

January 29, 2015

The Honorable Chuck Hagel Secretary of Defense

Dear Secretary Hagel,

As you know, my office is conducting a review of the Task Force for Business and Stability Operations (TFBSO). We recently received documents from TFBSO in response to my letter of December 10, 2014. Following review of that information, we have become aware of additional matters that warrant further analysis. Accordingly, please provide the following documents and information:

- 1. All TFBSO budget requests and justifications, from the date TFBSO first began work related to Afghanistan to the present;
- All TFBSO reports to Congress, Annual Reports, and reports to any office within the State Department, USAID, or Department of Defense from the date TFBSO first began work related to Afghanistan to the present;
- 3. TFBSO's hiring authority;
- 4. TFBSO's contracting/procurement authority;
- 5. TFBSO's authority to award sole source contracts;
- 6. A list of companies, individuals or entities to which TFBSO awarded a contract, and the dollar amount of the contract:
- 7. All documents (including but not limited to email correspondence) related to contracts awarded by means other than full and open competition by TFBSO from the date TFBSO first began work related to Afghanistan to the present;
- 8. All documents related to TFBSO's Project Review Board;
- 9. All documents (including but not limited to email correspondence) related to any contracts awarded to Curtis, Mallet-Prevost, Colt & Mosle LLP and the Mayer Brown law firm;
- 10. All documents (including but not limited to email correspondence) related to the Northern Fertilizer Power Plant and the Sheberghan Pipeline;
- 11. A list of former TFBSO employees who were awarded TFBSO contracts, cooperative agreements, or grants, or whose subsequent employers were awarded TFBSO contracts, cooperative agreements, or grants, after the employee departed TFBSO;

- 12. All documents relating to the metrics used by TFBSO in determining the success of its programs and initiatives;
- 13. All documents related to requests for waivers or exceptions to U.S. sanctions against Iran;
- 14. A list of subject matter experts hired by TFBSO since January 1, 2010 and how much TFBSO paid to each:
- 15. A TFBSO organization chart that includes names and titles, current as of the date TFBSO first began work related to Afghanistan; and
- 16. A list of TFBSO employee names and titles from January 1, 2010 to the present, including the period of service with TFBSO.

I am submitting this request pursuant to my authority under Public Law No. 110-181, as amended, and the Inspector General Act of 1978, as amended. Please direct your staff to provide the information requested no later than February 13, 2015, to my director of Special Projects, Mr. Jack Mitchell, at or at Please do not hesitate to contact me if you have any questions.

Sincerely,

John F. Sopko

Special Inspector General

for Afghanistan Reconstruction



## DEPARTMENT OF DEFENSE

Task Force for Business and Stability Operations 1801 S Bell Street, Ste 409 Arlington, VA 22202



March 03, 2015

The Honorable John F. Sopko Special Inspector General for Afghanistan Reconstruction 1550 Crystal Drive, 9<sup>th</sup> Floor Arlington, VA 22202

Dear Mr. Sopko:

Thank you for your letter dated January 29, 2015, requesting additional information on the Task Force for Business and Stability Operation (TFBSO). In response to your requests for information, please see below:

1. All TFBSO budget requests and justifications, from the date TFBSO first began work related to Afghanistan to the present;

Response – In 2011, the TFBSO conducted operations in Afghanistan using approximately \$6M of Commander's Emergency Response Program (CERP) funds prior to the enactment of the Department of Defense Appropriations Act, 2011. The funding request for TFBSO programs was briefed at the Office of Management and Budget (OMB) for each year the TFBSO received specific authority and funding for operations in Afghanistan (responsive documents are included on Disc 1). Congress provided authorization and appropriations for TFBSO operations in section 1535 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (P.L. 111-383), as amended; section 9012 of the Department of Defense Appropriations Act, 2011; section 9012 of the Department of Defense Appropriations Act, 2012; and Section 9011 of the Department of Defense Appropriations Act, 2013. See also the TFBSO letter to the SIGAR of January 9, 2015, in response to Question 1 of the SIGAR's letter dated December 10, 2014.

The sustainment of operations for support was submitted annually to the Coalition Acquisition Review Board (CARB), located in Kuwait, for validation. Once validated, the TFBSO Comptroller coordinated to secure funding. Copies of the CARB submission and validation are included on Disc 1.

2. All TFBSO reports to Congress, Annual Reports, and reports to any office within the State Department, USAID, or Department of Defense from the date TFBSO first began work related to Afghanistan to the present;

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Response – The majority of these requested documents were provided to the SIGAR on January 9, 2015, in response to Question 1 of the SIGAR's letter dated December 10, 2014. Additional responsive documents are included on Disc 1.

## 3. TFBSO's hiring authority:

Response – The TFBSO hiring authority is derived from section 213.3106(b)(10) of Title 5. Code of Federal Regulations, which expired last fiscal year. Section 213.3106(b)(10) provided: "Temporary or time-limited positions in direct support of U.S. Government efforts to rebuild and create an independent, free and secure Iraq and Afghanistan, when no other appropriate appointing authority applies. Positions will generally be located in Iraq or Afghanistan, but may be in other locations, including the United States, when directly supporting operations in Iraq or in Afghanistan. No new appointments may be made under this authority after September 30, 2014."

## 4. TFBSO's contracting/procurement authority;

Response – The TFBSO has no contracting or procurement authority. The TFBSO relied upon other organizations, such as the U.S. Central Command (USCENTCOM) Contracting Command and Washington Headquarters Services (WHS).

## 5. TFBSO's authority to award sole source contracts:

Response – The TFBSO has no authority to award sole source contracts. As stated in the response to Question 4, the TFBSO relied on WHS to award sole source contracts.

6. A list of companies, individuals or entities to which TFBSO awarded a contract and the dollar amount of the contract;

Response – Please see the response to Question 4. A list of companies, individuals, or entities that were awarded contracts by WHS on the TFBSO's behalf is included on Disc 1.

7. All documents (including but not limited to email correspondence) related to contracts awarded by means other than full and open competition by TFBSO from the date TFBSO first began work related to Afghanistan to the present:

General comment for questions 7, 9, and 10: In reference to the information requested in questions 7, 9, and 10, as the requested information includes electronic communications (i.e., emails), there is an extraordinarily large amount of information that is not readily available and cannot be provided at this time. The TFBSO is in the process of searching email records that may have been retained locally from the former @osd.mil domain prior to the migration to the current @mail.mil domain in 2013. The TFBSO estimates that by March 20, 2015 it may be able to provide SIGAR with related emails that had been retained locally on hard drives. For emails beyond those available locally, a request will have to be submitted to the Enterprise Information Technology Services Directorate (EITSD) to retrieve additional email

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correspondence that was not retained locally, but retained elsewhere. The EITSD point of contact for a request is

Response – The TFBSO has no contracting authority. Documents related to contracts that were awarded by means other than full and open competition on behalf of the TFBSO from the date the TFBSO first began work related to Afghanistan to the present, are included on Disc 1. Responsive email correspondence will be provided as soon as it becomes available (see the General Comment, above).

8. All documents related to TFBSO's Project Review Board;

Response - Responsive documents are included on Disc 1.

9. All documents (including but not limited to email correspondence) related to any contracts awarded to Curtis, Mallet-Prevost, Colt & Mosle LLP and the Mayer Brown law firm;

Response – Responsive documents relating to contracts awarded to Curtis, Mallet-Prevost, Colt & Mosle LLP are included on Disc 1. The TFBSO did not have any contracts with the Mayer Brown law firm. For information regarding Mayer Brown, the SIGAR should contact SRK Consulting, which was the prime contracting company for the contract with Mayer Brown. Deliverables produced by Mayer Brown are included on Disc 1. Responsive email correspondence will be provided as soon as it becomes available (see the General Comment, above).

10. All documents (including but not limited to email correspondence) related to the Northern Fertilizer Power Plant and the Sheberghan Pipeline;

Response – Responsive documents are included on Disc 2. Responsive email correspondence will be provided as soon as it becomes available (see the General Comment, above).

11. A list of former TFBSO employees who were awarded TFBSO contracts, cooperative agreements, or grants, or whose subsequent employers were awarded TFBSO contracts, cooperative agreements, or grants, after the employee departed TFBSO;

Response – There are no instances in which former TFBSO employees, or their subsequent employers, received a TFBSO contract, cooperative agreement or grant after the employee departed the TFBSO.

There is one instance in which a former employee,

Mar 2014 to 31 Dec 2014 to work on TFBSO projects under the TFBSO's Transformation

Advisors Group contract (referenced within the TFBSO as "TAA").

was a
civilian employee from August 31, 2009, through September 30, 2011. This contract was
awarded in September 2012, a year after

departure and a year and a half prior to
her employment under this contract. Additionally, this contract was a re-competed effort from an
earlier contract dating back to October 2010. The original TAA contract was awarded for the

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time period October 2010 to May 2012, with a re-compete awarded for September 2012 to December 2014.

12. All documents relating to the metrics used by TFBSO in determining the success of its programs and initiatives;

Response – Briefings, Executive Overview, Monthly Status, and Program Manager Reports are provided on Disc 2. These documents are in addition to information and documents previously provided on disc 4 with the TFBSO letter to the SIGAR of January 9, 2015.

13. All documents related to requests for waivers or exceptions to U.S. sanctions against Iran;

Response - Responsive documents are included on Disc 2.

14. A list of subject matter experts hired by TFBSO since January 1, 2010 and how much TFBSO paid to each;

Response – The TFBSO has not hired any subject matter experts since January 1, 2010.

15. A TFBSO organization chart that includes names and titles, current as of the date TFBSO first began work related to Afghanistan; and

Response – A TFBSO organization chart dated May 7, 2010, is provided on Disc 2 and is nearest to the date that the TFBSO first began work related to Afghanistan.

16. A list of TFBSO employee names and titles from January 1, 2010 to the present, including the period of service with TFBSO.

Response – TFBSO employee names and titles from January 1, 2010, to the present, including the period of service, are included on Disc 2. The TFBSO and WHS cannot readily obtain the requested names and information for former employees who were originally employed by and left the TFBSO prior to the former Business Transformation Agency shutting down and transitioning files to WHS. WHS is researching this information, which will be provided as soon as possible.

DoD takes any allegations of imprudent spending seriously and will continue to cooperate with the SIGAR accordingly. Thank you for your continued interest.

Sincerely,

Joseph Catalino Acting Director,

Task Force for Business and Stability Operations