

Advance Questions for David H. Laufman
Nominee for the Position of Department of Defense Inspector General

Defense Reforms

1. The Goldwater-Nichols Department of Defense Reorganization Act of 1986 and the Special Operations reforms have strengthened the warfighting readiness of our Armed Forces. They have enhanced civilian control and clearly delineated the operational chain of command and the responsibilities and authorities of the combatant commanders, and the role of the Chairman of the Joint Chiefs of Staff. They have also clarified the responsibility of the Military Departments to recruit, organize, train, equip, and maintain forces for assignment to the combatant commanders.

1.A. Do you see the need for modifications of any Goldwater-Nichols Act provisions?

ANSWER:

The Goldwater-Nichols Act represents landmark legislation. Although I do not have the benefit of first-hand experience in the Act's implementation, it is my understanding that the Act has succeeded in fulfilling its mandate to enhance jointness, increase readiness, and create a higher standard of warfighting efficiency. If confirmed, I am committed to working with Congress to determine if any legislative modifications are needed in the future.

1.B. If so, what areas do you believe might be appropriate to address in these modifications?

ANSWER:

Please see my response to Question number 1.A.

Duties

2. What is your understanding of the duties and functions of the Department of Defense Inspector General (DOD IG)?

ANSWER:

The duties and functions of the Inspector General of the Department of Defense are those specified in Sections 4 and 8 of the Inspector General Act of 1978, as amended. Additional duties and responsibilities of the Inspector General are specified in Department of Defense Directive No. 5106.01, which was signed by Deputy Secretary of Defense Gordon England on April 13, 2006. (A copy of that directive is attached hereto for the Committee's convenience.)

By statute, the Inspector General conducts and supervises audits and investigations relating to the programs and operations of the Department of Defense. The Inspector General also provides leadership and coordination, and recommends policy, for activities designed to (1) promote economy, efficiency, and effectiveness in the administration of Department of Defense programs and operations; and (2) combat fraud and abuse. In addition, the Inspector General is responsible for keeping both the Secretary of Defense and Congress fully and currently informed about problems and deficiencies in defense programs, the need for corrective action, and the status of such action.

3. Assuming you are confirmed, what duties and functions do you expect that the Secretary of Defense would prescribe for you?

ANSWER:

If confirmed, I expect that the Secretary of Defense will prescribe for me the full range of duties and functions set forth in the Inspector General Act, as amended, as well as the additional duties and responsibilities specified in Department of Defense Directive No. 5106.01.

4. Section 2 of the Inspector General Act of 1978 states that its purpose is to create independent and objective units to conduct and supervise audits and investigations, to provide leadership and coordination and recommend policies for activities designed to promote economy, efficiency, and effectiveness, to prevent and detect fraud, waste, and abuse, and to provide a means for keeping the Congress fully and currently informed about problems and deficiencies relating to the administration of programs and operations and the necessity for and progress of corrective action.

4.A. Are you committed to maintaining the independence of the DOD IG, as set forth in the Inspector General statute?

ANSWER:

The ability of the Inspector General to fulfill his or her statutory duties and responsibilities depends on establishing and maintaining both the appearance and reality of independence. If confirmed, I will be strongly committed to maintaining the independence of the Office of the Inspector General consistent with the provisions of the Inspector General Act.

4.B. Are you committed to keeping the Committee on Armed Services "fully and currently informed," and, if so, what steps will you take, if confirmed, to ensure that this responsibility is carried out?

ANSWER:

If confirmed, I will keep the Committee on Armed Services "fully and currently informed." I will do so through the dissemination of OIG products such as the Semiannual Report to Congress, audit reports, and inspection/evaluation reports. In addition, I will provide briefings for Members and staff, and testimony at hearings when requested.

5. Section 3 of the Inspector General Act of 1978 provides that the head of an agency shall exercise "general supervision" over an IG, but shall not "prevent or prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena during the course of any audit or investigation." Section 8 of the Act, however, states that the DOD IG shall "be under the authority, direction, and control of the Secretary of Defense with respect to certain audits or investigations which require access to information concerning sensitive operational plans, intelligence matters, counterintelligence matters, ongoing criminal investigations by other administrative units of the Department of Defense related to national security or other matters, the disclosure of which, would constitute a serious threat to national security.

5.A. What is your understanding of the supervisory authority of the Secretary of Defense over the DOD IG with respect to audits and investigations, in view of the independence provided by Section 3?

ANSWER:

Section 3(a) of the Act states that "[e]ach Inspector General shall report to and be under the general supervision of the head of the establishment" – here, the Secretary of Defense. Although the statute does not define "general supervision," that term may reasonably be construed to mean such supervision as does not infringe on the Inspector General's independence.

Section 3(a), however, must be read in conjunction with Section 8, which contains specific provisions regarding the Inspector General of the Department of Defense and (in Section 8(b)(1)) modifies the last two sentences of Section 3(a). Given this statutory framework, my understanding is that the Secretary of Defense may exercise general supervisory authority over the Inspector General and may prohibit the Inspector General from conducting audits and investigations that implicate matters specified in Section 8(b)(1) of the Act. I am advised, however, that the Secretary has never exercised his statutory authority to preclude the Inspector General from conducting any audits or investigations. I am also advised that the Secretary has not exercised direct supervision over audits and investigations.

5.B. What is your understanding of the procedures in place to effect the authority and control of the Secretary of Defense over matters delineated in section 8 of the Act?

ANSWER:

Under Section 8(b)(2) of the Act, the Secretary of Defense has the authority to “prohibit the Inspector General from initiating, carrying out, or completing any audit or investigation, or from issuing any subpoena . . . if the Secretary determines that such prohibition is necessary to preserve the national security of the United States.” It is my understanding that the Secretary has never exercised that authority, and I am presently unaware of any procedures in place to effect that authority. In the event that the Secretary exercised this authority, I would submit an appropriate statement within thirty days to this Committee and other appropriate committees of the Congress, as required under Section 8(b)(3).

6. Sections 4 and 8 of the Inspector General Act of 1978 set forth various duties and responsibilities of Inspectors General beyond the conduct of audits and investigations.

What is your understanding of the supervisory authority exercised by the Secretary of Defense with regard to these issues?

ANSWER:

In addition to directing the Inspector General to conduct audits and investigations, Section 4 directs the Inspector General to “review existing and proposed legislation and regulations” and make related recommendations in semiannual reports; recommend policies to promote economy and efficiency in the administration of Department programs and operations and to prevent and detect fraud and abuse; keep the Secretary of Defense and the Congress fully and currently informed about fraud and other serious problems, abuses, and deficiencies; recommend corrective actions for such problems, abuses, and deficiencies; and report on the progress made in implementing such corrective actions. Section 8(c)(1) adds that the Inspector General shall “be the principal advisor to the Secretary of Defense for matters relating to the preventing and detection of fraud, waste, and abuse.”

It is my understanding that the Inspector General duties and responsibilities specified in Section 4 and 8 come within the general supervisory authority of the Secretary of Defense established under Section 3(a). It is also my understanding that the Secretary exercises that authority by means of weekly updates on ongoing issues that the Office of the Inspector General provides, through monthly meetings between the Inspector General and the Deputy Secretary of Defense, and through quarterly briefings that the Inspector General provides to the Under Secretaries of Defense. I am advised that the Secretary of Defense is not involved in the day-to-day operations of the Office of Inspector General.

7. The previous DOD IG has been accused of slowing or blocking investigations of senior government officials, improperly spending appropriated funds on pet projects, and accepting gifts that may have violated ethics guidelines.

7.A. Do you believe that these accusations have undermined confidence in the integrity of the Office of Inspector General?

ANSWER:

I do not have first-hand knowledge regarding the substance of these allegations, or whether the allegations have, in fact, undermined confidence in the integrity of the Office of the Inspector Counsel. If confirmed, however, I am committed to doing everything possible to ensure that all personnel in the Office of Inspector General – including the Inspector General – uphold the highest ethical and legal standards, and that the Office of the Inspector General has the full trust and confidence of the Secretary of Defense, Congress, and the American people.

7.B. What steps would you take, if confirmed, to restore confidence in the integrity of the Office of Inspector General?

ANSWER:

Please see my answer to Question number 7.A.

7.C. What is your understanding of the methods currently in use by the Secretary of Defense to exercise supervision over the performance of the DOD IG?

ANSWER:

It is my understanding that the Office of the Inspector General keeps the Secretary of Defense and his senior staff informed, to the extent appropriate, of audits and investigations through briefings and the dissemination of reports.

7.D. Based on your experience as an Assistant United States Attorney and former investigative counsel of the House Standards of Official Conduct (Ethics) Committee, do you believe that the current systems in place for monitoring and evaluating the effectiveness and conformance by Inspectors General with the requirements of law are sufficient?

ANSWER:

It is my understanding that the principal mechanism for assessing compliance by Inspectors General with law and ethical standards is the Integrity Committee, a body that was established in 1996 by the Chairperson of the President's Council on Integrity and Efficiency and the Executive Council on Integrity and Efficiency. As a nominee, I do not yet have a sufficient basis to evaluate whether this mechanism is effective.

7.E. Under what circumstances, if any, do you believe that it is appropriate for the DOD IG to consult with officials in the Office of the Secretary of Defense (or other DOD officials outside the Office of the Inspector General) before issuing a report, regarding the findings and recommendations in the report?

ANSWER:

It is essential to maintain not only the actual independence of the Inspector General in accordance with the Act's mandate, but the appearance of independence as well.

With respect to audits and inspections, I believe it is appropriate to provide officials in the Office of the Secretary of Defense (and other appropriate officials outside the Office of the Inspector General) with an opportunity to review a draft report to ensure that the report is factually accurate and to identify any areas of disagreement concerning conclusions, findings, and recommendations. Whether any changes are made to a report as a result of such a review remains within the sole discretion of the Inspector General.

With respect to non-criminal investigations such as senior official investigations and reprisal investigations, prior consultations generally should occur only if such consultations would not compromise the Inspector General's independence or the integrity of the ongoing investigation. In this regard, it should be noted that in Section 8(b)(1) of the Act, Congress expressly provided that "the Inspector General shall be under the authority, direction, and control of the Secretary of Defense with respect to audits or investigations, or the issuance of subpoenas, concerning (A) sensitive operational plans; (B) intelligence matters; (C) counterintelligence matters; (D) ongoing criminal investigations by other administrative units of the Department of Defense related to national security; or (E) other matters the disclosure of which would constitute a serious threat to national security." Given this congressional directive, I believe that the Inspector General has a statutory obligation to consult with the Secretary of Defense regarding the findings and recommendations of investigations of matters specified in Section 8(b)(1) prior to issuing a report concerning such matters.

Except with respect to appropriate communications with other investigative or law enforcement entities, it would be inappropriate to discuss criminal investigations with individuals outside the Office of the Inspector General while such investigations are ongoing.

7.F. If you believe that such consultation is appropriate, what steps, if any, do you believe the Inspector General should take to keep a record of the consultation and record the results in the text of the report?

ANSWER:

I believe it is appropriate for the Office of the Inspector General to create and maintain a record of consultations with any official outside the OIG regarding findings and recommendations contained in a draft report. If such consultations result in changes to the findings and recommendations in the report, the substance of the consultations should be disclosed in the report together with an explanation by the Inspector General as to why the changes were made.

Qualifications

8. Section 3 of the Inspector General Act of 1978 provides that IG's shall be appointed on the basis of their "demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations."

8.A. What background and experience do you possess that you believe qualifies you to perform the duties of the DOD IG?

ANSWER:

I have extensive experience in ethics and public corruption investigations. In 1992-1993, I served as Senior Associate Minority Counsel to the Task Force to Investigate Certain Allegations Concerning the Holding of American Hostages by Iran in 1980 ("October Surprise Task Force"), a special bipartisan panel of the U.S. House of Representatives. Subsequently, I served as Associate Independent Counsel to Joseph E. diGenova in the Investigation Concerning the Search of William J. Clinton's Passport Files During the 1992 Presidential Election Campaign. From 1996-2000, I served as Investigative Counsel to the House Committee on Standards of Official Conduct ("House Ethics Committee"), where I conducted several ethics investigations. In 1997, I played a central role in drafting and negotiating changes to the ethics rules of the House of Representatives in my capacity as Assistant to the Special Counsel to the Ethics Reform Task Force. I also conducted professional misconduct investigations for the Office of Professional Responsibility at the Department of Justice from January to May 2001.

I also have extensive experience in national security affairs. From 1980 to 1984, I served as a military and political analyst in the Directorate of Intelligence at the Central Intelligence Agency. In 1990-1993, I was Deputy Minority Counsel to the Committee on Foreign Affairs of the U.S. House of Representatives. In 2000-2001, I served as Staff Director and Deputy Chief Counsel to the Judicial Review Commission on Foreign Asset Control, a congressionally mandated body that examined U.S. laws governing the imposition of economic sanctions by the U.S. Department of the Treasury. Since March 2003, I have served as Assistant U.S. Attorney for the Eastern District of Virginia, where I have specialized in prosecutions of terrorism and other national security cases.

If confirmed, I would also bring administrative experience to the position of Inspector General. In addition to the senior positions noted above, I served as Chief of Staff to the Deputy Attorney General from May 2001 to February 2003. As Chief of Staff, I coordinated oversight of the offices and bureaus of the Department of Justice and helped to oversee responses to the extraordinary challenges that confronted the Department in the period after the terrorist attacks on September 11, 2001.

8.B. Do you believe that there are any steps that you need to take to enhance your expertise to perform these duties?

ANSWER:

If confirmed, I plan to become more familiar with statutes and regulations applicable to government contracting in general and defense procurement in particular. I also plan to meet with a broad cross-section of officials and personnel within the Department of Defense, including members of the armed forces overseas, to listen to their concerns and identify issues that might merit action by the Office of the Inspector General.

8.C. Based on your background and experience, are there any changes that you would recommend with respect to the current organization or responsibilities of the DOD IG?

ANSWER:

If confirmed, I plan to examine how the Office of the Inspector General is organized to determine if any structural changes in the office are appropriate. I also plan to examine whether the office is meeting the full range of its statutory responsibilities within the context of the resources available. It would be premature to offer any recommendations for change in these areas, however, until I have an adequate opportunity to conduct the necessary evaluations.

Relationships

9. If confirmed, what would your working relationship be with:

9.A. The Secretary of Defense

ANSWER:

Section 8(c) of the Act states that the Inspector General shall “be the principal adviser to the Secretary of Defense for matters relating to the prevention and detection of fraud, waste, and abuse in the programs and operations of the Department” In addition, Section 2(3) provides for Inspectors General to “keep[] the head of the establishment and the Congress fully and currently informed about problems and deficiencies relating to the administration of . . . programs and operations and the necessity for and progress of corrective action”

If confirmed, I will seek to establish a strong and effective relationship with the Secretary of Defense that enables me to carry out my statutory duties with the independence required under the Act, while enabling the Secretary to exercise his statutory supervisory authority. I will consult directly with the Secretary as necessary and appropriate, particularly with respect to matters governed by Section 8(b)(1) of the Act. I also expect to continue the current practice of providing weekly updates on ongoing issues to the Special Assistants for the Secretary of Defense and Deputy Secretary of Defense, meeting on a monthly basis with the Deputy Secretary of Defense, and providing quarterly briefings to the Under Secretaries on matters warranting their attention.

9.B. The Deputy Secretary of Defense

ANSWER:

Section 3(a) of the Inspector General Act states that “[e]ach Inspector General shall report to and be under the general supervision of the head of the establishment involved or, to the extent such authority is delegated, the officer next in rank below such head.” Department of Defense Directive 5106.01, dated April 13, 2006, states that “ the Inspector General of the Department of Defense shall report to and be under the general supervision of the Secretary of Defense *and* the Deputy Secretary of Defense” (Emphasis added.) Accordingly, if confirmed, I would expect my relationship with the Deputy Secretary of Defense to mirror my relationship with the Secretary of Defense.

9.C. The Under Secretary of Defense (Comptroller/Chief Financial Officer)

ANSWER:

It is my understanding that the USD(C/CFO) is responsible for financial management within the Department of Defense by establishing and enforcing requirements, principles, standards, systems, procedures, and practices necessary to comply with financial management statutory and regulatory requirements applicable to the DoD. The USD directs financial management requirements, systems, and functions for all appropriated, nonappropriated, working capital, revolving, and trust fund activities. In addition, the USD directs statutory and regulatory financial reporting requirements.

It is my further understanding that the Inspector General of the Department of Defense is subject to all rules and regulations established by the Under Secretary of Defense (Comptroller) (USD(C)/Chief Financial Officer (CFO).

I am advised that the Inspector General advises and counsels the USD (C/CFO) on areas of concern within the financial management arena to include acquisition management, financial statement audits, and contracting issues. To accomplish this, I will continue the Acting IG's current practice of providing quarterly briefings to the USD(C/CFO) on current audits and investigations that have fiscal implications.

I am also advised that the Inspector General provides the USD(C/CFO) information to develop and defend the concurrent Program Objective Memorandum/Budget Estimate Submission to document the OIG's extended resource requirements to OSD and OMB. In that regard, I would expect to continue to work with the USD(C/CFO) to formulate the OIG's portion of the annual President's Budget for submission to OSD/OMB, and to request required resources to conduct the Inspector General's mission.

9.D. The Under Secretary of Defense for Acquisition, Technology and Logistics

ANSWER:

The Office of the Inspector General has identified “acquisition processes and contract management” as a major challenge for the Department of Defense. It is therefore essential for the Inspector General to maintain an effective working relationship with the Under Secretary for Acquisition, Technology and Logistics. If confirmed, I expect to work particularly closely with the Under Secretary concerning the allocation of OIG resources in the acquisition area, and how best to implement audit recommendations pertaining to acquisition processes.

9.E. The General Counsel for the Department of Defense

ANSWER:

The Office of the General Counsel has extensive legal expertise and resources that are valuable to the Office of the Inspector General. It is therefore in the best interests of the Department of Defense for the Inspector General and the General Counsel to work as closely as possible without compromising the independence of the Inspector General or creating the appearance that the Inspector General's independence has been compromised. If confirmed, I would expect to work with the General Counsel on proposed legislation and regulations, ethics issues, and legal issues associated with audit findings and departmental policies.

According to information provided to me in preparation for my confirmation hearing, an Action Memo governing the relationship between the Inspector General and General Counsel was approved by former Deputy Secretary of Defense Wolfowitz on September 27, 2004. This Action Memo, entitled "Provision of Legal Services to the Inspector General of the Department of Defense," apparently superseded a previous Memorandum of Understanding between the Inspector General and the General Counsel that was executed in 1985 but was terminated in February 2004.

The September 2004 Action Memo contains the following provisions:

- Consistent with DOD Directive 5145.4, the Office of General Counsel of the Office of Inspector General of the Department of Defense (OIG/OGC) shall be established as an element of the Defense Legal Services Agency (DLSA). The Office of Deputy General Counsel (Inspector General) in the Office of the DoD General Counsel shall be disestablished.
- The legal staff of the Office of the Deputy General Counsel (Inspector General) will transfer from the Office of the DoD General Counsel to the OIG/OGC as part of DLSA.
- One SES resource, position, and associated funding will transfer from the Office of the Secretary of Defense to OIG.
- Eight non-SES attorney positions, with associated funding, will transfer from the Office of the Secretary of Defense to OIG. The employees encumbering these positions will move with their positions.
- Budgeting, managing of ceiling spaces, personnel services, and other administrative support for OIG/OGC shall be the responsibility of the Inspector General. The Inspector General shall be the appointing authority for GC/OIG, the other attorneys, and staff assigned to OIG/OGC.

- The selection of the GC/OIG and other attorneys assigned to OGC/OIG shall require the approval of the Inspector General and the General Counsel of the Department of Defense. The GC/OIG and other attorneys in OIG/OGC may not be transferred, reassigned, provided additional duties, disciplined or terminated without the approval of the Inspector General and the General Counsel of the Department of Defense.
- The GC/OIG shall be a member of the Senior Executive Service. The rater and senior rater of the GC/OIG shall be the Principal Deputy General Counsel and General Counsel of the Department of Defense, respectively. The Inspector General shall sign the performance plan and evaluation of the GC/OIG as the appointing authority.
- The Inspector General shall include the GC/OIG in the Senior Executive Service bonus pool for the Office of the Inspector General.

9.F. The Director of Operational Tests and Evaluation

ANSWER:

I am advised that the Inspector General and the Director of Operational Tests and Evaluation have a common interest in ensuring that equipment and weapons systems allocated to the warfighter perform effectively and as planned. If confirmed, I would expect to consult as appropriate with the Director concerning the initiation of audits in these areas.

9.G. The Inspectors General of the Military Departments, Defense Agencies, and the Joint Staff

ANSWER:

Section 8(c)(2) of the Act states that the Inspector General of the Department of Defense “shall . . . initiate, conduct, and supervise such audits and investigations in the Department of Defense (including the military department) as the Inspector General considers appropriate . . .” Section 8(c)(9) adds that the Inspector General “shall . . . give particular regard to the activities of the internal audit, inspection, and investigative units of the military departments with a view toward avoiding duplication and insuring effective coordination and cooperation . . .” In addition Department of Defense Directive No. 5106.01, dated April 13, 2006, directs the Inspector General, “unless precluded by the matter, [to] notify the Secretaries of the Military Departments concerned before conducting audits, evaluations, inspections, or investigations of matters normally under the jurisdiction of the Military Department.”

I am advised that as a matter of practice, the Inspectors General of the Military Departments, who report directly to their respective Secretaries, have conducted audits and investigations of matters particularly germane to the military departments, including investigations of violent crime occurring in operational theaters. In contrast, I am advised that the Department of Defense Inspector General traditionally has focused on more systemic matters that cross Service lines. Department of Defense Directive No. 5106.01 also provides that “unless precluded by the nature of the matter,” [the Department of Defense Inspector General must] notify the Secretaries of the Military Departments concerned before conducting audits, evaluations, inspections, or investigations of matters normally under the jurisdiction of the Military Departments.”

I am advised that the Department of Defense Inspector General has a close working relationship with the Inspectors General of the Military Departments. Personnel from the Office of the Inspector General meet regularly with staff from the Inspectors General of the Military Departments in order to keep each other advised of planned and ongoing work, coordinate activities and avoid unnecessary duplication, and discuss other issues of mutual interest. In addition, Department of Defense directives governing certain programs in which the Inspectors General of the Military Departments participate also give the Inspector General policy and oversight roles with respect to those programs. These include the Department of Defense Hotline, whistleblower reprisal investigations, and investigations against senior officials.

The Inspectors General of the Defense Agencies report to their respective agency heads. However, in areas such as inspections, audits, and the operations of hotlines, they come under the policy-making authority of the Department of Defense Inspector General. The Defense Agencies’ Inspectors

General also serve as the contact with the Department's Inspector General in facilitating proper implementation of Inspector General recommendations.

9.H. The Criminal Investigative Services of the Military Departments

ANSWER:

Under the Act, the Inspector General has the authority to initiate, conduct and supervise criminal investigations relating to any and all programs and operations of the Department of Defense. In addition, the Inspector General is statutorily authorized to develop policy, monitor and evaluate program performance, and provide guidance regarding all criminal investigative programs within the Department. As noted above, however, Section 8(c)(9) of the Act provides that the Inspector General “shall . . . give particular regard to the activities of the internal audit, inspection, and investigative units of the military departments with a view toward avoiding duplication and insuring effective coordination and cooperation . . .” In addition, Department of Defense Directive No. 5106.01 provides that “unless precluded by the nature of the matter,” [the Department of Defense Inspector General must] notify the Secretaries of the Military Departments concerned before conducting audits, evaluations, inspections, or investigations of matters normally under the jurisdiction of the Military Departments.”

I expect to work closely with each of the Military Criminal Investigative Organizations (MCIOs) to ensure that investigative resources are utilized effectively. It is my understanding that the Inspector General is more heavily involved in investigations that affect major Department programs or that involve or affect more than one military service. I also understand that the DoD Inspector General frequently works in close coordination with one or more of the MCIOs on joint investigations, particularly in the fraud area.

9.I. The Audit Agencies of the Military Departments

ANSWER:

If confirmed, I expect to work closely and collegially with the audit agencies of the military departments to ensure that necessary audits are conducted without duplication of effort.

Section 4(a) of the Act establishes broad jurisdiction of the Inspector General to conduct audits and investigations within the Department of Defense, and Section 8(c)(2) states that the Inspector General “shall . . . initiate, conduct, and supervise such audits and investigations in the Department of Defense (including the military departments) as the Inspector General considers appropriate.” The audit agencies of the military departments, however, have particular expertise in a range of matters within the purview of their departments, and separate resources available to commit to audits of their departments. In addition, Section 6.3.1 of Department of Defense Directive no. 5106.01 directs the Inspector General, “unless precluded by the matter, [to] notify the Secretaries of the Military Departments concerned before conducting audits, evaluations, inspections, or investigations of matters normally under the jurisdiction of the Military Departments.”

It is my understanding that the audit agencies of the military departments have worked with the Office of the Inspector General on Hurricane Katrina relief efforts and other projects. I further understand that the OIG and the military audit agencies work together to train personnel and oversee the conduct of peer reviews of the military audit organizations to ensure that their work is in compliance with Government Auditing Standards.

9.J. The Defense Contract Audit Agency

ANSWER:

Section 8(c)(6) of the Act directs the Inspector General to “monitor and evaluate the adherence of Department auditors to internal audit, contract audit, and internal review principles, policies, and procedures” In accordance with this directive, it is my understanding that the Defense Criminal Investigative Service and other OIG components work collaboratively with Defense Contract Audit Agency (DCAA) auditors on audits and investigations involving Department of Defense contractors. I also understand that the Director of the DCAA, along with other Department Audit Chiefs, meets at least quarterly with the Inspector General to discuss and coordinate audit activities. If confirmed, I expect to continue these practices.

9.K. The Defense Acquisition Regulatory Council

ANSWER:

It is my understanding that the Department of Defense Inspector General provides comments to the Defense Acquisition Regulatory Council on proposed changes to the Defense Federal Acquisition Regulations Supplement. I also understand that the Council occasionally requests assistance from the Inspector General with fact-finding on especially complex issues. If confirmed, I expect to continue these practices.

9.L. The Director of Defense Procurement and Acquisition Policy

ANSWER:

It is my understanding that the Director of Defense Procurement and Acquisition Policy is responsible for a large segment of Department operations and, accordingly, is a major recipient and user of services and reports provided by the Office of the Inspector General. I am advised that the Director's involvement has been especially valuable to the Inspector General in audit planning efforts, particularly in the acquisition area. If confirmed, I expect to continue the Inspector General's practice of soliciting the Director's input where appropriate.

9.M. The Comptroller General and the Government Accountability Office

ANSWER:

The Office of the Inspector General works closely with the Government Accountability Office (GAO) to coordinate planned and ongoing audits and inspections and avoid duplication of efforts. If confirmed, I expect to continue these practices.

Department of Defense Directive No. 7650.2, dated July 13, 2000, directs the Department of Defense Inspector General to (1) serve as the DoD central liaison with the Comptroller General on all matters concerning GAO surveys, reviews, reports and activities; (2) designate appropriate DoD components to work with GAO during the conduct of reviews within the Department of Defense, and to prepare responses to GAO reports when required; (3) develop and provide guidance, as needed, to facilitate the handling of GAO surveys and reviews, and to review and respond to GAO reports and requests for security reviews on GAO reports; (4) facilitate resolution of disagreements between DoD components concerning the appropriate of proposed responses to GAO reports; and (5) arrange and facilitate meetings, as necessary, with representatives of DoD components and/or the GAO regarding GAO surveys, reports, or other GAO activities within the Department of Defense.

Major Challenges and Problems

10. In your view, what are the major challenges and problems facing the next DOD IG?

ANSWER:

In its Semiannual Report to Congress, the Office of the Inspector General lists the most serious management and performance challenges faced by the Department of Defense based on the findings and recommendations of audits, inspections, and investigations conducted during the year. The most recent Semiannual Report, covering the period of October 31, 2005, through March 31, 2006, identified the following challenges:

- Joint Warfighting and Readiness
- Homeland Defense
- Human Capital
- Information Technology Management
- Acquisition Processes and Contract Management
- Financial Management
- Health Care
- Infrastructure and Environment

In the context of meeting these challenges, the Office of the Inspector General will continue to provide extensive oversight in support of the Global War on Terrorism in the areas of readiness, logistics, force management, contracting, and financial management. The OIG also will continue its audit operations related to Hurricane Katrina.

It is difficult as a nominee to identify specific problems I will confront if confirmed. Based on the information provided to me thus far, however, I am concerned that existing audit resources may be insufficient to meet the Inspector General's statutory responsibilities with respect to defense acquisitions and contract oversight. I am also concerned that the OIG may lack sufficient resources to conduct necessary in-theater audit and investigative activity in Iraq and Afghanistan.

11. Assuming you are confirmed, what plans do you have for addressing these challenges and problems?

ANSWER:

If confirmed, I will focus audit, investigative and inspection efforts on the challenges identified in the Semiannual Report, while working to identify new issues in consultation with senior Department of Defense officials and Congress. I will also work with senior Department officials and Congress to determine what additional resources the Office of the Inspector General needs to fulfill its statutory responsibilities.

12. If confirmed, what broad priorities would you establish in terms of issues which must be addressed by the DOD IG?

ANSWER:

It is difficult as a nominee to formulate priorities because I have not had access to the full range of information and considerations that should inform the setting of priorities. Promoting efficiency and preventing fraud in defense acquisitions will obviously be a high priority – as will force protection for the men and women of our armed services serving in Iraq and Afghanistan. I will also aggressively pursue oversight of defense contracts, particularly those relating to major weapons systems and the war in Iraq. If confirmed, I look forward to consulting with senior officials of the Department of Defense and Congress to identify priorities for the Office of the Inspector General.

Senior Officer Investigations

13. The Office of the DOD IG plays a key role in the investigation of allegations of misconduct by senior officers and civilian employees of the Department of Defense. The Committee on Armed Services has a particular interest in investigations concerning officers who are subject to Senate confirmation, and relies upon the DOD IG, as well as the Office of the Secretary of Defense, to ensure that these investigations are accurate, complete, and accomplished in a timely manner.

13.A. If confirmed, what steps will you take to ensure that the investigations relating to senior officials are completed in a timely manner and that the results of investigations are promptly provided to this Committee?

ANSWER:

I have spent much of my career as a government attorney promoting the integrity of our institutions of government, including service as an Investigative Counsel on the House Committee on Standards of Official Conduct. If confirmed, investigations of alleged misconduct by senior officers and civilian officials of the Department of Defense will receive the highest priority by the Office of the Inspector General. Misconduct by senior government officials is a breach of the public trust, and individuals found to commit such misconduct must be held fully accountable. I will review operations in the OIG's Directorate for Senior Official Investigations to ensure that investigations receive the necessary resources, that investigative actions are thorough and prioritized, and that these matters are completed in a timely manner. Once such investigations are completed, I will ensure that their results are communicated to the Committee.

13.B. Do you believe that the current allocation of responsibilities between the DOD IG and the Inspectors General of the military departments is appropriate to ensure fair and impartial investigations?

ANSWER:

As a nominee, I do not yet have a precise understanding of the current allocation of responsibilities between the Department of Defense Inspector General and the Inspectors General of the military departments. Consequently, I am not currently in a position to assess whether that allocation is appropriate. As a general proposition, however, the Inspectors General of the military departments have a comparative advantage in undertaking certain kinds of investigations because of their particular expertise in operational matters germane to their departments.

I am advised that most senior official investigations are currently conducted by the Service IGs, as monitoring the conduct of Service members is properly the responsibility of the Service Secretaries (to whom the Service IGs report). I am also advised that the Service IGs have demonstrated their capability to conduct independent and unbiased investigations, apply proper standards, and formulate conclusions based on the evidence in light of those standards, and that the Department of Defense Office of the Inspector General has found no indication that such investigations are subject to undue influence or tainted by lack of independence.

Subject to resource constraints, the Inspector General of the Department of Defense always retains the discretion, pursuant to Section 8(c)(2) of the Act, to conduct audits and investigations of the military departments if deemed necessary and appropriate. I am advised that the DoD Inspector General has assumed jurisdiction, for example, in circumstances where the independence of a Service IG might be questioned, such as matters where allegations have been made against: (1) officers senior to the Service IG (4-star rank), (2) heads of DoD agencies, (3) presidentially-appointed, Senate-confirmed appointees, and (4) the Service IGs themselves. I am also advised that the DoD Inspector General has investigated allegations where the Service IGs have no or limited jurisdiction, such as those involving senior civilians in the Office of the Secretary of Defense, Combatant Commands, or Defense agencies -- or allegations that cross Service lines. Finally, I am advised that the DoD Inspector General is periodically requested to reinvestigate a Service IG investigation that is allegedly flawed or inadequate.

Authorities of the DOD IG's Office and Investigators

14. In recent years, the DOD IG has sought and obtained increased authority to issue subpoenas, carry weapons, and make arrests.

Do you believe that the authorities of the Office of Inspector General and its agents are adequate in these areas, or would you recommend further changes in the law?

ANSWER:

It is my understanding that the National Defense Authorization Act for Fiscal Year 1998 significantly enhanced the authorities of Defense Criminal Investigative Service (DCIS) special agents. The Act inserted language into Chapter 81 of Title 10, United States Code, that provides DCIS special agents the authority to execute and serve any warrant or other process issued under the authority of the United States, and to make arrests without a warrant for any offense against the United States committed in the presence of that agent. The Act also gives DCIS jurisdiction over any felony cognizable under the laws of the United States if the agent has probable cause to believe that the person to be arrested has committed or is committing the felony.

These authorities are exercised in accordance with guidelines prescribed by the Inspector General of the Department of Defense and approved by the Attorney General and other guidelines as prescribed by the Secretary of Defense or the Attorney General. With the passage of this Act, DCIS special agents received full statutory law enforcement authority commensurate with that of agents of other Federal law enforcement agencies, such as the Federal Bureau of Investigation, Drug Enforcement Administration, U.S. Immigration and Customs Enforcement, and U.S. Secret Service.

I also understand that the authority of DCIS special agents to carry firearms derives from language in Chapter 81 of Title 10, United States Code, Section 1585, which states that "civilian officers and employees of the Department of Defense may carry firearms or other appropriate weapons while assigned investigative duties or such other duties as the Secretary may prescribe." Current DCIS policy requires agents to carry firearms at all times when in a duty status in the United States, its territories, or possessions, except where prohibited or where circumstances make it inappropriate to carry firearms. When off-duty, special agents can be recalled to law enforcement duties at any time on short notice. Accordingly, agents are authorized to carry firearms at all times when off duty and when in a leave status.

I am currently unaware of any concerns that the authorities described above are inadequate. If I am confirmed and such concerns are brought to my attention, I will undertake a review to determine whether any further change in

law may be necessary to enhance the ability of DCIS agents to perform their mission.

DOD Financial Accounting and Audits

15. The performance of mandatory statutory duties, such as the performance of financial audits, has consumed a growing share of the resources of the Inspector General's office, crowding out other important audit priorities.

15.A. What is your view of the relative priority of financial audits, and the resources that should be devoted to such audits?

ANSWER:

Financial audits will continue to be a high priority consistent with the President's Management Agenda Initiative, the Secretary of Defense's top priorities, the Chief Financial Officers Act of 1990, and the Federal Financial Management Improvement Act of 1994. If confirmed, I will work with the Department and Congress to ensure that the appropriate level of resources continues to be dedicated to financial audits. I will also seek to ensure that resources committed to financial audits do not come at the expense of other audit priorities.

15.B. Do you believe that resources currently directed to the audit of financial statements that are generally acknowledged to be unreliable would better be directed to other objectives?

ANSWER:

Without the benefit of first-hand knowledge of resource challenges faced by the Department of Defense Inspector General, I am not currently in a position to determine whether resources would be better directed to other objectives. I have been advised, however, that the Office of the Inspector General currently allocates few resources to the audit of financial statements, in accordance with Section 1008 of the National Defense Authorization Act of 2002. That section states that “the Inspector General of the Department of Defense shall only perform the audit procedures required by generally accepted government auditing standards consisted with any representations made by management.”

15.C. Do you see any need for legislative changes to give the Inspector General greater flexibility to target audit resources?

ANSWER:

Without the benefit of first-hand knowledge of resource challenges faced by the Department of Defense Inspector General, I am not currently in a position to determine whether legislative changes are necessary. If confirmed, I am prepared to work with the Department and the Congress to assess whether legislation in this area is appropriate.

Oversight of Acquisition Programs

16. Problems with procurement, acquisition, and the ability of the Department and the military departments to effectively oversee acquisition programs have called into question the capability of existing DOD oversight mechanisms.

Do you believe that the DOD IG and the various Defense auditing and contracting management activities have the resources needed to conduct effective oversight over the Department's acquisition programs?

ANSWER:

If confirmed, conducting effective oversight over the Department's acquisition programs will be among my top priorities as Inspector General. The men and women of our armed forces, and our nation's taxpayers, have a right to expect that the funds appropriated by Congress for defense acquisitions are being utilized with cost-efficiency and integrity.

Based on the information made available to me thus far, I am concerned that the audit resources of the Office of the Inspector General have not kept pace with the growth in contract expenditures for defense acquisitions. I am also concerned that the current trend, if unchecked, will significantly increase the risk of fraud, waste, and abuse in acquisition programs.

Therefore, if I am confirmed, it will be vital for the Office of the Inspector General, the Department, and Congress to work together in a timely way to assess whether the Office of the Inspector General has adequate resources to conduct this essential oversight.

17. Over the last 15 years, the Inspector General has gone from having one auditor for every \$500 million on contract by the Department of Defense to one auditor for every two billion dollars on contract.

Do you believe that the Inspector General has the resources it needs to conduct effective oversight over the Department's acquisition programs?

ANSWER:

Please see my answer to Question no. 16.

18. The DOD IG has played an important role in advising the Department of Defense and the Congress on the sufficiency of management controls in the Department's acquisition programs and the impact that legislative and regulatory proposals could have on such management controls.

How do you see the DOD IG's role in this area?

ANSWER:

The Department of Defense Inspector General has an important role in helping the Department to effectively and efficiently manage acquisition resources dedicated to the support of the Department's mission, and in accounting for management of those resources to the taxpayer. Sound management controls are paramount in ensuring effective and efficient acquisition programs. If confirmed, I will ensure that the DoD OIG continues its important advisory role in reporting on the sufficiency of management controls over acquisition programs and providing comments on related legislative and regulatory proposals.

Human Trafficking

19. The Department of Defense has adopted a "zero tolerance" position against abuses of human trafficking and modified its policies to ensure that United States military commands and activities and their personnel are informed about factors contributing to human trafficking and take preventative measures against behavior that contributes to this problem. The DOD IG has investigated allegations of human trafficking in Korea and the Balkans, and, earlier this year, the DOD IG posted a survey on its web site designed to obtain information about potential human trafficking abuses from DOD personnel.

19.A. What is the role of the DOD IG with respect to human trafficking?

ANSWER:

It is my understanding that the Inspector General supports the Department's "zero tolerance" policy against human trafficking by evaluating programs and compliance, and by investigating allegations of human trafficking that have a DoD nexus. If confirmed, I will continue these practices.

19.B. What is your understanding of the actions that have been taken by the Office of the DOD IG to prevent human trafficking abuses and the current role of the DOD IG in formulating and enforcing the Department's policies?

ANSWER:

It is my understanding that the Office of the Inspector General has been actively engaged in efforts to prevent human trafficking, and that the OIG works closely with other human trafficking "stakeholders" within the Department of Defense, and with other departments such as the Department of State.

On May 31, 2002, several Members of Congress wrote to the Secretary of Defense to request a "thorough, global and extensive" investigation into the publicized allegation that U.S. military leadership in Korea had been implicitly condoning sex slavery. In response, the Office of the Inspector General initiated a Human Trafficking Assessment Project. The first phase of the project focused on U.S. military forces in Korea. IG teams visited Korea in December 2002 and March 2003. The second phase focused on the European theater, specifically Bosnia and Kosovo. An IG team visited the Balkans in June 2003.

The results of the assessment project indicated that awareness training, along with leader focus, were important tools in the effort to combat human trafficking. The specific findings are set forth in OIG reports published in July and December 2003.

In October 2004, the OIG distributed over 7000 Trafficking in Persons (TIP) posters to military and DoD civilian activities worldwide. Continuing that initiative today, the Hotline staff is prepared to recognize and receive allegations of this multi-faceted crime against humanity, by telephone, email, facsimile, and US Mail.

On November 18, 2005, the OIG announced its "Evaluation of the Department of Defense (DoD) Efforts to Combat Trafficking in Persons." The OIG expects to publish the report of this latest evaluation in August 2006.

In order to maintain its independence, the OIG does not become involved in the formulation of DoD operational policies. However, the OIG does play a role in enforcing Department policy through audits, investigations, and evaluations.

20. In April 2006, the Commander, U.S. Multinational Forces, General George Casey, USA, issued an order titled "Prevention of Trafficking in Persons in MNF-I," aimed at preventing human trafficking abuses by contractors involving possibly thousands of foreign workers on U.S. bases in Iraq. Media reports about the problem of abuses in Iraq among contractors stated that allegations had been raised as early as 2004 with the DOD IG, but that lengthy delays occurred before a response.

20.A. What is your understanding of the role the DOD IG has played in investigating human trafficking allegations in Iraq?

ANSWER:

It is my understanding that the OIG has taken several actions related to allegations of human trafficking in Iraq.

For example, I am advised that on April 14, 2006, the OIG responded to a request from the Under Secretary of Defense for Personnel and Readiness (USD P&R) concerning alleged practices by DoD contractors and subcontractors in Iraq that had been reported in a series of *Chicago Tribune* articles regarding the deaths of 12 Nepalese workers inside Iraq on August 31, 2004. The allegations concerned involuntary servitude occurring under the auspices of DoD contractors in Iraq.

I am also advised that the DoD IG made the following recommendations to the USD P&R, which were provided to Ambassador Miller at the State Department by Under Secretary Chu on May 18, 2006:

- DoD should continue to prosecute military members who become involved in Trafficking in Persons (TIP) or TIP-related activities, in accordance with the Uniform Code of Military Justice.
- DoD should ensure that all new contracts incorporate the language of the anti-TIP clause IN the Defense Federal Acquisition Regulations (DFAR), once it is approved.
- DoD should evaluate rewriting existing contracts to incorporate the language of the anti-TIP DFAR clause, once it is approved.
- Military Department and Combatant Command Inspectors General should continue their involvement in DoD efforts to combat TIP, within the limits of their authority to do so.

I have been advised that delays occurred in the OIG's investigation of allegations of abuses by contractors in Iraq because the OIG has no authority to investigate foreign nations or foreign companies inside the countries that are the source of most of the laborers. To address that problem, it is my understanding that the OIG has been working with the Office of the Secretary of Defense to ensure that necessary changes are incorporated into the DFAR Supplement to provide additional contractor

controls over both contractors and subcontractors.

20.B. What steps would you take, if confirmed as the DOD IG, to investigate and prevent the incidence of human trafficking abuses in connection with DOD activities?

ANSWER:

If confirmed, I will ensure that the Office of the Inspector General investigates all credible allegations of human trafficking with a DoD nexus. In some instances, allegations might be referred to the military Services' investigative organizations, but the DoDIG would monitor the progress of those Service investigations. To promote compliance with the DoD "zero tolerance" policy, I will also periodically evaluate DoD programs to combat human trafficking in coordination with other Inspectors General throughout the Department.

Oversight of Iraqi Reconstruction

21. The Special Inspector General for Iraq Reconstruction issued a report last year stating that the Coalition Provisional Authority did not establish or implement sufficient managerial, financial and contractual controls to ensure that billions of dollars in Development Funds for Iraq were used properly. The DOD IG recently opened a field office in Qatar and has supported the development of anti-corruptions systems within the Iraqi government.

21.A. What is the relationship of the DOD IG to the Special Inspector General for Iraq Reconstruction?

ANSWER:

It is my understanding that the DoD OIG has supported the operations of the Special Inspector General for Iraq Reconstruction and its predecessor, the Coalition Provisional Authority Inspector General. In accordance with the IG Act and Public Law 108-106, Title 3, section 3001(f)(4), the DoD OIG coordinates with the Special Inspector General for Iraq Reconstruction as well as other oversight community members to avoid duplicating oversight efforts and to minimize disruption to military operations. If confirmed, and in keeping with the legal authorities noted above, I will ensure that the DoD OIG continues to coordinate with the Special Inspector General for Iraq Reconstruction as a fellow member of the IG community.

21.B. What is your understanding of the accomplishments and planned participation of the Office of the DOD IG in investigating and preventing fraud, waste, and abuse of U. S.-provided resources for reconstruction and other purposes in Iraq?

ANSWER:

It is my understanding that the DoD OIG has, in accordance with its legislatively mandated mission, conducted audits aimed at identifying and preventing fraud, waste, and abuse of funds appropriated to the DoD for its operations in Iraq. The DoD OIG has also established an office in Qatar as an in-theater base of operations. The staff in the Qatar office is conducting audits, inspections, and investigations as required in Iraq, Afghanistan, Kuwait, and Qatar to support the operational commander. Additionally, audits are being conducted in the continental United States (CONUS) on contracts awarded and funds expended in the United States that provide significant resources to support reconstruction and other purposes in Iraq.

I am advised that DCIS and its military criminal investigative counterparts investigate major frauds, corruption, thefts, and other compromises of DoD assets in Afghanistan, Iraq, and other countries in that theater. DCIS agents currently deploy from Europe and CONUS with investigation partners (e.g., the FBI) into theater to conduct investigative operations, such as gathering evidence and conducting interviews, when crimes are reported. However, the bulk of their investigative activities occur in CONUS where corporate headquarters of DoD contractors, key evidence, and Department of Justice prosecutorial support are located. With the increased DoD OIG audit presence in-theater, I expect that DCIS will be assigning more agents in-theater to handle a likely increase in referrals of criminal matters.

If confirmed, and in keeping with the IG Act, I will ensure that the DoD OIG continues to focus oversight efforts to investigate and prevent fraud, waste, and abuse of U.S.-provided resources for reconstruction and other purposes in Iraq.

22. The Special Inspector General for Iraq Reconstruction has jurisdiction over contracts for the reconstruction of Iraq, however, the Special Inspector General does not have jurisdiction over contracts to support our troops in Iraq and Afghanistan.

22.A. What role do you believe the DOD IG should play in the audit and oversight of such contracts?

ANSWER:

The DoD OIG has authority to conduct audits of DoD contracts awarded in support of Operation Iraqi Freedom and Operation Enduring Freedom, and I believe that the OIG should conduct aggressive oversight of those contracts. If confirmed, I will ensure that the OIG conduct audits of DoD contracts in support of our troops in Iraq and Afghanistan.

22.B. Do you believe that a significant on-the-ground presence in Iraq is necessary to perform this role?

ANSWER:

Given the critical need to ensure that funds on behalf of our troops in Iraq and Afghanistan are being utilized in a cost-effective manner – and the volume of contracts awarded for that purpose – the DoD OIG almost certainly requires a significant on-the-ground presence in Iraq. Toward that end, I am advised that the DoD OIG has established an office in Qatar as its in-theater base of operations for entry into Iraq as well as Afghanistan and Kuwait.

22.C. If confirmed, what would be your goals with respect to prevention of corruption in Iraq.

ANSWER:

If confirmed, I will continue to support the development of a strong anti-corruption system within the Iraqi government. It is my understanding that the DoD OIG assists the Multi-National Security Training Command-Iraq in its efforts with the Iraqi Ministry of Defense Inspector General and his staff.

For example, I am advised that, in regard to the development of U.S. and Iraqi anti-corruption initiatives, the OIG has:

- Provided a full-time IG advisor to the Multi-National Security Training Command-Iraq (MNSTC-I) in Baghdad to assist, train, and mentor the Iraqi Ministry of Defense Inspector General and his staff and support that effort with a support unit in our Washington, D.C. and Qatar offices.
- Continues to participate as a member of the Embassy's Anti-corruption Working Group and facilitate communications, coordination, and cooperation among coalition and Iraqi officials to build a self-sustaining Iraqi IG system.
- As requested by the Ambassador, Embassy-Baghdad and the commanders of Multi-National Force-Iraq and Multi-National Security Training Command-Iraq, provides support and assistance to establish a stable, professional, and sustainable Iraqi Inspector General System that is integrated and complementary to the US Embassy's and MNSTC-I's overall Anti-Corruption Strategy.
- Continues to encourage Iraqi efforts to create a "National Institute for Integrity and Audit" to educate and train Iraqi auditors, inspectors, investigators, and government officials in such areas as principled governance, rule of law, human rights, and anti-corruption processes.
- As required, collaborates with other U.S. government agencies and conduct interagency and/or unilateral oversight activities -- audits, inspections and evaluations, and investigations — that have a DoD nexus.

Oversight of Medical Functions

23. In recent months, reports of medical cases from military treatment facilities involving tragic outcomes and allegations of medical malpractice have raised questions about the adequacy of existing reporting, investigatory, and readiness systems within the Defense Health Program and military treatment facilities. The ability of those outside the military medical system to fairly evaluate individual cases and overall quality of care is affected by such factors as the tort claim laws and adversarial litigation against the United States, reliance on privileges from the release of documents and information associated with such litigation and separate quality assurance systems, patient privacy requirements, and concern about the reputations of individual providers.

23.A. Do you have any views about the role the DOD IG might play in improving visibility into and objective assessments of the quality of care provided through the military medical system?

ANSWER:

The military health system is critical to our military members and their families. If confirmed, I will ensure that the DoD OIG continues to provide the independent review and oversight necessary of the military health system. Without the benefit yet of first-hand information, however, I am not currently in a position to offer any views about specific actions the DoD OIG might take to improve visibility into, and objective assessments of, the quality of care provided through the military medical system.

23.B. What resources and expertise does the DOD IG currently have -- or lack -- to play a more prominent role in evaluating the performance of health care providers in the Department of Defense?

ANSWER:

Without the benefit of first-hand knowledge of resource challenges faced by the DoD OIG, I am not currently in a position to determine whether DoD OIG has adequate resources and expertise to provide the requisite oversight in this area. If confirmed, I will work with the Department and Congress to assess the appropriate level of resources and expertise needed to evaluate the performance of health care providers in the Department.

Intelligence

24. What is the role of the DOD IG with regard to intelligence activities within DOD?

ANSWER:

The Inspector General, through the Deputy Inspector General for Intelligence, has responsibility for oversight of DoD intelligence activities and components as identified in DoD Directive 5240.1, "DoD Intelligence Activities," dated April 25, 1988. These include all DoD Components conducting intelligence activities, including the National Security Agency/Central Security Service (NSA/CSS), the Defense Intelligence Agency (DIA), the Military Department intelligence and counterintelligence activities, and other intelligence and counterintelligence organizations, staffs, and offices, or elements thereof, when used for foreign intelligence or counterintelligence purposes. Other organizations and components under the Inspector General's oversight not specifically identified in DoD Directive 5240.1 include the Office of the Under Secretary of Defense for Intelligence (USD(I)), the National Reconnaissance Office (NRO), and the National Geospatial-Intelligence Agency (NGA).

Responsibilities and functions of the Inspector General as outlined in DoD Directive 5106.1, "Inspector General of the Department of Defense (IG, DoD)," include the responsibility to "audit, evaluate, monitor, and review the programs, policies, procedures, and functions of the DoD Intelligence Community to ensure that intelligence resources are properly managed. "

The DoD IG performs an oversight and coordination role through the Joint Intelligence Coordination Working Group (JIOCG). The JIOCG is a DoD working group chaired by the Deputy Inspector General for Intelligence and includes representatives from the Service audit agencies, Military Department Inspectors General and Defense intelligence agencies Inspectors General. The primary goal of the JIOCG is to avoid duplication of effort and enhance coordination and cooperation among Inspectors General and Auditors General inside the DoD and promote information-sharing among Inspectors General whose functions include audits, inspections, evaluations, or investigations of their respective departments and agencies.

25. What is the relationship of the DOD IG to the Special Assistant to the Secretary of Defense for Intelligence Oversight?

ANSWER:

DoD Directive 5106.1 requires that intelligence-related actions be coordinated, as appropriate, with the Assistant to the Secretary of Defense (Intelligence Oversight) to determine respective areas of responsibility in accordance with DoD Directive 5148.11, "Assistant to the Secretary of Defense for Intelligence Oversight (ATSD(IO))," dated May 21, 2004. (DoD Directive 5148.11 contains similar language for the ATSD(IO) to coordinate with the Inspector General, as appropriate.) Department of Defense Directive No. 5148.11 also directs the ASDI(IO) to "[m]onitor investigations and inspections by the DoD Components [defined to include the DoD Inspector General] related to intelligence activities, evaluate the findings and, if appropriate, submit recommendations for corrective actions to the Secretary and Deputy Secretary of Defense." I am advised that the ATSD(IO) is a charter member of the JIOCG, and that the Office of the Inspector General has a long history of coordination and cooperation with the ATSD(IO). In a recent case, the Office of the Deputy Inspector General for Investigations jointly conducted a review with the ATSD(IO). The Inspector General also provides a quarterly report to the ATSD(IO) on any significant intelligence activities undertaken.

26. What is the relationship of the DOD IG to the Inspector General of the Office of the Director of National Intelligence?

ANSWER:

The DoD IG's primary relationship with DNI IG concerns participation in the Intelligence Community Inspectors General (IC IG) Forum. The IC IG Forum promotes information-sharing among the IGs of the departments and agencies of the Intelligence Community whose functions include audits, inspections/evaluations, or investigations of their respective departments and agencies. The USD(I) and ATSD(IO) may attend Forum meetings as observers. The IC IG Forum also strives to avoid duplication of effort and enhance effective coordination and cooperation among IC IGs. Prior to the creation of the DNI, the IC IG Forum was co-chaired by the IGs of DoD and the Central Intelligence Agency. The DNI IG now chairs the IC IG Forum. The DoD IG will host the next meeting of the IC IG Forum in September 2006.

In addition to the IC IG Forum relationship, the DoD IG participates in various projects and initiatives undertaken by the DNI IG. The DNI IG also coordinates with the Office of the Deputy Inspector General for Intelligence on all ongoing projects relating to DoD organizations and activities.

27. What is the role of the DOD IG with respect to detainee matters?

ANSWER:

According to my reading of the Inspector General Act, the breadth of the Inspector General's statutory responsibility for oversight extends to oversight of detainee and interrogation matters. In that regard, I am advised that the Office of the Inspector General recently issued two draft reports regarding detainee abuse.

In one draft report dated March 1, 2006, the Deputy Inspector General for Policy and Oversight/Assistant Inspector General for Investigative Policy and Oversight reviewed 50 closed cases investigated by the Military Criminal Investigative Organizations and provided findings and recommendations. In a second draft report dated April 25, 2006, the Deputy Inspector General for Intelligence reviewed 13 senior-level reports and identified systemic issues regarding operational planning, reporting of detainee abuse incidents, and interrogation techniques. I am advised that the Office of Inspector General is in the process of receiving and incorporating management comments on both reports, and that both reports will be issued by August 2006.

28. What is the role of the DOD IG with respect to interrogation matters?

ANSWER:

Please see my answer to Question number 27.

Investigation into Activities of the Office of the Under Secretary of Defense for Policy

29. The Office of the Inspector General is currently conducting an investigation into the activities of the Office of the Under Secretary of Defense for Policy related to pre-war intelligence on Iraq and the purported links between Iraq and al Qaeda. This investigation is being conducted in response to requests from the Senate.

If confirmed, will you ensure that this investigation has the resources it needs, proceeds without hindrance, is conducted in an independent and unbiased manner, and that the results of the investigation are provided promptly to Congress?

ANSWER:

I have been advised that this evaluation is being performed within the Office of the Deputy Inspector General for Intelligence, and that the draft report is expected in November 2006.

If confirmed, I will review the status of this matter and determine whether it is receiving the necessary resources and is proceeding in an independent manner without hindrance. When the matter is concluded and a report has been completed, I will ensure that the report is provided to Congress.

Financial Management

30. In his confirmation hearing in 2001, Secretary Rumsfeld was challenged to improve financial management practices within the Department of Defense and to succeed, where others could not, in developing systems, policies, and procedures to monitor financial execution and management. Progress in this area has been made, and performance has improved, but much remains to be done.

What is your view of the role of the DOD IG in evaluating and contributing to improvements made in the Department's financial management processes?

ANSWER:

The role of the DoD OIG is to serve as a catalyst for improvements in the Department's financial management processes. That role should be consistent with the President's Management Agenda Initiatives, the Department's top priorities, and statutory requirements. If confirmed, I will ensure that the DoD OIG continues this vital function.

Congressional Oversight

31. In order to exercise its legislative and oversight responsibilities, it is important that this Committee and other appropriate committees of the Congress are able to receive testimony, briefings, and other communications of information.

31.A. Do you agree, if confirmed for this high position, to appear before this Committee and other appropriate committees of the Congress?

ANSWER:

Yes.

31.B. Do you agree, if confirmed, to appear before this Committee, or designated members of this Committee, and provide information, subject to appropriate and necessary security protection, with respect to your responsibilities as the Inspector General of the Department of Defense?

ANSWER:

Yes.

31.C. Do you agree to ensure that testimony, briefings and other communications of information are provided to this Committee and its staff and other appropriate Committees?

ANSWER:

Yes.