

**Monmouth County Company Agrees to \$7.6 Million Judgment for Violating False Claims Act; Owners and Related Company to Pay \$375,000 - GSA Office of Inspector General**

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U.S. Attorney's Office  
District of New Jersey  
August 2, 2022

NEWARK, N.J. – A Monmouth County, New Jersey, company will pay \$7.6 million under a consent judgement for its role in making false statements to obtain government contracts that were set aside for businesses owned and controlled by service-disabled veterans, U.S. Attorney Philip R. Sellinger announced today.

As alleged in the government's complaint:

VE Source LLC, based in Shrewsbury, New Jersey; the company's owners, Sherman Barton and Christopher Neary; and a related entity, Vertical Source LLC, defrauded the federal government by falsely claiming that VE Source was eligible for government contracts that were set aside for companies owned and controlled by service-disabled veterans. VE Source obtained contracts from the U.S. Department of Agriculture (USDA) and the Defense Logistics Agency (DLA), a component of the U.S. Department of Defense, totaling more than \$16.5 million. By obtaining contracts for which they were ineligible, the government alleged that VE Source, Neary, and Barton undercut the express Congressional purpose in enacting laws intended to encourage the awards of federal contracts to businesses owned and controlled by service-disabled veterans.

In the resolution announced today, VE Source agreed to a consent judgment for \$7.6 million in conjunction with its role in the scheme. The United States entered a separate settlement agreement with Neary, Barton, and Vertical Source, under which Neary will pay \$120,000, Barton will pay \$75,000, and Vertical Source will pay \$180,000 to resolve claims made in a civil lawsuit filed by the United States under the False Claims Act.

U.S. Attorney Sellinger credited special agents of the General Services Administration, Office of Inspector General, New York Field Investigations Office, under the direction of Special Agent in Charge Joseph Dattoria; the U.S. Department of Agriculture, Office of Inspector General, Northeast Region, under the direction of Special Agent in Charge Bethanne M. Dinkins; and the Defense Criminal Investigative Service, Northeast Field Office, under the direction Special Agent in Charge Patrick J. Hegarty, with the investigation leading to this resolution.

The government is represented by Assistant U.S. Attorneys David V. Simunovich and Mark C. Orlowski of the Health Care Fraud Unit in Newark.

The lawsuit resolved through this agreement is captioned United States v. Neary *et al.*, Civil Action No. 20-14167 (D.N.J.). The claims settled by this agreement are allegations only, and there has been no determination of liability.

Attachment(s):

[Download VE.SettlementAgreement.pdf](#)

[Download VEMotion.pdf](#)

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Source: U.S. Attorney's Office [press release](#)

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