



U. S. Department of Justice
United States Attorney
Southern District of Mississippi

*One Jackson Place
188 East Capitol Street, Suite 500
Jackson, Mississippi 39201*

FOR IMMEDIATE RELEASE
March 8, 2010

**FORMER NASA OFFICIAL PLEADS GUILTY TO VIOLATING
CONFLICT OF INTEREST LAW IN SCHEME TO ENRICH HIMSELF AND OTHERS**

Gulfport, Miss. - Liam P. Sarsfield, 54, of Deale, Maryland, a former high-ranking NASA official, pled guilty in federal court on November 30, 2009 to a one-count criminal information alleging he committed Acts Affecting a Personal Financial Interest, in violation of Section 208, Title 18, United States Code, U.S. Attorney Donald R. Burkhalter and Inspector General Paul K. Martin of the National Aeronautics and Space Administration (NASA) announced today. Sarsfield entered the plea before U.S. District Judge Sul Ozerden. Sarsfield faces a maximum imprisonment term of five years and a fine of \$250,000. He is scheduled for sentencing on June 24, 2010.

According to facts presented in court, Sarsfield was employed by NASA as a Deputy Chief Engineer assigned to the Office of Chief Engineer, NASA Headquarters, Washington, DC, from October 15, 2002 until January 22, 2005. In this capacity he controlled a \$1.5 million discretionary fund intended for various research studies initiated by the Office of Chief Engineer. Beginning on or about June 1, 2004 and continuing until January 22, 2005, Sarsfield used a majority of the \$1.5 million he controlled to initiate several studies that financially benefitted himself and others. For each study, Sarsfield undertook a series of official acts: he substantially developed the Statement of Work required to commence the study; he participated in the creation of various sole source justifications, thereby eliminating the need to compete the studies; he directed the use of several different contracting methods leading to the award of the studies; and he spearheaded funding the studies.

The first study, a \$599,696 sole-sourced delivery order titled "Assessment of Remote Sensing Assets: Supporting National Security Requirements" was awarded to Mississippi State University through an existing NASA contract with the Mississippi Research Consortium, a collection of Mississippi colleges of which Mississippi State University was a member. Mississippi State University subcontracted \$450,000 to a private consulting business. From January 23, 2005, to October 6, 2005, Sarsfield received six payments from the private consulting business in the total amount of \$87,752.

A second study was a \$400,000 contract titled "Integrated Launch Systems Requirements to Meet Joint Transportation Requirements," awarded to Universal Technology Corporation (UTC) of Dayton, OH, through a pre-existing U.S. Air Force contract. Sarsfield, who was

involved in transferring the NASA funds to the U.S. Air Force contract and creating the Statement of Work, was subsequently paid over \$184,000 for work he performed on this contract.

In a related case, Courtney Stadd, former NASA Chief of Staff and White House Liason, was arraigned in Gulfport on January 11, 2010 on a nine-count indictment, which was returned on December 2, 2009, by a federal grand jury in the Southern District of Mississippi. The indictment charges Stadd with one count of Conspiracy, in violation of 18 U.S.C. Section 371, two counts of False Statements, in violation of 18 U.S.C. Section 1001(a)(1) and (a)(3), four counts of False Claims, in violation of 18 U.S.C. Section 287, one count of Obstructing a Grand Jury Investigation, in violation of 18 U.S.C. Section 1503, and one count of Major Fraud, in violation of 18 U.S.C. Section 1031. He is scheduled for trial before U.S. District Judge Sul Ozerden on May 10, 2010.

In announcing the guilty plea, U.S. Attorney Burkhalter recognized the outstanding efforts by Assistant U.S. Attorney Jay Golden and Special Agents from the NASA Office of Inspector General.

###