

Oversight Escalation Submission – Fraud & Suppression Disclosure

To: CHAIRMAN PETE SESSIONS / Oversight Committee **“SAFE GAURDING PROCUREMENT / EXAMINNG FRAUD RISK MANAGEMET IN THE DEPARTMENT OF DEFENSE” HEARING JUNE 4TH 2025 ROOM 2247 RAYBURN**

From: SHERMAN STARTZ PRO SE

Date: June 9, 2025

Subject: **FOR THE RECORD**

Executive Summary

Across multiple Army installations, a whistleblower disclosed a sophisticated pattern of fraudulent contract steering involving Alaska Native Corporation (ANC) shell entities. These disclosures, confirmed through referrals to Army CID and IG and substantiated by the Office of Special Counsel through an Individual Right of Action (IRA), have been met with coordinated retaliation, including the fabrication of a legal representative, suppression of MSPB proceedings, and obstruction of FOIA records. DOJ has failed to substantively engage these disclosures, with official communications confirming the Army's disinterest in resolving this matter through lawful settlement. The suppression of this matter contradicts sworn testimony at the June 4 hearing and the DOD OIG's Spring 2025 Semiannual Report.

Chronological Summary of Events

- 2022–2023: Initial whistleblower disclosures submitted regarding abuse of ANC 8(a) set-aside contracting.
- 2023–2024: Retaliation documented; Army initiates false representation of legal defense; CID and SAIG referrals confirmed via FOIA.
- February–May 2025: FOIA suppression observed across MSPB, Army legal, CID; selective responses from DoD OIG only.
- May 7, 2025: Motion to supplement/remand filed in DOJ litigation based on newly released FOIA evidence.
- May 16, 2025: DOJ files procedural opposition to motion—avoiding substantive engagement with fraud disclosure.
- May 22, 2025: Reply brief submitted along with updated FOIA responses and audit materials.
- June 3, 2025: Semiannual Report to Congress released by DoD OIG—case is conspicuously omitted despite clear relevance.

- June 4, 2025: Congressional hearing conducted. DOJ remains silent despite advance warning of June 5 escalation.

Summary of Misconduct and Contradictions

The Department of Justice and the Department of the Army, despite being in receipt of material disclosures and FOIA-confirmed investigatory awareness, failed to present this evidence during sworn testimony. Key contradictions include:

- Omission of ANC systemic fraud in the SAR despite referrals to CID and IG.
- Hearing testimony falsely describing improvement in whistleblower protections.
- Witness denials of suppression despite FOIA trails showing interagency obstruction.
- DOJ communication confirming the Army's disinterest in lawful resolution despite risk disclosure.
- Strategic delay tactics undermining the integrity of judicial and oversight review processes.

Legal and Oversight Grounds for Escalation

Additionally, pursuant to 5 U.S.C. § 552(a)(6)(C)(i), the constructive exhaustion of administrative remedies has occurred due to failure of agency response within statutory time limits. The record further supports pattern-level suppression coordinated across Army legal, CID, and FOIA offices—obstructing access to whistleblower-referred materials under color of delay.

This submission documents suppression of whistleblower evidence, obstruction of the administrative record, and interagency coordination designed to conceal procurement fraud of significant federal interest. It implicates violations of the Whistleblower Protection Act, 5 U.S.C. § 1213(g), and denial of material record under the APA. We ask for review under Congressional oversight authority, and parallel referral to OGIS, DoD IG, and Army CID audit oversight divisions.

Legal Basis for Oversight and Enforcement

The facts and records submitted herein implicate multiple statutory violations, including:

- 5 U.S.C. § 2302(b)(8)–(9): Retaliation and obstruction of protected disclosures.
- Whistleblower Protection Enhancement Act of 2012: Systematic suppression of rights and filings.
- 5 U.S.C. § 552: Misuse of FOIA exemptions to withhold evidence.
- 18 U.S.C. § 1001: False representations in formal proceedings.
- 31 U.S.C. §§ 3729–3733: Contractor fraud with estimated exposure over \$1 billion.

These actions fall squarely within the Committee's legislative and oversight authority under Rule X, and warrant immediate referral to GAO, OSC, and DOJ OIG pursuant to 5 U.S.C. App. § 4(a)(1).

Request for Congressional Action

We respectfully request:

- Formal incorporation of this memorandum and exhibits into the June 4, 2025 hearing record.
- Staff review of FOIA records and MSPB filings linked to this case.
- Oversight inquiry into the failure of DOJ and Army officials to disclose responsive materials under oath.
- Protective engagement with whistleblower counsel and legal representatives.

The failure to address this matter publicly risks ratifying interagency misconduct and undermines trust in federal whistleblower enforcement mechanisms.

Attachments (Citation Index)

1. DOJ Motion to Supplement/Remand (May 7, 2025)
2. DOJ Opposition to Motion (May 16, 2025)
3. Petitioner Reply Brief and FOIA Evidence (May 22, 2025)
4. DOD OIG FOIA Response – DODOIG-2025-000963 (May 21, 2025)
5. FOIA Suppression Evidence Across MSPB/CID/USACE (Multiple PDFs)
6. DOD Semiannual Report to Congress – Spring 2025 (Released June 3, 2025)
7. Documentation of CID and SAIG Referrals (2023–2024, confirmed via FOIA)
8. June 3 Notice to DOJ with June 5 Deadline (Filed copy)
9. Timestamped Memo of DOJ Non-Response as of June 4, 2025, 5:00 PM EST

The judiciary is now positioned to rule on motions supported by concealed investigative records. If this occurs absent corrective oversight, it will functionally ratify interagency suppression of whistleblower pathways and compromise the integrity of APA and WPA enforcement across federal contractor programs.

Respectfully submitted,

SHERMAN SHELBY STARTZ JR PRO SE