DEPARTMENT OF THE AIR FORCE
ARLINGTON, VA 22202-3258

Office of the Deputy General Counsel

JUN 15 2012

MEMORANDUM IN SUPPORT OF THE DEBARMENT OF:

VALENTINE A. KORENAK

Effective this date, the Air Force has debarred Valentine A. Korenak (Korenak) 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 February 10, 2012, the Air Force proposed Korenak for debarment and afforded him the opportunity to submit information and argument in opposition to his proposed debarment. I have carefully considered all information contained in the Administrative Record and determined that a preponderance of the evidence establishes the existence of causes for debarment, and Korenak has failed to demonstrate his present responsibility. I have, therefore, concluded that debarment is in the public interest and necessary to protect the Government's interests.

INFORMATION IN THE RECORD

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

1. A contractor employing Korenak provided evidence establishing that Korenak improperly charged 114 hours to a government contract over the course of 12 weeks, which equates to approximately 9.5 hours per week or 24 percent of his work week. Korenak spent this time looking at images of nude women.

2. The contractor suspended Korenak for three days without pay as a result of this mischarging. Korenak was later fired from his position.

ANALYSIS

Korenak is a contractor under FAR 9.403's definition of a contractor as "any individual… [who] conducts business, or reasonably may be expected to conduct business, with the Government as an agent or representative of another contractor." An employee falls under the category of "agent or representative." Thus Korenak, as an employee of a government contractor, is a contractor and is therefore subject to administrative proceedings under FAR Subpart 9.4.

Korenak has made two submissions in opposition to his proposed debarment. In those submissions, he admits the misconduct and takes responsibility for his actions. He also represents, and the Air Force has no reason to doubt the accuracy of the representation, that he cooperated fully with his employer's investigation. Through counsel, Korenak also expressed a

willingness to take ethics training courses in the future. This is a laudable step in the right direction. However, ethics training has yet to occur, and is unlikely to address the nature of Korenak's mischarging – looking at pornography at work while charging that time to the U.S. Government.

Although Korenak has demonstrated some of the remedial factors set forth in FAR Subpart 9.406-1, his submissions fall short of demonstrating his present responsibility that would make debarment unnecessary to protect the Government's business interests. Korenak's submissions fail to recognize the seriousness of the Air Force's concerns. Korenak's actions were grossly inappropriate, and he defrauded the Government as his time was directly passed to the Government as part of a cost-type contract. However his submission asserts his misconduct is not the Government's business, calling it only a human resources problem. That is not a persuasive position. When his submissions are taken together, it is clear that Korenak has failed to demonstrate his present responsibility such that debarment is not necessary to protect the Government's business interests.

FINDINGS

The improper conduct of Korenak 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).

DECISION

Pursuant to the authority granted by FAR Subpart 9.4, Defense FAR Supplement, subpart 209.4, and 2 C.F.R., Section 1125, and based on the evidence contained in the administrative record and findings herein, Valentine A. Korenak is debarred for a period of 18 months from February 10, 2012, the date on which he was proposed for debarment. Although debarments generally last three years under FAR 9.406-4(a)(1), because of his acceptance of responsibility and his initial steps toward demonstrating his present responsibility, a full three year term is not necessary to protect the Government in this case. The debarment shall terminate on August 9, 2013.

STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)