



**INSPECTOR GENERAL**  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500

APR 19 2012

The Honorable Thomas R. Carper  
United States Senate  
Washington, D.C. 20510

Dear Senator Carper:

This is in further response to your letter of March 6, 2012, to the Secretary of Defense signed jointly with Senator Tom A. Coburn, inquiring about "a potentially wasteful practice identified in a report published last week by the *USA Today*," concerning Leonie Industries and spending on information operations contracts. As reflected in an April 4, 2012, response from the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics, your letter was forwarded to this office for additional responses.

The Defense Criminal Investigative Service (DCIS), the criminal investigative arm of the Department of Defense Inspector General, has initiated an inquiry regarding Leonie Industries and questions about tax delinquencies and compliance with the company's reported obligations to its employees. Knowing of your interest in this matter, we will provide you with the results of that inquiry when it is completed.

As a matter of additional information, the Office of the Deputy Inspector General (DIG) for Audit has conducted a number projects relating to information operations contracts. The DIG Audit and his staff are available to meet with you or staff to review these reports and answer any questions that you may have on the more general topic of oversight of information operations contracts.

A similar letter has been provided to Senator Coburn. Should you have any questions regarding this matter, please contact me at (703) 604-8324.

Sincerely,

A handwritten signature in black ink, appearing to read "John K. Crane".

John K. Crane  
Assistant Inspector General  
Communications and Congressional Liaison