December 2, 2005

United Space Alliance
Attn: Office of General Counsel
1150 Gemini
Houston, TX 77058

Dear General Counsel of United Space Alliance:

The Project On Government Oversight (POGO) is overhauling and renewing its Federal Contractor Misconduct Database (www.pogo.org/db/index.cfm), a compilation of information from public resources regarding government contractors, including United Space Alliance. On October 18, 2005, I sent you information regarding findings relevant to United Space Alliance, which I have enclosed for your reference. As of today, I have not received a response from your office.

A written response is certainly in the best interest of everyone involved. It is the best way for your company to go on record regarding this process and the instances identified; your letter will be posted in its entirety on the database. Several companies have already responded and have expressed appreciation for the opportunity to express their views. POGO would prefer to receive a response by December 31, 2005 to ensure it is included with the launch of our new database.

If you have any questions, I can be reached at (202) 347-1122. Thank you for your time and consideration.

Sincerely,

Kevin L. Phelps
Project Director

Enclosure
Instance of Misconduct

1.
Case Name: N/A
Date: 11/9/2000
Misconduct Type: Government Contract Fraud
Contracting Party: Government Defense
Court Type: Civil
Amount: $1,012,500
Synopsis:
Boeing and United Space Alliance agreed to pay a total of $825,000 and to give up their rights to $1.2 million in unpaid invoices to settle allegations of False Claims Acts violations, 31 U.S.C. §§ 3729-3733, submitted to the government between 1986 and 1992 under NASA’s Space Shuttle and Space Station Freedom programs.
“In 1993, the United States sued Omniplan and secured a consent judgment, but the company went bankrupt before it was able to pay the full judgment. On January 11, 2000, the government filed a civil suit alleging that [Rockwell Space Operations Company (ROSC)- later purchased by Boeing] violated the False Claims Act by knowingly submitting to NASA the improper Omniplan invoices. The complaint alleged that RSOC knew or should have known that the subcontractor's invoices contained false claims.”

Documents: