

## GAP Poses Questions Regarding Riza-SAIC Deal

Allegations concerning the personal/professional relationship between World Bank President Paul Wolfowitz and Shaha Riza, his companion and former World Bank staffer, now extend to their work together at the U.S. Department of Defense (DoD). In 2003, the Defense Department awarded Science Applications International Corporation (SAIC) eight contracts that were subsequently reviewed by the DoD Inspector General (IG). A convergence of unusual facts about the contract issued to Shaha Riza by SAIC raises red flags about the propriety of the arrangement, and questions remain that GAP feels should be clarified by SAIC and DoD. Some background for our questions:

- According to the DoD IG report issued in March 2004, the SAIC contracts reviewed were sole-sourced (no competitive bidding).<sup>1</sup>
- According to the same report, the DoD office responsible for these contracts, the Office of Reconstruction and Humanitarian Assistance (ORHA) “neither followed nor tried to learn the acquisitions process.” In inquiring about how the specified “subject matter experts” (SMEs) can be hired, one DOD contract specialist told another, “Perhaps you can check with SAIC to see if they already have these guys on their list, or any other info.”<sup>2</sup> “On their list” is U.S. government-speak for having a security clearance, sources have pointed out.
- Paul Wolfowitz, then-Deputy Secretary of Defense, personally recommended that his companion, Shaha Riza, be hired through a sole-sourced contract to SAIC for a post-invasion mission to Iraq, while she was a staff member at the World Bank.<sup>3</sup> As a non-U.S. national employed at an international organization, it would have been extremely unlikely that Riza had a security clearance.
- DoD awarded a contract to SAIC (DASW01-03-F-0537) for the amount of \$235,231.28 to cover the fees and expenses of three “subject matter experts,” one of whom was Shaha Riza.
- Under SAIC contract DASW01-03-F-0537, if Riza was the SME paid the least, she appears to have earned \$17,100.56, plus expenses, for her Iraq mission.<sup>4</sup>
- Riza was compensated for services performed from April 25 – May 31, 2003.<sup>5</sup>
- Through her attorney, Victoria Toensing, Riza has denied being paid anything other than expenses for her travel to Iraq for SAIC. SAIC, however, has said only that Riza was not paid a salary “while in Iraq.”<sup>6</sup>

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<sup>1</sup> DoD IG Acquisition Report, March, 2004, p. 5.

<sup>2</sup> Ibid. p. 8.

<sup>3</sup> “Wolfowitz Backed Friend For Iraq Contract in '03,” Steven Weisman, *New York Times*, April 20, 2007.

<sup>4</sup> “SAIC Contract indicates Shaha Riza Paid,” [www.whistleblower.org](http://www.whistleblower.org), April 17, 2007.

<sup>5</sup> “Unusual Trip to Iraq in '03 for Wolfowitz Companion,” Steven Weisman, *New York Times*, April 17, 2007.

- A subsequent Pentagon inquiry, opened in 2005 into Riza's 2003 contract with SAIC, found that Wolfowitz did nothing improper in directing SAIC to hire Riza. According to the *New York Times*, the "...contract called specifically for it to be assigned to Ms. Riza." DoD did not open a more formal investigation, however, because the initial inquiry found that "Ms. Riza was uniquely qualified to fill the contract requirements."<sup>7</sup>
- When reviewing the SAIC contracts in question in 2004, however, the DoD IG Acquisition Report found that the SMEs were first identified by DoD, and SAIC was charged with writing statements of work to fit them.<sup>8</sup>

In straightforward terms, GAP believes that the facts behind Shaha Riza's 2003 SAIC contract appear to suggest wrongdoing and need clarification. Wolfowitz, as Deputy Secretary, directed SAIC to hire Riza and, when issued a Defense Department contract, SAIC wrote terms of reference to fit her. For 30 days worth of work, Riza was apparently paid \$17,100 by SAIC when she returned to Washington, D.C. in June 2003.

Questions that need clarification:

- 1. What were the terms under which Riza was paid by SAIC?**
- 2. Did Riza have a security clearance for this contract? If so, how did she acquire it so quickly, given that she was not a U.S. national?**
- 3. Did the appropriate authorities at the World Bank know that Riza was simultaneously a Bank employee and a consultant for a defense contractor?**
- 4. Why did the Pentagon inquiry into Riza's SAIC contract, which found her to be "uniquely qualified", not reference the DoD IG's report of March '04, which determined that her contract had been written to fit her skills?**

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<sup>6</sup> "Contractor says Pentagon Directed it to Hire Wolfowitz' Companion in 2003," Steven Weisman and David Sanger, *International Herald Tribune*, April 17<sup>th</sup>, 2007.

<sup>7</sup> "Wolfowitz Backed Friend..."

<sup>8</sup> "The DCMA (Defense Contracting Management Agency) specialist who was involved with the contracts explained that ORHA (Office of Reconstruction and Humanitarian Assistance of the DoD) officials would contact and inform him that a specific person needed to be put on contract. The statement of work was then developed based on a brief statement from ORHA officials and the skill level of that specific person. The DCMA specialist felt that a requirements validation process needed to be put in place.

To illustrate the attitude of ORHA personnel who were generating requirements the specialist stated that he was told:

...these are the people we need to bring on board, and here is going to be the minimum requirements for their job, and make the rest of it happen.

- 5. How did Paul Wolfowitz communicate to SAIC that Riza should be hired as a subject matter expert?**
- 6. Will there be a new DoD inquiry into the propriety of Wolfowitz' role in SAIC's hiring of Shaha Riza in 2003?**
- 7. Who at the World Bank approved the leave for her 2003 mission to Iraq for SAIC and under what circumstances?**