

PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE

2100 DEFENSE PENTAGON WASHINGTON, D.C. 20301-2100

POLICY

DEC 7 2015

The Honorable Charles E. Grassley Chairman Committee on the Judiciary United States Senate Washington, D.C. 20510

Dear Mr. Chairman:

I write on behalf of the Secretary in response to your letters dated November 3, 2015, November 9, 2015, and November 17, 2015, regarding the Task Force for Business Stability Operations (TFBSO). We appreciate your concerns regarding the 2011 construction of a compressed natural gas filling station in the town of Sheberghan, Afghanistan as referenced in a recent Special Inspector General for Afghan Reconstruction (SIGAR) report.

Pursuant to section 1534 of the National Defense Authorization Act for Fiscal Year 2014, TFBSO concluded operations in Afghanistan on December 31, 2014, as part of broader Afghanistan draw-down plans. On March 31, 2015, TFBSO completed an orderly administrative sunset shutdown period and turned over all property and facilities to the Washington Headquarters Services. Despite its closure, the Department remains fully committed to cooperating with SIGAR in its ongoing investigation of TFBSO. The Department has no objection to the SIGAR's interviewing any former TFBSO employee wherever he or she may reside, and will work to accommodate any specific SIGAR requested interview of any current Department employee.

On June 30, 2015, Department officials met with SIGAR staff, to offer a process for SIGAR to review TFBSO documents. Specifically, the Department established a reading room for SIGAR investigators to have unfettered access to TFBSO files, with copies of specific documents being provided upon request after an expedited review for personally identifiable information (PII) or other such sensitive information exempt from disclosure under the Freedom of Information Act (FOIA), 5 U.S.C. § 552. This review requirement is a necessary safeguard to protect DoD personnel in light of SIGAR's previous release of PII, without consulting the Department, to a media outlet that, in turn, released it publicly. The Department's proposed arrangement allows for full SIGAR access to TFBSO files while also protecting our personnel and contractors who may be at risk in Afghanistan and elsewhere.

At the time of the June 30th meeting, SIGAR staff indicated that they would consider the Department's proposed arrangement. Unfortunately, SIGAR staff made no effort to access the TFBSO records pursuant to the Department's June offer, nor did they notify the Department that its offer was rejected. On October 13, 2015, SIGAR staff emailed the Department that it must close-out and issue its report immediately, despite failing to review TFBSO records as proposed by the Department.



Over a year and a half ago, on April 7, 2014, Assistant Secretary of Defense Michael Lumpkin, while performing the duties of the Under Secretary of Defense (Policy), requested the Department's Inspector General (DOD IG) to "conduct an overarching audit of TFBSO operations, financial actions, and contracts" in order to "help to ensure DoD captures lessons learned and closes the TFBSO books efficiently." Please find the request attached. On August 27, 2014, the DOD IG denied the request, due to not having the resources available to meet it.

Finally, I am pleased to report the Officer Evaluation Report for Colonel John C. Hope has been completed and provided for his signature. The unfortunate delay was due to an administrative oversight that has been resolved. We appreciate your bringing this matter to the Department's attention.

Sincerely,

Brian P. McKeon

B.l. Nellen

Enclosure: As Stated

cc:

The Honorable Patrick Leahy Ranking Member

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OFFICE OF THE UNDER SECRETARY OF DEFENSE 2000 DEFENSE PENTAGON WASHINGTON, D.C. 20301-2000

APR - 7 2014

MEMORANDUM FOR Inspector General, Department of Defense

SUBJECT: Request for audit of the Task Force for Business and Stability Operations (TFBSO)

Consistent with the decrease of Afghanistan operations, anticipated closure of TFBSO, and USD(P) oversight responsibilities, I request the Department of Defense Office of the Inspector General conduct an overarching audit of TFBSO operations, financial actions, and contracts.

Since 2006, TFBSO has assisted operational commanders in Iraq and Afghanistan in reducing violence and enhancing economic stability through strategic business and economic activity. Designed as a novel, temporary organization, TFBSO has relied on multiple DoD and interagency personnel and approximately \$60M annually to accomplish its non-traditional An audit at this time would help to ensure DoD captures lessons learned and closes the TFBSO books efficiently.

Please contact my POC, Mr. Joe Catalino, 703-602-2700, for any questions regarding this request.

Michael D. Lumpkin

Assistant Secretary of Defense (Special Operations & Low Intensity Conflict)

Performing the Duties of the Under Secretary

of Defense (Policy)