



The Administrator

May 20, 2011

The Honorable Claire McCaskill
Chairman
Subcommittee on Contracting Oversight
Committee on Homeland Security and
Governmental Affairs
United States Senate
Washington, DC 20510-6250

Dear Madam Chairman:

Thank you for the opportunity to respond to the post-hearing Supplemental Statement submitted by the General Services Administration (GSA) Inspector General (IG), related to the March 1, 2011 hearing on GSA's contract with Jane Mobley Associates (JMA). Below is additional information that specifically addresses issues in your May 9, 2011 letter.

The Supplemental Statement claims the testimony of the GSA Public Building Service (PBS) Regional Commissioner mischaracterized a January 27, 2010 protest at the Bannister Child Care Center. The IG cites a post-incident report by the Federal Protective Service (FPS) which the IG interprets as being at odds with GSA officials' perception of the incident. GSA does not believe the FPS report is inconsistent with our testimony. By its own terms, the report places the incident into the category of "Demonstrations and Disturbances," and its narrative repeatedly refers to the demonstration's participants as protesters.

Regional leadership relied on an on-site individual's account of the protest, specifically the Field Office Director for Kansas City-South. The Field Office Director verbally provided a view of the event not captured in the FPS report. For example, the protesters confronted the Field Office Director, who recalls being asked if he was worried that he was killing the babies. In addition, the Director of the Child Care Center confirmed that during the protest a parent was not only confronted by a demonstrator but also told that allowing a child to stay in the Center would place the child at risk.

By way of clarification, since the hearing on March 1, GSA has learned that there were no signs at the protest, but printed articles that the protesters were handing out. As well, it is worth mentioning that this disturbing incident was just one factor among other contemporaneous developments that established an urgent and compelling need for the crisis communications contract.

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The second subject addressed in the IG's Supplemental Statement is whether other public affairs staff could usefully have handled the agency's urgent need. There were 15 employees in the Heartland Region's Communications and Public Affairs Branch. One would reasonably think that a communications and public affairs department of this size could handle this situation. Unfortunately, this was not the case. GSA concluded those individuals did not, at that time, possess the skill set in risk and crisis management needed to immediately address the urgent and compelling need.

Of these 15 employees, seven (one part-time employee located in St. Louis) performed information technology support functions (e.g., business applications and website development); one performed event coordination functions; three were entry/low-level support positions; one had just returned from military deployment to her previous duties of internal employee communications (e.g., newsletters, business line communications); one was a team lead who had just begun to work on environmental issues and lacked the crisis management and technical skills needed; and one was the Branch Chief, Communications and Public Affairs, whose expertise and background was in the information technology field. The remaining employee handled communications and public affairs, but had very limited crisis communication experience (this is the staffer we referred to at your hearing). One result of the JMA contract is that JMA worked closely with GSA personnel, who are now trained in environmental matters and crisis management.

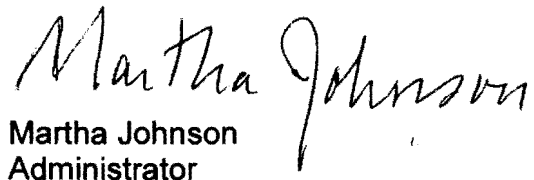
The third issue raised in the Supplemental Statement was that the JMA contract file contained no specific information on why a solution other than a rapid, limited sources acquisition would have meant an unacceptable delay in addressing the need. Initially, the Regional Branch Chief of Contracting was indeed following the standard procedure, which is to compete, on an open market basis, a contracting action. The IG references an e-mail from the Regional Branch Chief of Contracting asking whether or not there were multiple firms interested in bidding on the contract. In fact the Regional Branch Chief of Contracting stated later in that the same e-mail string that it would take a minimum 10 days to enter into a contract.

Accumulating events and activities, however, turned the situation into a crisis, and the Contracting Officer, appreciating the rapidly changing circumstances, approved a limited source procedure using the already competed Federal Supply Schedules program. The Limited Source Justification and Approval executed in this case described the rationale for the urgency, stating it was essential for the work to be completed by a firm that could mobilize immediately and have staff on hand within the Kansas City, Missouri area. GSA agrees with the IG that the contract file could have been more explicit with respect to the unacceptable delay. We also agree there is merit to the IG's emphasis on measurable deliverables.

Finally, the IG challenged GSA's price comparison and price reasonableness. Specifically, the IG suggested there were other available local firms. However, the firm the IG contacted did not have in-house resources to perform the work. The Contracting Officer randomly selected for examination two other Federal Supply Schedule vendors who had online price lists to determine that the JMA price was fair and reasonable. The contract file contained a pricing memorandum that followed the Federal Acquisition Regulation (FAR) procedures for determining price reasonableness. We believe these actions were in accordance with FAR 8.405, which sets the procedures for orders under the Federal Supply Schedule. JMA was the only Missouri firm with in-house crisis communication experience.

Thank you for giving GSA the opportunity to clarify the record. We continue to work closely with Federal and state regulators to assure the Bannister Federal Complex remains a healthy place to work. If you have any additional questions or concerns, please do not hesitate to contact me. Staff inquiries may be directed to Mr. Rodney Emery, Associate Administrator, Office of Congressional and Intergovernmental Affairs. He can be reached at (202) 501-0563.

Sincerely,

A handwritten signature in cursive script that reads "Martha Johnson". The signature is written in black ink and is positioned above the typed name and title.

Martha Johnson
Administrator