



U.S. OFFICE OF SPECIAL COUNSEL

1730 M Street, N.W., Suite 300
Washington, D.C. 20036-4505

December 6, 2005

The Special Counsel

The President
The White House
Washington, DC 20500

Re: OSC File No. DI-03-0750

Dear Mr. President:

I received disclosures from a whistleblower at the Department of the Army, U.S. Army Corps of Engineers, Great Lakes and Ohio River Division, Louisville District. Christy Watts, former Contracting Division Chief, alleged multiple violations of federal contracting laws, rules, and regulations in connection with several Louisville District contracts. As discussed in the attached Analysis of Disclosures, an agency investigation substantiated Ms. Watts's allegations in part.

I required the Honorable Francis J. Harvey, Secretary of the Army, to conduct an investigation into Ms. Watts's disclosures pursuant to 5 U.S.C. § 1213(c) and (d). The Secretary delegated authority to conduct the investigation and sign the report to Daniel B. Denning, Principal Deputy Assistant Secretary of Manpower and Reserve Affairs. On June 9, 2005, Mr. Denning submitted a report to this office. Ms. Watts commented on the agency report; her comments are attached. As required by law, 5 U.S.C. § 1213(e)(3), I am now transmitting the report to you.

We have reviewed the original disclosures and the agency report as well as Ms. Watts's comments. We have determined that the agency report contains all of the information required by statute and the findings appear to be reasonable.

As required by § 1213(e)(3), I have sent a copy of the report and Ms. Watts's comments to the Chairmen of the Senate Committee on Armed Services, the Senate Committee on the Environment and Public Works, the House Committee on Armed Services, and the House Committee on Transportation and Infrastructure. We have also filed copies of the report in our public file and closed the matter.

Respectfully,

A handwritten signature in black ink, appearing to read "Scott J. Bloch".

Scott J. Bloch

Enclosures