



DEPARTMENT OF THE AIR FORCE

ARLINGTON, VA 22202-3258

Office of the Deputy General Counsel

VIA FEDERAL EXPRESS

SAF/GCR
1235 S. Clark Street
Suite 301
Arlington, VA 22202

AUG 31 2011

Michael A. Gonzales
[REDACTED]

Re: Notice of Debarment

Dear Mr. Gonzales,

Effective this date, the Air Force has debarred you, Michael A. Gonzales, from Government contracting and from directly or indirectly receiving the benefits of federal assistance programs. This action is initiated pursuant to Federal Acquisition Regulation (FAR) Subpart 9.4, Defense FAR Supplement 209.4 and Appendix H, and 2 C.F.R. Part 1125.

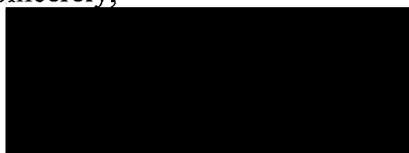
On July 11, 2011, the Air Force proposed you for debarment and afforded you the opportunity to submit information and argument in opposition to your proposed debarment. You were issued a Notice of Proposed Debarment and a Memorandum in Support of the Proposed Debarment. To date, you have not responded.

I have carefully considered all information contained in the Administrative Record and determined that a preponderance of the evidence establishes the existence of a cause for debarment, and you have failed to demonstrate your present responsibility. I have concluded that debarment is in the public interest and necessary to protect the Government's interests.

The effects of debarment are set forth in the Notice of Proposed Debarment issued to you, as well as in FAR Subpart 9.4, Defense FAR Supplement 209.4 and Appendix H, and 2 C.F.R. Part 1125, which are provided on our website at:

<http://www.safgc.hq.af.mil/organizations/gcr/index.asp>. Your debarment is effective immediately. As to the length of the debarment term, due to the nature of your improper conduct, I have determined that a three-year term is appropriate, which will run from the date of your proposed debarment, July 11, 2011. Your debarment will terminate on July 10, 2014.

Sincerely,



STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)

Enclosures



DEPARTMENT OF THE AIR FORCE

Joint Base Andrews

Office of the Deputy General Counsel

VIA FEDERAL EXPRESS

JUL 11 2011

SAF/GCR
1535 Command Drive
Andrews AFB, MD 20672

Michael A. Gonzales



Re: Notice of Proposed Debarment

Mr. Gonzales:

You are hereby notified that the Air Force has proposed that you, Michael A. Gonzales, be debarred from federal Government contracting and from directly or indirectly receiving the benefits of federal assistance programs. This action is initiated pursuant to the authority and the procedures of the Federal Acquisition Regulation (FAR) Subpart 9.4. Copies of FAR 9.4, Defense FAR Supplement 209.4 and Appendix H, and 2 C.F.R. Part 1125 are provided on our website at <http://www.safgc.hq.af.mil/organizations/gcr/index.asp>. 2 C.F.R. Part 1125 is the Defense Department's implementation of the Nonprocurement Common Rule referenced in FAR 9.401. If you do not have access to the Internet and wish to receive a hardcopy of the aforementioned regulations, please submit a written request to my counsel as designated below.

The proposed debarment is based upon the information in the attached Memorandum In Support of the Proposed Debarment(s) (Encl. 1).

The proposed debarment is effective this day and has the following consequences during the period of proposed debarment:

1. Your name will be published in Excluded Parties List System, available at <https://www.epls.gov/>, a publication of the General Services Administration that contains the names of contractors debarred, suspended, proposed for debarment, or declared ineligible by any agency of the Federal Government. Proposed debarment is effective throughout the executive branch of the Federal Government and applies to procurement and nonprocurement programs.

2. Offers will not be solicited from, contracts will not be awarded to, existing contracts will not be renewed or otherwise extended for, and subcontracts requiring Government approval will not be approved for you by any agency in the executive branch of the Federal

Government unless the head of the agency taking the contracting action or a designee states in writing the compelling reason for continued business dealings between you and the agency.

3. You may not conduct business with the Federal Government as an agent or representative of other contractors, nor may you act as an individual surety for other contractors.

4. No Government contractor may award you a subcontract equal to or in excess of \$30,000 unless there is a compelling reason to do so and the contractor first notifies the contracting officer and further complies with the provisions of FAR 9.405-2(b).

5. No agency in the executive branch shall enter into, renew, or extend primary or lower-tier covered transactions in which you are either a participant or principal, unless the head of the agency grants an exception in writing. (Covered transactions are defined at 2 C.F.R. Section 1125.30).

6. You may not act as an agent or representative of other participants in federal assistance programs.

7. Your affiliation with or relationship to any organization doing business with the Government will be carefully examined to determine the impact of those ties on the responsibility of that organization to be a Government contractor or to receive federal assistance.

Within 30 calendar days of the date of this notice, you may submit, either in person or in writing, or both, information and argument in opposition to the proposed debarment. If you provide a written response, you are required to provide it electronically to the e-mail address in the last paragraph of this letter.

If you designate a representative to respond on your behalf, please notify my counsel of the identity of the representative by electronic mail. The designation should specifically state the names and addresses of all individuals or companies the designee has the authority to represent in this matter.

Your submission, if any, should include any specific information that may raise a genuine dispute over material facts. If it is found that the information submitted raises a genuine dispute over material facts, fact-finding may be conducted to determine the disputed facts. Facts proved by conviction or civil judgment, however, are not subject to dispute in this proceeding.

This debarment proceeding has been initiated on the basis of an administrative record. A copy of the record is available upon request. Any written information submitted by you will be added to the administrative record.

The determination whether or not to debar you is discretionary and will be made on the basis of the administrative record, together with any written materials submitted for the record by the Government or you during the period of proposed debarment.

If debarment is imposed, the limitations described in Paragraphs 1 through 7 above will continue to apply and your name will continue to be published in the List of Parties Excluded From Federal Procurement and Nonprocurement Programs. Your status, however, will be changed to reflect that you are debarred.

Any communications regarding this matter should be directed to my counsel: David Robbins, SAF/GCR, 1235 South Clark Street, Suite 301, Arlington, VA 22203, or david.robbsins@pentagon.af.mil. Email communication is preferred. If you wish to send hard copies, please use the physical address in this paragraph rather than the return address above for your correspondence.

Sincerely, 

STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)

Encl. 1
a/s



DEPARTMENT OF THE AIR FORCE

Joint Base Andrews

Office of the Deputy General Counsel

MEMORANDUM IN SUPPORT OF THE PROPOSED DEBARMENTS OF:

MICHAEL GONZALES
LIBRADO S. GONZALEZ

Effective this date, the Air Force has proposed the debarments of Michael Gonzales ("Gonzales") and Librado S. Gonzalez ("Librado") from Government contracting and from directly or indirectly receiving the benefits of federal assistance programs. This action is initiated pursuant to Federal Acquisition Regulation ("FAR") Subpart 9.4

INFORMATION IN THE RECORD

Information in the record establishes by a preponderance of evidence that at all times relevant hereto:

Michael Gonzales

1. Gonzales was employed by Company A¹ to perform services on a Government contract for the 452 Air Mobility Wing at March ARB ("MARB"), CA. While employed, Gonzales maintained inventory and physical security of military property at MARB.
2. Over the course of 5 years, Gonzales conspired with another individual,² ("Civilian Co-Conspirator") to steal (and stole) government property with a value exceeding \$575,000. These items included Night Vision Goggles (NVG), NVG test equipment, new interceptor vests, M-16 bolt carriers, and various pieces of equipment processed for the Defense Reutilization and Marketing Office (DRMO).
3. The theft was discovered as a result of the Riverside County, CA Sheriff's Office uncovering more than forty thousand dollars worth of MARB property at Gonzales' residence.
4. After learning of this misconduct in February 2011, Gonzales was barred from MARB and any property under its jurisdiction indefinitely.

Librado Gonzalez

5. Librado was also employed by Company A to perform services on a Government contract, and served as Warehouse Manager for the 452 Air Mobility Wing at MARB. Librado was entrusted with the safekeeping of government property.

¹ Company A refers to a Government contractor that is not directly involved in the above mentioned action.

² This individual is an unaffiliated civilian, and is not identified as performing services for the Government, or any relevant contractor.

6. Librado related to investigators on April 27, 2011, that prior to the thefts, the Civilian Co-Conspirator informed Librado that he and Gonzales were planning to steal government property from MARB. Despite having knowledge of the Civilian Co-Conspirator's intention to steal government property, Librado sponsored him onto MARB and allowed him access to the supply quarters. On several occasions, the Civilian Co-Conspirator contacted Librado to gain access to MARB, with the intention of stealing high-value items (e.g., Night Vision Goggles). Librado failed to report this information in any manner.

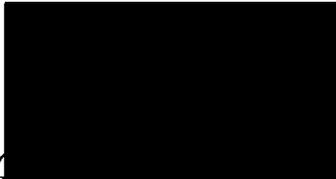
7. Librado's failure to report criminal acts, willful dereliction of duties, and sponsoring of an unaffiliated civilian with the knowledge of his criminal intent, contributed to the theft of government property spanning over five years with an estimated value of more than \$500,000.

8. Following the investigation, in May 2011, Librado was barred from MARB and any property under its jurisdiction indefinitely.

BASES FOR THE PROPOSED DEBARMENTS

The improper conduct of Mr. Michael Gonzales is of so serious or compelling a nature that it affects his present responsibility to be a government contractor or subcontractor and provides a basis for his debarment pursuant to FAR 9.406-2(c).

The improper conduct of Mr. Librado Gonzalez is of so serious or compelling a nature that it affects his present responsibility to be a government contractor or subcontractor and provides a basis for his debarment pursuant to FAR 9.406-2(c).



STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)