

## USAID Bid-Rigging?

Written by Nick Sanders  
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The Department of Justice has been investigating the US Agency for International Development (USAID), according to various sources, including [this Associated Press story](#). That AP story, dated January 24, 2013, announced that the DOJ was investigating “possible contract rigging by the general counsel”—Lisa Gomer. In addition, AP reported that “memos from the USAID Inspector General also reveal that there was evidence that Deputy Administrator Donald Steinberg tried to interfere with an internal investigation.”

Allegedly, Ms. Gomer “wired” a competition for an advisory contract award so that the retiring Agency Chief Financial Officer, David Ostermeyer, would be the winner. According to the story, the contract Ostermeyer “would have received in working with foreign governments would have paid between \$123,758 and \$155,500, according the USAID solicitation document.” Although the allegations were serious, the AP reported that the DOJ had decided not to press criminal charges against Ms. Gomer.

Oh, but there’s more to this story.

[This story](#) at the Corporate Counsel website reported that Ms. Gomer had resigned from her position as USAID General Counsel on January 15, to be effective February 9, 2013. Corporate Counsel reported—

The revelation comes after USAID’s Office of Inspector General released a set of internal memos to the House Committee on Oversight and Government Reform—which the Associated Press reported on Thursday. The memos, which CorpCounsel.com also obtained, refer to an

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OIG investigation alleging that Gomer 'colluded' with USAID's outgoing chief financial officer David Ostermeyer on a personal service contract for a procurement reform initiative in the Office of General Counsel.

'This position was advertised at the GS-15, and Gomer planned to select Ostermeyer for the position,' the memorandum states. GS-15 refers to a government pay-grade.

As a result of the tainted solicitation, CorpCounsel reported that "USAID cancelled the solicitation in question, and the position was never filled. As the OIG continued to probe the matter, Gomer was reassigned to other duties on August 20. The agency's deputy general counsel, Susan Pascocello, then took over as acting general counsel. She continues to serve in that position."

Cancellation of the solicitation and Ms. Gomer's resignation may not end the matter. Congress is interested in the alleged wrongdoing, as [GovExec.com reported](#). According to the GovExec story—

In November, House Oversight and Government Reform Committee Chairman Rep. Darrell Issa, R-Calif., and Rep. Jason Chaffetz, R-Utah, sent a letter to USAID administrator Raj Shah detailing their concerns about the case.

'If the solicitation was in fact designed for Ostermeyer to win, Ms. Gomer and USAID may have violated various federal laws, the Federal Acquisition Regulation and government ethics policies,' Issa and Chaffetz wrote.

Well, yes. Statutory violations, violations of the FAR requirements, and ethical lapses. That about covers it. And by an Agency General Counsel, to boot.

We would very much like to think that somebody holding that position would have known better. We'd like to think that an Agency General Counsel would be a role model for integrity and transparency, and for being a good steward of taxpayer dollars.

Unfortunately, stories like this tend to create a certain level of cynicism.