



EBTC INFORMATION BULLETIN

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SUBJECT: GSA Chief Resigns

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General Services Administration chief Lurita Alexis Doan has resigned as head of the government's premier contracting agency at the request of the White House, ending a tumultuous tenure in which she was accused of trying to award work to a friend and misusing her authority for political ends.

"I have been asked by the White House to resign," Doan said in a voice-mail message left with a Washington Post reporter. She added in a statement: "It has been a great privilege to serve our nation and a great President."

A White House spokeswoman declined to say why Doan was asked to leave the GSA, which manages more than \$50 billion worth of contracts each year as the U.S. government's largest broker of goods and services.

"While serving as Administrator, Ms. Doan worked to strengthen GSA's ability to respond effectively during times of emergency and make government buildings more energy efficient," White House spokeswoman Emily A. Lawrimore said in a statement yesterday. "The President is grateful for her service and wishes her and her family the best."

Doan's resignation Tuesday night came almost a year after Rep. Henry Waxman (D-Calif.), chairman of the House Oversight and Government Reform Committee, and Sen. Charles E. Grassley (R-Iowa) sharply criticized her leadership. Both lawmakers had said they thought Doan was no longer effective.

Waxman's committee began investigating Doan after articles in The Post revealed that she had approved a \$20,000, no-bid procurement order last July with a firm run by a friend who had served as Doan's public relations consultant when she was in private business. Doan said she terminated the order after she became aware that it did not comply with contracting rules.

The committee investigation also turned up evidence that Doan may have violated the Hatch Act in January 2007 by allegedly asking political appointees how they could "help our candidates" at an agency briefing conducted by a White House official, according to several of the appointees present for the briefing.

The U.S. Office of Special Counsel, a government watchdog agency, conducted its own probe of those claims and concluded that she made the remarks and violated the Hatch Act, which generally prohibits employees of federal agencies from using their positions for political purposes. In a letter last June, Special Counsel Scott J. Bloch urged President Bush to discipline Doan "to the fullest extent," which included removing her from office.

In the ensuing months, the White House said it was considering Bloch's recommendation but made no further comment. A White House official yesterday declined to say whether that recommendation played a role in her resignation.

During a hearing of Waxman's oversight committee last June, Doan testified that she did not recall asking the political appointees to help Republican candidates. She asserted that she operated her agency without regard for political concerns.

"I'm not engaged in partisan political activities," she told lawmakers at the time. "And I haven't directed anyone to do anything."

Waxman said yesterday that Doan's resignation was necessary.

"I know this decision was difficult for the White House and Lurita Doan, but it was the right thing to do," Waxman said. "GSA should now be able to return to its nonpartisan tradition and its work as our government's premier contracting agency."

Doan had also been under scrutiny by GSA Inspector General Brian Miller for alleged conflicts of interest and by Grassley, the ranking Republican on the Senate Finance Committee. Grassley was examining Doan's role in the reauthorization of a contract with Sun Microsystems.

"The GSA is an integral component of the federal government's ability to keep costs low for the American taxpayer," Grassley said in a statement yesterday. "In my oversight of the GSA, including the Sun Microsystems contract, it appeared that the taxpayer was not the Agency's top concern. Instead we found questionable actions, finger-pointing, and stonewalling. I hope that changes will now be made to ensure the taxpayer gets the best possible deal when GSA and other agencies negotiate contracts."

Doan has had strong defenders on Capitol Hill, who say she has been unfairly targeted.

"It would be a shame if this decision had anything to do with the hyperbolic and unfounded allegations of Scott Bloch and others who were after her just to claim another administration scalp," Rep. Thomas M. Davis III (R-Va.) said in a statement yesterday.

"Certainly, her management style was not everyone's cup of tea. But the administrator appears to have fallen victim to a bureaucratic culture that fears, rather than rewards, entrepreneurial spirit, innovation and bold leadership. Lurita Doan's legacy at GSA should be viewed as a positive one, and her attempts to bring private sector best practices to the agency should be applauded."

Doan took over the GSA in May 2006 after a 15-year career as owner of New Technology Management Inc., a Reston-based firm that sold surveillance equipment to the federal government and others for border security and other projects. During her business career, Doan became wealthy and began cultivating close ties to the GOP. Between 1999 and 2006, she and her husband, Douglas, a former military intelligence officer and business liaison official at the Department of Homeland Security, donated nearly \$226,000 to Republican campaigns and causes, campaign finance records show.

At the time of her appointment, she was considered a rising African American star in Republican Party circles. She grew up in the downtrodden Ninth Ward of New Orleans but went on to Vassar College and obtained an advanced degree in literature from the University of Tennessee at Knoxville.

When she became the GSA's first female administrator, she pledged to run it more like a business. But she repeatedly clashed with people inside and outside the agency. Just months after Doan took office, the GSA inspector general began investigating claims that she tried to award a no-bid job to her friend.

In a statement issued by the GSA yesterday, Doan praised Bush and expressed satisfaction with her tenure at the agency.

"The past twenty-two months have been filled with accomplishments: together, we have regained our clean audit opinion, restored fiscal discipline, re-tooled our ability to respond to emergencies, rekindled entrepreneurial energies, reduced bureaucratic barriers to small companies to get a GSA Schedule, ignited a building boom at our nation's ports of entries, boldly led the nation in an aggressive telework initiative, and improved employee morale so that we were selected as one of the best places to work in the Federal government," she wrote.