United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510–6250

September 16, 2011

The Honorable Paul K. Martin
Inspector General
National Aeronautics and Space Administration
Office of the Inspector General
300 E Street, S.W.
Washington, DC 20546-0001

Dear Mr. Martin:

On November 30, 2010, the National Aeronautics and Space Administration (NASA) awarded a noncompetitive letter contract (contract # NNH11CC35B) to Arctic Slope Regional Corporation Research and Technical Solutions (ASRC R&T) to perform required technical support and engineering studies. ASRC R&T is a subsidiary of Arctic Slope Regional Corporation (ASRC), an Alaska Native Corporation.

On August 15, 2011, Subcommittee on Contracting Oversight staff spoke with NASA acquisition and procurement officials regarding the contract award. After review of the processes and key decisions leading to the award of this contract, the Subcommittee has identified four issues of concern:

1. NASA decided to award the contract as a noncompetitive letter contract even though an acquisition plan was in place over a month prior to award.

2. The contract was awarded as a cost-plus-fixed-fee type contract despite having 10 years of cost history.

3. NASA staff considered the past performance of ASRC Management Services, a separate subsidiary of ASRC, when deciding to award the contract to ASRC R&T, a practice which is forbidden under the Federal Acquisition Regulation (FAR).

4. NASA staff stated that Arctic Slope Regional Corporation assured NASA officials that incumbent personnel for ASRC Management Services, the previous contract holder and another subsidiary of ASRC, would perform the new contract awarded to ASRC R&T.

Due to these issues, I request that you initiate a formal review into the award of this contract. Specifically, I request that you review the award of the contract without competition, the use of a cost-plus-fixed-fee type contract, the decision to consider another company's past performance information in determining whether to award the contract to ASRC R&T, and commitments made by ASRC regarding the performance of the contract.

I appreciate your assistance. Please contact Margaret Daum with the Subcommittee staff at (202) 224-8316 with any questions. Please send any official correspondence relating to this request to kelsey_stroud@hsgac.senate.gov.

Sincerely,

Claire McCaskill
Chairman
Subcommittee on Contracting Oversight