



Department of Justice

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FORMER ARMY RESERVE OFFICER SENTENCED TO 10 YEARS IN PRISON ON BRIBERY, CONSPIRACY, AND MONEY LAUNDERING CHARGES

WASHINGTON – A former major in the U.S. Army Reserve was sentenced today for conspiracy, bribery and money laundering in connection with the fraudulent awarding and administration of U.S. government contracts in Balad, Iraq, Assistant Attorney General Alice S. Fisher of the Criminal Division announced today.

John Allen Rivard, 48, was sentenced in federal court in Austin, Texas, by U.S. District Court Judge Sam Sparks of the Western District of Texas, to 120 months in prison and three years of supervised release. Judge Sparks also entered a \$1 million preliminary order of forfeiture and ordered Rivard to pay a \$5,000 fine. Rivard was taken into custody immediately following sentencing.

On July 25, 2007, Rivard admitted that from April 2004 through August 2005, while he was deployed to Logistical Support Area Anaconda near Balad, Iraq, he conspired with a government contractor to steer federally funded contracts to the contractor's company in exchange for a bribe payment in the amount of five percent of the value of the contract awarded. Rivard awarded multi-million dollar contracts to the government contractor's company for construction and housing-related items necessary to the efforts of United States military personnel in the region. The total value of the contracts awarded was approximately \$21 million.

Rivard admitted to actually receiving over \$220,000 in bribe payments in exchange for using his official position at Logistical Support Area Anaconda to facilitate the award and payment of contracts to the government contractor's company. Rivard has also admitted to conspiring with others in the United States to launder the proceeds of the bribery scheme, sending money to the others for, among other things, rent on a West Hollywood, Calif., apartment and a down payment on a new BMW convertible.

“This former Army Reserve officer will now spend 10 years in prison for using his official position to illegally steer millions of taxpayer dollars to benefit himself,” said Assistant Attorney General Fisher. “The Department of Justice will not tolerate bribery and abuse of the government contracting process. I thank the dedicated federal prosecutors and investigators who worked so hard to pursue justice in this case.”

“I hope this serves as deterrence—the peoples’ trust has been violated and these results are a good example of how we in the law enforcement community are working together,” said Special Agent in Charge Jerry Robinette of the Immigration and Customs Enforcement, San Antonio Office of Investigations.

“It is unconscionable to think that a select few can be so self serving and disloyal, while the majority are giving so much and serving so selflessly,” said Brigadier General Rodney Johnson, Commanding General in Charge of the Army's Criminal Investigation Command. “My CID Special Agents will do everything in their power to investigate allegations of wrongdoing and bring these people to justice while safeguarding the interests of the American taxpayer.”

This case was prosecuted by Criminal Division Trial Attorneys Ann C. Brickley and Daniel A. Petalas of the Public Integrity Section. The case was investigated by the U.S. Army Criminal Investigation Command; the U.S. Department of Defense, Office of Inspector General; Defense Criminal Investigative Service; U.S. Immigration and Customs Enforcement; the Internal Revenue Service, Criminal Investigation Division; and the Federal Bureau of Investigation.

The National Procurement Fraud Initiative was announced by the Department of Justice in October 2006, and is designed to promote the early detection, identification, prevention and prosecution of procurement fraud associated with the increase in contracting activity for national security and other government programs. The National Procurement Fraud Task Force, chaired by Assistant Attorney General Fisher, was created as part of this initiative.

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