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United States Senate

COMMITTEE ON
GOVERNMENTAL AFFAIRS

WASHINGTON, DC 20510-6250

MICHAEL D. BOPP, STAFF DIRECTOR AND CHIEF COUNSEL
JOYCE A. RECHTSCHAFFEN, MINORITY STAFF DIRECTOR AND COUNSEL

October 23, 2003

Paul R. Corts
Assistant Attorney General for Administration
Department of Justice
Washington, D.C. 20530

Dear Mr. Corts:

It has come to my attention that the Department of Justice has made a finding of "compelling reasons" to allow MCI to participate in the bidding for a contract, despite MCI's suspension from government work. Under the Federal Acquisition Regulations (FAR), the Department may conduct business with suspended parties if a department head determines that there are "compelling reasons" to do so. FAR § 9.405. As Chairman of the Committee on Governmental Affairs, which oversees federal procurement, I write to seek further information about the reasons which led the Department of Justice to allow MCI to bid for government work.

I have long been concerned about the federal government's approach to contracting with MCI. Over a year ago, it was publicly disclosed that MCI had engaged in the largest accounting fraud in history, yet for over a year, the federal government did not suspend or debar MCI. Finally, on July 31, 2003, GSA proposed MCI for debarment based on shortcomings in MCI's accounting system and its ethics program. Yet, despite the pendency of MCI's proposed debarment, the company appears to be continuing to receive substantial work from the federal government. It is important that Congress and the American public understand why this is taking place. Therefore, please provide the Committee with the following information and records:

1. A listing of all contracts between the Department of Justice and MCI initiated or extended, or for which MCI has been allowed to compete, between July 31, 2003, and the present, including the value of such contracts.
2. Each statement of compelling reasons for entering into the contracts listed in response to Request 1.
3. All records, including internal communications and drafts of records, relating to the initiation or extension of contracts with MCI, or the decision to allow MCI to compete for contracts, from July 31, 2003, to the present, including all records relating to the finding of compelling reasons to enter into such contracts, and all

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records relating to consideration of alternatives to initiating or extending the contracts in question.

Please provide the requested information by November 7, 2003. If you have any questions about this matter, please have your staff contact David Kass of the Committee staff at 202-224-4751. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink that reads "Susan M. Collins". The signature is written in a cursive style with a large, prominent "M" and "C".

Susan M. Collins
Chairman