

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

**UNITED STATES OF AMERICA** *ex rel.*  
Larry Hawkins, *et al.*,  
*Plaintiffs*

Civil Action No. 15-2105 (ABJ)

v.

**MANTECH INTERNATIONAL  
CORPORATION** *et al.*,  
*Defendants.*

**RELATOR/PLAINTIFFS' MEMORANDUM OF POINTS AND AUTHORITIES IN  
SUPPORT OF THE MOTION FOR LEAVE TO FILE A  
FOURTH AMENDED COMPLAINT**

Relator/Plaintiffs Larry Hawkins, Randall Hayes, Kent Nelson, James Locklear, and Clinton Sawyer ("Relators") respectfully submit this memorandum of points and authorities in support of their Motion for Leave to file a Fourth Amended Complaint. The proposed Fourth Amended Complaint seeks to conform the governing complaint to the facts learned by Relators in discovery.

**I. BACKGROUND.**

The changes proposed by the Fourth Amended Complaint reflect facts discovered regarding false time reporting to the government by ManTech International Corporation and ManTech Telecommunications and Information System Corporation ("ManTech"). Relators sued on behalf of the United States because ManTech told the mechanics at the Kuwait Maintenance and Sustainment Facility ("KMSF") to lie to the government about important time data – data that was important enough for them to have to affixed their personal signatures on the transmitting timesheet and to obtain the confirming signatures from their managers as to the veracity and reliability of the submissions made. Relators who refused to lie to the United States in the manner

demanding by ManTech were fired. After more than seven years of work on this case, Relators are eager to reflect what they have learned about ManTech's false and material time labor hour reporting by enhancing the allegations of Count 1 ("False Claims with Respect to the Reporting of Labor Hours") and Count 2 ("False Claims with Respect to the Input of Data into SAMS-E").

## **II. SUMMARY OF THE ENHANCED ALLEGATIONS OF COUNT 1 AND 2.**

With respect to enhanced Count 1, Relators have learned that ManTech made systemic false claims regarding the authorization to bill time, the authorized funding sources, and the amounts due to ManTech on invoices presented to the United States. Specifically, in a contract that contained a variety of Contract Line Items ("CLINs"), CLINS that authorized ManTech to repair and service different categories of Mine Resistant Ambush Protected ("MRAP") vehicles for different units of the military (each with their own narrow funding source, limited budgets, and separately established fringe rates), ManTech made false claims to the government by intentionally assigning labor costs to the wrong CLINs and by randomly changing the applicable labor codes (and its attendant billing rate).

With respect to Count 2, Relators learned that accurate SAMS-E reporting was, without question, a material condition to the government making full payment under the Contract. By making clear that the government would not have paid ManTech amounts due under the contract and adding additional information about how ManTech materially misrepresented its SAMS-E time data, Relators believe that – in fairness to the United States – Count 2 should be restored.

## **III. DETAIL OF CHANGES CONTAINED IN THE PROPOSED FOURTH AMENDED COMPLAINT.**

The following is a recitation of the changes to the Third Amended Complaint that will be reflected in the proposed Fourth Amended Complaint.

- At this Court’s February 18, 2022 hearing, the Department of Justice indicated that it would waive its usual requirement that the proposed Fourth Amended Complaint be filed under seal. Thus, the “Under Seal” notice has been removed.

- The Court has consented to the removal of the footnotes that were included in the Third Amended Complaint.

- The Table of Contents has been updated to reflect the updated pagination.

- Paragraphs 8-1 of the Third Amended Complaint have been eliminated as duplicative and redundant.

- Relators have sought to streamline the complaint by eliminating lengthy and dense excerpts from the governing Contract. Thus, extensive direct quotation from the Contract has been eliminated in favor of summary allegations that may be verified by reference to the actual contract, which is attached as an exhibit to the motion.

- Relators have focused attention on the specific misrepresentations made by ManTech with respect to invoices billed to various CLINs. The proposed Fourth Amended Complaint addresses the importance of the Contract’s limitations on billing to specified CLINs and why ManTech was required to precisely bill specified CLINs to respect the budget limitations contained therein. The proposed complaint makes clear that the various CLINs are married to specific “Accounts Receivable Classification Numbers (“ACRNs”) that identify different funding sources for the payment for repairs to different military units MRAPs. The proposed complaint explains why ManTech had a perverse incentive to remove labor hours billed to CLINs that were overbudget and (falsely) bill those hours that were under budget in order to ensure that cost-overruns did not interfere with the award of the contractor-satisfaction based award of the fixed fee at the close of Contract performance.

- The proposed complaint clarifies different time reporting made by the same mechanics to different departments within ManTech. Specifically, the mechanics reported the hours that would be billed to the United States through an online data portal called “PeopleSoft.” The PeopleSoft time data submitted by the individual mechanics could be accessed and changed by ManTech’s Accounts Receivable department. Mechanics would also report her or his time, by completing by hand a detailed timesheet that provided (in even greater detail than in PeopleSoft) specific information about the mechanic’s work on each day. This detailed information included not only a recitation of the work completed by the mechanic but also included the serial number of the vehicle(s) serviced by the mechanic. The proposed complaint makes clear that identification of an MRAP by serial number was a reliable way to determine which service of the military “owned” the vehicle (Army, Navy, Special Operations Command) and to identify which CLIN the labor hours should be billed to.

- Revised Count 1 then describes how ManTech’s Accounts Receivable department – usually at the request of ManTech’s Quality Assurance department – made undocumented changes to the CLINs for which hours were billed. The proposed complaint describes in detail how labor hours that had been billed by the mechanics for work in Afghanistan were changed at the whim of ManTech’s Quality Assurance department to CLINs authorizing work on MRAPs in Kuwait. The proposed complaint also makes clear that these changes were made without any reference to or verification from the personally, ink-signed SAMS-E timesheets submitted by the mechanics to ManTech’s Quality Assurance department and were made with the expressed anxiety that such changes might trigger an audit.

- Revised Count 1 (as with revised Count 2) makes clear that ManTech has destroyed both the PeopleSoft time-tracking software/data and the mechanics’ personally signed SAMS-E

timesheets making detection of ManTech's labor hour billing fraud almost impossible. ManTech has destroyed both these time tracking systems notwithstanding the fact that ManTech's Chief Compliance Officer, Terry Meyers, has testified under oath that timesheet fraud one of ManTech's biggest problems; ManTech Senior Vice President for Strategy Michael Brogan stated, in writing on June 3, 2013, that ManTech's SAMS-E data entries created a "risk of litigation"; and the statute of limitations on actions under the False Claims Act have not even begun to run.

- Revised Count 2 eliminates the numerous paragraphs describing the circumstantial basis for Relators' original assertion that accurate SAMS-E reporting was a material condition of payment in favor of the explicit contract provision that erases all doubt regarding "materiality."

**Contractor shall assure all activities associated with the repair or other services conducted on the vehicle are documented in SAMS-E at the time of presentation to the Government for vehicle acceptance. No vehicle shall be accepted by the Government without being fully documented in SAMS-E.**

- Revised Count 2 also makes it clear that the government would consider the submission of false SAMS-E data to be a material breach of the contract and a fraud upon the United States.

- Revised Count 2 additionally makes it clear were ManTech to have been caught submitting false SAMS-E data it would have been denied all manner of payment including, but not limited to, the fixed fee to be awarded – upon the government's satisfaction with ManTech's overall contract performance – at the end of the Contract performance period.

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#### IV. CONCLUSION.

Relators have worked hard over a period of nearly nine years to uncover the truth about ManTech's materially false claims to the government in performing Contract No. W56HZV-12-C-0127 for MRAP repair in Kuwait. Relators pray that the Court will permit the facts discovered by Relators to be reflected in a governing Fourth Amended Complaint.

Respectfully submitted,

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