



Co-owner of Defunct Company Admits Defrauding Service-Disabled Veteran-Owned Small Business Program

FOR IMMEDIATE RELEASE

Sept. 4, 2014

KANSAS CITY, KAN. - The co-owner of a defunct Missouri construction company pleaded guilty Wednesday to defrauding a federal program that set aside contracts for businesses owned by service-disabled veterans, U.S. Attorney Barry Grissom said.

Michael J. Parker, 40, Blue Springs, Mo., pleaded guilty to one count of conspiracy to commit fraud against the United States, one count of major program fraud and one count of wire fraud. In his plea, he admitted that he and his father, co-defendant, **Warren K. Parker**, made false claims in order for their company, Silver Star Construction LLC of Blue Springs, Mo., and Stilwell, Kan., to obtain more than \$6.7 million in contracts from the Veterans Administration and more than \$748,000 in contracts from the Department of Defense. The contracts were awarded under the Service-Disabled Veteran-Owned Small Business Program.

After an extensive investigation, federal agents determined that in fact Warren Parker never was classified as a service-disabled veteran by the Veterans Administration or the Department of Defense.

Sentencing will be set for a later date. Both parties have agreed to recommend a sentence of 51 months in federal prison and restitution.

Co-defendants include:

Warren K. Parker, who was sentenced to 87 months.

Mary Parker, who is set for jury trial Oct. 6.

Thomas Whitehead, who is awaiting sentencing.

Silver Star Construction, LLC, which is set for trial Oct. 6.

Grissom commended the Small Business Administration's Office of Inspector General; the Defense Criminal Investigative Service; the Department of Veterans Affairs, Office of Inspector General, Criminal Investigation Division and the General Services Administration's Office of Inspector General; and Assistant U.S. Attorney Tris Hunt for their work on the case.