

## **Pentagon Probes More Air Force Contracts**

By MATTHEW DALY, Associated Press Writer

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The Pentagon is investigating eight more Air Force contracts handled by Darleen Druyun, the former Air Force official who was convicted last year of giving The Boeing Co. special treatment on a tanker lease deal.

The contracts range in value from \$42 million to \$1.5 billion each, with a total value of about \$3 billion, according to a summary provided by the Pentagon on Monday.

Michael Wynne, the acting chief of Pentagon acquisition programs, said the eight contracts were identified as suspicious from among 407 reviewed by a team of military and civilian contracting experts.

The report by the Defense Contract Management Agency referred the contracts to the Pentagon's inspector general, but did not recommend a criminal investigation, Wynne said.

The eight contracts are in addition to seven others already being investigated in the growing scandal involving Druyun, who has admitted in court that she favored Boeing on deals worth billion of dollars because the company gave her daughter and son-in-law jobs.

Druyun's admission led to a detailed review of her nearly 10-year tenure as a key weapons buyer for the Pentagon and prompted rival defense companies to file protests over Boeing contracts awarded during that period.

Senate Armed Services Committee Chairman John Warner, R-Va., welcomed the latest review, but said a full report from the inspector general is overdue.

"This review is absolutely essential if we are finally to determine the accountability of senior civilian managers from the Air Force and Defense Department for this enormous waste of taxpayer funds, and to prevent a recurrence," Warner said in a statement. "We must establish full accountability for past actions to help the Air Force move on."

Four of the eight contracts being reviewed involve Boeing, while two involve Lockheed Martin, one of the companies that has protested Boeing's contract awards.

Spokesmen for the companies said they would cooperate with the government to resolve any outstanding questions.

"If any problems are found, we've got both the will and the processes to fix them," said Boeing spokesman Dan Beck.

Lockheed spokesman Tom Greer said that based on current information, "There's no indication or

suggestion that Lockheed Martin did anything inappropriate. We are going to fully support those investigations in whatever way is requested of us."

Watchdog groups hailed the latest reviews but said the Pentagon needs to take steps to make its contracting process more open and accountable to the public.

"It's important to get Darleen Druyun in jail, but we've got to fix the environment that allowed the corruption to take place," said Danielle Brian, executive director of the Project On Government Oversight.

She and other critics said the Pentagon's contracting system is so dense that in many cases it is literally impossible to determine what the government is paying for and how much it costs.

"That's the basic problem," Brian said. "That allows a bad apple like Darleen Druyun to operate. We don't know how many bad apples are out there."

Wynne stressed it is not yet clear that any of the eight contracts being looked at were tainted. They were singled out for review because they "seemed to be out of the normal process," he said.

Wynne also said a separate review by the Defense Science Board will be completed by next month. The report is likely to call for better oversight of procurement policies and more emphasis on ethical issues by senior Pentagon officials, he said.

"It pains me to find any instance where the contracts could have been manipulated for other than the best interests of the taxpayers," Wynne said. Nonetheless, overall, he added, "I think the system is solid."

Druyun was an Air Force acquisition official who oversaw a \$23 billion deal with Boeing that would have allowed the Air Force to lease a fleet of new aerial refueling aircraft. Congress eventually killed the deal because of her involvement.

Druyun, who was later hired by Boeing as a top executive, pleaded guilty last year to conflict-of-interest charges and is serving nine months in federal prison.

Boeing's former chief financial officer, Michael Sears, has also pleaded guilty for his role in hiring Druyun. He is scheduled to be sentenced Friday.

The four Boeing contracts being reviewed include a \$1.5 billion award to a team from Chicago-based Boeing and Alabama-based Pemco Aviation Group Inc. for depot maintenance for the Air Force's KC-135 aerial refueling aircraft. Other Boeing contracts include an environmental satellite system worth up to \$400 million, a C-40 lease and purchase program worth about \$244 million, and a C-22 replacement program worth about \$62 million.

The contracts involving Maryland-based Lockheed are for a C-5 avionics modernization program worth about \$560 million, and an F-16 mission training center worth about \$42 million.

Two other contractors, Andersen Consulting and Systems & Electronics Inc., also are being probed.