



DEPARTMENT OF THE AIR FORCE

ARLINGTON, VA 22203-1613

Office of the Deputy General Counsel

VIA FEDERAL EXPRESS

APR 15 2011

SAF/GCR
4040 N. Fairfax Drive
Suite 204
Arlington, VA 22203

Mr. George G. Haroules


Re: Notice of Debarment

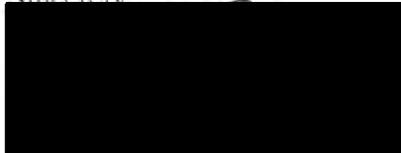
Dear Mr. Haroules,

By letter dated March 11, 2011, the Air Force initiated proceedings to debar you from contracting with the United States Government. The letter provided you with an opportunity to submit information and arguments in opposition to the proposed debarment. To date, you have not responded to the proposed debarment notice.

Based upon the information in the administrative record in this matter, I have determined that protection of the Government's interests requires that you be debarred from contracting with the United States Government. The effects of debarment are those stated in the March 11, 2011, Notice of Proposed Debarment.

This debarment is effective immediately and continues for three years from March 11, 2011, the date you were proposed for debarment. Your debarment will terminate on March 10, 2014.

Sincerely,



STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)



DEPARTMENT OF THE AIR FORCE

ARLINGTON, VA 22203-1613

MAR 11 2011

Office Of The Deputy General Counsel

MEMORANDUM IN SUPPORT OF THE PROPOSED DEBARMENT OF:

GEORGE G. HAROULES

Effective this date the Air Force has proposed the debarment of George G. Haroules ("Haroules") from Government contracting and from directly or indirectly receiving the benefits of federal assistance programs. This action is initiated pursuant to Federal Acquisition Regulation ("FAR") Subpart 9.4

INFORMATION IN THE RECORD

Information in the record establishes by a preponderance of evidence that at all times relevant hereto:

Background

1. Space Fence is an Air Force Space Command ("AFSC") program designed to detect small objects in low orbit. In 2008, The 850th Electronic Systems Group ("ELSG"), then based out of the Air Force Electronic Systems Center ("ESC") at Hanscom Air Force Base ("HAFB") as part of the 350th Electronic Systems Wing, was conducting the Space Fence solicitation on behalf of the AFSC.
2. Jacobs Technology, Inc. ("Jacobs") is the advanced technology division of Jacobs Engineering, an engineering and technology services company headquartered in Pasadena, California. In 2007, Jacobs was awarded a three-year indefinite-delivery/indefinite-quantity contract to procure engineering and technical advisory and assistance services for the ESC.
3. Haroules is a former Jacobs employee who worked as an Engineering and Technology Acquisition Support Service Contractor on the Space Fence program at the ESC.

Unauthorized Release of FOUO Space Fence Information

4. On October 21, 2008, during the Space Fence solicitation, Jacobs' Space Fence Technical Lead ("Technical Lead") distributed the Space Fence Key Decision Point A Decision Brief ("Decision Brief") via email to authorized ELSG personnel. On October 24, 2008, the Technical Lead transmitted the ELSG Weekly Activity Report ("WAR"), which included input for Space Fence, to the same personnel. Haroules was on both distribution lists.
5. On November 3, 2008, a Northrop Grumman Systems Corporation ("NGSC") Contracts Representative informed the ELSG Space Fence Contracting Officer ("CO") that NGSC had received an envelope containing copies of the Decision Brief and the WAR. The envelope was

handwritten and did not have a return address. NGSC returned the original envelope and its contents to the ELSG Space Fence program office, shredded all related files, and purged its electronic systems of any digital copies of the documents.

Haroules Misconduct

6. While several individuals on the ELSG Space Fence distribution list printed the Decision Brief between October 21 and October 28, 2008, only Haroules printed both the Decision Brief and the WAR during that timeframe. Haroules printed both documents on October 27, 2008.

7. When questioned by AFOSI agents, Haroules denied having sent the documents to NGSC and lied twice about his handling of the Decision Brief and the WAR. First, he lied by asserting he “might have never seen” the Decision Brief and stated that his computer could not receive documents of that size, even though the HAFB Network Control Center printer logs indicated otherwise. Second, Haroules lied by insisting that he only printed a few slides of the Decision Brief, despite evidence that he printed both the Decision Brief and the WAR in their entirety.

8. The United States Army Criminal Investigation Lab (“USACIL”) compared the handwriting on the envelope received by NGSC with a writing sample provided by Haroules. USACIL found a “probable” match between the two sets of handwriting. The USACIL latent handwriting examiner qualified that conclusion based on applicable USACIL standards and advised that Haroules “more likely than not” wrote the address on the envelope.

9. On January 21, 2011, the 66th Air Base Group found that Haroules had transmitted FOUO sensitive Space Fence information to NGSC and, as a result, barred him from further access to HAFB.

10. Jacobs terminated Haroules on February 9, 2011.

Harm to the Government

11. The documents received by NGSC were classified sensitive/FOUO, and they did not contain source selection information under FAR Part 2.101. However, the Decision Brief contained the Space Fence budget and solicitation schedule, both of which could have provided NGSC with an unfair advantage over other bidders. More specifically, such information would have enabled NGSC to submit a Space Fence risk reduction proposal that was more closely aligned with the Air Force’s funding schedule than that of its competitors.

12. Ultimately, because of Haroules’ release of information to NGSC, the CO directed that the Decision Brief budgetary information be added to the anticipated source selection information available to all potential Space Fence bidders.

BASIS FOR THE PROPOSED DEBARMENT

The improper conduct of Haroules is of so serious or compelling a nature that it affects his present responsibility to be a government contractor or subcontractor and provides a basis for his debarment pursuant to FAR 9.406-2(c).



STEVEN A. SHAW
Deputy General Counsel
(Contractor Responsibility)