

# **Summary: Investigation of Construction Firm Misrepresenting Itself as a Service Disabled Veteran Owned Small Business**

**Report Date: January 13, 2017**

The OIG recently concluded an investigation into allegations that Kylee Construction, a Service Disabled Veteran Owned Small Business (SDVOSB) purportedly owned by a service-disabled veteran was actually controlled by Ricky Lanier, who was not a veteran. Based upon the assertion that it was owned by a service-disabled veteran, Kylee Construction had received a large number of Federal contracts, including \$10,313,788 in SDVOSB and U.S. Small Business Administration (SBA) 8(a) set-aside contracts with the National Park Service.

We found that Lanier formed two companies for the purpose of defrauding Federal set-aside programs. Lanier and his wife, Katrina, also knowingly sent fraudulent documents to the Federal Government to gain an unfair advantage in receiving contracts from DOI, and other federal agencies. The Laniers managed and controlled both companies, and both had the same employees and assets. Neither firm performed any of the actual contracted work, which was instead done by subcontractors, often at a fraction of the cost represented to the Government by the Laniers.

The Laniers were convicted of wire fraud, conspiracy to commit wire fraud, and major fraud against the United States in U.S. District Court in December 2015. Ricky and Katrina Lanier were sentenced to serve Federal prison terms of 48 months and 30 months, respectively, in October 2016.

This is a summary of an investigative report that was issued to the National Park Service.

