to perform a contract		Failure to perform a contract for the delivery of ice to Army troops in Iraq. Case Closed.	
Philip H. Bloom db/a Global Business Group, Global Business Group Logistics S.R.L., GBG Holdings, and GBG Logistics Division in Iraq	Contractor - CPA-SC	13-Nov-05	28-Nov-05		Money Laundering, Bribery, Wire Fraud, Interstate Transport of Stolen Property, Conspiracy	\$2,982,610 in contracts	Guilty plea entered—awaiting acceptance of plea and sentencing. Global Business Group and associated names also suspended as part of this action.	
Robert J. Stein Jr.	CPA-SC Comptroller and Funding Officer	15-Nov-05	2-Dec-05		Money Laundering, Bribery, Wrongful Conversion, Possession of Machine Gun, Non-Registration of Weapon, Wire Fraud, Interstate Transport of Stolen Property, Conspiracy	\$434,348 plus \$69,620 in weapons	Received Plea Information on March 30, 2006— guilty to conspiracy, money laundering, bribery, possession of machine gun and aiding/abetting. Awaiting acceptance of plea by court.	
Michael B. Wheeler, LTC, USAR	Civil Affairs Team Leader, 432nd CA BN, USA	30-Nov-05	7-Dec-05		Money Laundering, Bribery, Wrongful Conversion, Possession of Machine Gun, Non Registration of Weapon, Wire Fraud, Interstate Transport of Stolen Property, Conspiracy	\$100,000 plus weapons	CPA-SC Case. Awaiting Trial.	
Debra M. Harrison, LTC, USAR	Assistant CPA-SC Comptroller and Funding Officer, 358th CA BDE, USA	15-Dec-05	20-Dec-05		Money Laundering, Bribery, Wrongful Conversion, Possession of Machine Gun, Non-Registration of Weapon, Wire Fraud, Interstate Transport of Stolen Property, Conspiracy	\$330,000 plus weapons, business class airline tickets and a 2005 Cadillac Escalade	CPA-SC Case. Awaiting Trial.	

NAME	POSITION	DATE ARRESTED	DATE SUSPENDED	DATE PROPOSED FOR DEBARRED	DATE DEBARRED	REASON FOR ACTION	KNOWN PROCEEDS	CASE STATUS
Jasmine International Trading and Service Company	Contractor - ASG-Kuwait			27-Feb-06	2-Jun-06	Bribery of Government Official	No known loss.	Provided payments to Army finance office personnel at Camp Arifjan, Kuwait, for expedition of payments due on Army contracts. Kuwaiti Company—no DoJ action. Case Closed.
Diaa, Ahmen Abdul Latif Salem	Contractor Employee Jasmine Int'l' Trading and Service Co.			27-Feb-06	2-Jun-06	Bribery of Government Official	No known loss.	Provided payments to Army finance office personnel at Camp Arifjan, Kuwait, for expedition of payments due on Army contracts. Kuwaiti National—no DoJ action. Case Closed.
Faheem Mousa Salam	Contractor - MNSTC-I			13-Apr-06		Attempted Bribery of Government Official	No known loss.	Accused of offering cash payments to Iraqi police officials in exchange for contracts to supply the Civilian Police Assistance Training Team, Multi-National Security Transition Command-Iraq, with 1,000 protective vests and other equipment.
Gheevarghese Pappen, GS-12, DA Civilian	Contracting Officer - ASG Kuwait			17-Mar-06	30-Mar-06	Bribery of Government Official, Racketeering	\$28,900 in cash	Allegedly received approximately \$28,900.00 and attempted to receive an additional payment of approximately \$19,000.00 from a Kuwaiti national for contracts to provide apartments in Kuwait City for Army personnel.
Faiq, Alwan	Contractor Employee - GRD Baghdad			20-Jun-06	28-Dec-06	Bribery, False Claims	No known loss.	Attempted bribery of USAFE-GRC contracting officer in exchange for procurement-sensitive information and favorable treatment on future contracts. Iraqi National—no DoJ action.
Danube General Contracting	Contractor - GRD Baghdad			20-Jun-06	28-Dec-06	Bribery, False Claims	No known loss.	Attempted bribery of USAFE-GRC contracting officer in exchange for procurement-sensitive information and favorable treatment on future contracts. Iraqi Company—no DoJ action.
Bruce D. Hopfengardner, LTC, USAAR	Civil Affairs Advisor, Iraqi Police, Al-Hilla Iraq			7-Jul-06	19-Jul-06	Wire Fraud, Money Laundering, Interstate Transport of Stolen Property, Conspiracy, Wrongful Conversion	2004 Harley Davidson Motorcycle, 2004 GMC Yukon Denali, \$22,400 in cash, \$3,121.77 in investments, Breitling Watch, Assorted Camera equipment, to include 1 Canon EOS 10D, 1 EF 600 MM with 4 lenses and accessories, Toshiba Satellite Laptop Computer, Apple Laptop Computer, Real Property located at 4423 Lee School Drive, Fredericksburg, VA	CPA-SC Case. Awaiting Trial.
Palm Springs General Trading & Contracting Establishment	Contractor, Camp Arifjan, KU			1-Dec-06		False Claims, False Statements	\$1,367,891 in false claims made on black/greywater removal contract.	Palm Springs was a partner of Green Valley in the implementation of this grey/black water removal contract at Camp Arifjan, Kuwait, between on or about November 1, 2005 through February 28, 2006. During this period, Palm Springs engaged in a scheme to submit false claims by loading and unloading wastewater trucks to inflate the amount of wastewater removed. Kuwaiti Company—no DoJ action.
Green Valley Company	Contractor, Camp Arifjan, KU			1-Dec-06		False Claims, False Statements	\$1,367,891 in false claims made on black/greywater removal contract.	Palm Springs was a partner of Green Valley in the implementation of this grey/black water removal contract at Camp Arifjan, Kuwait, on or about November 1, 2005 through February 28, 2006. During this period, Palm Springs engaged in a scheme to submit false claims by loading and unloading wastewater trucks to inflate the amount of wastewater removed. Kuwaiti Company—no DoJ action.