

# United States Senate

WASHINGTON, DC 20510

July 21, 2010

## Via Electronic Communication

The Honorable Robert S. Mueller, III  
Director  
Federal Bureau of Investigation  
935 Pennsylvania Avenue, N.W.  
Washington, D.C. 20535

Dear Director Mueller:

On March 17, 2010, I wrote to you regarding the Federal Bureau of Investigation's (FBI) new investigative case management system known as Sentinel. That letter discussed the progress of Sentinel and the fact that the FBI had issued a stop-work order to the project's primary contractor, Lockheed Martin Services, Inc. ("Lockheed") to cease work on Phases 3 and 4 of Sentinel. This stop-work order was verified at a March 25, 2010, staff briefing held by the FBI and Lockheed and was further detailed in a reply dated March 31, 2010. In that letter, the FBI confirmed that it had issued a partial stop-work order and that, "Negotiations with [the] prime contractor, Lockheed Martin, are underway to adjust the project's cost and schedule to reflect these actions."

Recently, it was reported that the FBI has issued another stop-work order to Lockheed halting work on Phases 3 and 4 of Sentinel. This stop-work order raises serious questions about the future role Lockheed will play as the primary contractor for Sentinel and may indicate that the negotiations on cost and schedule detailed in March were not successful. I write today regarding this development and request information about the status of negotiations with Lockheed and any changes to the schedule and cost for Sentinel.

On March 25, 2010, my staff met with representatives of the FBI to discuss my serious concerns with the potential delays in completing Sentinel. Specifically, I asked my staff to inquire about the timing for the completion of Sentinel and whether the FBI and Lockheed would be able to complete the project within the budget Congress authorized. Despite these serious questions, the briefing provided few concrete answers as to when Sentinel would be completed and how much the FBI anticipated the final project to cost. These same concerns were raised by the Inspector General for the Department of Justice (DOJ/OIG) in an interim report on the status of the FBI's implementation of Sentinel issued on March 31, 2010.

The DOJ/OIG's report stated that he had, "serious concerns about the progress of the FBI's Sentinel project." The DOJ/OIG further found that, "the FBI has had difficulty establishing and maintaining a strict cost and schedule for the Sentinel project." The DOJ/OIG added, "As of March 2010, the FBI does not have official cost or schedule estimates for completing Sentinel." Most notable, the DOJ/OIG stated, "While the FBI does not yet have official estimates, FBI officials have acknowledge that the project will cost more than its revised estimate of \$451 million and will likely not be completed until 2011." I share these same concerns and question

whether this latest development in extending the stop-work order is an indication that Sentinel is on track to join Virtual Case File in the list of failed IT procurements at the FBI.

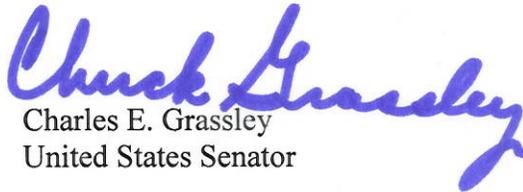
Accordingly, I ask that you provide responses to the following requests for information and questions in advance of the Senate Judiciary Committee FBI Oversight hearing scheduled for July 28, 2010.

- (1) Provide a copy of the latest contract modification that includes the stop-work order for Phase 3 and Phase 4.
- (2) Provide a copy of all updated cost estimates and projections provided by Lockheed to the FBI as part of the negotiations to continue work on Phase 3 and Phase 4 of Sentinel following the March 2010 stop-work order.
- (3) Provide a copy of all updated timelines related to the completion of Sentinel following the issuance of the stop-work order from March 2010.
- (4) Provide a copy of any counter-offer from the FBI to Lockheed related the cost estimate for completing Sentinel.
- (5) Provide a list of all performance bonuses paid to Lockheed over the course of the Sentinel program. This list should include the date of the bonus, the amount of the bonus, and the reason the bonus was paid.
- (6) Does Lockheed have a financial interest or relationship with any COTS vendors utilized on the Sentinel project?
- (7) Provide a complete list of all instances where the FBI issued a modification to the contract, changes the requirements of the contract, or issued a change order.
- (8) Provide a copy of the original contract consisting of NIH's CIO-SP2i contract, the FBI Sentinel TORP C-2428 which includes all attachments (e.g., Statement of Work, Lockheed version 3.0, EVMS requirements, DD-254, etc), all three attachments, and the Memorandum of Agreement (MOA) that was executed on March 9, 2006 between the FBI and Lockheed.
- (9) Provide a copy of all contract modifications issued from inception of the contract through the most recent stop-work order.
- (10) Provide copies of all documentation that identifies written notifications of non-conforming products or services rejected, and other unsatisfactory contract performance from inception through the most recent contract stop work order.
- (11) Provide copies of all Monthly Program Status Reports.
- (12) Provide copies of documentation regarding any and all Contracting Officers Conferences from contract inception through the most recent stop work order.
- (13) Provide copies of all SF 1034s (Public Voucher for Purchases and Services Other Than Personal) prepared and submitted from contract inception through the most recent stop work order.

Given the current fiscal constraints on the federal budget, it is imperative that every taxpayer dollar is spent as effectively and efficiently as possible. The FBI has spent nearly a decade trying to develop this computer system and the net cost of the current and failed projects is well over half a billion dollars. Congress and the American people deserve a complete accounting of what is happening with Sentinel before any future taxpayer dollars should even be considered for this project. I appreciate your prompt attention to this matter and look forward to your complete

and full response in advance of the July 28, 2010, hearing so that we can discuss this in an informed manner during the public setting.

Sincerely,

  
Charles E. Grassley  
United States Senator