

Far be it for us to criticize the recent plea bargain that the Department of Justice recently entered into with Courtney Stadd, who “previously served as NASA Chief of Staff and White House Liaison”—especially when “Attorney Burkhalter and NASA Inspector General Martin commended the outstanding investigative work of the agents from the NASA Office of Inspector General and prosecutive work of the U.S. Attorneys Office in the Southern District of Mississippi.” To the contrary, we commend Mr. Stadd and his attorneys for accepting the sweetheart deal.

According to the August 18, 2010 [press release](#) from the DOJ and the NASA Office of Inspector General, Mr. Stadd pleaded guilty to “conspiracy charges in connection with actions he took to obtain and receive funds from a \$600,000 sole-source contract” awarded from the Stennis Space Center to Mississippi State University (MSU).

According to the plea hearing, Stadd admitted to conspiring with the NASA Deputy Chief Engineer of Programs to give the contract to MSU. MSU, in turn, awarded a \$450,000 subcontract to Stadd's consulting business. Apparently, Stadd ran a consulting business (on the side?) called either Capitol Solutions or Capitol Alliance Solutions. Hmm, can anybody say "criminal conflict of interest"?

We previously reported on another NASA "felony conflict of interest charge" in [this article](#)

. That situation involved a former NASA scientist who participated in awarding contracts to his wife's company. That scientist received a fine, probation, and community service. As we reported, "Prosecutors agreed Schoeberl did not deserve to go to jail, noting in court documents that he quickly accepted responsibility for his conduct, had no criminal history and had a lengthy record of service at NASA." In contrast to that scientist, Mr. Stadd "met with senior government officials in an ill-fated attempt to stop the NASA Office of the Inspector General from continuing to investigate his activities."

But that's not all.

According to the press release, Stadd and the Deputy Chief Engineer of Programs had an agreement that the Deputy Chief Engineer would work on the subcontract received from MSU, after he left NASA. Under that subcontract--

Stadd received over \$287,000 on the subcontract and admitted to inflating hours billed and falsifying invoices to MSU. Stadd further admitted to sending two false Quarterly Reports to MSU in August of 2005 stating that Valador Incorporated of Herndon, Virginia, 'a service-disabled, veteran-owned small aerospace business with extensive satellite engineering experience,' was also working on the contract, when he knew that in fact, Valador Incorporated was not involved on that contract. Stadd admitted to having paid the former Deputy Chief Engineer over \$87,000 for his work on the subcontract. That Deputy Chief Engineer earlier plead guilty to a charge of conflict of interest.

So we know that Stadd admitted to submitting false claims and to making false statements. In addition—

Stadd admitted that, to further conceal the conspiracy, he created false documents in response to a Federal Grand Jury subpoena. The false documents included four invoices reflecting billing work unrelated to the Mississippi State University contract, documents purporting to calculate composite rates for billing Mississippi State University, and documents supporting the authorization for composite rates of billing when no such authorization existed.

Violations of the False Statements Act and the False Claims Act are serious, serious business. Each count can subject a person to huge fines and up to five years in Federal prison. Near as we can tell, Mr. Stadd was looking at least six counts of false statements and nearly \$300,000 in false claims. Based on our rough back-of-the-envelope calculation, Mr. Stadd could have been fined nearly \$1 million and been sentenced to more than 30 years in jail.

## **Awesome Plea Bargain Saves former NASA Bigwig from Big Time in the Big House**

Written by Administrator

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But Mr. Stadd's defense team worked a miracle on his behalf. Instead of the foregoing, the press release reported that, "Stadd faces up to five years in prison and \$250,000.00 in fines." That's some damn fine defense lawyering right there, in our opinion. On the Government's side? Not so much—despite the words of praise found in the press release.