OFFICE OF THE INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY
WASHINGTON, DC 20511

June 25, 2021

The Honorable Charles E. Grassley
Ranking Member, Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Ranking Member Grassley:

I write in response to your letter dated June 9, 2021, in which you inquired about purported coordination between the Office of the Inspector General of the Intelligence Community (IC IG) and the Department of Commerce Office of Inspector General (DOC OIG) in connection with a 2017 investigation of the Department of Commerce's "Investigations and Threat Management Services" unit (known as ITMS).[1] Your letter cited a DOC OIG "Action Memorandum for Closure" regarding ITMS, dated August 2, 2017, which referenced coordination with "the OIG for the Intelligence Community." After a thorough inquiry, I can report that the DOC OIG initated a cursory contact with the IC IG in June 2017 regarding ITMS, and the IC IG did not engage in any substantive coordination with DOC OIG .

Upon receipt of your letter, the IC IG sought information from a number of sources in order to respond to your questions. A search of IC IG records did not identify any documents or communications discussing coordination with DOC OIG regarding ITMS in 2017. IC IG then contacted DOC OIG, which cooperated with IC IG's request for documents and information regarding the purported coordination, including the August 2, 2017 memorandum cited in your letter. IC IG also identified and contacted a former IC IG employee to verify the information obtained from DOC OIG. This response to your query is based on these sources of information.

IC IG learned that DOC OIG was investigating multiple allegations against ITMS in 2017. One of those allegations was that ITMS improperly "sent an agent overseas in an undercover status without following protocol, and perhaps in excess of their authority, resulting in detention of the [ITMS] agent." In connection with his investigation of that particular allegation, a DOC OIG senior official wanted to identify a point of contact as part of his research of the Title 50 provisions that might be applicable, should an investigation substantiate the factual allegation. Accordingly, the DOC OIG senior official informally contacted the then-

[1] ITMS was called the "Investigations and Threat Management Division," or ITMD, in 2017.

IC IG Deputy Assistant Inspector General for Investigations (DAIGI). On June 7, 2017, the DOC OIG senior official sent the DAIGI the following e-mail:

> We have a case involving some issues regarding a section in DOC which conducts [counterintelligence] type of work. One of the issues/allegations falls into their authority and how they conduct certain activities. I think your office would have the expertise on these issues which could help us (and possibly some interest). I likely can explain the details better to you in a call to you or anyone you direct me to.

The next day, June 8, 2017, the DAIGI responded by e-mail that he was available for a telephone call that afternoon. The DAIGI and DOC OIG senior official then had what the DOC OIG senior official recalls as a five-minute conversation, which DOC OIG senior official contemporaneously documented in his case activity file as follows:

> Discussed case with [IC IG DAIGI], who related his office could provide assistance in evaluating some issues via his office and [the Office of the Director of National Intelligence]. He stated Title 50 likely covered the authority issues in question. He said once we developed some of the facts we should contact his office for assistance and possible investigative involvement.

The DOC OIG senior official verified to the IC IG that these two communications constituted the extent of any coordination between the offices regarding the 2017 DOC OIG ITMS investigation, and that the IC IG DAIGI provided no substantive guidance at the time of their communication. He said that, after the June 8, 2017 telephone call, the DOC OIG quickly determined that the allegation in question was based on a mistaken factual premise and thus concluded that it was unsubstantiated. The DOC OIG senior official indicated that, because no IC IG involvement was necessary, he did not contact the DAIGI or anyone else at IC IG again regarding the matter. For his part, the former DAIGI informed IC IG that he now has no independent recollection of this e-mail exchange and five-minute telephone call from four years ago, and that he apparently did not regard the contact from the DOC OIG senior official as significant enough to memorialize at the time.

The final question your letter posed is whether the IC IG is aware of any affiliation between the Intelligence Community and the ITMS. My understanding is that ITMS has not been designated as an element of the IC, and I am not aware of any other affiliation between the IC and ITMS. Based on the results of the records search conducted in connection with your letter, the IC IG appears to have had no past involvement or affiliation with ITMS. Consistent with long-standing practice, however, please note that the IC IG does not confirm, deny, or otherwise comment on any matter that may or may not be under current investigation, except when specifically required to do so by law.

The Honorable Charles E. Grassley

Thank you for your letter. The IC IG remains committed to keeping the Director of National Intelligence (DNI) and Congress, via the congressional intelligence committees, fully and currently informed of significant problems and deficiencies relating to programs and activities within the responsibility and authority of the DNI. If you have further questions regarding this matter, please contact IC IG Legislative Counsel Melissa H. Wright (571-204-8005) or me.

Sincerely,

Tamara A. Johnson
Acting Inspector General of the
Intelligence Community

Enclosure:
(U) Ranking Member Grassley Letter to Acting IC IG, 09 June 2021 (U)

Cc:
The Honorable Dick Durbin
Chair, Senate Committee on the Judiciary

The Honorable Mark Warner
Chairman, Senate Select Committee on Intelligence

The Honorable Marco Rubio
Vice Chairman, Senate Select Committee on Intelligence

The Honorable Adam Schiff
Chairman, House Permanent Select Committee on Intelligence

The Honorable Devin Nunes
Ranking Member, House Permanent Select Committee on Intelligence

The Honorable Avril Haines
Director of National Intelligence

The Honorable Peggy E. Gustafson
Inspector General, United States Department of Commerce

United States Senate
WASHINGTON, DC 20510

June 9, 2021

VIA ELECTRONIC TRANSMISSION

Ms. Tamara A. Johnson
Acting Intelligence Community Inspector General

Dear Acting Inspector General Johnson:

On May 24, 2021, the Washington Post reported on a unit within the Department of Commerce (DOC) called the Investigations and Threat Management Service (ITMS).[1] That report noted that the office evolved from a security unit designed to protect DOC officials into a "counterintelligence operation that collected information on hundreds of people inside and outside the department."[2] The report also noted that the ITMS conducted covert searches of employees' offices at night utilizing latex gloves, shoe coverings, hairnets, balaclava-style face masks and a lock-picking set, kept in a duffel bag.[3] The unit also reportedly conducted broad key word searches on DOC computer servers looking for Chinese words connected to talent recruitment programs.[4] These searches reportedly lacked proper predication and disproportionately targeted Asian American employees within the DOC.[5]

The Washington Post reported that the DOC's Inspector General launched multiple investigations and in one instance it's been alleged that the inspector general questioned the ITMS's authority to conduct criminal investigations.[6] According to an Action Memorandum from the DOC Inspector General, that office "coordinated with the OIG for the Intelligence Community to obtain potential points of contact regarding authority for units conducting counter-intelligence investigations."[7] In the DOC's 2018 budget submission to Congress, it described the function of the ITMS unit as following:

> The program's investigative findings directly inform key decision-makers (including senior U.S. Government and Secretarial officials) and stakeholders (NSS, ODNI, DOJ) about serious threats to national security or public safety, and enable OSY (Office of Security) to target and refine its security services against rapidly emerging threats which would have remained unidentified by other government agencies. The program fulfills U.S. national strategic requirements involving counterintelligence, transnational organized crime, and counterterrorism.[8]

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[1] ITMS was previously called the Investigations and Threat Management Division (ITMD).
[2] Shawn Boburg, *Commerce Department security unit evolved into counterintelligence-like operation, Washington Post examination found,* The Washington Post (May 24, 2021). https://www.washingtonpost.com/investigations/2021/05/24/commerce-department-monitoring-itms/.
[3] *Id.*
[4] *Id.*
[5] *Id.*
[6] *Id.*
[7] Action Memorandum for File, DOC Office of Inspector General, Office of Criminal Investigations (Aug. 2, 2017).
[8] U.S. Department of Commerce, FY 2018 Congressional Submission. https://www.osec.doc.gov/bmi/budget/FY18CBJ/DM_CJ_2018_Master_with_pagination_OB_revision_05_22_17.pdf.

In addition, according to the Washington Post, the ITMS conveyed information about some of its cases to the FBI and the Department of Homeland Security's Office of Intelligence and Analysis.[9]

Clearly, the ITMS believes itself to be a counter-intelligence unit; however, it is unclear as to whether or not it has the authority to operate as one. I am writing this letter to better understand the IC IG's affiliation with the ITMS and what, if any, assistance it provided to that unit. Accordingly, please answer the following questions no later than June 23, 2021:

1. Did the DOC Inspector General "coordinate" or otherwise communicate with the IC IG regarding the ITMS? If so, when and what was the subject matter?
2. Did the DOC Inspector General "obtain potential points of contact regarding authority for units conducting counter-intelligence investigations" from the IC IG? If so, who and when?
3. Did the IC IG provide any guidance to the DOC Inspector General regarding the authority to conduct counter-intelligence investigations? If so, what was that guidance and when was it given?
4. Is the IC IG aware of any affiliation between the Intelligence Community and the ITMS? If so, please explain.

Please send all unclassified material directly to the Committee. In keeping with the requirements of Executive Order 13526, if any of the responsive documents do contain classified information, please segregate all unclassified material within the classified documents, provide all unclassified information directly to the Committee, and provide a classified addendum to the Office of Senate Security. The Committee complies with all laws and regulations governing the handling of classified information. The Committee is not bound, absent its prior agreement, by any handling restrictions or instructions on unclassified information unilaterally asserted by the Executive Branch.

Thank you for your attention to this important matter.

Sincerely,

Charles E. Grassley
Ranking Member
Committee on the Judiciary

[9] Shawn Boburg, *Commerce Department security unit evolved into counterintelligence-like operation, Washington Post examination found,* The Washington Post (May 24, 2021). https://www.washingtonpost.com/investigations/2021/05/24/commerce-department-monitoring-itms/.