



DEPARTMENT OF THE ARMY
UNITED STATES ARMY LEGAL SERVICES AGENCY
901 NORTH STUART STREET
ARLINGTON VA 22202-1837

REPLY TO
ATTENTION OF
JALS-KFLD-PF

30 November 2007

MEMORANDUM FOR Headquarters, U.S. Army Sustainment Command Acquisition Center,
Rock Island Arsenal, Ill.

SUBJECT: Request for Compelling Reasons Determination

1. On 6 November 2007, Yüksel İnşaat A.S. ("Yüksel") was proposed for debarment from future contracting with any agency in the Executive branch of the United States Government in accordance with Section 9.406 of the Federal Acquisition Regulations ("FAR"). This action, taken by the Office of the Staff Judge Advocate, Headquarters, United States Army Europe and Seventh Army was based upon accusations that on 10 March 2006, Yüksel submitted inflated claims for equipment, labor and other expenses to the U.S. Army Corps of Engineers, Gulf Regional Division as a result of the 9 February 2006 termination for convenience of contract number W912GB-05-C-0043, for the construction of masonry barracks at Camp Taji, Iraq. Specifically, an audit by the Defense Contract Audit Agency ("DCAA") found that of the approximately \$2,500,000.00 in claims submitted, only \$101,501.00 could be substantiated or reimbursed under the FAR. Upon review of the findings of the DCAA audit, it was determined that Yüksel's alleged actions constituted violations of 18 U.S.C. § 1031, Major Fraud Against the United States, and 18 U.S.C. § 287, False Claims. This determination constituted a basis for debarment in pursuant to FAR 9.406-2(c) and 9.406-5(a).
2. In addition to proposing Yüksel for debarment, Mr. Hande Umit Tarikahya and Mr. M. Zafer Demirselcuk, were also proposed for debarment based on their role in the preparation and submission of the claims associated with the termination for convenience of contract number W912GB-05-C-0043. Both were proposed for debarment in accordance with FAR 9.406-2(c).
3. Agencies shall not renew or otherwise extend the duration of current contracts, or consent to subcontracts, with the contractors debarred, suspended or proposed for debarment, unless the agency head or a designee with authorized representative status, states in writing the compelling reasons for renewal or extension in accordance with the provisions of FAR 9.405-1(c) and 9.405-2.
4. On 30 November 2007, the U.S. Army Sustainment Command Acquisition Center, Rock Island Arsenal, Illinois, submitted a request for a compelling reasons determination to continue to do business with Yüksel and its affiliated companies for the purpose of the company's participation in the operations, maintenance and power generation support services subcontract known as the "Yüksel-Reysas Joint Venture" through 29 February 2008. This request was referred to the Chief, Procurement Fraud Branch, U.S. Army Legal Services Agency, Contract and Fiscal Law Division consistent with Section 5109.405 of the Army Federal Acquisition Regulations Supplement. The Chief, Procurement Fraud Branch recommended approval of the request.

