



INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
400 ARMY NAVY DRIVE  
ARLINGTON, VIRGINIA 22202-4704

OCT 23 2008

MEMORANDUM FOR DIRECTOR, DEFENSE SECURITY SERVICE

SUBJECT: Report No. D-2008-058, "Report on Security Controls Over Joint Strike Fighter Classified Technology," March 6, 2008

We are withdrawing the subject report. After report issuance, we determined that we did not have sufficient appropriate evidence to support the report conclusion that DoD advanced aviation and weapons technology, including classified information, at BAE Systems facilities or contained in BAE Systems information technology systems may have been compromised or is at risk for unauthorized access.

In accordance with generally accepted government auditing standards, we are notifying you of the report rescission so that you do not continue to rely on the unsupported conclusion. The audit report has been removed from our website.

We have determined that additional audit work will not be done to reissue the report with revised findings or conclusions because the Defense Security Service (DSS) has agreed to take appropriate corrective actions to better monitor Defense contractors. Your agency has agreed to obtain and review all reports required by the Special Security Agreement and the Export Compliance Addendum and to use that information to monitor BAE Systems' compliance with the Special Security Agreement.

Members of your staff stated that DSS is reassessing its records management program to ensure that it is current and in compliance with Government regulations and standards and that DSS will initiate a personnel recruitment action for an agency Federal records management professional to upgrade its system to current Government and technology standards. DSS actions, once fully implemented, should enhance its ability to effectively monitor Defense contractors.

If you have any questions, please contact me at (703) 604-8905.

A handwritten signature in black ink, appearing to read "Paul Granetto".

Paul Granetto  
Principal Assistant Inspector General  
for Auditing

cc:  
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