

Testimony of Philip Crane
U.S. Senate
Homeland Security and Governmental Affairs
Subcommittee on Financial and Contracting Oversight

February 4, 2014

Good morning Chairman McCaskill, Ranking Member Johnson and Committee Members.

Thank you for allowing me to testify today.

I am Philip Crane, President of Docupak, an integrated marketing company founded in 1998 that provides marketing and production capabilities within a single firm to meet client needs with program management, design, packaging, production, inventory control, warehousing and distribution.

Our company also provides other services, including information technology, print-on-demand and development of promotional materials. Docupak does not sell pre-packaged products, but tailors solutions to address each client's unique requirements.

Today I am here to discuss the support we provided to the National Guard Bureau for their Guard Recruiting Assistance Program (G-RAP).

Since the inception of the G-RAP, Docupak established and informed government program and contracting offices of internal controls used to mitigate fraud, waste, and abuse.

Through these efforts, we identified and reported suspected fraud cases to Army CID for investigation and potential prosecution. While the contract was terminated for convenience in 2012, we have continued to assist Army CID and other government agencies in identifying potentially fraudulent activities. To date, we are aware of approximately 28 convicted Recruiting Assistants (RAs) out of the more than 300,000 who participated in the program.

Since its inception, G-RAP has achieved in excess of 149, 000 total accessions and a 92% ship rate to Basic Combat Training for the Army National Guard.

We have consistently made our program records available for full review and audits. As I mentioned in my letter to the Committee requesting this opportunity to testify, our records and employees remain available to Committee members and staff at their convenience.

Throughout the history of the contract, Ernst & Young was retained to audit and to provide assurance that our company's financial statements were precise, complete and accurate. Those audits included an examination of evidence supporting the amounts and disclosures in the financial statements and an assessment of accounting principles used by the company.

I am grateful that the committee allowed me to testify today. Thank you.

* Please see Attachment A

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January 10, 2014

Mr. Jackson Eaton
Counsel
Subcommittee on Financial and Contracting Oversight
U.S. Senate Homeland Security & Governmental Affairs Committee
432 Hart Senate Office Building
Washington, DC 20510

Mr. Eaton:

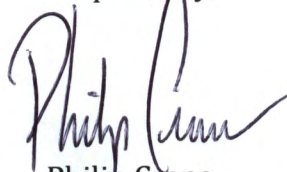
The Senate Homeland Security & Governmental Affairs Subcommittee on Financial and Contracting Oversight has scheduled a hearing on the Army Recruiting Assistance Programs for Tuesday, February 4, 2014. It is my understanding that no witnesses have been chosen for the hearing. Please consider allowing me, along with appropriate Docupak staff, to appear as witnesses.

I appreciate the opportunity to speak with committee staff again, and also appreciate your kind offer to discuss this matter on a conference call next Wednesday, January 15, 2014, to answer follow up questions to our in-person briefing presented on November 14, 2013. This matter is of utmost importance to our company, and I will fly to Washington, D.C. next Wednesday to meet with the Committee in person.

In addition, I would like to extend an invitation to you and any other Committee Members and Staff to visit our headquarters, meet with our staff, review all relative documents, financial statements, and anything else that would provide Congress a better understanding of how Army Recruiting Assistance Programs were integrated into the entire recruitment process.

In advance, thank you for your time and consideration.

Respectfully,



Philip Crane
President

Document and Packaging Brokers, Inc.