

FOR FURTHER INFORMATION CONTACT

**AUSA VICKIE E. LEDUC or
MARCIA MURPHY at 410-209-4885**

January 10, 2012

FOR IMMEDIATE RELEASE

<http://www.usdoj.gov/usao/md>

**ENGINEERING SYSTEMS SOLUTIONS AGREES TO PAY \$702,000 TO RESOLVE ALLEGATIONS
THAT IT OVERBILLED FOR LABOR PROVIDED UNDER ITS CONTRACT WITH THE ARMY**

Baltimore, Maryland - Engineering Systems Solutions, Inc. (ESS) and its owner and CEO, Vishnampet Jayanthinathan, aka "Jay Nathan," age 64, of Ijamsville, Maryland, have agreed to pay the government \$702,000 to settle allegations under the False Claims Act that ESS overbilled the U.S. Army for work performed by ESS employees who did not meet the qualifications for the labor rates billed in connection with ESS's contract with the Department of the Army.

The settlement was announced by United States Attorney for the District of Maryland Rod J. Rosenstein and Special Agent in Charge Robert Craig of the Defense Criminal Investigative Service - Mid-Atlantic Field Office .

ESS is a corporation located in Frederick, Maryland, that provides systems design and computer systems integration. According to the settlement agreement, from January 2004 through December 2007, ESS served as the subcontractor to provide the Department of the Army with mobile communication systems that it designed, integrated, and assembled. Under the contract, employees with certain qualifications and expertise were paid at a higher rate. The government claims that during the performance of the contract, ESS and its employees falsely billed the government for labor performed by ESS employees who lacked the qualifications specified by the contract for the rates billed to the government.

The case came to light when a former ESS employee filed a whistleblower lawsuit alleging that ESS and Jayanthinathan violated the civil False Claims Act. Enacted during the Civil War, the False Claims Act is the government's primary civil tool to combat fraud and abuse in federal programs and procurement. The qui tam provisions of the Act permits private parties to file an action on behalf of the United States and receive a portion of the recovery if the government takes over the case and reaches a monetary settlement with the defendants.

The settlement was the result of an investigation by the U.S. Attorney's Office for the District of Maryland and the Defense Criminal Investigative Service. The case was handled by Assistant U.S. Attorney Tarra DeShields.

[HOME](#)