



Memo

Date: Spring
To: Distribution List
From: Kim Kaminski
Subject: Principals Responsibility Matters Questionnaire

You have been designated as a principal for MTS and have received a Learning Management System assignment to complete the Federal Acquisition Regulation (FAR) semi-annual Responsibility Matters questionnaire. Completion of the assignment is requested within two weeks. Please answer the questionnaire from a personal perspective. If you know, or have reason to believe that the answer to any of the questions is “Yes”, please contact Legal and describe the matter so the proper course of action may be determined, including whether a mandatory disclosure is required. This memo also serves as a reminder to report any future potential violations to Legal and the Director Business Ethics and Compliance within five (5) days of becoming aware of any violation or any potential violation. The process encompasses the following government mandatory disclosures:

1. Federal Awardee Performance and Integrity information System (FAPIIS): This rule requires contractors to submit certified disclosures pertaining to certain criminal, civil and administrative proceedings and settlement in connection with the award or performance of a contract at the Federal and State level within the last five years.
2. Debarment, suspension, proposed debarment and other responsibility matters requires disclosure of certain criminal and civil indictments and convictions, violation of Federal and State anti-trust statutes and commission of embezzlement, theft forgery, bribery, falsification or destruction of records, making false statement, tax evasion or receiving stolen property in connection with obtaining, attempting to obtain or performing a public contract at the Federal, State or Local level within the past three years.
3. Ethics regulations require mandatory disclosure by contractors of certain violations of federal criminal law involving fraud, conflict of interest, bribery, and gratuities in connection with the award, performance or closeout of a federal government prime contract or subcontract. The rule also requires the disclosure of violation of the civil False Claims Act and significant overpayments on a contract within the past year.

A knowing failure to disclose, in a timely manner, credible evidence of any such violations may result in suspension or debarment of the company. The term “credible evidence” requires that contractors make preliminary examination of the evidence of potential violation to determine its legal and factual credibility before deciding to disclose to the federal government.

Thank you for your assistance in helping us to comply with our government mandatory disclosure requirements.

Mandatory Disclosure Questionnaire

QUESTIONNAIRE: Federal Acquisition Regulation (FAR) Mandatory Disclosures

If you know, or have reason to believe, that the answer to any of the questions below is "Yes," please contact Legal and describe the matter, so the proper course of action may be determined, including whether a mandatory disclosure is required.

You do not need to consider the 2008 Import/Export conviction, the 2011/2012 ORCA violation, the 2012 Korea Foreign Corrupt Practices Act (FCPA) voluntary disclosure or the China Reseller matter in your response.

Federal Awardee Integrity Information System Disclosure

Within the last five years, has the company and/or any of its principals, in connection with the award to or performance by the company of a Federal or State contract or grant been involved in:

1. Criminal proceeding resulting in a conviction or another acknowledgment or fault;
2. Civil proceeding resulting in a finding of fault with a monetary fine, penalty, reimbursement, restitution, and/or damages greater than \$5000, or other acknowledgement of fault; and/or
3. Administrative proceeding resulting in a finding of fault with either a monetary fine or penalty greater than \$5000 or reimbursement, restitution or damages greater than \$100,000 or other acknowledgement of fault?
Administrative proceedings are defined as non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability e.g. SEC administrative proceedings, Civilian Board of Contract Appeals and Armed Services Board of Contract Appeals Proceedings.

Certification Regarding Debarment, Suspension, Proposed Debarment and Other Responsibility Matters

1. In the past three-year period has your company or any of its principals been convicted or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or Local) contract or subcontract; violation of Federal or State anti-trust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property.
2. Is your company or any of its principals presently indicted for, or otherwise criminally or civilly charged by a governmental entity with commission of fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or Local) contract or subcontract; violation of Federal or State anti-trust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property?
3. In the past three years, has your business been notified of any delinquent Federal Taxes in an amount that exceeds \$3000 for which liability remains unsatisfied?
4. In the past three years, had one or more contracts terminated for default by any Federal Agency?

Ethics Rule Mandatory Disclosure

In the past year;

1. Are you aware of any false statement-orally or in writing-made to the government, directly or indirectly concerning:
 - a. False certifications and representations, in a proposal or during an oral presentation to the government, etc., such as misstatement of company or employee qualifications or performance results; false independent price certification; or concealment of a material fact?
 - b. Contract performance, such as misstatements of contract performance associated with award fee or milestone payments?
 - c. Contract claims or entitlement at closeout?
2. Are you aware of any false claims submitted to the government, such as invoices for payment containing overstated progress payment request or for incurred costs, or inclusion of unallowable costs in indirect cost rate submissions?
3. Are you aware of any inappropriate billing under a government contract, such as knowingly billing the wrong contract or work order number for labor or materials, or overbilling or billing for work not performed?
4. Are you aware of any bribery of or providing a prohibited payment or gratuity to a government official or his/her family/household member, including the offering or accepting of illegal kickbacks in connection with government subcontracts at any level in our organization?
5. Are you aware of any activities by a former government employee on behalf of the company contrary to post-employment restrictions, including any employment discussion between a government employee and the company giving rise to a conflict of interest?
6. Are you aware of any failure to disclose required information, such as cost, pricing, or other information require such disclosure, including organizational conflict of interest information; and commercial sales practices under GSA Schedule requirements?
7. Are you aware of any circumstance where the company unlawfully obtained government source selection information or contractor bid or proposal information prior to award of a contract to which the protected information relates?
8. Are you aware of any circumstance where the company knowingly failed to deliver products or services that conformed to contract requirements, including failure to adhere to country of origin requirements; using used parts where new parts are required; using substandard parts; or failure to perform required processes or tests, or falsification of test results?
9. Are you aware of any falsification or unauthorized destruction of company books and records, such as financial, quality, testing, or billing?
10. Are you aware of any other potential violation or significant overpayments in connection with the award performance or closeout of a federal government contract or subcontract?