

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1205227-0

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DANIEL K. INOUE
HAWAII

APPROPRIATIONS
Subcommittee on Defense—Ranking Member

COMMERCE
Subcommittee on Surface Transportation and
Merchant Marine—Ranking Member

COMMITTEE ON INDIAN AFFAIRS

DEMOCRATIC STEERING AND COORDINATION
COMMITTEE

COMMITTEE ON RULES AND ADMINISTRATION

United States Senate

SUITE 722, HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-1102
(202) 224-3934
FAX (202) 224-6747

✓ PRINCE KUHIO FEDERAL BUILDING
ROOM 7-212, 300 ALA MOANA BOULEVARD
HONOLULU, HI 96850-4975
(808) 541-2542
FAX (808) 541-2549

101 AUPUNI STREET, NO. 205
HILO, HI 96720
(808) 935-0844
FAX (808) 961-5163

October 31, 2005

Mr. Charles Goodwin
Special Agent in Charge
Federal Bureau of Investigations
300 Ala Moana Blvd.
Honolulu, Hawaii 96850

Dear Agent Goodwin:

I wish to share with you a copy of an email written by [redacted] which contains an allegation of bribery levied against me. I have also enclosed a copy of a letter I sent to [redacted]

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The allegation is not only false, it is personally insulting. I most respectfully request an investigation into the charges made and my name cleared. Thank you for your consideration and attention to this matter.

Aloha,


DANIEL K. INOUE
United States Senator

DKI:jsd
Enclosures

[redacted]
Please assign an SA to conduct [redacted] and coordinate with [redacted].
I have prepared a letter to [redacted] to [redacted].
Date: 11/2/05 Initials: [redacted]
Source # 10
CPI [redacted]
IT Yes or No MF Yes or No

SAC [redacted]
ASAC [redacted]
#5 [redacted]

b6
b7C

NOV 1 2005

50C-HIN-19025-1

DANIEL K. INOUE
HAWAII

APPROPRIATIONS
Subcommittee on Defense—Ranking Member

COMMERCE
Subcommittee on Surface Transportation and
Merchant Marine—Ranking Member

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(808) 935-0844
FAX (808) 961-5163

[Redacted]

Professor
School of Social Work
University of Hawaii
Henke Hall
Honolulu, Hawaii 96822

b6
b7C

Dear [Redacted]

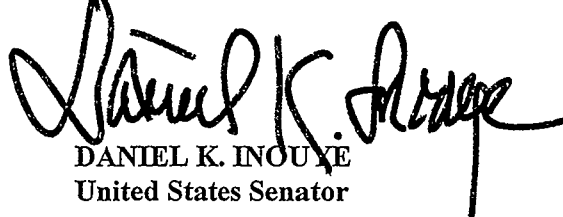
I am writing with regard to an email addressed to Hawaii Attorney General Mark Bennett for which I was included as a "cc" relating to your allegations of "Possible Corruption at UH."

As a general matter, when such allegations are raised, I defer to the State authorities to pursue as they deem appropriate. However, upon review of your email, I was taken aback by your allegations about the role you believe I had in the establishment of the University-Affiliated Research Center (URAC) at the University of Hawaii (UH). In particular, I take offense with your allegation that because of campaign contributions I received from UH officials, I advocated a URAC at UH. I have no recollection of the meeting or meetings you reference. In fact, the last time I participated in a meeting on the Manoa Campus was following the flood nearly a year ago.

I support a host of initiatives at UH which benefit numerous colleges and programs including the School of Social Work because they are worthwhile and will further a particular discipline. To suggest that I would support the URAC or any other program in return for campaign contributions worth a couple of thousand dollars is personally insulting, and which I take to be an allegation of bribery.

Accordingly, to ensure that this matter is properly investigated and my good name cleared, I have referred your allegations to the Federal Bureau of Investigation. I trust you will cooperate fully with any investigation they decide to pursue.

Aloha,


DANIEL K. INOUE
United States Senator

DKI:jsd

cc: Mr. Mark Bennett
Governor Linda Lingle

[Redacted]

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[redacted] (Inouye)

From: [redacted] (Inouye)
Sent: Monday, October 17, 2005 6:05 AM
To: [redacted] (Inouye)
Subject: FW: Possible Corruption at UH; Request for Response

Importance: High

Attachments: Card for [redacted]



[redacted]

-----Original Message-----

From: [redacted] (Inouye)
Sent: Monday, October 17, 2005 3:30 AM
To: [redacted] (Inouye)
Subject: FW: Possible Corruption at UH; Request for Response
Importance: High

-----Original Message-----

From: [redacted]
Sent: Friday, October 14, 2005 8:20 PM
To: hawaiiag@hawaii.gov
Cc: [redacted]
[redacted] Inouye, Senator (Inouye)
Subject: Possible Corruption at UH; Request for Response
Importance: High

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This is my second request for a response to the series of complaints I filed about possible corruption at UH. As I noted in my original complaint, the very reason I filed these complaints outside of UH circles is the hope they will not be swept under the rug as they most likely would be at UH.

I hope you will respond to tell me the status of my complaints.

Thank you.

[redacted]

Professor
University of Hawai'i, School of Social Work
[redacted]
Honolulu, HI 96822

[Large redacted block]

----- Original Message -----

From: [redacted]
Date: Sunday, October 2, 2005 1:03 pm
Subject: [teamstopuarc] Possible Corruption at UH

> Mr. Mark Bennett, Esq.
> State of Hawai'i
> Attorney General
>
> Hi Mark:
>
> I am writing to file several complaints about possible corruption
> at
> the University of Hawai'i, including conflict of interest, misuse
> of
> University funds, retaliation and bribery, and potential
> discrimination. I am writing to the Attorney General's office so
> that
> you can take the appropriate action on these potential violations
> to
> stop current, and prevent possible future, violations. As you
> will
> see, these are very serious allegations, and I trust that you will
> take action where you find such action is necessary.

> Because I do not want other government agencies to learn about
> these
> violations in the media, so that they can be forewarned, I also am
> notifying, by this message, Governor Lingle, Senator Inouye and
> the
> office of Ed Kubo, US Attorney. As you will see below, all of
> these
> violations concern the proposed University-Affiliated Research
> Center
> (UARC) at UH-Manoa; hence, I am notifying the Federal officials.

*University-Affiliated
Research Center*

> You might wonder why I am not pursuing these cases through the
> channels at UH. The answer is simple. I have been a professor at
> UH
> for 35 years. I am very familiar with the progress -or lack of
> progress- of virtually any complaint brought to the UH
> administration,
> particularly, the UH Counsel's office. The administration simply
> will
> bury any complaint that even hints of corruption, so used are they
> to
> doing business in that way. Hence, I am bringing my complaints to
> the
> authorities who I believe will not be bound by the old ways of
> "doing
> business," and who have legal authorization to investigate
> violations
> of state law. I am, however, sending a copy of this message to the
> University Counsel in the event that the egregious nature of these
> possible violations does move them to begin their own
> investigation.

> I, first, will present the four violations, with some of the
> evidence
> that supports the charges. I hope you recognize that I cannot
> always
> provide names since some of this information was provided by
> confidential sources who greatly fear retaliation, particularly
> from
> [REDACTED]. Some of the information was given
> me
> by the many contacts I have developed over the years, but
> virtually
> all of them can be validated by the public record. Following the
> presentation of the charges, I will provide some background

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> information on the UARC, primarily by listing some sites you can
> explore to bring yourself up-to-date on the proposal and the
> opposition to the proposal.

> It is important to note that none of the violations presented here .
> have anything to do with whether or not the UARC should be
> approved;
> the violations stand on their own, independent of the pros and
> cons of
> the UARC.

> Briefly, as introduction to the complaints, the UARC proposal is
> to
> establish a center for research funded by the Department of
> Defense,
> Naval Sea Command (NAVSEA). The proposed contract calls for some
> \$10
> to \$50 million to be spent over five years on non-bid task orders
> from
> the Navy. While this does not appear to be an enormous amount of
> money
> given the approximately \$330 million per year raised by the Manoa
> faculty for research, it certainly is enough money to understand
> the
> temptation to violate the law in order to obtain it.

> The complaints, and my allegations, follow.

> 1. POSSIBLE CONFLICT OF INTEREST. The Manoa official who is
> negotiating
> the contract with the Federal government is [redacted] //
> [redacted] is married to [redacted] who is an
> employee of [redacted]
> [redacted] see attached, "ORINCON"). [redacted] unfortunately,
> has
> a history of funneling funds, or facilitating that funneling, to
> her
> husband's company when she was [redacted], a
> [redacted] at UH. For recent evidence of this charge, please go
> to
> http://www.ceros.org/contractor_news.html. There, you will see
> that
> Ceros, a branch of SOEST, was funding contracts with ORINCON
> during
> the time that [redacted] had the final, fiscal word at SOEST on
> such
> contracts. Such an arrangement clearly appears to violate Section
> 84-
> 14 of State law regarding Conflict of Interest (see
> attached, "Conflict of Interest").

> Sadly, the pattern described above seems to be repeating itself
> with
> the UARC. [redacted] is now [redacted] and the person
> primarily
> responsible for negotiating the contract with NAVSEA for the UARC.
> Once again, there appears to be evidence of conflict of interest.
> It
> is anticipated that ORINCON will receive funding from UARC money
> via a
> separate entity set up specifically to funnel some of these public
> monies to private business and particularly ORINCON. This "entity"
> is
> called the Hawai'i Engineering Development Center (HEDC), and more
> information will be provided on this "center" below. The evidence
> for
> this arrangement is absolutely irrefutable. In a 2003 legislative

> briefing on the UARC, not only did [redacted] husband, [redacted]
> [redacted] provide testimony endorsing the UARC on behalf of
> ORINCON,
> but the developer of HEDC, [redacted] testified
> specifically that HEDC will help fund ORINCON. I have in my
> possession
> a dvd showing this entire legislative briefing, and I will be
> happy to
> provide it if asked. In that briefing, you will hear [redacted] state
> that
> since UARC workers are "trusted agents of the government," they
> cannot
> interface with private business. Thus, HEDC had to be developed
> precisely to allow funneling of UARC monies to private businesses
> such
> as ORINCON.
>
> Thus, it appears that the conflict of interest is: The chief
> negotiator of the UARC contract is negotiating a contract that
> apparently will directly benefit her husband and his company.

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*Possible
issue* (PC)

> 2. DISCRIMINATION. The proposed UARC contract with the US Navy is
> illegal. Section 378-2 of Hawai'i Revised Statute specifically
> prohibits employment discrimination against a range of different
> individuals and groups. Among these groups are gays and lesbians.
> Since the Navy, by its own written policies, clearly discriminates
> against employment of gays and lesbians, a contract with the Navy
> for
> the UARC would be illegal by State law. I hope you will pursue
> this
> blatant, pending violation of State law so that such violations
> will
> not occur.

*State issue
if not all.*

> 3. POSSIBLE MISUSE OF FUNDS. There is a small cadre of UH
> officials
> who have developed the proposal for the UARC from its inception,
> and
> are its chief advocates today. These include [redacted]
> [redacted]
> [redacted] and one or two others. As you know,
> [redacted] was [redacted] for a number of
> improprieties, many involving the UARC. Moreover, virtually every
> major advocate of the UARC currently is subject to an ongoing
> criminal
> investigation for violations in other government contracts (see
> attached, "NCIS Investigation of UH"). The criminal investigation
> of
> the people affiliated with the UARC is a very serious matter that
> threatens to cast an enormous shadow on the individuals involved
> and
> the capabilities of UH to manage federal contracts.

*Navy decision,
always use
of center
of Navy
money.*

>
> Sadly, despite possible violations and continuing to be under a
> criminal investigation, these very individuals were allowed to
> take
> upon their shoulders development of the UARC, with very similar
> potential for violations, possible fraud, and possible misuse of
> funds.
> It appears as though such violations may, indeed, have occurred.
> [redacted] in 2003/2004 allocated to
> [redacted] without any public notice or competition,
> \$150,000
> to "develop" HEDC, plus another \$75,000 to serve as a "consultant"
> for

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> the UARC. This is on top of [redacted] considerable salary
> as
> [redacted]
> This money doesn't even include the thousands of dollars in funds
> spent on travel and lodging by [redacted] while
> negotiating
> with the the Navy in Washington, DC. As of yet, there has been no
> clear, verifiable, publicly announced products that account for
> the
> extra \$225,000! It should be noted that [redacted]
> traveled to
> Washington to initiate the UARC negotiations in secrecy, more than
> two
> years before other UH faculty and the community were informed.
> Thus,
> the potential for fraudulent abuse of funds was increased
> dramatically
> since all negotiations and agreements were secret.
>
> Thus, the question seems clear: What exactly did [redacted] DO to
> deserve
> hundreds of thousands of dollars over two years, other than
> participate with [redacted] in secret negotiations? [redacted] ability
> to
> use the overhead funds from other faculty members' research to
> dispense money to a small core of friends not only lacks any
> formal
> accountability, but provides clear potential for abuse by an
> unscrupulous administrator. It is this type of lack of
> accountability
> and transparency at UH that led the Legislature to request this
> session a comprehensive audit of UH finances, including spending
> on
> the UARC. (It is shocking to realize that while [redacted] was drawing
> this huge amount of money from UH, the budget for the entire UH
> system
> library the same year as [redacted] received all this public money is
> only
> \$30,000!)

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* > The picture may even be darker than I have presented here. First,
> Senator Inouye is the public official who is behind the UARC
> proposal.
> According to public records, each of the UH officials and faculty
> who
> are developing the UARC has made substantial contributions to the
> Senator, totalling many thousands of dollars. Second, all of the
> people I have described in this complaint also attend a variety of
> meetings together where such arrangements may be hammered out
> behind
> closed doors. Attached as "Participants" is a list of people
> attending
> a recent meeting here to discuss defense contracting. Senator
> Inouye,
> [redacted] and many of the others are present.
> While
> this is not necessarily evidence of improprieties at first glance,
> it
> does provide evidence of increased potential for collusion among
> these
> individuals because of their close associations.

*Was Inouye even
@ such meeting.*

> 4. POSSIBLE RETALIATION AND BRIBERY. Since [redacted] was removed,
> [redacted]
> [redacted] new to Hawai'i, has been the chief, and
> most outspoken, proponent of the UARC. He has appeared so

State
[redacted]

> desperate to
> sell the UARC that there are reports that he has taken to bribery
> of
> faculty to support him and threats to retaliate if faculty don't
> support him. These threats have taken place as offers to provide
> literally hundreds of thousands of dollars -from the same slush
> fund
> that [] used to fund [] to fund faculty members'
> graduate
> students if the faculty member will either support [] or
> not
> oppose him, and threats to remove equally large sums of money that
> fund students if the faculty member opposes him!
>
> These threats are so egregious and appear to be such major
> violations
> of University rules and state laws that I hope the AG will not
> hesitate to intervene. And these are not isolated incidents;
> several
> of these threats/bribes have been reported.

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> These, of course, are very serious allegations. They also are very
> sensitive because many faculty fear exactly the kinds of
> retaliation
> that I have described here. Nevertheless, these allegations can be
> documented, and I trust the AG's office will conduct the
> investigation
> of these charges with sensitivity, ensuring faculty who are
> willing to
> testify that they will be given immunity from any retaliation by
> [] or any other UH official.

> Finally, I would like to provide three sites that will allow you
> to
> examine the UARC proposal from a variety of perspectives.
>
> The first is the Manoa Chancellor's site, which contains a number
> of
> papers and FAQ's about the UARC. That site is:
> http://manoa.hawaii.edu/mco/initiatives_issues/uarc/.
>
> The second site is the SAVEUH/STOPUARC Coalition site. This site
> contains a wealth of information from opponents of the UARC. That
> site
> is:
> www.stopuarc.info.
>
> The final site is the site of the interim report on the UARC by
> the
> Manoa Faculty Senate. The Senate currently is waiting for the
> administration to complete and release a proposed contract for the
> UARC. That site is:

http://www.hawaii.edu/uhmfs/sessions/2005_06/20050831_uarc_report.html.

> I trust that the AG's office will find the contents of this
> message
> more than sufficient to initiate a full scale investigation into
> these
> allegations. Whether there are criminal indictments or a report of
> a
> clean bill of health, it is crucial for the support of the public
> and

> the morale of faculty and students that any cloud hanging over the
> University be removed by firm and fair governmental action.

> Thank you very much for your attention.

> Please feel free to contact me any time by email or telephone at

> [redacted]

> Aloha,

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> [redacted]

> Professor
> University of Hawai'i, School of Social Work
> [redacted]
> Honolulu, HI 96822

> [redacted]

> ----- Yahoo! Groups Sponsor -----

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> project today!
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> --->

> Yahoo! Groups Links

> <*> To visit your group on the web, go to:
> <http://groups.yahoo.com/group/teamstopuarc/>

> <*> To unsubscribe from this group, send an email to:
> teamstopuarc-unsubscribe@yahoogroups.com

> <*> Your use of Yahoo! Groups is subject to:
> <http://docs.yahoo.com/info/terms/>

File Number 58C-HM-19025

Field Office Acquiring Evidence HW

Serial # of Originating Document _____

Date Received 4/22/2005

From (Author/Interviewee)

UH Manog
(Address)

Honolulu, HI

By

- To Be Returned Yes No
- Receipt Given Yes No
- Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e) Federal Rules of Criminal Procedure
- Yes No
- Federal Taxpayer Information (FTI)
- Yes No

Title: DAMEL K. JOUYE;
ET. AL.

Reference: _____
(Communication Enclosing Material)

Description: Original notes re interview of

- original documents provided by

cf

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Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

From: [redacted] **Posted:** Sat 11/26/2005 7:32 PM
Posted To: HN.Division
Conversation: Delivery Notification: Delivery has timed out and failed. Attn: [redacted]
Subject: Fwd: Delivery Notification: Delivery has timed out and failed. Attn: [redacted]
Attachments: [redacted] Delivery Notification: Delivery has timed out and failed(4KB) [redacted]

[redacted]
Professor
University of Hawai'i, School of Social Work
[redacted]
Honolulu, HI 96822

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[Redacted]

Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

From: postmaster@hawaii.edu [postmaster@hawaii.edu] **Sent:** Sat 11/26/2005 7:15 PM

To: [Redacted]

Subject: Delivery Notification: Delivery has timed out and failed

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Attachments: [Redacted] Attention Agent [Redacted] (3KB)

Your message did not reach some or all of the intended recipients.

Subject: Attention Agent [Redacted]

Sent: 11/23/2005 6:33 PM

The following recipient(s) could not be reached:

honolulu@FBI.gov on 11/26/2005 7:15 PM

Could not deliver the message in the time limit specified. Please retry or contact your administrator.

<jem01.its.hawaii.edu (tcp-daemon) #4.4.7>

b6
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[Redacted]

11/28/2005

Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

From: [redacted] **Posted:** Wed 11/23/2005 6:33 PM
Posted To: HN.Division
Conversation: Attention Agent [redacted]
Subject: Attention Agent [redacted]
Attachments: [redacted] Freedom of Information Act Request Confirmation(1KB) [redacted]

Aloha Agent [redacted]

I am writing to thank you for spending the time with me to go over the allegations. I was so happy that you were willing to treat these issues as serious charges, and that you acted with so much respect and decency toward me.

Putting such a human face on the FBI is a wonderful way of showing how much the Bureau really does care about average citizens. So, thank you again for all that.

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I am sending you some more material that might help you understand the illegalities of the procurement process for the UARC, and the role that Senaor Inouye played between the time of the presentation to him and/or his staff, and the push by Admiral [redacted] to move this very flawed procurement process along.

The original message attached here is my FOIA request for the documents that are missing in the procurement. The two FAR references can be accessed online as can the other pdf site I noted in my request.

Here is another site that you can access that shows the Navy solicitation letter, again in violation of Federal Acquisition Regulations:

04 Dec UARC solicitation ltr.pdf.

I hope you will forgive me for sending in other material in a piecemeal fashion as I locate it. We have a brand new email system at UH, and I don't trust it enough to save this as a draft while I look for the other material.

Thanks again.

[redacted signature box]

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Professor
University of Hawai'i, School of Social Work
[redacted]
Honolulu, HI 96822

[redacted large block]

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[redacted footer box]

11/28/2005

This message was sent with high importance.
Attachments can contain viruses that may harm your computer. Attachments may not display correctly.

[Redacted]

From: [Redacted] **Posted:** Fri 11/25/2005 4:51 PM

Posted To: HN.Division

Conversation: Re: Information on UARC Procurement. Attn Agent [Redacted] and NCIS Agent [Redacted]

Subject: Fwd: Re: Information on UARC Procurement. Attn Agent [Redacted] and NCIS Agent [Redacted]

Attachments: [Icon] [Re: Information on UARC Procurement\(578KB\)](#) [Redacted]

Enclosed are 2 attachments you might want to read to help you understand the UARC procurement process. The first is a discussion of the procurement process per se. The second is a letter regarding a NASA UARC that illustrates a program concluding that there is not sufficient justification to preclude a Broad Agency Announcement or other widespread advertising.

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That is what you call honest self-evaluation.
Please keep all names on this email list confidential, and please do not reply to them.
Thanks,

[Redacted]

Professor
University of Hawai'i, School of Social Work
[Redacted]
Honolulu, HI 96822

[Large Redacted Area]

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[Redacted]

11/28/2005

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
From: [redacted]

Posted: Thu 11/24/2005 2:29 PM

Posted To: HN.Division

Conversation: Information on UARC Procurement

Subject: Re: Information on UARC Procurement

Attachments:  [Discussion Paper.pdf\(376KB\)](#)  [ATT23845.htm\(267B\)](#)  [JHUR.pdf\(195KB\)](#)  [ATT23846.htm\(5KB\)](#)

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here are the attachments.

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[redacted]

11/28/2005

On Nov 24, 2005, at 9:01 AM, [redacted] wrote:

Hi [redacted]

I have added clarification using my in-line responses below (my remarks delimited by // ... \). I hope this helps.

Regards,

[redacted]

On Nov 23, 2005, at 10:32 AM [redacted] wrote:

[redacted]

Can you help to clarify for me....

UH and the Navy cite the 10 USC (c)(3)(B) as the authority for doing a noncompeted contract for the establishment of the UARC? This is the same language that's used in various places about "essential research and engineering..." "educational institutions...." right?

// I would answer affirmatively to both of your statement-questions. \

The [redacted] review concurs but they don't refute any of the DDR&E guidance documents such as the "discussion paper" that you have referred to?

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// I agree. Indeed, there is no evidence I can see that they referred to or even reviewed the Discussion Paper. \

When you say that that FAR provisions cited by the [redacted] report do not apply to the UARC procurement, are you referring to the FAR 6.303? or to another section?

// When I say that the FAR provisions cited by the [redacted] report do not apply to the UARC procurement, I am referring directly to the language in the Discussion Paper (see attached "Discussion_Paper.pdf") that states: "The sponsors should then solicit proposals from all interested Universities for establishing a new UARC to meet the approved core capability requirements. The selection process should follow established procurement procedures. Since the contract award is made competitively, 10 U.S.C. 2304(c)(3)(B) and the UARC Management Plan do not apply to the initiation of the university laboratory."

Now it may turn out, by some special circumstances (which were not present for any of the other new UARCs which were procured competitively), that there was sufficient

justification for NAVSEA to procure this UARC from UH on the basis of a sole-source award. However, my understanding of FAR 6.303 is that IF ANY such procurement is made using Other Than Full And Open Competition, then the justifications required by FAR 6.303 must be fully satisfied, and these special circumstances would have to be fully explained.

It is also my understanding that justifications are required even for procurements that are made through UARCs using 10 U.S.C. 2304(c)(3)(B) [though I have no direct reference to this, and have developed this understanding only on the basis of my own research]. My understanding is that the agency would not only have to cite the statutory authority when sending a procurement to a UARC, but also be prepared to fully justify it. Why do I say this? Mainly because of the NASA Office of the Inspector General's ruling that one of NASA's procurements to Johns Hopkins APL was demonstrably unjustified on the basis of 10 U.S.C. 2304(c)(3)(B) (see attached "JHUR.pdf"). \

When would FAR 6.303 apply to the UARC procurement? How would it relate to the DDR&E guidance documents which lay out a different procedure?

// I think that FAR 6.303 must apply to ANY procurement, including a procurement for a new UARC, which is made using Other Than Full And Open Competition. If the DDR&E guidance document you are referring to is the Discussion Paper, then my answer to your last question would be as follows: If the procedures laid out in the Discussion Paper were followed as directed, and the new UARC was in fact appropriately competed, then no justifications (or a much more limited subset of justifications) would be required by FAR 6.303. \



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ORINCON Defense

Technologies for Defense Systems

ORINCON Defense Overview

ORINCON Defense (OD) is the largest of the four operating companies within ORINCON Corporation International. We currently employ more than 150 people, with over 50% having attained advanced degrees and about 25% with PhDs.

OD's Corporate Headquarters are in San Diego, California near the Space and Naval Warfare Systems Command. We maintain satellite offices in locations near other strategic customers: Arlington, Virginia near DARPA and across from ONR, and Kailua, Hawaii near PACOM. Our customer base includes research organizations such as DARPA and the service research labs (Air Force, Army, Navy) and operational commands such as SPAWAR, NAVAIR, Marine Corps, and ESC. In addition, we provide component solutions to major prime corporations that support these organizations. We have successfully partnered with many companies, including Boeing, Raytheon, Motorola, IBM, and Lockheed.

Our business model includes two facets: 1) to research the development of new technologies for DoD agencies such as DARPA, ONR, and Air Force Research Lab (AFRL), often in partnership with universities, and 2) to provide solutions in the form of systems, products, and services for the major commands and industry primes through the application of information technologies.

For more about ORINCON Defense and its maritime solutions, visit us at www.naval-technology.com/.

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07/07/03; Vol. 18 No. 7

Lockheed finishes Orincon deal

Lockheed Martin Corp. completed its acquisition of Orincon Corp., a San Diego-based systems integrator. Terms of the deal were not released.

Orincon specializes in knowledge management, information assurance, signal and image processing and data fusion. The acquisition will strengthen Lockheed Martin's position in the intelligence, surveillance and reconnaissance areas.

Orincon has about 250 employees, who will now come under Lockheed Martin's Management & Data Systems unit. based in King of Prussia, Pa. Lockheed

Martin, based in Bethesda, Md., has 125,000 employees and reported revenue of \$26.6 billion in 2002.

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<http://www.sba.gov/sbir/tibbetts/orincon.html>

TIBBETTS AWARDS 1999

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ORINCON, Hawaii, Inc. has been active in the SBIR program since its inception in 1989, and has won eleven Phase I and three Phase II SBIR projects, including projects sponsored by the Army, Navy, Air Force, DARPA and Department of Transportation. Both its Phase I and Phase II efforts have resulted in State Phase II transition grants and numerous Phase III transition contracts from both federal government and commercial sources. The company has grown from three to 17 employees with current annual revenues of over \$3 million. The intelligent information processing algorithms developed by ORINCON, Hawaii have been incorporated as software in our products that are currently serving the anti-submarine warfare (ASW) signal processing community.

One product in particular, ORINCON's Real-time Interactive Programming and Processing Environment (RIPPEN®), has been adopted as an essential tool by military and industrial developers of complex signal processing schemes worldwide. RIPPEN® employs a simple graphical interface to permit engineers to design and test complex signal processing schemes by simply linking objects in a network diagram. The new tool demonstrates an order of magnitude improvement in time and cost to develop new processing systems. Current applications of RIPPEN® by ORINCON include the development of new ASW software for back-fitting into the Navy's 688-class and Trident submarines. Copies of RIPPEN® have been purchased by the U.S. Navy, Army and Air Force as well as over 30 commercial customers. In the U.S., Raytheon TI has adopted RIPPEN® as its primary development tool for future development of embedded guidance software in the company's missile systems. Overseas, Ferranti Thomson Sonar Systems in the U.K is employing RIPPEN® in the development of ASW sonar systems.

Another important source of Phase III funding to ORINCON has been the Hawaii-based Center of Excellence for Research in Ocean Sciences (CEROS) program administered by DARPA. Under this program, ORINCON competes annually for product-oriented technology development contracts in the ocean studies field. Products that have resulted from the CEROS program include the Advanced Real-Time Sensor Processor (ARTS), developed for U.S. Navy submarine applications, an Improved Acoustic Intercept Receiver (IAIR), also for submarines, and an airborne version of the ARTS processor for installation on maritime patrol aircraft.



*Last Modified 7-3-01

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**INOUE ANNOUNCES ORINCON HAWAII, INC.
WINS TECHNOLOGY INNOVATION AWARD**

**ORINCON LAUDED FOR
DEVELOPING INTELLIGENT INFORMATION PROCESSORS**
Wednesday, October 6, 1999 FOR IMMEDIATE RELEASE

WASHINGTON, D.C. -- United States Senator Daniel K. Inouye is pleased to announce that ORINCON Hawaii, Inc. received the Tibbetts Award for excellence in high technology research from the U.S. Small Business Innovation Research (SBIR) program.

ORINCON Hawaii is a subsidiary of ORINCON Corporation, a San Diego-based information technology company. The prestigious award, named for Roland Tibbetts, who founded SBIR, is presented annually to companies and individuals displaying excellence in the program.

"Companies like ORINCON Hawaii are strategically utilizing the federal Small Business Innovation Research program," Inouye said. "The company's successes are translating into exciting job and business opportunities for Hawaii's citizens."

ORINCON Hawaii was selected for its intelligent information processing algorithms that have been incorporated into four software products. The company also received the Tibbetts Award last year.

The company has been awarded more than 100 SBIR start-up contracts and grants during the past 10 years. Through these contracts and grants, ORINCON Hawaii has been able to take several products to market for use in the military, transportation, life science, and financial analysis.

A small business specializing in innovation, ORINCON frequently depends upon SBIR funding to start research on new information technology concepts. It converts the small research contracts into commercial products.

Incorporated in 1989, the Hawaii company has grown from an initial contract worth \$50,000 to more than \$3 million per year, and from three employees to 17.

Posted on: Saturday, March 5, 2005

Navy investigation under UH scrutiny

By Beverly Creamer
Advertiser Education Writer

University of Hawai'i administrators are trying to determine the university's involvement in a Navy investigation of possible mismanagement of one or more classified research contracts handled by the independent Research Corporation of UH.

About RCUH

RCUH executive director Mike Hamnett has not returned several Advertiser calls, including one to his home.

Former RCUH executive director Harold Masumoto, reached at his home, said he doesn't know what happened to an investigation the Navy launched three years ago when he was in charge of RCUH, or what it was about.

RCUH is a nonprofit corporation formed a number of years ago to manage research grants for the university, but it is not formally part of the university. It has a separate board and executive director, although several university regents also sit on its board.

"They asked for a lot of information and we gave it," he said. "I don't know what they were fishing for. ... I don't keep up with those things anymore."

Jim Gaines, interim vice president for research for the university, has confirmed that there is an investigation, and said that UH's role is peripheral — "like a whistle-blower's, if we had one."

"I've checked on the UH end to see if we're clean on this, and it's my opinion we are," said Gaines.

A story in the University of Hawai'i student newspaper Ka Leo this week alleged that the Navy was investigating possible mismanagement of one classified contract by RCUH and the diversion of money from it to write a proposal for another.

According to Ka Leo, the investigation involves a research project headed by Vassilis Syrmos to develop a new generation of transmission/receiver switches for a radar system for the Navy's E-2C Advanced Hawkeye surveillance airplane.

Syrmos, associate dean of the UH College of Engineering and senior adviser to the vice chancellor for research, said he doesn't know anything about the investigation and cannot speculate on what it's about.

"At this point, we haven't been asked any questions," he said.

Gaines offered a deeper look at the issues involved.

