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Denver Attorney Richard F. Busch II Filed Original Status Protests Exposing \$500 Million of Allegedly Inappropriate Government Contracts Awarded By the IRS

- Contracts to Strong Castle, Inc. Allegedly Awarded Through a "Cozy" Relationship With IRS Procurement Official and Questionable Small Business Preference Corporate Status -

DENVER, Colorado - Richard F. Busch II, a Denver-based attorney who specializes in government contracts, filed two Small Business Administration status protests and a Government Accountability Office protest in December 2012 that ultimately led to the recent spate of nationwide news coverage focused on Strong Castle, Inc.'s questionable qualifications and suspicious relationships in the government-contracting marketplace.

Last week's extensive media coverage focused on the U.S. House of Representatives Committee on Oversight and Government Reform's review of Strong Castle, a government contractor that allegedly was awarded as much as \$500 million of inappropriate contracts by the Internal Revenue Service. This review by the Committee had its genesis in November 2012, when Government Acquisitions, Inc. hired Busch to determine the viability of a routine protest with the Government Accountability Office of an award by the IRS for information technology services and products to Strong Castle.

During his investigation, Busch and his client learned that over a period of just five months, Strong Castle was awarded multiple agreements by the IRS with a potential value of hundreds of millions of dollars. Busch uncovered facts that put in question Strong Castle's qualification for certain socio-economic preference programs relating to the award of those government contracts, and that indicated a possibly suspicious relationship between a high-ranking IRS procurement official and Strong Castle's CEO, Braulio Castillo.

On behalf of his client, Busch sought to have the SBA challenge and negate Strong Castle's status as a HUBZone firm and Service Disabled Veteran Owned Small Business ("SDVOSB"). The scandal of allegedly inappropriate contract awards and wrongfully attained socio-economic preference status came to light due in large part to Busch's due diligence and challenge of the SBA to be their own "interested party" to review questionable statements of qualification by Strong Castle. As a result of Busch's status protest submittals and the SBA's independent investigation, the SBA decertified Strong Castle's HUBZone certification in May 2013. Strong Castle's claim of SDVOSB status is currently being reviewed by the SBA and VA.

As was previously reported by many major news agencies, Strong Castle's activities came under congressional scrutiny this past February via a probe by the Committee. As the U.S. House of Representatives' "watchdog" of government actions, the Committee, chaired by Rep. Darrell Issa (R-CA), helps to ensure that the federal government operates in an ethical manner. In that

regard, Busch was asked by the Committee to provide his previous submittals for review by the Committee. The Committee's resources and thorough investigation techniques verified Busch's research and expanded his theories to form their own findings and recommendations.

On June 25, the Committee released a Report finding that Strong Castle and Braulio Castillo appear to have misled the SBA to deceptively obtained certifications as a HUBZone firm and SDVOSB. In addition, the Committee found that Strong Castle may have been aided greatly by an inappropriate "cozy" relationship with a ranking procurement official with the IRS. The House Committee held a three-hour hearing on June 26, during which Rep. Tammv Duckworth (D-1L) gave a much-publicized dressing down of Castillo.

In addition, other members of the Committee expressed their concerns and challenged Castillo, the SBA, VA, and IRS representatives to defend their actions. In that regard, during the hearing, the IRS announced it is "separating" from its relationship with Strong Castle and cancelling all awarded contracts.

Busch commented, "Congress has long recognized that one method of advancing small businesses has been to support underutilized and disadvantaged small businesses in federal contracting. This support focuses on providing the opportunity to qualify for and win federal government contracts. Unfortunately, there have been multiple reports expressing concerns over the integrity of these preference programs, and the Strong Castle case appears to be a very egregious example of what happens far too often. The public trust in these programs must be re-established."

Busch, who runs the Busch Law Firm, a solo practice focusing on government contract law, is a decorated former Judge Advocate in the United States Army Judge Advocate General's (JAG) Corps and Combat Arms officer. While in the military, he was both a prosecutor and a senior government procurement attorney and legal advisor to the Director of Contracts at the National Security Agency. Prior to entering private practice, where he focuses on all aspects of government contract law and commercial contracts, Busch was the General Counsel of a multi-billion-dollar product area with a Fortune 50 defense contractor.

You can get to the clip by hitting the Ctrl button on your keyboard and clicking the site:

<http://www.npr.org/blogs/thetwo-way/2013/06/27/196277555/watch-rep-tammy-duckworth-dresses-down-irs-contractor> **This clip has gone viral and very interesting. It is worth the 8 minutes to listen and watch Representative Duckworth.**