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United States Attorney District of New Hampshire

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MEDIA RELEASE For Immediate Release October 24, 2006 Thomas P. Colantuono
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RESIDENT OF DERRY SENTENCED TO 21 MONTHS FOR PAYING BRIBES TO A PUBLIC OFFICIAL AND AGREES TO PAY \$300,000 TO SETTLE RELATED CIVIL FRAUD CHARGES

CONCORD, NEW HAMPSHIRE -- John Burke, a 36-year-old resident of 4 Cross Road in Derry, New Hampshire, was sentenced to 21 months in jail for conspiring to defraud the Department of Veterans Affairs, and paying bribes to a public official.

When Burke pleaded guilty to the charges in May 2005, he admitted that over a five-year period, he provided numerous bribes to an employee of the VA, Robert Mayer, in exchange for government contracts worth more than \$3 million which Mayer awarded to Burke's home repair business, Burke Renovations. Burke also acknowledged that he corruptly influenced Mayer's conduct as an employee of the federal government by making numerous cash payments, totaling more than \$100,000, to Mayer, paying for new shingles that were installed on the roof of Mayer's home and paying for ceiling fans that were installed in Mayer's home. Burke also admitted that he and two other individuals, a plumber who received more than \$600,000 in government contracts from Mayer, and an electrician who received contracts worth slightly less \$100,000 from Mayer, caused Mayer to steer government contracts to them by renovating two bathrooms and installing central air conditioning in Mayer's house.

In addition, Burke and Echelon Construction, LLC (previously known as Echelon Construction Corporation and Burke Renovations, Inc.) entered into a consent decree in which they agreed to pay \$300,000 to settle allegations that they violated the civil False Claims Act by submitting invoices to the VA for work which they did not perform. The civil complaint alleged that Burke and his business submitted at least 126 false claims to the VA for work that either was not performed at all or was performed by another person or entity who also was paid by the VA. While not admitting liability, Burke and his business agreed to pay \$300,000 to settle the government's allegations.

Burke's sister, Kelli Burke, also a resident of Derry, was named as a defendant in the civil False Claims Act case. According to the civil complaint, Kelli Burke, doing business under the name Final Touch Cleaning, submitted at least 28 false claims to the VA for work that she did not perform. While not admitting liability, Kelli Burke agreed to pay \$40,000 to settle the government's allegations.

Mayer was sentenced to 63 months in jail for his participation in the offenses.

After yesterday's hearing, U.S. Attorney Colantuono said, "The prison sentences that were imposed in this case reflect the seriousness of the crimes that were committed by a high-ranking government official and the person who bribed him. I sincerely hope that the sentences will serve to deter anyone who might be tempted to engage in similar dishonest conduct."

United States Attorney Tom Colantuono thanked Special Agent in Charge of the Northeast Field Office of the Department of Veterans Affairs (VA) Office of Inspector General, Criminal Investigations Division, Jeffrey G. Hughes, for his agency's invaluable assistance with this prosecution.

This case was prosecuted by Assistant U.S. Attorneys Bob Kinsella and John Farley.

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