

Department of Justice
U.S. Attorney's Office
Eastern District of Virginia

FOR IMMEDIATE RELEASE

Thursday, May 7, 2015

IT Software Services Contractor and its President Agree to Pay \$9 million to Settle Civil False Claims Act Allegations

ALEXANDRIA, Va. – Global Computer Enterprises, Inc. (GCE), of Reston, Virginia, along with its president and sole owner, Raed Muslimani, 53, of Sterling, Virginia, have agreed to pay \$9 million to settle civil claims stemming from allegations that GCE concealed its utilization of prohibited engineers and employees on software services contracts with the federal government.

GCE, a cloud-based “software as a service” provider, provided the U.S. Department of Labor (DOL) and the Equal Employment Opportunity Commission (EEOC) with financial management software services pursuant to competitively awarded federal contracts. During the competitions for those contracts and after award, GCE allegedly misrepresented and/or concealed that it was utilizing engineers and other employees who were expressly prohibited from working on the contracts due to their citizenship/immigration statuses.

GCE was additionally awarded software development services contracts with the General Services Administration (GSA), the United States Secret Service, and the United States Coast Guard (USCG). In those contracts as well, it is alleged that GCE repeatedly misrepresented and/or concealed its use of engineers and employees expressly prohibited from working on those contracts due to their security clearance statuses, labor qualifications, or overseas locations.

To resolve the allegations under the civil False Claims Act and other related statutory and common law remedies, GCE and Muslimani agreed to pay the United States \$9 million, to be paid out of GCE's Chapter 11 proceeding. The Bankruptcy Court approved the settlement on April 22, 2015. GCE filed its Chapter 11 bankruptcy petition on September 4, 2014, and the United States filed a proof of claim on February 27, 2015.

The civil claims settled by GCE, Muslimani, and the United States are allegations only; there has been no determination of civil liability.

The settlement obtained in this matter was the result of a coordinated effort by the U.S. Attorney's Office for the Eastern District of Virginia and the Financial Litigation Section and Fraud Section of the Commercial Litigation Branch of the Civil Division of the Department of Justice. The matter was investigated by Assistant U.S. Attorney Peter S. Hyun and Special Assistant U.S. Attorney Josh

Cavinato. John T. McConkie of the Financial Litigation Section of the Commercial Branch of the Civil Division of the Department of Justice is handling the bankruptcy matter on behalf of the United States.

The case was investigated by the GSA Office of Inspector General (OIG), the FBI's Washington Field Office, the DOL-OIG, the EEOC-OIG, with assistance from the USCG Investigative Service and the United States Secret Service.

A copy of this press release may be found on the website of the [U.S. Attorney's Office](#) for the Eastern District of Virginia. Related court documents and information may be found on the website of the [Bankruptcy Court](#) for the Eastern District of Virginia or on [PACER](#) by searching for **Case No. 14-13290-RGM**.