Analysis of IRP Debt

The government claimed that the executives of IRP conspired to defraud staffing companies of millions of dollars.

False: The executives of IRP "stole" millions of dollars from staffing companies.
Fact: The staffing companies payrolled contract employees to perform consulting services on behalf of IRP to develop a software application for law enforcement.

False: The executives of IRP "received" $5 million as part of their "scheme to defraud" staffing companies.
Contradiction: While the Assistant U.S. Attorney Matthew Kirsch tried to paint the picture that the defendants stole $5 million dollars, he contradicted himself during his opening statement by saying that no one got wealthy. He stated, "The evidence isn't going to show you in this case that the defendants got fabulously wealthy from this scheme, but…" It was from this point on that the Assistant U.S. Attorney presented contradictory and confusing arguments making the jury believe that the defendants stole $5 million vs. accruing $5 million in debt.
Fact: Understanding the challenges of a startup, a few staffing companies agreed to payroll IRP execs (who were, by trade, technologists capable of performing functions as software developers, testers, database administrators, and system architects). IRP executives accounted for only **12.7%** of IRP's debt owed to staffing companies. Other contract consultants account for **87.3%** of the debt owed by IRP, and those monies were paid directly to the contract consultants directly. Payrolling funds for other contract consultants did not pass through the hands of the executives of IRP. There were 46 total contract consultants at IRP compared to the six executives. So to state that the executives of IRP stole $5 million is totally untrue.

Fact: This case initially rejected by the Denver office of the FBI who stated (in a letter) that this case was not criminal and that plaintiffs should seek civil resolution to their complaints. Bottom line: This was a debt collection case that was criminalized.

IRP Debt Ratio

12.7% — $635,000.00 — ■ IRP Executives
87.3% — $4,365,000.00 — ■ Contractors/Consultants