

August 8, 2012

The Honorable Kirsten E. Gillibrand  
United States Senator  
780 Third Avenue, Suite 2601  
New York, New York 10017-2024

Dear Senator Gillibrand:

Thank you for your recent inquiry on behalf of Mr. Andrew Drozd, President/CEO of ANDRO Computational Solutions, LLC (ANDRO).

Based on Mr. Drozd's letter to you, he alleges violations of the Small Business Act by ITT Excelis (formerly ITT AES) in its conduct as a prime contractor for the U.S. Department of Defense's Defense Information Systems Agency's Joint Spectrum Center (JSC). The JSC is a field office within the Defense Spectrum Organization which provides complete spectrum-related services to the military departments and combatant commands.

The complaint includes a detailed chronology from the initial contact made by ITT Excelis to ANDRO, and continues through the proposal, award and post-award phases to date. Numerous violations of the ITT Excelis/ANDRO teaming agreement are alleged including: non-payment for work completed, accepted unfulfilled promises of awarding to ANDRO a minimum amount of the total annual contract revenues, abrupt halt of new work orders, and on-going labor rate disputes.

ANDRO expended substantial financial resources to ready itself as a team member in anticipation of receiving competitive task orders from ITT Excelis. However, it is unclear what was included in the written teaming agreement and what was verbalized between ITT Excelis and ANDRO. Before accepting a subcontract, it is imperative that small business subcontractors ensure a full understanding of its terms and conditions particularly on issues of scope of work, compensation, and order change issues.

The U.S. Small Business Administration (SBA) reviewed the extensive information sent by ANDRO characterizing the relationship between ANDRO and ITT Excelis. We have concluded that although ANDRO may have perceived violations of the Small Business Act were committed by ITT Excelis, legal questions remain regarding the contents of the 2005 written teaming agreement between the parties. Please be aware that SBA does not have the authority to adjudicate legal agreements that enforce subcontracts and teaming agreements. ANDRO may choose to pursue its rights under the teaming agreement through its own legal counsel.

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We appreciate your continued support of the SBA and the New York small business community. If you and your staff have any additional questions, please feel free to contact the SBA Office of Congressional and Legislative Affairs at (202) 205-6700.

Sincerely,

Kenneth W. Dodds  
Director  
Office of Government Contracting