

**From:** (b) (6), (b) (7)(C)  
**To:** (b) (6), (b) (7)(C)  
**Bcc:** (b) (6), (b) (7)(C)  
**Subject:** DoD OIG Follow-up Recommendation - (CMO) - 7-30-2020  
**Date:** Thursday, July 30, 2020 11:50:00 AM  
**Attachments:** [MEMORANDUM FOR THE RECORD - JEDI 12.17.19 LeA signed 12.17.19 RTGand MJG signed 12.17.19.pdf](#)  
[CMO Memo in Response to DoDIG JEDI Contract Report - 7-27-2020.pdf](#)

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(b) (6), (b) (7)(C),

Thank you for taking my call today. In response to your concerns, I provide the following points in hope to provide clarity concerning the DoD OIG's review and investigation.

1) The attached Chief Management Officer (CMO) response to DoD OIG should consider that the independent review conducted by DPC/OGC occurred Dec 17, 2019 prior to the release of the DoD OIG conclusions and recommendations to the CMO found in the April 15, 2020 publicly released report. The DPC independent review was procedural in nature and would have occurred separate from our independent review and investigation. The DoD OIG reviewed the DPC/OGC independent review and discussed their findings in our report. The DPC/OGC conclusions differed from the DoD OIG conclusions and we stand by our findings, conclusions, and recommendations. The DoD OIG determined that the (b) (6), (b) (7)(C) violated FAR 15.506(e) and FAR 3.104-4 by disclosing unredacted Microsoft Technical Evaluation Briefing (TEB) reports to Amazon, which included Microsoft proprietary, proposal, and source selection information. As a result of the disclosure of the source selection information, (b) (6), (b) (7)(C) improperly disclosed to Amazon proprietary information it should not have received. In addition, we determined that (b) (6), (b) (7)(C), and the WHS AGC 2, failed to properly redact the SSDD, SSAC, SSEB, and PEB reports and disclosed the names of the SST members during the debriefings which was inconsistent with the DoD Source Selection Procedures.

2) The DoD OIG report recommended that the CMO, in coordination with the DoD General Counsel, consider administrative action against appropriate individuals for failing to review the redacted reports and attachments to the debriefing e-mails, and disclosing proprietary, proposal, and source selection information. This recommendation occurred after DPC/OGC independent review and the DoD OIG is following up on the recommendations outlined in the report.

3) We request that the CMO review pages 80-93 to consider the appropriate action, if any, should she choose, concerning (b) (6), (b) (7)(C). Please provide our office with a response to the CMO's appropriate action, conversely, if the CMO decides not to take any action, we request a memorandum documenting the decision.

Respectfully,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense, Office of Inspector General

(b) (6), (b) (7)(C)

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**From:** (b) (6), (b) (7)(C)  
**To:** [Deasy, Dana S SES OSD DOD CIO \(USA\)](#)  
**Subject:** DoD Office of Inspector General - JEDI Cloud Procurement Follow-up Recommendations (CIO) - 15 Jul 20  
**Date:** Wednesday, July 15, 2020 3:44:00 PM  
**Attachments:** [MEMO DIG-AI to CIO - ICO Mr. Ubhi -7-14-20.pdf](#)  
[MEMO DIG-AI to CIO - ICO Ms. Cummings - 7-14-20.pdf](#)  
[Privacy Act Notice 2012.pdf](#)  
[REPORT ON THE JOINT ENTERPRISE DEFENSE INFRASTRUCTURE \(JEDI\) CLOUD PROCUREMENT DODIG-2020-079.pdf](#)

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Dear Honorable Dana Deasy,

I am (b) (6), (b) (7)(C) with the Department of Defense Office of Inspector General (DoD OIG). On behalf of Mrs. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations (DIG-AI), I am delivering the attached memorandums (Ms. Stacy Cumming and Mr. Deap Ubhi), a copy of our report referenced in the memorandums, and the Privacy Act notice.

Please note the memo from Mrs. Garrison requests your response by 5:00p.m on July 24, 2020. If you have assigned an action officer to prepare a response on your behalf, please provide me with the action officer's name.

Respectfully,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense, Office of Inspector General

(b) (6), (b) (7)(C)

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**From:** (b) (6), (b) (7)(C)  
**To:** [Hershman, Lisa W SES OSD OSD \(USA\)](#)  
**Subject:** DoD Office of Inspector General - JEDI Cloud Procurement Follow-up Recommendations (DCMO) - 15 Jul 20  
**Date:** Wednesday, July 15, 2020 3:58:00 PM  
**Attachments:** [MEMO DIG-AI to CMO - ICO \(b\) \(6\), \(b\) \(7\)\(C\) - 7-14-20.pdf](#)  
[MEMO DIG-AI to CMO - ICO \(b\) \(6\), \(b\) \(7\)\(C\) - 7-14-20.pdf](#)  
[Privacy Act Notice 2012.pdf](#)  
[REPORT ON THE JOINT ENTERPRISE DEFENSE INFRASTRUCTURE \(JEDI\) CLOUD PROCUREMENT DODIG-2020-079.pdf](#)

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Dear Ms. Hershman,

I am (b) (6), (b) (7)(C) with the Department of Defense Office of Inspector General (DoD OIG). On behalf of Mrs. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations (DIG-AI), I am delivering the attached memorandums (b) (6), (b) (7)(C), a copy of our report referenced in the memorandums, and the Privacy Act notice.

Please note the memo from Mrs. Garrison requests your response by 5:00p.m on July 24, 2020. If you have assigned an action officer to prepare a response on your behalf, please provide me with the action officer's name.

Respectfully,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense, Office of Inspector General  
(b) (6), (b) (7)(C)

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**From:** (b) (6), (b) (7)(C)  
**To:** [Hershman, Lisa W SES OSD OSD \(USA\)](#)  
**Subject:** DoD Office of Inspector General - JEDI Cloud Procurement Follow-up Recommendations (DCMO) - 15 Jul 20  
**Date:** Wednesday, July 15, 2020 3:58:00 PM  
**Attachments:** [MEMO DIG-AI to CMO - ICO \(b\) \(6\), \(b\) \(7\)\(C\) - 7-14-20.pdf](#)  
[MEMO DIG-AI to CMO - ICO \(b\) \(6\), \(b\) \(7\)\(C\) - 7-14-20.pdf](#)  
[Privacy Act Notice 2012.pdf](#)  
[REPORT ON THE JOINT ENTERPRISE DEFENSE INFRASTRUCTURE \(JEDI\) CLOUD PROCUREMENT DODIG-2020-079.pdf](#)

---

Dear Ms. Hershman,

I am (b) (6), (b) (7)(C) with the Department of Defense Office of Inspector General (DoD OIG). On behalf of Mrs. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations (DIG-AI), I am delivering the attached memorandums (b) (6), (b) (7)(C), a copy of our report referenced in the memorandums, and the Privacy Act notice.

Please note the memo from Mrs. Garrison requests your response by 5:00p.m on July 24, 2020. If you have assigned an action officer to prepare a response on your behalf, please provide me with the action officer's name.

Respectfully,

(b) (6), (b) (7)(C)  
Investigations of Senior Officials  
Department of Defense, Office of Inspector General  
(b) (6), (b) (7)(C)

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**From:** (b) (6), (b) (7)(C)  
**To:** [Herrington, Kim HQE OSD OUSD ATL \(USA\)](#)  
**Subject:** DoD Office of Inspector General - JEDI Cloud Procurement Follow-up Recommendations (DPC) - 15 Jul 20  
**Date:** Wednesday, July 15, 2020 3:37:00 PM  
**Attachments:** [MEMO DIG-AI to DPC - 7-14-20.pdf](#)  
[Privacy Act Notice 2012.pdf](#)  
[REPORT ON THE JOINT ENTERPRISE DEFENSE INFRASTRUCTURE \(JEDI\) CLOUD PROCUREMENT DODIG-2020-079.pdf](#)

---

Dear Honorable Kim Herrington,

I am (b) (6), (b) (7)(C) with the Department of Defense Office of Inspector General (DoD OIG). On behalf of Mrs. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations (DIG-AI), I am delivering the attached memorandum to you, a copy of our report referenced in the memorandum, and the Privacy Act notice.

Please note the memo from Mrs. Garrison requests your response by 5:00p.m on July 24, 2020. If you have assigned an action officer to prepare a response on your behalf, please provide me with the action officer's name.

Respectfully,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense, Office of Inspector General

(b) (6), (b) (7)(C)

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**From:** (b) (6), (b) (7)(C)  
**To:** [Lord, Ellen M HON OSD OUSD A-S \(USA\)](#)  
**Subject:** DoD Office of Inspector General - JEDI Cloud Procurement Follow-up Recommendations (USD A-S) - 15 Jul 20  
**Date:** Wednesday, July 15, 2020 4:03:00 PM  
**Attachments:** [MEMO DIG-AI to USDAS - ICO Ms. Cummings - 7-14-20.pdf](#)  
[REPORT ON THE JOINT ENTERPRISE DEFENSE INFRASTRUCTURE \(JEDI\) CLOUD PROCUREMENT DODIG-2020-079.pdf](#)  
[Privacy Act Notice 2012.pdf](#)

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Dear Honorable Ellen Lord,

I am (b) (6), (b) (7)(C) with the Department of Defense Office of Inspector General (DoD OIG). On behalf of Mrs. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations (DIG-AI), I am delivering the attached memorandum, a copy of our report referenced in the memorandums, and the Privacy Act notice.

Please note the memo from Mrs. Garrison requests your response by 5:00p.m on July 24, 2020. If you have assigned an action officer to prepare a response on your behalf, please provide me with the action officer's name.

Respectfully,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense, Office of Inspector General

(b) (6), (b) (7)(C)

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**From:** (b) (6), (b) (7)(C)  
**To:** [Sanders, David D SES \(USA\)](#)  
**Subject:** DoD Office of Inspector General - JEDI Cloud Procurement Follow-up Recommendations (WHS-AD) - 15 Jul 20  
**Date:** Wednesday, July 15, 2020 4:24:00 PM  
**Attachments:** [MEMO DIG-AI to WHS-AD - 7-14-20.pdf](#)  
[Privacy Act Notice 2012.pdf](#)  
[REPORT ON THE JOINT ENTERPRISE DEFENSE INFRASTRUCTURE \(JEDI\) CLOUD PROCUREMENT DODIG-2020-079.pdf](#)

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Dear (b) (6), (b) (7)(C),

I am (b) (6), (b) (7)(C) with the Department of Defense Office of Inspector General (DoD OIG). On behalf of Mrs. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations (DIG-AI), I am delivering the attached memorandums, a copy of our report referenced in the memorandum, and the Privacy Act notice.

Please note the memo from Mrs. Garrison requests your response by 5:00p.m on July 24, 2020. If you have assigned an action officer to prepare a response on your behalf, please provide me with the action officer's name.

Respectfully,

(b) (6), (b) (7)(C)  
(b) (6), (b) (7)(C)  
Investigations of Senior Officials  
Department of Defense, Office of Inspector General  
(b) (6), (b) (7)(C)

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

APR 10 2020

INFO MEMO

FOR: DEPUTY SECRETARY OF DEFENSE

*Glenn A Fine*

FROM: Glenn A. Fine, Principal Deputy Inspector General

SUBJECT: Department of Defense Office of Inspector General's Review and Investigation of the Joint Enterprise Defense Infrastructure (JEDI) Cloud Procurement (Case Number 20190321-056996-CASE-01)

- We recently completed our review and investigation involving the Joint Enterprise Defense Infrastructure (JEDI) cloud procurement. We reviewed the DoD's decision to award the JEDI cloud contract to a single contractor; the development of the requirements in the Request for Proposal for the DoD's source selection process; the disclosure of source selection and proprietary information after contract award; and whether the White House influenced the JEDI cloud source selection. We also investigated allegations of ethical misconduct involving six former DoD officials and one current DoD official.
- A copy of our report of investigation is at TAB A. We also provided a copy of our report to the DoD Chief Management Officer, the Under Secretary of Defense for Acquisition and Sustainment, and the DoD Deputy General Counsel. We will provide a redacted copy of the report at TAB B to appropriate Congressional committees on April 14, 2020, and then post the redacted report to the DoD OIG public Internet web site on April 15, 2020.
- We request that you not release any information from the reports until the redacted version is posted to the DoD OIG web site on April 15, 2020.
- Please contact me, or Mrs. Marguerite C. Garrison at (b) (6), (b) (7)(C) if you have any questions.

COORDINATION: NONE

Attachment:  
As stated

Prepared by: Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations, (b) (6), (b) (7)(C)



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

APR 10 2020

ACTION MEMO

FOR: DEPARTMENT OF DEFENSE GENERAL COUNSEL

*Glenn A. Fine*

FROM: Glenn A. Fine, Principal Deputy Inspector General

SUBJECT: Department of Defense Office of Inspector General's Review and Investigation of the Joint Enterprise Defense Infrastructure (JEDI) Cloud Procurement (Case Number 20190321-056996-CASE-01)

- We have completed our report related to our review and investigation of the Joint Enterprise Defense Infrastructure (JEDI) Cloud procurement. We reviewed the DoD's decision to award the JEDI cloud contract to a single contractor; the development of the requirements in the Request for Proposals for the DoD's source selection process; the disclosure of source selection and proprietary information after contract award; and whether the White House influenced the JEDI Cloud source selection. We also investigated allegations of ethical misconduct involving six former DoD officials and one current DoD official.
- A copy of our report of investigation is attached as TAB A. We request that you provide a response within 60 days addressing your actions related to recommendations in our report.
- We also recommend that your Deputy, as Chair of the DoD OGC/Defense Legal Services Agency Professional Conduct Board, in coordination with the Washington Headquarters Services General Counsel, determine what, if any, corrective action should be taken against appropriate individuals under attorney performance standards for failing to review the redacted reports and attachments to the debriefing e-mails, and disclosing proprietary, proposal, and source selection information.
- We will provide a redacted copy of our report at TAB B to appropriate Congressional committees on April 14, 2020, and then post the redacted report to the DoD OIG public Internet web site on April 15, 2020. We request that you not release any information from the reports until the redacted version is posted to the DoD OIG web site on April 15, 2020.
- Please contact me, or Mrs. Marguerite C. Garrison at (b) (6), (b) (7)(C), if you have any questions.

COORDINATION: NONE

Attachments:  
As stated

Prepared by: Ms. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations, (b) (6), (b) (7)(C)

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

APR 10 2020

## ACTION MEMO

FOR: UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND SUSTAINMENT

*Glenn A Fine*

FROM: Glenn A. Fine, Principal Deputy Inspector General

SUBJECT: Department of Defense Office of Inspector General's Review and Investigation of the Joint Enterprise Defense Infrastructure (JEDI) Cloud Procurement (Case Number 20190321-056996-CASE-01)

- We recently completed our review and investigation involving the Joint Enterprise Defense Infrastructure (JEDI) cloud procurement. We reviewed the DoD's decision to award the JEDI cloud contract to a single contractor; the development of the requirements in the Request for Proposal for the DoD's source selection process; the disclosure of source selection and proprietary information after contract award; and whether the White House influenced the JEDI cloud source selection.
- We investigated allegations of ethical misconduct involving six former DoD officials and one current DoD official. The current DoD official is Ms. Stacy A. Cummings, Principal Deputy Assistant Secretary of Defense for Acquisition and Deputy Assistant Secretary of Defense for Acquisition Enablers. Ms. Cummings allegedly participated in the JEDI cloud procurement between August and September 2019, while she held stock in Microsoft Inc., one of the competitors in the JEDI cloud procurement. Such conduct, if substantiated, would violate the DoD Joint Ethics Regulation. We substantiated the allegation regarding Ms. Cummings.
- A copy of our report is attached at TAB A for your review and appropriate action. In addition, we are providing you a second copy of our report, at TAB B, which has been redacted and will be proactively released to the DoD OIG public Internet on April 15, 2020.
- At a later date, we will provide you with a compact disk that will hold a redacted version of our report. This version of our report will include citations showing the sources of the evidence that we considered in rendering our conclusions. This compact disk will also include an electronic "fact book," marked "FOR OFFICIAL USE ONLY." The fact book contains redacted copies of relevant testimony and documents cited as evidence, as well as the full text of Ms. Cummings' testimony and response to our preliminary results.
- The redacted report and any of the documents and testimony in the fact book may be released to Ms. Cummings at your discretion. Should you wish to review additional documentation, please submit a written justification to this Office so we may make appropriate arrangements.

~~FOR OFFICIAL USE ONLY~~

- Our report also includes recommendations directly related to other aspects of the JEDI Cloud procurement. Accordingly, we recommend that the Acting Director for Contract Policy, Defense Pricing and Contracting, consider developing and implementing appropriate policy to require some level of documentation and analysis supporting key acquisition decisions, including any legal reviews and advice, for contracts that exceed the \$112 million threshold established by statute.
- We will provide a copy of the attached redacted report at TAB B to appropriate Congressional committees on April 14, 2020, and then post the redacted version of this report to the DoD OIG Internet web site on April 15, 2020.
- We request that you not release any information from the reports until the redacted version is posted to the DoD OIG Internet web site on April 15, 2020.
- Please contact me, or Mrs. Marguerite C. Garrison at (b) (6), (b) (7)(C), if you have any questions.

COORDINATION: NONE

Attachments:  
As stated

Prepared by: Ms. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations, (b) (6), (b) (7)(C)





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

APR 10 2020

ACTION MEMO

FOR: DEPARTMENT OF DEFENSE CHIEF MANAGEMENT OFFICER

*Glenn A Fine*

FROM: Glenn A. Fine, Principal Deputy Inspector General

SUBJECT: Department of Defense Office of Inspector General's Review and Investigation of the Joint Enterprise Defense Infrastructure (JEDI) Cloud Procurement (Case Number 20190321-056996-CASE-01)

- The Department of Defense Office of Inspector General has completed our report related to our review and investigation of the Joint Enterprise Defense Infrastructure (JEDI) Cloud procurement. We reviewed the DoD's decision to award the JEDI cloud contract to a single contractor; the development of the requirements in the Request for Proposal for the DoD's source selection process; the disclosure of source selection and proprietary information after contract award; and whether the White House influenced the JEDI Cloud source selection. We also investigated allegations of ethical misconduct involving six former DoD officials and one current DoD official.
- A copy of our report of investigation is attached at TAB A. We request that you provide a response within 60 days addressing actions, if any, you take related to the recommendations in our report.
- We also recommend that, in coordination with the DoD General Counsel, you consider administrative action against appropriate individuals for failing to review the redacted reports and attachments to the debriefing e-mails, and disclosing proprietary, proposal, and source selection information. We further recommend that the Washington Headquarters Service Acquisition Directorate Director, in coordination with the Washington Headquarters Services General Counsel, require training for Washington Headquarters Services officials who handle acquisition-related matters, on information not appropriate for disclosure, and to develop a standard redactions policy applicable to all acquisitions.
- We will provide a copy of the redacted report at TAB B to appropriate Congressional committees on April 14, 2020, and then post the redacted version of this report to the DoD OIG Internet public web site on April 15, 2020. We request that you not release any information from the reports until the redacted version is posted to the DoD OIG web site on April 15, 2020.
- Please contact me, or Mrs. Marguerite C. Garrison at (b) (6), (b) (7)(C) if you have any questions.

COORDINATION: NONE

Attachments:  
As stated

Prepared by: Ms. Marguerite C. Garrison, Deputy Inspector General for Administrative Investigations, (b) (6), (b) (7)(C)

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

15 APR 2020

Ms. Stacy A. Cummings

C/O (b) (6), (b) (7)(C)

(b)(6), (b)(7)(C)

(b)(6), (b)(7)(C)

(b) (6), (b) (7)(C)

(b)(6), (b)(7)(C)

(b) (6), (b) (7)(C)

Dear Ms. Cummings,

We have completed our investigation to address an allegation that while serving as the Principal Deputy Assistant Secretary of Defense for Acquisition and Deputy Assistant Secretary of Defense for Acquisition Enablers, you participated in particular matters involving the Joint Enterprise Defense Infrastructure (JEDI) cloud procurement between August and September 2019, while you held stock in Microsoft Inc., one of the competitors in the JEDI Cloud procurement.

By letter dated February 27, 2020, we provided you the opportunity to comment on the preliminary results of our investigation. In your response on March 11, 2020, you disagreed with our findings that you participated in a particular matter. Based on all the evidence, and after considering your response to our preliminary report, we stand by our conclusion that you participated in a particular matter while holding a financial interest in Microsoft, in violation of DoD 5500.07-R, "Joint Ethics Regulation."

Thank you for your cooperation during the investigation and your timely response to our preliminary conclusions. We provided the Under Secretary of Defense for Acquisition and Sustainment a copy of the report along with copies of the underlying documentation on which we based our conclusions. We will release a redacted version of the final report to our public Internet site on April 9, 2020.

Should you have any questions, please contact me at (b) (6), (b) (7)(C)

Sincerely,

Marguerite C. Garrison  
Deputy Inspector General  
for Administrative Investigations



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

15 APR 2020

Mr. Deap Ubhi

C/O (b) (6), (b) (7)(C)  
(b)(6), (b)(7)(C)

(b) (6), (b) (7)(C)

Dear Mr. Ubhi,

We have completed our investigation to address allegations that while serving as a Digital Service Expert for the Defense Digital Service (DDS), Department of Defense, you participated personally and substantially in leading the Joint Enterprise Defense Infrastructure (JEDI) cloud procurement, failed to disclose to the DoD your ongoing employment discussions with Amazon World Services (AWS), a JEDI cloud competitor, and failed to timely disqualify yourself from matters that involved AWS while you had a financial conflict of interest between April and October 2017. Further, we investigated whether you made false official statements, both to the DoD and AWS, regarding your reason for recusing yourself eventually from matters involving AWS on October 31, 2017. Finally, we investigated an allegation that you shared procurement information with AWS and affected the integrity of the procurement. If substantiated, your conduct would violate Title 18 of the United States Code, DoD 5500.07-R, "Joint Ethics Regulation" and other DoD standards.

On September 17, 2019, we attempted to conduct a telephonic interview with you, while you were in the presence of your attorney, regarding these allegations. You declined to proceed with the interview on the advice of your attorney.

Based on our investigation and a review of all available evidence, we substantiated the allegations that you held a financial interest in Amazon while participating in the early stages of the JEDI cloud procurement; that you failed to timely disclose your financial interest to DoD officials; and that you failed to comply with post-Government employment restrictions. Further, we substantiated the allegations that you made multiple false official statements regarding why you disqualified yourself from matters involving AWS. We did not substantiate that you led the procurement, that you provided DoD procurement information to AWS, or that your early participation affected the integrity of the procurement.

We provided the DoD Chief Management Officer a copy of our report and requested that information about your substantiated allegations be considered should you seek a DoD security clearance in the future. We will release a redacted version of our final report to our public Internet site on April 9, 2020.

Should you have any questions, please contact me at (b) (6), (b) (7)(C)  
(b) (6), (b) (7)(C) for Administrative Investigations, at (b) (6), (b) (7)(C)

Sincerely,

*Marguerite C. Garrison*  
Marguerite C. Garrison  
Deputy Inspector General  
for Administrative Investigations

FW: Jedi

**Date :** October 17, 2019, 2:35:05 pm EDT

**Size :** 53.5 KB

**Folder :** (b) (6), (b) (7)(C) OIG DoD:Archive\Inbox\Active Folders\JEDI\OLAC

**From :** Garrison Marguerite C. SES OIG DoD (b) (6), (b) (7)(C) >

**To :** (b) (6), (b) (7)(C)

**ZL Id :** LUEEPVQUYEI4PEDNFGIGX1V3HCZI2543B

**Type :** Exchange ExchangeArchive

FYI.

Marguerite C. Garrison

Deputy Inspector General

for Administrative Investigations

(b) (6), (b) (7)(C)

4800 Mark Center Drive

Alexandria, VA 22350

703-604-8500

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The DoD OIG's multidisciplinary team of auditors, investigators, and attorneys are close to completing the review of the JEDI cloud acquisition. The DoD has consulted the DoD OIG, and we have shared our views on the JEDI acquisition and provided information on the status of our review.

To date, we have not found evidence that we believe would prevent the DoD from making a decision about the award of the contract.

We hope to have a completed report of our findings by the end of November, which we intend to release publicly, to the maximum extent possible.



Glenn

Attachments

JEDI statement.dod.ig.docx(16.9 KB)

**From:** Fine, Glenn A., SES, OIG DoD <(b) (6), (b) (7)(C)>  
**Sent:** Thursday, October 17, 2019 2:34 PM  
**To:** (b) (6), (b) (7)(C); Garrison, Marguerite C., SES, OIG DoD  
 (b) (6), (b) (7)(C); Hadjiyane, Paul, SES, OIG DoD  
 (b) (6), (b) (7)(C);  
 Stebbins, Steven A., SES, OIG DoD (b) (6), (b) (7)(C)  
 (b) (6), (b) (7)(C) Wicecarver, Jacqueline L., SES, OIG DoD  
 (b) (6), (b) (7)(C) Mayo,  
 Kelly P., SES, OIG DoD (b) (6), (b) (7)(C)  
**Subject:** FW: Jedi

fyi

**From:** Fine, Glenn A., SES, OIG DoD  
**Sent:** Thursday, October 17, 2019 2:33 PM  
**To:** Norquist, David HON SD (b) (6), (b) (7)(C)  
**Cc:** 'Chewning, Eric SES SD' (b) (6), (b) (7)(C); Verga, Peter F (Pete) SES OSD OSD (US)  
 (b) (6), (b) (7)(C)  
**Subject:** Jedi

David:

As you requested yesterday, attached is a statement concerning the status of the DoD OIG's Jedi review, and if the DoD decides to move forward with a decision on the contract, what the DoD should state about the status of the DoD OIG review.

Also, if the DoD does intend to discuss the DoD OIG review and use information from this statement publicly or to Congress, we would request some advance notice so that we are aware that it will happen. (Your staff can notify (b) (6), (b) (7)(C) from our Office of Legislative Affairs and Communications for that.)

Please let us know if you have any questions.

Joint Enterprise Defense Infrastructure Cloud Review  
SASC and HASC Briefings  
14 April 2020

Lead Investigator 1 (b) (6), (b) (7)(C) ) intros ISO, scope, methodology, and WH Influence section

White House Influence

- reviewed whether there was any White House influence on the JEDI cloud procurement.
- could not review this matter fully because of the assertion of a “presidential communications privilege;” several DoD witnesses were instructed by the DoD Office of General Counsel not to answer our questions about potential communications between White House and DoD officials about JEDI.
- we could not definitively determine the full extent or nature of interactions that administration officials had, or may have had, with senior DoD officials regarding the JEDI Cloud procurement
- We interviewed the DoD personnel (source selection team) who evaluated the contract proposals and awarded Microsoft the JEDI Cloud contract, and they told us they were not pressured regarding their decision on the award of the contract by White House officials or by any DoD leaders more senior to them, who may have communicated with the White House.
- None of these witnesses told us they felt any outside influence or pressure for or against a particular competitor as they made their decisions on the award of the contract. These witnesses also told us that public statements from the President and “media swirl” about the contract did not directly or indirectly influence the integrity of the procurement process or the outcome of the JEDI Cloud source selection.
- media reports, and the reports of President Trump’s statements about Amazon, ongoing bid protests, and “lobbying” by JEDI Cloud competitors, as well as inaccurate media reports about the JEDI Cloud procurement process, may have created the public appearance or perceptions in the media that the contract award process was not fair and unbiased.

Lead Investigator 2 (b) (6), (b) (7)(C) discusses Section IV Alleged Ethical Misconduct

**Alleged Ethical Misconduct:**

Complaints focused on 6 former DoD officials: Secretary James Mattis; Ms. Sally Donnelly; Mr. Anthony DeMartino; Mr. Victor Gavin; Mr. Deap Ubhi; and Mr. Daigle; and one current DoD official, Ms. Cummings.

Mr. Ubhi allegedly:

- “led” the JEDI Cloud procurement as the Defense Digital Service (DDS) “Lead Project Manager,”
- influenced and implemented the decision to adopt a single cloud and single contractor solution
- played a key role in defining the Request for Proposals (RFP) requirements, all of which allegedly benefitted Amazon Web Services (AWS).
- engaged in these activities while simultaneously negotiating for a position with AWS, but failed to recuse himself from participating in matters that involved AWS during these employment negotiations.
- allegedly recused himself only after he accepted a job with AWS, but he allegedly provided a false reason to DoD officials for why he needed to recuse himself.

We substantiated allegations involving Mr Ubhi:

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We concluded that Mr. Ubhi committed ethical violations while he worked at DoD during the early stages of the JEDI procurement. He failed to disclose to DoD officials that he had restarted employment negotiations with Amazon in September 2017, and he continued to work on some initial JEDI tasks while he negotiated and eventually accepted a job with Amazon on October 27, 2017. He also lied three times to Amazon and DoD officials about his negotiations with Amazon for employment. Mr. Ubhi's lies and his failure to disclose his employment negotiations and job acceptance with Amazon violated the FAR and ethical rules. It also created the appearance of a conflict of interest when the truth was later disclosed that he had worked on JEDI Cloud initiative market research while negotiating for, and then accepting, re-employment with Amazon.

However, we also found that Mr. Ubhi did not lead any aspect of the JEDI Cloud procurement and he did not play a key role in any stage of it, as alleged. His early involvement in the Cloud Initiative was not substantial and did not provide any advantage to his prospective employer, Amazon, in the JEDI Cloud contract competition, which was decided 2 years after Mr. Ubhi's resignation from the DoD. Although Mr. Ubhi's JEDI Cloud actions from September through October 2017 violated the JER and the FAR, his minimal and limited early contributions were largely discarded and did not affect the conduct or outcome of the JEDI Cloud procurement.

We therefore presented our findings regarding Mr. Ubhi to the Assistant United States Attorney for the Eastern District of Virginia (EDVA) for consideration as a criminal matter. On November 21, 2019, the EDVA declined prosecution. When asked about the reasons for the declination, it advised that it does not comment publicly on prosecutorial decisions.

Ms. Cummings allegedly:

- may have created a conflict of interest, or the appearance of a conflict related to the JEDI procurement by participating in the JEDI Cloud procurement while she owned stock in Microsoft, which at the time was one of the two remaining competitors for the potential JEDI contract award.

We substantiated the allegations involving Ms. Cummings' conflict of interest. Although she had a personal responsibility to disqualify herself from participating in matters that could affect her own financial interest, another contributing factor to her participation in JEDI matters was a failure of communication between multiple DoD officials who should have vetted her for potential conflicts before requesting her participation in JEDI-related activities. We recommended in our report that her management official take appropriate action regarding her substantiated misconduct. We also recommended in our report that DoD address and correct the vetting procedures and communication protocols that resulted in Ms. Cummings' participation despite her conflict of interest.

However, we also concluded that Ms. Cummings did not participate in any of the activities articulated in FAR 3.104-1, and therefore she did not affect the integrity of the procurement or influence the JEDI contract award decision.

We presented our findings regarding Ms. Cummings' conflict of interest to the Assistant U.S. Attorney for the Eastern District of Virginia. After considering the same facts that we considered, the EDVA declined to prosecute Ms. Cummings for violating Title 18, U.S.C., § 208, "Acts Affecting a Personal Financial Interest."

Allegations against Mr. Gavin, Secretary Mattis, Ms. Donnelly, Mr. DeMartino, and Mr. Daigle included:

- had financial interests that conflicted with their duties related to the procurement;
- had personal or business relationships with AWS and its affiliates that might cause a reasonable person to question whether they could perform their JEDI Cloud procurement duties impartially;



Joint Enterprise Defense Infrastructure Cloud Review  
SASC and HASC Briefings  
14 April 2020

- failed to disclose their conflicting financial interests or relationships with AWS;
- did not comply with post-Government employment standards;
- participated in the JEDI Cloud procurement despite being advised of potential conflicts;
- gave preferential treatment to AWS;
- provided AWS with improper access to material and competitively sensitive information related to the procurement;
- had a duty to avoid creating an appearance of impropriety and failed to do so by holding private meetings with AWS officials; and

We did not substantiate the allegations against these former officials. A summary explanation of these conclusions is found in the opening section of the report, and they are described in full in Section IV of the report.

**QUESTIONS**

**From:** (b) (6), (b) (7)(C)  
**Subject:** FW: Committees Briefing outline ISO  
**Date:** Tuesday, April 14, 2020 6:13:57 PM  
**Attachments:** [SASC - HASC Briefing Outline 4-14-20.docx](#)

---

(b) (6), (b) (7)(C) - file copy.

v/r,

(b) (6), (b) (7)(C) CIGI

(b) (6), (b) (7)(C)

Investigations of Senior Officials

Department of Defense Office of Inspector General

4800 Mark Center Drive (b) (6), (b) (7)(C) Alexandria, VA 22350-1500

(b) (6), (b) (7)(C)

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-----Original Message-----

From: (b) (6), (b) (7)(C) >

Sent: Tuesday, April 14, 2020 2:47 PM

To: Garrison, Marguerite C., SES, OIG DoD (b) (6), (b) (7)(C) >

Cc: (b) (6), (b) (7)(C)

Subject: RE: Committees Briefing outline ISO

Please replace the previous version with the attached. I added that we presented our findings to the AUSA EDVA for Ubhi and Cummings, since the committees would reasonably wonder if we looked into criminal prosecution for the substantiated false statement and conflict of interest violations.

I also mentioned, as we did in the ROI's Section IV conclusion for Cummings, that although she bore personal responsibility for participating in JEDI activities while having a conflict of interest, another contributing factor was a failure of communication between DoD officials who should have vetted her for conflicts before requesting her to participate in JEDI-related activities. I pointed out that in the ROI we made recommendations for appropriate action regarding her misconduct as well as to address the process and communication protocols that resulted in her participation without being adequately vetted for conflicts.

(b) (6), (b) (7)(C)

Investigations of Senior Officials

Department of Defense

Office of Inspector General

(b) (6), (b) (7)(C)

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-----Original Message-----

From: Garrison, Marguerite C., SES, OIG DoD <(b) (6), (b) (7)(C)>  
Sent: Tuesday, April 14, 2020 12:45 PM  
To: (b) (6), (b) (7)(C) >  
Subject: RE: Committees Briefing outline ISO

Thanks.

Marguerite C. Garrison  
Deputy Inspector General  
for Administrative Investigations  
(b) (6), (b) (7)(C)  
4800 Mark Center Drive  
Alexandria, VA 22350  
(b) (6), (b) (7)(C)

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-----Original Message-----

From: (b) (6), (b) (7)(C)  
Sent: Tuesday, April 14, 2020 12:40 PM  
To: Garrison, Marguerite C., SES, OIG DoD (b) (6), (b) (7)(C) >  
Cc: (b) (6), (b) (7)(C) >  
Subject: Committees Briefing outline ISO

Margie,

Please see the attached outline (b) (6), (b) (7)(C) generated and I reviewed/edited for our portion of today's briefings.

All of the language in it comes from either the I&S conclusions or Section IV conclusions.

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense  
Office of Inspector General  
(b) (6), (b) (7)(C)

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OFFICE OF INSPECTOR GENERAL**

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

Ms. Stacy A. Cummings

(b) (6), (b) (7)(C)

Brownell Landrigan, PC  
1818 N Street, NW, Suite 520  
Washington, DC 20036

(b) (6), (b) (7)(C)

**FEB 27 2020**

Dear Ms. Cummings,

We recently completed our investigation involving the Joint Enterprise Defense Infrastructure (JEDI) cloud procurement. Part of our investigation addresses an allegation that you, while serving as the Principal Deputy Assistant Secretary of Defense for Acquisition and Deputy Assistant Secretary of Defense for Acquisition Enablers, participated in meetings and other activities involving the JEDI cloud procurement between August and September 2019. During this same period, you held stock in Microsoft Inc., one of the competitors in the JEDI cloud procurement.

The enclosed preliminary report of investigation sets forth our conclusions and provides a summary of the evidence on which we based our conclusions. A redacted copy of the transcript of your interview is also enclosed.

This letter, the preliminary report, and the transcript are provided to you as a subject of a DoD Inspector General senior official investigation, and are for your exclusive use in responding to our conclusions. Because information in this letter and enclosures is exempt from public release under the Freedom of Information Act, they are designated "FOR OFFICIAL USE ONLY" and may not be copied or further released.

This is your opportunity to provide comments and additional information. Should you choose to respond to this letter, we will consider your response and may revise our conclusions, if warranted, before we provide results of the investigation to the Deputy Secretary of Defense.

Please provide any response to me **no later than March 5, 2020**. Should you have any questions, please contact me at (b) (6), (b) (7)(C),  
Investigations of Senior Officials, at (b) (6), (b) (7)(C)

Sincerely,

(b) (6), (b) (7)(C)

Marguerite C. Garrison  
Deputy Inspector General for  
Administrative Investigations

Enclosures:  
As stated

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**DEPARTMENT OF DEFENSE OFFICE OF INSPECTOR GENERAL  
REPORT ON THE  
JOINT ENTERPRISE DEFENSE INFRASTRUCTURE CLOUD PROCUREMENT**

**I. INTRODUCTION AND SUMMARY**

This report presents the results of the DoD Office of Inspector General (OIG) review of the DoD Joint Enterprise Defense Infrastructure (JEDI) Cloud procurement, and our investigation into allegations that former DoD officials engaged in ethical misconduct related to the JEDI Cloud procurement.

...

On October 3, 2019, the DoD OIG received an allegation that Ms. Stacy Cummings, Principal Deputy Assistant Secretary of Defense for Acquisition and Deputy Assistant Secretary of Defense for Acquisition Enablers, improperly participated in the JEDI Cloud procurement while holding a financial interest in Microsoft.

...

*DoD OIG Conclusions*

...

Ms. Cummings

We concluded that Ms. Cummings, the Principal Deputy Assistant Secretary of Defense for Acquisition and Deputy Assistant Secretary of Defense for Acquisition Enablers, violated her ethical requirements by improperly participating in a particular matter related to the JEDI procurement while owning stock in Microsoft valued at between \$15,001 and \$50,000. She had reported on her Office of Government Ethics Form 278e, "Public Financial Disclosure Report," that she owned Microsoft stock. However, she participated and made recommendations in meetings and briefings where participants evaluated options for either making substantive changes to the procurement or continuing as planned with the ongoing proposal evaluations. Ms. Cummings participated even though Microsoft was one of two remaining competitors for the pending JEDI Cloud contract award. Because of her Microsoft stock ownership, she should not have participated in those JEDI procurement activities.

However, we also concluded that Ms. Cummings' participation in the JEDI Cloud procurement did not influence the JEDI contract award decision.

We recommend that the Undersecretary of Defense for Acquisition and Sustainment consider appropriate action for Ms. Cummings' ethics violations, including potential counselling and training.

[REDACTED]



## II. ETHICAL CONDUCT – DEPARTMENT OF DEFENSE OFFICIALS

...

### 7. Ms. Stacy Cummings

On October 3, 2019, during our investigation, the DoD Office of General Counsel reported to the DoD OIG that a DoD senior official, Ms. Cummings, Principal Deputy Assistant Secretary of Defense for Acquisition (PDASD[A]) and Deputy Assistant Secretary of Defense, Acquisition Enablers (DASD[AE]), may have created a conflict of interest, or the appearance of a conflict related to the JEDI procurement. According to the notification to the DOD OIG, Ms. Cummings participated in the JEDI Cloud procurement while she owned stock in Microsoft, who at the time was one of the two remaining competitors for the JEDI contract award.

To investigate this allegation, we reviewed e-mails and documents, including Ms. Cummings' Public Financial Disclosure Report (OGE 278e), Periodic Transactional Report (OGE 278-T), non-disclosure agreement, disqualification statement from matters related to Microsoft, position description, and ethics training history. We also reviewed documents from the PCO's procurement integrity investigation, and draft and final versions of JEDI Cloud procurement options briefings that Ms. Cummings contributed to and which the DoD CIO presented to Deputy Secretary Norquist to help him decide whether the DoD should proceed with awarding a JEDI Cloud contract in October 2019.

We also interviewed Mr. Kevin M. Fahey, Assistant Secretary of Defense for Acquisition (ASD[A]), [REDACTED], and Ms. Sharon Woods, the Cloud Computing Program Manager (CCPM), regarding Ms. Cummings involvement in the JEDI procurement. In addition, we interviewed witnesses who were involved in conducting Secretary Esper's review of the JEDI Cloud procurement, and witnesses who advised Ms. Cummings on ethics and potential financial conflict of interest situations where it would be necessary to disqualify or recuse oneself from participating.

We notified Ms. Cummings that she was a subject of this investigation and interviewed her. Because conflict of interest allegations potentially implicate criminal codes, such as Title 18, U.S.C., Section 208, we advised Ms. Cummings prior to her interview of the potential criminal and administrative misconduct allegations related to this investigation. We informed Ms. Cummings that: (1) she could have a personal attorney present if desired; (2) her interview was voluntary; (3) she did not have to answer our questions; (4) no disciplinary action would be taken against her solely for refusing to answer questions; (5) any statements she made during the voluntary interview could be used as evidence in any future criminal proceeding, agency disciplinary proceeding, or both; and (6) she could stop answering questions at any time during the interview. Ms. Cummings indicated she understood she was a subject of this investigation and agreed to voluntarily answer our questions under oath. She did not bring a personal attorney with her to the interview.

A few days after her interview, Ms. Cummings notified us by e-mail that she had retained legal counsel. She declined any further interviews, and declined to fulfill a request we made during her initial interview for her to provide additional documentation related to transactions involving her Microsoft stock shares.



### **a. Background**

Ms. Cummings first entered Federal service in 2001 as a technical director for the Department of the Navy, Naval Air Technical Data and Engineering Services Command. In January 2007, she served as the Deputy Program Executive Officer for Command, Control, Communications, Computers, Intelligence, and Space (PEO[C4I]). As the PEO(C4I), Ms. Cummings was responsible for delivering affordable, integrated, and interoperable information warfare capabilities across PEO(C4I) and other Navy programs to promote common interoperable architectures. In August 2008, she became the Director of Washington Operations for Space and Naval Warfare Systems (SPAWAR) Command, which is known today as the Naval Information Warfare Systems Command. In 2011, Ms. Cummings began work at the U.S. Department of Transportation (USDOT) as the Executive Director for the Federal Railroad Administration (FRA). In 2015, she served as the interim Executive Director for USDOT, Pipeline and Hazardous Material Safety Administration (PHMSA). As the Executive Director, she established strategic direction, provided executive leadership, and managed these operations until 2016.

In March 2016, Ms. Cummings became the Program Executive Officer for the Defense Healthcare Management Systems (PEO DHMS). As the PEO DHMS, Ms. Cummings provided oversight to the Offices of the DoD, Department of Veterans Affairs (VA) Interagency Program Office, the Healthcare Management System Modernization Program Management Office (PMO), and the Joint Operational Medicine Information Systems PMO, deploying DoD electronic health records to support the exchange of service members', veterans', and family members' medical records through electronic data-sharing.

In March 2019, Ms. Cummings assumed her duties as the DoD Principal Deputy Assistant Secretary of Defense for Acquisition (PDASD[A]) and Deputy Assistant Secretary of Defense for Acquisition Enablers (DASD[AE]).<sup>1</sup> As the PDASD(A), Ms. Cummings advises the Assistant Secretary of Defense for Acquisition on formulating, planning, and reviewing the programs, plans, strategy, priorities, and execution of the DoD acquisition system as it relates to Major Defense Acquisition Programs (MDAPs). As the DASD(AE), Ms. Cummings is also responsible for enabling innovative approaches to acquisition policy, management, analytics, business management, financial management, and advanced software acquisition, with the objective, as stated in the FY 2019 National Defense Authorization Act, of delivering warfighting capability at the "speed of relevance."

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<sup>1</sup> The Office of Acquisition Enablers (AE) is a new organization reporting to the Assistant Secretary of Defense for Acquisition (ASD(A)), which reports to the Under Secretary of Defense for Acquisition & Sustainment (USD[A&S]).



Table 10 lists a chronology of significant events related to Mr. Cummings and the JEDI Cloud procurement.

*Table 10. Chronology of Ms. Cummings' Significant Events Related to the JEDI Cloud Procurement.*

| Date          | Event   |
|---------------|---|
| 2001 – 2011   | Ms. Cummings works for the Department of the Navy in various senior positions.  |
| 2011          | Ms. Cummings works for the U.S. Department of Transportation as the Executive Director, Federal Railroad Administration.  |
| Mar. 2015     | Ms. Cummings works as the interim Executive Director for the Pipeline and Hazardous Material Safety Administration for the U.S. Department of Transportation.   |
| Mar. 2016     | Ms. Cummings works as the Program Executive Officer for Defense Healthcare Management Systems, overseeing three PMOs.   |
| Mar. 2019     | Ms. Cummings assumes her duties as the DoD Principle Deputy Assistant Secretary of Defense for Acquisition (PDASD[A]) and Deputy Assistant Secretary of Defense for Acquisition Enablers (DASD[AE]).  |
| Apr. 30, 2019 | Ms. Cummings submits her Incumbent Public Financial Disclosure Report (OGE 278e), which discloses that she owns Microsoft stock valued in the \$15,001 to \$50,000 range.   |
| Apr. 2019     | The Cloud Computer Program Manager (CCPM) contacts Ms. Cummings to discuss what programmatic information to provide to Ms. Lord for her to authorize the Cloud Computer Program Office (CCPO) to proceed to a JEDI contract award.  |
| May 29, 2019  | Ms. Cummings completes online ethics training for new employees.  |
| Jun. 21, 2019 | The DoD SOCO reviews and signs Ms. Cummings OGE 278e, concluding that she is in compliance with applicable laws and regulations.  |
| Jul. 3, 2019  | Ms. Cummings sells between \$1,001 and \$15,000 in Microsoft stock, but retains additional Microsoft stock. She also sells a similar amount of stock in five other companies.   |
| Jul. 24, 2019 | Secretary Esper announces he will review the JEDI Cloud acquisition and tasks the DoD CIO to lead the review.   |
| Aug. 6, 2019  | Ms. Cummings completes annual ethics training. She also attends SOCO's "Leader-Led" ethics training session, which includes interactive scenarios involving conflicts of interest, financial disclosures, and other ethical issues.   |
| Aug. 13, 2019 | Ms. Cummings e-mails the Deputy CIO, Mr. Peter Ranks, and requests an update on the JEDI Cloud to provide to Ms. Lord.  |
| Aug. 14, 2019 | Ms. Cummings meets with Mr. Ranks, who provides her with an update on the status of the JEDI Cloud procurement.   |
| Aug. 23, 2019 | The DoD CIO begins a series of four "education sessions" that informs Secretary Esper on DoD's cloud strategy, requirements, and the JEDI Cloud RFP. The sessions conclude on September 16, 2019. Ms. Cummings does not attend these sessions.  |
| Sep. 11, 2019 | In an e-mail, the CCPM invites Ms. Cummings and Mr. Fahey to meet and discuss the progress of the JEDI Cloud procurement, and tells Ms. Cummings that regular meetings should be established so that Ms. Cummings and Mr. Fahey can keep Ms. Lord informed on the progress of the JEDI Cloud procurement. |



|               |   |
|---------------|---|
| Sep. 13, 2019 | Mr. Ranks e-mails Ms. Cummings and asks to meet with her to discuss a pre-brief to Ms. Lord, in advance of briefing Secretary Esper on a range of options the OCIO prepared for moving forward on the JEDI Cloud procurement.   |
| Sep. 18, 2019 | Mr. Ranks meets with Ms. Cummings and asks for her input on the options he mentioned in his September 13, 2019, e-mail.   |
| Sep. 19, 2019 | The CCPM meets on September 19, 2019, with Mr. Fahey, Ms. Cummings, and another DoD official to determine what information Ms. Lord would require before she would authorize the CCPO to proceed to a contract award.   |
| Sep. 23, 2019 | Ms. Cummings attends a meeting with Mr. Ranks, the WHS AGC 1, the CCPM, two senior contracting personnel, and an acquisition attorney, to discuss the JEDI options prepared by the CIO. Ms. Cummings recommends a new option, "Option #11 - Keep JEDI, but add a performance requirement that must be met prior to exercising contract option years." |
| Sep. 26, 2019 | Mr. Fahey, Mr. Ranks, Ms. Cummings, the CCPM, the WHS AGC 1, two contract acquisition experts, and several other DoD officials meet to review the options. The purpose of this meeting is to discuss the specifics of the options and to explore any additional alternatives.   |
| Sep. 26, 2019 | The WHS AGC 1, based on discussions during the meeting above, contacts SOCO and requests a copy of Ms. Cummings' OGE 278e.  |
| Sep. 27, 2019 | The WHS AGC 1 reviews Ms. Cummings' OGE 278e and notices that she owns Microsoft stock valued at between \$15,001 and \$50,000. The WHS AGC 1 notifies the DoD SOCO.  |
| Sep. 27, 2019 | The SOCO attorney contacts Ms. Cummings and verifies that Ms. Cummings owns Microsoft stock with a value between \$15,001 and \$50,000. He advises Ms. Cummings to disqualify herself from further participation in matters related to Microsoft, and to determine the actual value of her stock.   |
| Sep. 27, 2019 | Ms. Cummings signs a disqualification letter and sends an e-mail to Mr. Fahey and the SOCO attorney to notify them that she is disqualified from participating in matters related to Microsoft.   |
| Sep. 27, 2019 | ██████ initiates an assessment to determine whether a violation or possible violation of procurement integrity by Ms. Cummings had any "impact on the pending award or selection of a contractor."  |
| Oct. 3, 2019  | The SOCO attorney notifies the DoD OIG that Ms. Cummings owns Microsoft stock with a value of approximately \$30,000, and may have created a conflict of interest by participating in the JEDI Cloud procurement while she owned stock in Microsoft, one of the competitors.  |
| Oct. 7, 2019  | Secretary Esper recuses himself and delegates authority to Deputy Secretary Norquist to make decisions regarding the JEDI Cloud acquisition.  |
| Oct. 7, 2019  | The CIO presents seven options for proceeding with the JEDI Cloud procurement to Deputy Secretary Norquist, who decides that the procurement will continue as planned using the current Request for Proposals.  |
| Oct. 18, 2019 | ██████ completes her assessment and concludes that Ms. Cummings' participation did not impact the JEDI Cloud procurement, but that Ms. Cummings "possibly" violated 18 U.S.C., § 208.   |
| Jan. 31, 2020 | The United States Attorney for the Eastern District of Virginia (EDVA) reviews the allegations and evidence from the DoD OIG that Ms. Cummings possibly violated 18   |



|  |
|--|
| U.S.C. § 208. The EDVA verbally declines prosecution. When asked about the reasons for the declination, it advises that it does not comment publicly on prosecutorial decisions. |
|--|

#### **b. Ms. Cummings' Financial Disclosures and Ethics Training**

As shown in the chronology table above, in March 2019, Ms. Cummings began working as the PDASD(A)/DASD(AE). On April 30, 2019, Ms. Cummings filed her OGE 278e, "Incumbent Financial Disclosure Report." In Section 6, "Other Assets and Income," Ms. Cummings disclosed that she owned Microsoft stock valued between \$15,001 and \$50,000. Additionally, she disclosed that her income from that stock was between \$5,001 and \$15,000.

On May 6, 2019, Mr. Fahey reviewed Ms. Cummings' OGE 278e. Mr. Fahey told us that when he reviewed her OGE 278e, he did not identify any conflicts between her financial interests and her assigned duties as PDASD(A)/DASD(AE). According to Mr. Fahey, at the time that he reviewed Ms. Cummings' OGE 278e, his focus was on traditional defense contractors and major weapons systems contractors such as General Dynamics, Lockheed Martin, and Raytheon, rather than information technology companies such as Microsoft. At the time Mr. Fahey reviewed her form, Ms. Cummings was not involved in the JEDI procurement.

On May 29, 2019, Ms. Cummings completed online ethics training for new employees.

On June 21, 2019, the SOCO Alternate Designated Agency Ethics Official (ADAE) reviewed and signed Ms. Cummings' OGE 278e, indicating that Ms. Cummings was in compliance with applicable disclosure laws and regulations.

[REDACTED] provided us with training records showing that Ms. Cummings completed new employee ethics training on August 6, 2019. Among the topics covered in the training were "General Principles of Public Service" and "Conflicts of Interest." According to the documents, Ms. Cummings attended SOCO's "Leader-Led" training session which included interactive scenarios involving conflicts of interest, financial disclosures, and other ethics issues.

In her initial interview with us, Ms. Cummings said that she was familiar with financial conflict of interest requirements and prohibitions. She said that when a Government official holds a financial interest that conflicts with the performance of the official's duties, the options are divestiture, disqualification, or getting a waiver to allow continued participation in matters that conflict with a financial interest. She said that when she was a senior official at the Department of Transportation, she divested her interest in companies from the oil and pipeline industries that her organization regulated.

We asked Ms. Cummings about her Microsoft stock. She told us that she reported ownership of Microsoft stock on her OGE 278e for the past 10 years. Ms. Cummings also said that in August 2019, she sold shares of Microsoft and several other stocks to reduce her exposure to equities and increase her exposure to bonds. Ms. Cummings said she did not know the total amount of Microsoft stock she sold.



However, in the interview she said she could provide documentation showing the specific amounts of stock shares she sold. She also said that she reported the sales on her OGE 278-T form.<sup>2</sup>

We obtained Ms. Cummings' OGE-278-T, "Periodic Transaction Report," from [REDACTED]. It showed that Ms. Cummings reported the sale of Microsoft stock shares valued between \$1,001 and \$15,000. The report reflected that Ms. Cummings sold stock shares in Microsoft and five other companies. All of the stock sales took place on July 3, 2019, and Ms. Cummings filed her report on August 2, 2019.<sup>3</sup>

Ms. Cummings told us she first learned that Microsoft and Amazon were the finalists for the JEDI Cloud procurement when it was publicly announced in April 2019. She said she received the DoD Public Affairs daily announcements and one of the announcements identified the two final competitors.

### **c. Ms. Cummings Participates in Activities Related to the JEDI Cloud Procurement**

The CCPM told us that her first JEDI-related discussions with Ms. Cummings occurred in April 2019. The CCPM said she contacted Mr. Fahey to ask about the type of programmatic information, memorandum, and briefings that the CCPO would need to provide to Ms. Lord in order for Ms. Lord to authorize the CCPO to proceed to a contract award. The CCPM said that Mr. Fahey identified Ms. Cummings, his Principal Deputy for ASD(A), as the point of contact and asked the CCPM to contact Ms. Cummings to begin the discussions. Mr. Fahey told us that Ms. Cummings' role was to ensure the Office of the ASD(A) kept Ms. Lord informed on the status of the JEDI Cloud program.

On August 13, 2019, Ms. Cummings e-mailed Mr. Ranks and requested an update on the JEDI Cloud procurement to provide to Ms. Lord. Mr. Ranks told us that his first meeting with Ms. Cummings on JEDI Cloud matters was on August 14, 2019. He said he received an e-mail from Ms. Cummings stating that Ms. Lord had asked her for an update on JEDI. According to Mr. Ranks, he called Ms. Cummings, and she requested a JEDI update, asking if he could provide her with "the status of [the] acquisition" and where they were in the timeline. Mr. Ranks said they subsequently met and he talked her through the acquisition, the timelines, and the "broad outlines" of the ongoing JEDI litigation. He said, however, that he did not discuss source selection information with Ms. Cummings. Mr. Ranks also told us that Ms. Cummings offered no guidance on the procurement during or after this update, but that she did suggest that the OCIO, prior to making public statements about JEDI, run acquisition-related terms through OUSD(A&S) so they could ensure OCIO used those terms correctly in its statements.

As discussed in a previous section of this report, on August 23, 2019, Mr. Deasy led the first of four "education sessions" that informed Secretary Esper's review of the JEDI Cloud procurement. This first session focused on DoD's cloud strategy, requirements, and the JEDI Cloud RFP. Mr. Chewing, Secretary Esper's Chief of Staff, told us that Mr. Deasy structured Secretary Esper's review to support a post-review decision, not on "who would get the contract," but on "the path forward on the JEDI [Cloud] procurement." Ms. Cummings did not attend any of these education sessions.

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<sup>2</sup> After her initial interview, Ms. Cummings agreed to provide documentation regarding the stock she indicated she sold. After retaining legal counsel, Ms. Cummings elected not to provide the documentation.

<sup>3</sup> The Stop Trading on Congressional Knowledge (STOCK) Act of April 4, 2012, imposed a periodic transaction reporting requirement on public filers of the OGE 278e.



Mr. Ranks told us that as Secretary Esper's review progressed, the OCIO worked separately to develop a set of options to present to Secretary Esper for the procurement's path forward. Ms. Cummings did not participate in the OCIO's initial development of the options.

The OCIO created a slide presentation for a briefing to Secretary Esper, titled "Options Brief." The slide presentation, dated September 9, 2019, described 10 potential options. One of the options was to stay with the status quo, which meant to continue evaluating proposals from competing contractors submitted in response to the RFP, and award one contract. The other options consisted of various changes to the status quo in the areas of contract ceiling amount, contract length, and pricing terms. Ms. Cummings was not involved in creating the option slides, but she did later contribute to discussions about them, as described below.<sup>4</sup>

On September 11, 2019, the CCPM sent an e-mail to Mr. Fahey and Ms. Cummings to ensure the CCPO was properly coordinating with OUSD(A&S) on the JEDI Cloud procurement. In her September 13, 2019, reply e-mail, Ms. Cummings wrote, "Mr. Fahey and I would like to set up a regular engagement" with the CCPO and CCPM so that Ms. Lord could remain current on the procurement's progress. Ms. Cummings told us the reason for her request was so she could keep Ms. Lord informed and to schedule the CCPM to brief Ms. Lord on the CCPO's readiness to award the contract.

On September 13, 2019, Mr. Ranks sent an e-mail to Ms. Cummings, stating:

Stacy – we've been holding regular meetings with the [Secretary of Defense] as part of his review of the JEDI cloud program. We are nearing a point where we will present him with a range of options for the strategy moving forward. I'd like to run through this list with you to get your insight and prepare for an eventual pre-brief with Ms. Lord before we bring the full list to the Secretary. You'll see an invite from my office titles something like 'acquisition strategy discussion.' This will be the topic. Feel free to call if you have any questions ahead of the office call.

Also on September 13, 2019, Mr. Ranks e-mailed Ms. Cummings to ask for her input on the range of options for proceeding with the procurement, in his efforts to prepare for a pre-brief for Ms. Lord that would take place before a briefing for Secretary Esper. Mr. Ranks told Ms. Cummings that she would receive an invitation to a meeting for this purpose.

On September 18, 2019, Mr. Ranks met with Ms. Cummings, and they reviewed the "Options Brief." Ms. Cummings told us that Mr. Ranks told her that he "could use some help vetting different courses of action," and that she was there to help Mr. Ranks and the CIO get through the process that would lead to a decision on how to proceed with the procurement. Ms. Cummings also told us that she reviewed the options the OCIO had developed and advised Mr. Ranks that he should consider reducing the number of options, and to involve contracting experts in future meetings. Mr. Ranks told us that Ms. Cummings' "biggest suggestion" was that OCIO needed to include a contracting expert in future meetings.

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<sup>4</sup> This briefing was never given to Secretary Esper. However, the options were presented to Deputy Secretary Norquist after Secretary Esper's recusal, as explained in Section III of this report.



According to Ms. Cummings, she told Mr. Ranks that the OCIO needed to improve its public communications. Ms. Cummings said she spoke with Mr. Ranks regarding a public comment that Mr. Deasy made where he referred to the "final RFP." She said she explained to Mr. Ranks:

Hey, I saw in the news that Dana Deasy said something. It appeared to be incorrect . . . . If you want to run things through our office [A&S] to make sure it's correct, I can help you do that . . . the term final RFP to be released . . . we knew that was incorrect . . . I believe that what [Mr. Deasy] meant, based on the rest of his words, was that the final opportunity for bidders to give their final response . . . . but when he [Mr. Deasy] said final RFP, that was just an inappropriate use of the terminology and we wanted to make sure that Mr. Deasy didn't accidentally say something in public domain that was incorrect.

The CCPM told us that Ms. Lord had to sign the Acquisition Decision Memorandum (ADM) that would authorize the CCPO to proceed to a contract award.<sup>5</sup> The CCPM met on September 19, 2019, with Mr. Fahey, Ms. Cummings, and another DoD official to determine what information Ms. Lord would require before she would sign the ADM. The CCPM said that Mr. Fahey recommended that the CCPM brief Ms. Lord directly and that Ms. Cummings did not contribute to the discussion.

The CCPM told us that on September 23, 2019, she met with Ms. Cummings, Mr. Ranks, the WHS AGC 1, the CCPM, two senior contracting experts, and an acquisition attorney to discuss the options. According to the CCPM, Ms. Cummings suggested that the OCIO consider an additional option, "Option 11," which entailed changing the contract to add a performance requirement that the contractor would have to meet before the Government exercised option years. Later that day, the CCPM e-mailed the meeting attendees and wrote:

There is one additional option that was suggested today by Stacy Cummings. It's not in the attached [Options Brief] deck, so I'm adding it here . . . . #11 - Keep JEDI, but add a performance requirement that must be met prior to exercising the ID/IQ options . . . . We are targeting to have a meeting with everyone on this email, Stacy Cummings, and Pete Ranks by Thursday if possible.

Ms. Cummings told us that she suggested adding a performance requirement "as a communications strategy," so that the DoD could publicly say that "we only will award options if the performance is at a high level," and to convey a message that option years were not guaranteed. The CCPM also sent an e-mail to schedule a follow-up meeting for September 26, 2019, to continue the discussion regarding options.

On September 26, 2019, Mr. Fahey, Mr. Ranks, Ms. Cummings, the CCPM, the WHS AGC 1, two contract acquisition experts, and several other DoD officials met and reviewed the options. According to the CCPM, the purpose of this meeting was to discuss and weigh the options, potential impacts on the proposals then under review, and to explore any additional alternatives.



The CCPM said that one of the contracting experts wanted to ensure all of the attendees at the September 26, 2019, meeting had been properly "vetted" for financial disclosures and potential conflicts of interest.

The WHS AGC 1 told us that when the question surfaced regarding the attendees being screened for financial conflicts of interest, the CCPM commented that Ms. Cummings had "been vetted before." The WHS AGC 1 told us that after the meeting concluded, she asked the CCPM, "did you vet [Ms. Cummings]?" The WHS AGC 1 said the CCPM responded, "No, I assumed [you] had [vetted Ms. Cummings]." The WHS AGC 1 told us she then requested Ms. Cummings' financial information from SOCO.

**d. Ms. Cummings Disqualifies Herself From Participating in Matters Related to Microsoft**

[REDACTED] told us that she reviewed Ms. Cummings' OGE 278e on September 27, 2019, and saw that Ms. Cummings still owned Microsoft stock shares valued between \$15,000 and \$50,000. [REDACTED] said that she called [REDACTED] and asked for any additional financial information from Ms. Cummings' file. According to [REDACTED], [REDACTED] said that Ms. Cummings had sold Microsoft stock in July 2019, but that Ms. Cummings "still owned a substantial amount" of Microsoft stock. The SOCO attorney told us she immediately contacted Ms. Cummings, who said she did not know the exact value of her Microsoft stock she owned.

Ms. Cummings told us that the SOCO attorney asked her to determine the value of the stock she owned, and instructed her that she had to disqualify herself from any participation in particular matters related to Microsoft. Ms. Cummings then sent a letter, dated September 27, 2019, reporting her disqualification to Mr. Fahey and the SOCO attorney. The letter stated, in part:

This is to notify you that I have financial interests in or covered relationships with the following entities that are either current DoD contractors, or companies that are seeking or may seek in the future to do business with DoD:

Microsoft Corp. Stock

As such, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Microsoft for the duration of my tenure as the Principal Deputy Assistant Secretary of Defense, Acquisition Enablers, unless I first obtain a written waiver, pursuant to 18 U.S.C., § 208.

Ms. Cummings told us that she did not disqualify herself before September 27, 2019, even though she owned Microsoft stock, because "I didn't believe that I would have any impact on the source selection. I was not a decision maker, or in the chain of command of the decision maker."

Ms. Cummings said that after she recused herself, she did not receive any direction on further participation on the JEDI procurement because "I recused myself...[and] let it be known that I wouldn't be participating any further."



Witnesses we interviewed told us that Ms. Cummings did not participate in anything related to the JEDI Cloud procurement after September 26, 2019. We found no evidence that Ms. Cummings participated in JEDI Cloud procurement activities after her disqualification related to Microsoft stock on September 27, 2019.

Mr. Ranks told us that the WHS AGC 1 called and informed him that Ms. Cummings had "Microsoft stock above the de minimus threshold," that Ms. Cummings would no longer be a part the JEDI discussion any further, and that the matter was likely to be referred to the DoD Inspector General.<sup>6</sup>

Also on September 27, 2019, [REDACTED] initiated an assessment of the impact that Ms. Cummings' actions had on the integrity of the procurement. To conduct the assessment, [REDACTED] interviewed the CCPM, [REDACTED], and [REDACTED], and consulted with [REDACTED]. [REDACTED] also reviewed e-mails, the options briefing, and the decision brief that Mr. Deasy presented to Deputy Secretary Norquist on October 7, 2019. [REDACTED] did not interview Ms. Cummings.

The [REDACTED] told us that Ms. Cummings' limited role in the procurement may have constituted personal and substantial participation in the JEDI Cloud procurement because she may have made recommendations or rendered advice in a particular matter.

On October 3, 2019, [REDACTED] sent a letter to [REDACTED] and the DoD Hotline Director to inform them that Ms. Cummings "may have violated 18 U.S.C. § 208 by participating personally and substantially in a particular matter having a direct and predictable effect on her actual or imputed financial interests." [REDACTED] stated in the letter that Ms. Cummings had participated in "meetings and discussions concerning potential strategies and options relative to how the Department will move forward with the Joint Enterprise Defense Infrastructure (JEDI) Cloud acquisition." [REDACTED] identified in the letter that Microsoft was a "current offeror," and that Ms. Cummings owned Microsoft stock shares valued at approximately \$30,000. The attorney stated that Ms. Cummings signed a disqualification letter and offered to divest her Microsoft holdings.

On October 7, 2019, Mr. Deasy presented to Deputy Secretary Norquist the options for how to proceed with the JEDI procurement following Secretary Esper's review.<sup>7</sup> As Ms. Cummings had suggested during her draft input, the number of options presented to Deputy Secretary Norquist had been reduced from the 10 options the OCIO originally developed, to seven.

We reviewed two slide presentations; one with the 10 options that Mr. Ranks asked Ms. Cummings to review, and one with the seven options that Mr. Deasy presented to Deputy Secretary Norquist. Neither presentation contained any language or graphics presenting Ms. Cummings' suggestion to introduce a performance requirement that the successful offeror would have to meet before the Government would exercise a contract option. The variables that differentiated the seven options included the number of contracts, ceiling price, contract length, and pricing. The presentation to Deputy Secretary Norquist did not include a recommendation for his action, but did include additional slides for more detailed discussion of three options. One was to stay with the status quo. The second would award a single JEDI contract but then issue a new solicitation for another award, using the same

<sup>6</sup> The OGE 278e instructions advise filers to disclose assets worth more than \$1000 and income greater than \$200.

<sup>7</sup> As discussed in Section III of this report, Secretary Esper had recused himself from making decisions related to the JEDI Cloud acquisition.



requirements. The third would award a single JEDI contract and then issue a new solicitation for another contract to provide cloud services for unclassified data only. As discussed in Section III of this report, Deputy Secretary Norquist selected the status quo option.

On October 18, 2019, [REDACTED] completed her assessment of Ms. Cumming's actions. [REDACTED] concluded that Ms. Cummings' attendance at the options meetings:

[REDACTED]

[REDACTED] wrote:

[REDACTED]

...

[REDACTED]

[REDACTED] also wrote that [REDACTED]:

[REDACTED]

[REDACTED] concluded:

[REDACTED]

[REDACTED], concurred with [REDACTED] determination.

### **Criminal Declination**

As noted above, the DoD investigated this matter after receiving the referral. The DoD OIG referred evidence of Ms. Cummings' conduct to the Assistant U.S. Attorney for the Eastern District of Virginia (EDVA), for review as a possible criminal violation of Title 18, U.S.C., § 208. On January 31, 2019, the EDVA verbally declined prosecution. When asked about the reasons for the declination, it advised that it does not comment publicly on prosecutorial decisions.

### **e. OIG Conclusions Regarding Ms. Cummings**

Based on the facts in our investigation, which we described above, we concluded that Ms. Cummings's actions violated ethical standards when she participated personally and substantially in a particular matter related to the JEDI procurement while owning shares of Microsoft stock. We also concluded that Ms. Cummings participation in the JEDI procurement process created the appearance of a violation of law or ethical standards. Despite these ethics violations, however, we agree with the PCO's conclusion that Ms. Cummings' actions did not impact the JEDI Cloud contract source selection.

Ms. Cummings knew in August and September 2019 that she had a financial interest in Microsoft, and she knew that at the time, Microsoft was one of two competitors in a source selection that was nearing its conclusion. She was a long-time Government senior official and OGE 278e filer who had recently completed ethics training in conflicts of interest that directly related to these circumstances. Yet, when asked to participate in a particular matter related to the JEDI Cloud procurement, in a manner that would have a direct and predictable effect on her personal financial interest in Microsoft, she did not take any of the three required actions: (1) disqualify herself; (2) divest her conflicting financial interest; or (3) seek a waiver to participate in the matter. She also did not notify her supervisor about her Microsoft holdings when she was asked to participate in the particular matter, and she did not request ethics advice regarding her financial stake in Microsoft. Instead, she participated in the meetings, briefings, and activities related to JEDI, and did not disqualify herself until the WHS AGC 1 belatedly discovered her financial interest in Microsoft and raised the issue.

### **Improper Participation**

The Joint Ethics Regulation (JER), which incorporates Title 5, Code of Federal Regulations (CFR), Part 2635, "Standards of Ethical Conduct for Employees of the Executive Branch," covers conflicting financial interests. Section 2635.402 of the CFR, "Disqualifying Financial Interests," prohibits an employee from participating personally and substantially in an official capacity in any particular matter in which, to her knowledge, she or any person whose interests are imputed to her has a financial interest, if the particular matter will have a direct and predictable effect on that interest. Unless there is a waiver or exception, an employee shall disqualify herself from participating in such matters by not participating in them.

Ms. Cummings' ownership of approximately \$30,000 of Microsoft stock constituted a personal financial interest in Microsoft. Ms. Cummings knew that she held Microsoft stock when she was asked in August 2019 to participate in JEDI Cloud procurement-related activities. She had disclosed it on her OGE 278e five months earlier, and she told us that she had held the Microsoft stock and reported it for 10 consecutive years. She also was aware from being notified in April 2019, that Microsoft and Amazon were the two remaining contractors in the JEDI Cloud procurement.



The options briefing that supported Deputy Secretary Norquist's decision on how to proceed with the JEDI Cloud procurement, at the time of Ms. Cummings' participation, was a particular matter. It involved deliberation, decision, and actions that were focused on the interests of the DoD and would have an impact on the two remaining competitors, Microsoft and Amazon. The outcome of this particular matter could lead to a new solicitation, which could increase the number of competitors; or to proposal revisions, which could change the source selection team's evaluation of the proposals; or directly to an award for either Microsoft or Amazon.

We concluded that, under the JER, the outcome of the particular matter, a decision on how to proceed with the JEDI Cloud procurement, would have a direct and predictable effect on Ms. Cummings' financial interest in Microsoft. We recognize that Ms. Cummings was not involved in the source selection decision to select either Microsoft or Amazon; however, she was involved in evaluating the procurement options presented to Deputy Secretary Norquist, including whether the DoD should start the procurement over, continue with the procurement as-is, or continue with the procurement but with modifications to the contract terms.

Ms. Cummings' recommendation was to continue with the procurement while at the same time establishing a performance requirement in the contract. She also advised that the DoD needed a better communications strategy going forward. She did not recommend restarting the procurement. As a result, the outcome of the particular matter, whether the source selection could proceed and award a contract to Microsoft or Amazon, would have a positive or negative short and long term effect on Microsoft's business, which would have a direct and predictable effect on the value of her Microsoft stock.

Therefore, when Ms. Cummings was asked in August 2019 and September 2019 to participate in a particular matter related to the JEDI Cloud procurement, her financial interest in Microsoft became a "disqualifying financial interest" because it conflicted with her official duties. Rather than participate in the particular matter related to the JEDI Cloud procurement, Ms. Cummings should have either declined to participate, divested her financial interest in Microsoft before participating, or obtained a waiver that would allow her to participate. She did none of these things. She also did not seek the advice of an ethics counselor or consult with her supervisor before she decided to participate.

Instead, Ms. Cummings participated personally in the particular matter by meeting with Mr. Ranks to receive an update on the procurement, coordinating with OCIO and other officials to schedule JEDI update briefings for Ms. Lord, reviewing and discussing options that would inform Deputy Secretary Norquist's October 7, 2019, decision to proceed with the procurement, suggesting that the OCIO reduce the number of options under consideration, and suggesting that the OCIO consider adding a performance requirement to the solicitation or contract.

Ms. Cummings' participation was substantial as well as personal. The JER states that participating substantially:

means that the employee's involvement is of significance to the matter. Participation may be substantial even though it is not determinative of the outcome of a particular matter. However, it requires more than official responsibility, knowledge, perfunctory involvement, or involvement on an administrative or peripheral issue. A finding of substantiality should be based




not only on the effort devoted to a matter, but also on the importance of the effort. While a series of peripheral involvements may be insubstantial, the single act of approving or participating in a critical step may be substantial. Personal and substantial participation may occur when, for example, an employee participates through decision, approval, disapproval, recommendation, investigation or the rendering of advice in a particular matter.

Ms. Cummings reviewed, discussed, and advised on the options for proceeding with the particular matter related to the JEDI Cloud procurement following Secretary Esper's review. Her involvement was on a critical step that was neither administrative nor peripheral. She advised the OCIO to reduce the number of options considered. She also advised the OCIO to consider modifying the solicitation or contract by adding a performance requirement that the contractor would have to satisfy before being allowed to continue to provide cloud computing services during contract option years. Though her participation did not affect the ultimate outcome of the decision on the particular matter [the OCIO did not include her recommendation and Deputy Secretary Norquist decided not to change the solicitation or contract terms], the effort was of substantial importance to the matter because it had a bearing on which options the OCIO presented to Deputy Secretary Norquist for a decision. Those options could have resulted in a modified contract length, a different ceiling price, additional contract awards, or other substantive changes. Adopting such changes could have required proposal revisions or reissuing the solicitation.

Ms. Cummings also received a JEDI Cloud procurement update briefing from Mr. Ranks so that she could in turn update Ms. Lord, and she coordinated with the OCIO to schedule CCPM briefings to Ms. Lord. These briefings were also important to the particular matter, not peripheral or administrative, because they informed Ms. Lord's October 24, 2019, decision to sign the Acquisition Decision Memorandum (ADM) that authorized the CCPO to proceed with the process of awarding the JEDI Cloud contract.

In addition, Ms. Cummings actions created the appearance of a conflict. The JER requires employees to "endeavor to avoid any actions creating the appearance that they are violating the law or ethical standard set forth in this part. Whether particular circumstances create the appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts." Similarly, FAR 3.101, "Standards of Conduct," states that the "general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships."

Accordingly, we concluded that Ms. Cummings improperly participated in a particular matter related to the JEDI Cloud procurement, in violation of the JER. However, in mitigation, we note that there was no evidence that Ms. Cummings attempted to conceal her financial interest in Microsoft. Ms. Cummings reported her ownership of Microsoft stock on her OGE 278e for over 10 years, and she had reported the sale of some her stock during 2019.





[REDACTED]

The Assistant U.S. Attorney for the Eastern District of Virginia, after considering the same facts that we considered, declined to prosecute Ms. Cummings for violating Title 18, U.S.C., § 208, "Acts Affecting a Personal Financial Interest."

Impact on the JEDI Cloud Source Selection

FAR 3.104-7 required [REDACTED], upon receipt of information of a possible violation of procurement integrity, to determine if the reported violation or possible violation had any impact on the pending award or selection of a contractor. [REDACTED] Ms. Cummings' actions did not impact the actual award or selection of a contractor. We agree. In reaching this conclusion, we note that FAR 3.104-1 states that participating personally and substantially in a Federal agency procurement means "active and significant involvement of an official in (1) drafting, reviewing, or approving the specification or statement of work for the procurement, (2) preparing or developing the solicitation, (3) evaluating bids or proposals, or selecting a source, (4) negotiating price or terms and conditions of the contract, or (5) reviewing and approving the award of the contract."

As explained above, we found that Ms. Cummings participated personally and substantially in a particular matter related to the JEDI Cloud procurement. However, she did not participate in the procurement itself, because she did not participate in any of the activities articulated in FAR 3.104-1. The OCIO presented options to Deputy Secretary Norquist that did not include an additional performance requirement, as Ms. Cummings suggested. Further, Deputy Secretary Norquist did not select any option that would require proposal revisions or a new solicitation. Instead, he decided that the DoD would continue to evaluate the Microsoft and Amazon proposals, select the best proposal, and award the contract. Finally, we noted that Ms. Cummings immediately disqualified herself from further participation in matters related to the JEDI Cloud procurement when the SOCO attorney advised her to do so. As a result, we determined that while Ms. Cummings violated the JER, it had no impact on the JEDI Cloud procurement.

We recommend that the Undersecretary of Defense for Acquisition and Sustainment consider appropriate action for Ms. Cummings' ethics violations, including potential counselling and training.

[REDACTED]

...



## **APPENDIX D – STANDARDS AND DISCLOSURES RELATED TO ALLEGED MISCONDUCT IN THE JEDI CLOUD PROCUREMENT**

### **Title 18, U.S.C. § 208, “Crimes and Criminal Procedure”**

This section of the U.S.C. states:

(a) Except as permitted by subsection (b) hereof, whoever, being an officer or employee of the executive branch of the United States Government, participates personally and substantially as a Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest— Shall be subject to the penalties set forth in section 216 of this title.

(b) Subsection (a) shall not apply if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee.

**DoD 5500.07-R, “Joint Ethics Regulation (JER),” August 30, 1993, including changes 1-7 (November 17, 2011)**

The JER provides a single source of standards of ethical conduct and ethics guidance for DoD employees. Chapter 2, Section 1, of the JER, “Standards of Ethical Conduct,” incorporates Title 5, Code of Federal Regulations (CFR), Part 2635, “Standards of Ethical Conduct for Employees of the Executive Branch,” in its entirety.

### **Subpart A, “General Provisions”**

**Section 2635.101(b), “General Principles,” states:**

Employees shall not use public office for private gain. They shall act impartially and not give preferential treatment to any private organization or individual. They shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities. They shall endeavor to avoid any actions creating the appearance that they are violating the law or ethical standards set forth in Part 2635. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.



**Section 2635.107, "Ethics Advice," states:**

Employees who have questions about the application of this part or any supplemental agency regulations to particular situations should seek advice from an agency ethics official. Disciplinary action for violating this part or any supplemental agency regulations will not be taken against an employee who has engaged in conduct in good faith reliance upon the advice of an agency ethics official, provided that the employee, in seeking such advice, has made full disclosure of all relevant circumstances. Where the employee's conduct violates a criminal statute, reliance on the advice of an agency ethics official cannot ensure that the employee will not be prosecuted under that statute. Disclosures made by an employee to an agency ethics official are not protected by an attorney-client privilege. An agency ethics official is required by 28 U.S.C. 535 to report any information he receives relating to a violation of the criminal code, title 18 of the United States Code.

**Subpart D, "Conflicting Financial Interests"****Section 2635.402, "Disqualifying financial interests," states:**

An employee is prohibited by criminal statute, Title 18, United States Code, section 208(a), from participating personally and substantially in an official capacity in any particular matter in which, to his knowledge, he or any person whose interests are imputed to him has a financial interest, if the particular matter will have a direct and predictable effect on that interest. Unless there is a waiver or exemption, an employee shall disqualify himself from participating in such matters by not participating in them. An employee responsible for his own assignment [to a particular matter] should take whatever steps are necessary to ensure that he does not participate in the matter from which he is disqualified.

The term particular matter encompasses only matters that involve deliberation, decision, or action focused on the interests of specific persons, or a discrete and identifiable class of persons. Particular matters include a contract, and may include policy-making that is narrowly focused on the interests of a discrete and identifiable class of persons. It does not include the consideration or adoption of broad policy options that are directed at the interests of a large and diverse group of persons.

A particular matter will have a direct effect on a financial interest if there is a close causal link between any decision or action to be taken in the matter and any expected effect of the matter on the financial interest. An effect may be direct even though it does not occur immediately. A particular matter will not have a direct effect on a financial interest, however, if the chain of causation is attenuated or is contingent upon the occurrence of events that are speculative or that are independent of, and unrelated to, the matter. A particular matter that has an effect on a financial interest only as a consequence of its effects on the general economy does not have a direct effect within the meaning of this subpart.

A particular matter will have a predictable effect if there is a real, as opposed to a speculative possibility that the matter will affect the financial interest. It is not necessary, however, that the magnitude of the gain or loss be known, and the dollar amount of the gain or loss is immaterial.

If a particular matter involves a specific party or parties, generally the matter will at most only have a direct and predictable effect, for purposes of this subpart, on a financial interest of the employee



in or with a party, such as the employee's interest by virtue of owning stock. There may, however, be some situations in which, under the above standards, a particular matter will have a direct and predictable effect on an employee's financial interests in or with a nonparty. For example, if a party is a corporation, a particular matter may also have a direct and predictable effect on an employee's financial interests through ownership of stock in an affiliate, parent, or subsidiary of that party. Similarly, the disposition of a protest against the award of a contract to a particular company may also have a direct and predictable effect on an employee's financial interest in another company listed as a subcontractor in the proposal of one of the competing offerors.

To participate personally means to participate directly. It includes the direct and active supervision of the participation of a subordinate in the matter. To participate substantially means that the employee's involvement is of significance to the matter. Participation may be substantial even though it is not determinative of the outcome of a particular matter. However, it requires more than official responsibility, knowledge, perfunctory involvement, or involvement on an administrative or peripheral issue. A finding of substantiality should be based not only on the effort devoted to a matter, but also on the importance of the effort. While a series of peripheral involvements may be insubstantial, the single act of approving or participating in a critical step may be substantial. Personal and substantial participation may occur when, for example, an employee participates through decision, approval, disapproval, recommendation, investigation or the rendering of advice in a particular matter.

Unless the employee is authorized to participate in the particular matter by virtue of a waiver or exemption described in paragraph (d) of this section or because the interest has been divested in accordance with paragraph (e) of this section, an employee shall disqualify himself from participating in a particular matter in which, to his knowledge, he or a person whose interests are imputed to him has a financial interest, if the particular matter will have a direct and predictable effect on that interest. Disqualification is accomplished by not participating in the particular matter.

An employee who becomes aware of the need to disqualify himself from participation in a particular matter to which he has been assigned should notify the person responsible for his assignment. An employee who is responsible for his own assignment should take whatever steps are necessary to ensure that he does not participate in the matter from which he is disqualified. Appropriate oral or written notification of the employee's disqualification may be made to coworkers by the employee or a supervisor to ensure that the employee is not involved in a matter from which he is disqualified.

A DoD employee who is required to disqualify himself from participation in a particular matter to which he has been assigned shall provide written notice of disqualification to his supervisor upon determining that he will not participate in the matter.



**JER, Chapter 2, Section 2, "Supplemental Standards of Ethical Conduct For Employees of the Department of Defense"**

**Paragraph 2-204, "Standard for Accomplishing Disqualification"**

**Subparagraph 2-204a, "Disqualifying Financial Interests," states:**

A DoD employee who is required, in accordance with 5 CFR section 2635.402(c), to disqualify himself from participation in a particular matter to which he has been assigned shall, notwithstanding the guidance in 5 CFR section 2635.402, provide written notice of disqualification to his supervisor upon determining that he will not participate in the matter.

**Federal Acquisition Regulation (FAR), Volume I, March 2005**

**FAR 3.101, "Standards of Conduct," states:**

Government business shall be conducted in a manner above reproach, with complete impartiality, and with preferential treatment for none. The general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships. Official conduct must be such that [employees] would have no reluctance to make a full public disclosure of their actions.

**FAR 3.104, "Procurement Integrity"**

**FAR 3.104-1, "Definitions," states:**

"Federal agency procurement" means the acquisition, using competitive procedures and awarding a contract, of goods or services from non-Federal sources by a Federal agency using appropriated funds.

"Participating personally and substantially in a Federal agency procurement" means active and significant involvement of an official in (1) drafting, reviewing, or approving the specification or statement of work for the procurement, (2) preparing or developing the solicitation, (3) evaluating bids or proposals, or selecting a source, (4) negotiating price or terms and conditions of the contract, or (5) reviewing and approving the award of the contract.

"Participating personally" means participating directly, and includes the direct and active supervision of a subordinate's participation in the matter.

"Participating substantially" means that the official's involvement is of significance to the matter. Substantial participation requires more than official responsibility, knowledge, perfunctory involvement, or involvement on an administrative or peripheral issue. Participation may be substantial even though it is not determinative of the outcome of a particular matter. A finding of substantiality should be based not only on the effort devoted to a matter, but on the importance of the effort. While a series of peripheral involvements may be insubstantial, the single act of approving or participating in a critical step may be substantial. However, the review of procurement documents solely to determine

compliance with regulatory, administrative, or budgetary procedures, does not constitute substantial participation in a procurement.

Generally, an official will not be considered to have participated personally and substantially in a procurement solely by participating in (1) Agency-level boards, panels, or other advisory committees that review program milestones or evaluate and make recommendations regarding alternative technologies or approaches for satisfying broad agency-level missions or objectives; (2) the performance of general, technical, engineering, or scientific effort having broad application not directly associated with a particular procurement, notwithstanding that such general, technical, engineering, or scientific effort subsequently may be incorporated into a particular procurement; or (3) clerical functions supporting the conduct of a particular procurement.

PRELIMINARY



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**DEPARTMENT OF DEFENSE  
OFFICE OF INSPECTOR GENERAL**

# **SENIOR OFFICIAL DOCUMENT**

**THE ATTACHED IS A SENIOR OFFICIAL ACTION.  
ITS CONTENTS SHALL NOT BE DISCLOSED TO ANY  
INDIVIDUAL WHO DOES NOT HAVE AN OFFICIAL  
INTEREST IN THE MATTER.**

**RETAIN THIS COVER SHEET WITH  
ATTACHED DOCUMENTS**

**FOR OFFICIAL USE ONLY**



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

Mr. Victor S. Gavin

(b) (6), (b) (7)(C)

(b)(6), (b)(7)(C)

(b) (6), (b) (7)(C)

**FEB 27 2020**

Dear Mr. Gavin,

We recently completed our investigation involving the Joint Enterprise Defense Infrastructure (JEDI) cloud procurement. Part of our investigation addresses an allegation that you, while serving as the Deputy Assistant Secretary of the Navy for Command, Control, Communications, Computers, Intelligence, Information Operations, and Space, participated in a meeting regarding JEDI after you recused yourself from all matters involving a specific JEDI cloud competitor.

Thank you for your cooperation during our investigation. The enclosed preliminary report of investigation sets forth our conclusions and provides a summary of the evidence on which we based our conclusions. A redacted copy of the transcript of your interview is also enclosed.

This letter, the preliminary report, and the transcript are provided to you as a subject of a DoD Inspector General senior official investigation, and are for your exclusive use in responding to our conclusions. Because information in this letter and enclosures is exempt from public release under the Freedom of Information Act, they are designated "FOR OFFICIAL USE ONLY" and may not be copied or further released.

This is your opportunity to provide comments and additional information. Should you choose to respond to this letter, we will consider your response and may revise our conclusions, if warranted, before we provide results of the investigation to the Deputy Secretary of Defense.

Please provide any response to me **no later than March 5, 2020**. Should you have any questions, please contact me at (b) (6), (b) (7)(C), Investigations of Senior Officials, at (b) (6), (b) (7)(C).

Sincerely,

(b) (6), (b) (7)(C)

Marguerite C. Garrison

Deputy Inspector General for  
Administrative Investigations

Enclosures:  
As stated

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## DEPARTMENT OF DEFENSE OFFICE OF INSPECTOR GENERAL REPORT ON THE JOINT ENTERPRISE DEFENSE INFRASTRUCTURE CLOUD PROCUREMENT

### I. INTRODUCTION AND SUMMARY

This report presents the results of the DoD Office of Inspector General (OIG) review of the DoD Joint Enterprise Defense Infrastructure (JEDI) Cloud procurement, and our investigation into allegations that former DoD officials engaged in ethical misconduct related to the JEDI Cloud procurement.

...

Between March 2019 and October 2019, the DoD OIG received similar allegations in a series of complaint letters that Oracle, one of the JEDI Cloud contract competitors, sent to the DoD OIG. These letters alleged that former DoD officials engaged in ethical misconduct related to their financial disclosures, their participation in the JEDI Cloud procurement, or their post-Government employment, which Oracle alleged affected the JEDI procurement. The former DoD officials were:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- Victor Gavin, former Deputy Assistant Secretary of the Navy for Command, Control, Communications, Computers, Intelligence, Information Operations and Space; and
- [REDACTED]

On July 25, 2019, Senator Marco Rubio, in a letter to the Secretary of Defense, expressed concerns that Mr. Gavin and [REDACTED] were allegedly involved in the JEDI Cloud procurement and did not recuse themselves during their separate employment negotiations with Amazon. Senator Rubio further asserted that both Mr. Gavin and [REDACTED] might have accepted employment with Amazon before leaving the DoD and their roles in the JEDI Cloud procurement.

...

[REDACTED]



*DoD OIG Conclusions*

...

Mr. Gavin

We concluded that Mr. Gavin did not commit an ethical violation, but should have used better judgment by not attending an April 5, 2018, JEDI Cloud Acquisition strategy meeting as the Navy's representative after he had accepted a job with Amazon and had disqualified himself from Amazon matters.

Mr. Gavin had notified his supervisor in writing that he was exploring employment with Amazon and he disqualified himself from participation in matters related to Amazon. When he was invited to the meeting in April 2018 to discuss the JEDI Acquisition strategy in general, he sought ethics advice about whether he could attend the the meeting, which was not about potential cloud contract competitors or their specific capabilities. He did not inform the ethics attorney that, in addition to his negotiations with Amazon and his recusal, he had accepted the job with Amazon. He received ethics advice that he could attend the meeting, despite his recusal, because the meeting did not involve a particular matter such as a contract, or even a solicitation or proposal related to a contract.

Witnesses who attended told us that Mr. Gavin's participation in the meeting was not substantial, that he did not talk about Amazon or its competitors, and that his comments about acquisition strategy did not affect the JEDI Cloud procurement or contract award that happened 18 months after he resigned from the DoD.

We concluded that Mr. Gavin should have used better judgment by not attending the April 5, 2018, JEDI Cloud Acquisition strategy meeting after he had accepted a job with Amazon, to avoid the appearance of a conflict. However, he followed the ethics advice that he could attend the general strategy meeting, and his participation in the meeting did not affect the JEDI Cloud procurement.

...

## II. ETHICAL CONDUCT – DEPARTMENT OF DEFENSE OFFICIALS

...

### 2. Mr. Victor Gavin

We received complaints which alleged that former Navy Deputy Assistant Secretary Victor Gavin improperly participated in a JEDI Cloud acquisition strategy meeting in April 2018, although he had previously recused himself in January 2018 from matters involving Amazon Web Services (AWS) because of his exploration of employment opportunities with AWS. According to the complaints, Mr. Gavin's attendance at the April 2018 JEDI Cloud acquisition strategy meeting while he was seeking AWS employment created a conflict of interest.

#### a. Background

Mr. Gavin served as the Deputy Assistant Secretary of the Navy for Command, Control, Communications, Computers, Intelligence (C4I), Information Operations and Space (hereafter "DASN(C4I)") from November 2016 through June 18, 2018. As DASN(C4I), Mr. Gavin reported to the Assistant Secretary of the Navy for Research, Development, and Acquisition (ASN(RD&A)). In that role he was the primary Department of the Navy advisor for the acquisition of C4I systems, enterprise information technology (IT), business systems, space systems, cybersecurity, and spectrum management. Mr. Gavin provided acquisition program guidance and oversight to the Program Executive Officers for C4I, Space, and Enterprise Information Systems, and their associated program managers for assigned portfolio programs; however, he was not directly involved in managing Navy acquisition programs.

Prior to serving as the DASN(C4I), Mr. Gavin held various Navy acquisition program management positions, culminating as the Navy's Program Executive Officer for Enterprise Information Systems.

Table 3 lists a chronology of significant events related to Mr. Gavin, the JEDI Cloud procurement, and his post-government employment with AWS.

*Table 3. Chronology of Significant Events related to Mr. Gavin.*

| Date               | Event   |
|--------------------|---|
| Nov. 2016          | Mr. Gavin becomes the Deputy Assistant Secretary of the Navy for Command, Control, Communications, Computers, Intelligence  |
| Summer – Fall 2017 | Mr. Gavin considers retiring from the DoD and consults a Navy ethics counsel on industry employment opportunities.  |
| Sep. 26, 2017      | Mr. Gavin's supervisor nominates him to represent the Navy in the Cloud Executive Steering Group (CESG) that Deputy Secretary Shanahan created on September 13, 2017. |
| Sep. 27, 2017      | Mr. Gavin signs ethics agreement.   |
| Oct. 5, 2017       | Mr. Gavin attends his first JEDI Cloud meeting, a "Cloud Focus Group" meeting, at which he shares the Navy's lessons learned with cloud computing.                    |
| Jan. 11, 2018      | Mr. Gavin disqualifies himself from participating in matters related to Amazon because he is "exploring" employment opportunities with the company.                   |
| Jan. 15, 2018      | Mr. Gavin interviews with Amazon Web Services (AWS).  |
| Mar. 26, 2018      | Mr. Gavin consults a Navy ethics counsel concerning employment prospects  |



|               |  |
|---------------|--|
|               | with AWS, and gives counsel a copy of a position description AWS discussed with him. He receives advice that the law does not prohibit him from accepting the position, but could impact his ability to lobby for new business once in the position.   |
| Mar. 29, 2018 | Mr. Gavin receives a verbal employment offer from AWS.   |
| Apr. 2, 2018  | Mr. Gavin receives and accepts a written employment offer from AWS.  |
| Apr. 5, 2018  | Mr. Gavin receives a same-day invitation to a JEDI meeting, to review the JEDI Cloud acquisition strategy. This is Mr. Gavin's second and final JEDI Cloud meeting. Mr. Gavin receives a draft acquisition strategy and consults a Navy ethics advisor, who tells Mr. Gavin that despite his recusal, Mr. Gavin can attend the meeting because the acquisition strategy is not a particular matter involving specific parties. |
| Apr. 5, 2018  | Mr. Gavin attends the JEDI Cloud Acquisition Strategy review meeting and speaks against the recommended single award strategy and in favor of awarding multiple JEDI Cloud contracts.  |
| Jun. 1, 2018  | Mr. Gavin retires from the DoD.  |
| Jun. 18, 2018 | Mr. Gavin begins working for Amazon as the AWS Head of Federal Technology Vision and Business Development.   |
| Jul. 19, 2018 | USD(A&S) approves JEDI Cloud Acquisition Strategy.   |
| Jul. 26, 2018 | The DoD releases the JEDI Cloud RFP with the Statement of Objectives.  |

The following sections discuss these events in more detail.

#### **b. Events Leading to Mr. Gavin's Disqualification From Amazon-Related Matters**

Mr. Gavin told us that during the "fall or even summer" of 2017, he began "wondering about retiring from the DoD." He said he "always wondered what life would be like in private industry but wasn't sure if I would like it or fit in. I wanted to get an understanding of life in the private sector but wasn't sure I wanted to pursue it."

Mr. Gavin told us that he called a Navy ethics advisor for advice "on how to deal with retirement and conversations with industry." According to Mr. Gavin, the Navy ethics advisor told him "to feel free to talk," and advised him that "once you start getting specific about jobs and money, and things of that nature you need to recuse yourself [from particular matters that involve the prospective employer]. But it's okay to say "Hey, what would it be like to work for a specific company or within industry."

Mr. Gavin told us that based on the Navy ethics advisor's advice that he was "free to talk" to prospective employers in "discovery mode," he:

had conversations with many companies between July 2017 and my recusal letter in January [2018]. These companies include AWS, Microsoft, Oracle, Lockheed Martin, Metron, etc. The goal was to understand "a day in the life" in the private sector and help me determine if I would retire or spend the next several years as a government employee. I was never looking for a job with any of these discussions.

The ethics advisor Mr. Gavin consulted oversaw the ethics program for the Office of the Assistant Secretary of the Navy for Research, Development & Acquisition (OASN(RD&A)), which was the



DASN(C4I)'s parent organization.<sup>2</sup> We asked this ethics advisor about Mr. Gavin's phone call to him seeking ethical advice on discussions with companies. The ethics advisor said, "I don't have any recollection of that, which isn't to say that he did not do it," and "it would not surprise me if he did [call]." The ethics advisor explained that when "senior executives were thinking about their futures they would just come and ask questions about what law might apply to them." He said it would have been normal for him to give Mr. Gavin general information about the laws that could apply to him, and to caution him that "if he wanted to interview or negotiate for employment" with a specific company, he had to recuse himself from working on Government matters that involved that company.

On September 26, 2017, Ms. Allison Stiller, Principal Civilian Deputy Assistant Secretary of the Navy for Research, Development, and Acquisition, nominated Mr. Gavin to represent the Navy in the CESG that Deputy Secretary Shanahan had established two weeks earlier. This was Mr. Gavin's first involvement with the JEDI Cloud procurement, which at the time was known as the "cloud adoption initiative." In her e-mail to Under Secretary of Defense Lord nominating Mr. Gavin, Ms. Stiller wrote:

I understand that you have tasked your team with setting up a Cloud Executive Steering Group (CESG) with reps at the SES level. I would like to nominate Victor Gavin, our DASN C4I/Space. I believe you met Vic this week as he has responsibility for all of our IT system acquisition. He has been leading the charge for Navy migration to the cloud and I think he would be a great asset to the CESG.

Mr. Gavin was never appointed formally as a CESG member. According to [REDACTED] Deputy Secretary Shanahan's memo directing establishment of the CESG identified the core CESG members as OSD officials. No Military Service representatives were appointed to the CESG.

Mr. Gavin was invited to attend to brief the CESG on the Navy's experiences with cloud computing. This meeting took place on October 5, 2017. This meeting was part of the CESG's research into the results of existing cloud migration efforts throughout the DoD. According to Mr. Gavin, as DASN he had talked to "all the major [cloud] contractors," including Microsoft, IBM, Oracle, and Amazon because they were all suppliers of Navy C4I and IT systems. He told the CESG about the Navy's experiences and lessons learned with cloud services, and about "strengths and weaknesses in cloud vendors' space." When we asked him what he said specifically about Amazon to CESG members, Mr. Gavin responded that he told the CESG "what the Amazon cloud does," how the Navy used Amazon's cloud services, and that Amazon's strengths were its large size and its relationships with other Federal agencies. Mr. Gavin said the CESG also wanted to know if the Navy would place orders against the JEDI ID/IQ contract after it was awarded. He told the CESG "Yes," and told us that the Navy slowed down its cloud initiatives in anticipation of using the future JEDI Cloud contract.

### **c. Mr. Gavin Accepts a Job with AWS**

Mr. Gavin told us that during his discussion about private sector employment with a number of companies, "AWS offered me the opportunity to interview to determine my fit" for AWS. He said he agreed to interview, and that this "triggered my recusal" from involvement in matters related to AWS

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<sup>2</sup> For clarity, we refer to this ethics advisor as the ASN(RD&A) Ethics Advisor, to distinguish this person from the DASN(C4I) Ethics Advisor, who was assigned to support Mr. Gavin's organization, DASN (C4I).



Mr. Gavin stated that he did not remember the exact date that AWS first contacted him and invited him to interview. He added that the interview was not for any particular position with AWS.

Mr. Gavin sent a letter, dated January 11, 2018, to James F. Geurts, Assistant Secretary of the Navy for Research, Development and Acquisition, disqualifying himself from participating in matters related to Amazon. In his letter, Mr. Gavin wrote:

I am exploring employment opportunities with Amazon Web Services [AWS]. I do not work with Amazon Web Services in a technical capacity while supporting ASN (RD&A) and do not currently participate personally and substantially in any particular matters which would have a direct effect on Amazon Web Services' financial interests. To avoid any possibility of a conflict of interest and to permit an orderly transition of responsibilities, I request to be excluded from, and relieved of, all matters and responsibilities regarding the financial interests of Amazon Web Services effective immediately.

On January 14, 2018, Mr. Geurts replied to Mr. Gavin by e-mail, "Victor, Got it – thanks."

On, January 15, 2018, Mr. Gavin interviewed with AWS. He told us the interview was to determine his suitability for employment with the company and not for any specific position at that time.

Mr. Gavin said that in late January 2018, he received an e-mail in which AWS expressed its belief that he was a good fit, but had not made any decisions. Mr. Gavin said he heard nothing from AWS until late March, when AWS sent him a description for the job of Head, Federal Technology Vision and Business Development, leading AWS projects related to "government acquisition, enterprise systems migration, security and compliance, and technical and business strategy support for our Federal systems integrators."

On March 26, 2018, Mr. Gavin sent the job description to the ASN(RD&A) Ethics Advisor and asked for advice. Mr. Gavin wrote:

Attached is a job description that I'm interested in. I'm interested in your thoughts on the job's compliance with the new NDAA section 1045. The job works with other Federal agencies and there is no work with DoD. To me it sounds clear but I need to get a legal read from you.

The ASN(RD&A) Ethics Advisor explained to Mr. Gavin the specifics of accepting the position and how new post-Government employment provisions in the 2018 NDAA Section 1045 and in 18 USC 207 would apply to him.<sup>3</sup> He wrote to Mr. Gavin:

I do not believe section 1045 would prohibit you from accepting the described position with Amazon, but it could impact your ability to lobby for new business development, which appears to be one of the responsibilities of the position.

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<sup>3</sup> Section 1045 of the National Defense Authorization Act for FY 2018 barred former DoD senior officials from engaging in lobbying activities with certain current senior DoD officials for a 1- or 2-year period, depending on the grade of the senior official.



The Ethics Advisor also told Mr. Gavin that as an Amazon employee he could do behind-the-scenes work, such as suggest names of DoD officials for other Amazon employees to contact, but that Mr. Gavin could not contact the DoD officials himself during his cooling-off period. Mr. Gavin told us that he understood from conversations with the Ethics Advisor that his cooling-off period would be for 2 years.

Mr. Gavin told us that AWS made a verbal job offer to him on March 29, 2018, and a written job offer on April 2, 2018. Mr. Gavin said he accepted the offer on April 2, 2018.

It is not clear when Mr. Gavin informed DoD officials that he had accepted the job with AWS. Mr. Gavin told us that "my acceptance eventually became common knowledge, [but] I do not recall when or who I told."

The ASN(RD&A) Ethics Advisor told us that when he retired on April 30, 2018, he did not know that Mr. Gavin had accepted the job with AWS earlier that month.

We found no evidence that Mr. Gavin participated in any JEDI-related matters between the October 2017 "Cloud Focus Session" and Mr. Gavin's April 2, 2018, acceptance of the job offer from AWS.

#### **d. Mr. Gavin Attends a Meeting on the JEDI Cloud Acquisition Strategy**

On April 5, 2018, Mr. Kevin Fahey, Assistant Secretary of Defense for Acquisition, invited senior officials from OUSD(A&S), DoD OGC, DoD OCIO, and the Military Services to attend a JEDI Cloud meeting that afternoon. Mr. Fahey invited Mr. Gavin to represent the Navy at the meeting. The e-mail invitation included Mr. Gavin and identified the meeting's subject as "JEDI Cloud Acquisition Strategy," and the meeting's purpose as "JEDI Cloud Acquisition Strategy Murder Board."

Mr. Gavin told us that when he received the e-mail invitation, he was concerned about whether it was appropriate for him to attend the meeting because of his recusal from AWS matters. He said he therefore sought ethics advice. He also said he considered sending someone else to the meeting in his place. However, he said he thought it was important that the Navy send an SES-level attendee, but there were no SES members on his staff to send in his place.

We determined that at 7:55 AM on April 5, 2018, the day of the meeting, Mr. Gavin's Chief of Staff wrote an e-mail on Mr. Gavin's behalf to the DASN(C4I) Ethics Advisor.<sup>4</sup> The Chief of Staff wrote:

Mr. Gavin would like to know if it is a conflict of interest for him to attend the Subject [JEDI Cloud Acquisition Strategy] meeting today. The [Military] Services will be discussing the JEDI cloud contract's acquisition strategy. Companies like Amazon and Microsoft (which boss [Mr. Gavin] might work with) will likely bid on this contract.

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<sup>4</sup> We use the term DASN (C4I) Ethics Advisor to describe the attorney assigned to provide ethics advice to Mr. Gavin's organization, the ODASN (C4I). We distinguish this advisor from the ASN(RD&A) Ethics Advisor, who oversaw the ethics program within the OASN(RD&A) and who advised Mr. Gavin on his post-Government employment negotiations.



At 8:35 AM on the same date, the DASN(C4I) Ethics Advisor replied to Mr. Gavin's Chief of Staff:

No issues with Mr. Gavin attending this particular meeting. At this point, the matter does not involve Amazon, as it's only at the stage where Amazon/Microsoft is a likely bidder on the contract (this can of course change down the line).

The Chief of Staff forwarded the DASN(C4I) Ethics Advisor's response to Mr. Gavin, and wrote, "You are good to go [to the JEDI Cloud Acquisition Strategy meeting]."

We asked Mr. Gavin if his Chief of Staff knew at that time of this e-mail exchange that he [Mr. Gavin] had accepted a job with AWS. Mr. Gavin said he was "not sure when we had a specific conversation about my acceptance of a position," but said that his Chief of Staff "knew that I had recused from all matters dealing with AWS." As noted above, Mr. Gavin told us that while his acceptance of the AWS job eventually became common knowledge, he did not recall who he told or when. He told us that he did not "see an urgency to do so given that I had recused myself."

Later that morning, Ms. Jane Rathbun, Deputy Director, Deputy Assistant Secretary of Defense for Defense Business Systems, sent an e-mail to Mr. Gavin that stated, "If you are wondering how you were invited to this meeting I am the culprit." Mr. Gavin's three-word reply to Ms. Rathbun was, "Thanks, I think?"

Mr. Gavin attended the April 5, 2018, meeting on the draft JEDI Cloud Acquisition Strategy. He told us that his "sole reason for me attending these things [JEDI Cloud meetings] is to provide Navy lessons learned." Mr. Gavin described the meeting to us:

There was a whole lot of I'll call it Cloud 101 discussions. There's a whole lot of discussion on whether it was putting things in one data center, people not understanding the business model, people not understanding I'll say cloud basics in that meeting. And the group that was leading the meeting did their best to explain what was going on. So, I think from that standpoint that was the vast majority of that discussion there.

Mr. Gavin told us that he received a draft DoD Acquisition Strategy document to review prior to the April 5, 2018, CESG meeting. He told us that his input during the meeting concerned "the multi-cloud versus single cloud – multi award versus single award" debate. Mr. Gavin said he "did not like the idea of doing a single-award." Mr. Gavin also told us that during the meeting the other attendees acknowledged his concerns, the DDS members explained their rationale for a single award, and Mr. Gavin explained to the group his rationale for a multiple award, "and that was it."



We interviewed three [REDACTED] and one [REDACTED] who also attended the meeting. Three of the four officials said they remembered that Mr. Gavin was there. One did not remember Mr. Gavin attending. According to the witnesses, none of them were aware during the meeting that Mr. Gavin had disqualified himself from participating in matters involving AWS. The three who remembered Mr. Gavin attending told us that Mr. Gavin's only input during the meeting was to speak against a single-award approach to the acquisition strategy, and to speak for a multiple-award approach. According to these witnesses, Mr. Gavin did not say anything about Amazon or any other potential JEDI Cloud contract competitor, and he did not provide any other input during the meeting. They added that, to their knowledge, Mr. Gavin did not have any involvement in the JEDI Cloud procurement between this meeting and his resignation from DoD.

We also interviewed [REDACTED], who said that [REDACTED] later investigated the matter of Mr. Gavin's attendance at the April 5, 2018, meeting. The [REDACTED] stated [REDACTED] did not attend the meeting, and at that time [REDACTED] was not aware of Mr. Gavin's disqualification from particular matters related to Amazon. In [REDACTED] investigation, [REDACTED] concluded that by attending this meeting despite having disqualified himself, Mr. Gavin violated FAR 3.101-1, which requires employees to avoid strictly any conflict of interest or "even the appearance of a conflict of interest in Government-contractor relationships." When [REDACTED] made this determination about appearance of conflict of interest, [REDACTED] was not aware that Mr. Gavin had sought and received an ethics opinion from the DASN(C4I) Ethics Advisor prior to attending the meeting. [REDACTED] told us that if [REDACTED] had known during [REDACTED] investigation that Mr. Gavin had sought and received an ethics opinion before attending the April 5, 2018, meeting, she would have written a different conclusion reflecting that Mr. Gavin did not violate FAR 3.101-1.

We also interviewed the DASN(C4I) Ethics Advisor who provided Mr. Gavin the opinion that there were "no issues" with attending the April 5, 2019, JEDI Cloud meeting. This ethics advisor said she did not recall knowing on April 5, 2018, that Mr. Gavin had already accepted a job with AWS. The advisor told us, however, that her opinion that attendance was permitted would have been the same even if she had known that fact. The Ethics Advisor stated that the meeting was going to be a general acquisition strategy discussion, to be held before the DoD issued a solicitation, which meant the attendees would not be discussing a particular matter or specific contractors [parties].

The ASN(RDA) Ethics Advisor told us that the strategy meeting was not "specifically involving Amazon." He said that the fact that Mr. Gavin had already accepted the job on April 2, 2019, "really doesn't matter" because Mr. Gavin had already disclosed his interest in AWS and had recused himself. He told us that given all the facts, he did not believe there was "an actual conflict there." However, he also told us that Mr. Gavin's attendance could have created the appearance of a conflict, and that the "safer, more conservative thing" would have been for Mr. Gavin to send someone else to the meeting in his place.

Mr. Gavin told us that this April 5, 2018, meeting was his last involvement with the JEDI Cloud procurement. He said he "never saw the [JEDI Cloud] RFP" that was issued after he had resigned from DoD and joined AWS. He said the Navy's input for the later-issued JEDI RFP would have been provided through the Navy Requirements Office, the N2/N6 and did not come from him.



We asked 11 witnesses from [REDACTED] to describe Mr. Gavin's role and scope of influence in the JEDI Cloud procurement. We also asked Secretary Mattis and Deputy Secretary Shanahan this question. Nine of the 13 witnesses we asked either did not know Mr. Gavin at all, or knew who he was but had no interactions of any kind with him. These nine were Secretary Mattis, Deputy Secretary Shanahan, Ms. Lord, Mr. Daigle, Mr. Deasy, [REDACTED], [REDACTED], [REDACTED], and [REDACTED]. All of these nine said that either Mr. Gavin did not influence the JEDI Cloud procurement, or that they did not know whether Mr. Gavin had any influence on it. Mr. Daigle told us the complaint that Mr. Gavin "played a key role" in the JEDI Cloud procurement, was "a fabrication."

Of the four witnesses who knew Mr. Gavin and had interactions with him, one was a CESG member. He said he knew Mr. Gavin and that Mr. Gavin was not involved in the source selection, and in meetings Mr. Gavin was expressing the Navy's viewpoint on its own cloud path forward, and was wary of how the JEDI Cloud acquisition could "screw it up" in relation to the Navy's already ongoing separate cloud data uses. The remaining three witnesses attended the April 5, 2018, acquisition strategy meeting with Mr. Gavin and interacted with him. All three stated that Mr. Gavin's participation in the JEDI Cloud procurement was not substantial, and that he did not influence JEDI Cloud procurement decisions. For example, when asked how Mr. Gavin influenced the JEDI Cloud acquisition, one answered, "He didn't." This witness continued:

I mean he just acknowledged that there were multiple vendors in the space. It was a really robust conversation. So a number of folks chimed in and honestly I couldn't tell you if it was he that said it or somebody else. I know the names like Amazon, Microsoft, IBM, Oracle. You know, all of those were eventually brought up in that conversation, but it was bouncing all over the place. So, I don't really recall if he mentioned them specifically himself.

Another of these three answered:

Did he have an opinion? Sure. I don't know if he influenced it. He was in the room. He was part of the conversation. He would be supporting fire, but nobody moved DDS off the starting point [single award]. That's kind of where this whole argument hinges on because nobody moved DDS. They started at a [single award] position. They ended at a [single award] position, and they didn't deviate at all.

Mr. Gavin retired from the DoD on June 1, 2018, and began his employment with AWS on June 18, 2018.

[REDACTED] investigation concluded that Mr. Gavin's conduct did not affect the procurement because his participation in the April 5, 2018, meeting did not "have any significance to the acquisition."

The GAO and the U.S. Court of Federal Claims reviewed and agreed with [REDACTED] determination that Mr. Gavin's participation did not compromise the integrity of the procurement. In its opinion, the Court described the persons Oracle claimed were conflicted, which included Mr. Gavin, as "bit players" who did not taint the procurement. We include additional information about the GAO's review and decision, and the Court's opinion, in Appendixes A and B, respectively.



**e. OIG Conclusion – Mr. Gavin**

We concluded that Mr. Gavin's participation in the April 5, 2018, meeting did not influence the JEDI contract.

We also concluded that Mr. Gavin's January 11, 2018, written notification to his supervisor that he was exploring employment with AWS, which included a request for relief from participation in matters related to AWS, was consistent with the JER's requirements for disqualifying himself from Amazon matters.

Mr. Gavin's discussions, negotiations, and acceptance of a job offer with Amazon from January 11 through April 2, 2018, created a financial interest in Amazon that prohibited him from participating personally and substantially in any particular matter in which, to his knowledge, he had a financial interest, if the particular matter would have a direct and predictable effect on Amazon as his potential employer, and as a result, his own personal interest.

Therefore, when Mr. Gavin received an unsolicited invitation to participate in the April 5, 2018, meeting on the JEDI Cloud Acquisition Strategy, he was obliged, as the JER states, to "take whatever steps are necessary to ensure that he does not participate in the matter from which he is disqualified." Mr. Gavin asked for advice from the DASN(C4I) Ethics Advisor after receiving the meeting invitation.

Mr. Gavin had already disqualified himself from Amazon matters. When Mr. Gavin's Chief of Staff asked the DASN(C4I) Ethics Advisor for an ethics opinion regarding Mr. Gavin's invitation to the April 5, 2018, JEDI Cloud meeting, both his Chief of Staff and the DASN(C4I) Ethics Advisor knew about Mr. Gavin's January 11, 2018, disqualification. They also knew that prohibitions against Mr. Gavin's personal and substantial participation in particular matters that could affect Amazon were in effect.

The written ethics advice that Mr. Gavin received permitted him to attend the meeting despite his recusal because the DASN(C4I) Ethics Advisor opined that a general JEDI Cloud Acquisition Strategy debate was not a particular matter that involved Amazon or any other potential contract competitors at that stage of the procurement. Particular matters include contracts, and as of April 5, 2018, there was no contract, or even a solicitation of offers for a contract. We found that Mr. Gavin requested, received, and followed an ethics opinion from a designated ethics official, and that he did not say anything about Amazon or its competitors in the meeting.<sup>5</sup>

The FAR states that participating personally and substantially in a Federal agency procurement means "active and significant involvement of an official in (1) drafting, reviewing, or approving the specification or statement of work for the procurement, (2) preparing or developing the solicitation, (3) evaluating bids or proposals, or selecting a source, (4) negotiating price or terms and conditions of the contract, or (5) reviewing and approving the award of the contract." We determined that none of these things were discussed or accomplished in the April 5, 2018, meeting that Mr. Gavin attended, where the group reviewed a draft acquisition strategy, and at which Mr. Gavin spoke in favor of using a multiple award strategy.

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<sup>5</sup> The "in good faith" element is from Chapter 2 of the JER, which incorporates 5 CFR 2635.107(b), and is presented more fully in the Appendix to this report.



Further, the FAR states that “participating substantially” means that the official’s involvement was “of significance to the matter.” At this meeting, Mr. Gavin spoke in favor of using a multiple award approach but did not advocate for any specific contractor and did not alter DDS’ proposed single award strategy. We determined that Mr. Gavin’s role and participation in this meeting was not substantial to the JEDI Cloud procurement acquisition.

We also note that [REDACTED] investigation found that Mr. Gavin failed to avoid an appearance of impropriety when he attended the April 5, 2018, JEDI Cloud procurement meeting, and therefore violated FAR 3.101-1. However, as described above, [REDACTED] was not aware during [REDACTED] investigation that Mr. Gavin had sought and received an ethics opinion before he attended the meeting, and [REDACTED] told us that had she known this fact at that time [REDACTED] would not have concluded that he violated FAR 3.101-1.

Yet, we also agree with the ASN(RD&A) ethics advisor’s opinion that in retrospect the “safer, more conservative thing” would have been for Mr. Gavin to send someone else to the meeting in his place. Moreover, there is no evidence that Mr. Gavin had disclosed to the ethics advisor or to his supervisors at this point that he had already accepted a job with Amazon. That, according to what the ethics advisor told us, would not have changed her advice that Mr. Gavin could attend. We believe, however, that Mr. Gavin should have disclosed that information to the ethics advisors, and allowed the ethics advisor to consider it at the time. We also agree with the ethics advisor that the better course of action would have been for Mr. Gavin to disclose that information, and for the ethics advisor to have recommended that he not attend the meeting, to avoid the appearance of a conflict of interest.

[REDACTED] investigation, the GAO review, and the Court’s opinion all determined that Mr. Gavin’s limited overall participation in the JEDI Cloud procurement, and in this April 2018 meeting specifically, was not substantial enough to affect the integrity of the JEDI Cloud procurement. We agree. None of the witnesses we interviewed said that Mr. Gavin played a substantial role in the procurement or influenced the single award versus multiple award strategy. In fact, Mr. Gavin argued for a multiple award approach to the acquisition, which presumably would not have been in the interest of the perceived future front-runners, such as AWS or Microsoft, but Mr. Gavin did not succeed in influencing CESG opinions. The DoD ultimately selected the single award strategy several months later.

In sum, we concluded that Mr. Gavin should have used better judgment by not attending the April 5, 2018, JEDI Cloud Acquisition strategy meeting after he had accepted a job with AWS, or by sending someone else in his place, to avoid the appearance of a conflict. However, he did not violate ethical standards by following the ethics advice he received, and his participation in the meeting did not affect the JEDI Cloud procurement.

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## APPENDIX A – U.S. GOVERNMENT ACCOUNTABILITY OFFICE PROTESTS

FAR Part 33, “Protests, Disputes, and Appeals,” Subpart 33.1, “Protests,” prescribes policies and procedures for filing protests. A “protest” is a written objection by an interested party. It may be filed in response to (1) a solicitation, (2) the cancellation of a solicitation, (3) the award or proposed award of the contract, or (4) the termination or cancellation of an award. An interested party may file a protest with the contracting agency, the Government Accountability Office (GAO), or the COFC. Unless the protest is dismissed because it is procedurally or substantively defective, the GAO will either deny or sustain the protest. When a protest is sustained, GAO normally recommends appropriate corrective action.

The DoD published the JEDI Cloud Request for Proposalss (RFP) on July 26, 2019. Oracle of America, Inc. (Oracle) filed a protest of the solicitation with the GAO on August 6, 2018. Oracle later supplemented and revised its protest. The protest asserted that the (1) a single-award indefinite delivery/indefinite quantity contract for the JEDI Cloud procurement was contrary to statute and regulation, (2) terms of the solicitation exceeded the DoD’s needs, and (3) DoD failed to properly consider potential conflicts of interest.

The GAO denied Oracle’s protest. In its November 14, 2018 decision, the GAO stated that:

- DoD’s single-award approach to obtain cloud services was consistent with statute and regulation;
- the DoD provided reasonable support for all of the solicitation provisions that Oracle asserted exceeded the DoD’s needs; and
- Oracle’s allegations of conflicts of interest did not provide a basis for sustaining the protest.

The full, 19-page decision more fully describes Oracle’s assertions, the DoD’s responses, and the GAO’s analysis. Please visit the GAO website for view the decision. After the GAO decision, Oracle filed a protest in the COFC. We provide information about that protest, which Oracle filed on December 6, 2018, at Appendix B of this report.

On December 11, 2018, the GAO dismissed a protest that International Business Machines Corporation (IBM) filed on October 10, 2018. In its decision, the GAO wrote that IBM made the “same or similar assertions” that Oracle made in its protest, and that those matters were pending before the COFC. Please visit the GAO website to view the decision.



## APPENDIX B – U.S. COURT OF FEDERAL CLAIMS PROTEST

FAR Part 33, “Protests, Disputes, and Appeals,” Subpart 33.1, “Protests,” prescribes policies and procedures for filing protests. A “protest” is a written objection by an interested party. It may be filed (1) in response to a solicitation, (2) the cancellation of a solicitation, (3) the award or proposed award of the contract, or (4) the termination or cancellation of an award. An interested party may file a protest with the contracting agency, the GAO, or the COFC.

The DoD published the JEDI Cloud RFP on July 26, 2019. Oracle of America, Inc. (Oracle) filed a protest of the solicitation with the GAO on August 6, 2018, which the GAO denied on November 14, 2018. On December 6, 2018, Oracle filed a protest with the COFC. Oracle asserted that (1) the DoD’s single award decision violated the law, (2) certain gate criteria in the RFP were inappropriate, and (3) the procurement was tainted by individual and organizational conflicts of interest. The court heard oral arguments on July 10, 2019, and reviewed whether the DoD’s decisions were “arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.” The court wrote that the court’s “task is to determine whether the procurement official’s decision lacked a rational basis or the procurement procedure involved a violation of a regulation or procedure.” If the court concluded that DoD’s conduct failed under that standard of review, the court would then determine if that conduct was prejudicial to Oracle’s chances to win the contract. To show that it was prejudiced by an error, Oracle had to demonstrate “that there was a ‘substantial chance’ it would have received the contract award but for the [agency’s] errors.”

On July 12, 2019, the court issued an order that denied Oracle’s and granted the DoD’s motion for judgment. The court entered a judgment in favor of the DoD on July 19, 2019.<sup>6</sup> A July 26, 2019, opinion supporting the judgment stated the following.

- The gate criterion that Oracle failed to satisfy was enforceable.
- The contracting officer reasonably justified her determination to use a single award approach, but the Under Secretary of Defense for Acquisition and Logistics’ determination to approve the use of a single award approach was not consistent with an “ordinary reading” of 10 U.S.C. § 2304a(d)(3)(B)(ii) (2018).
- Despite this error, the single award determination did not prejudice Oracle, because Oracle would not have had a better chance of competing for the contract due to Oracle “not meet[ing] the agency’s properly imposed security requirements” which were not related to the single award approach.
- [REDACTED] determinations that conflicts of interest reported to her did not impact the procurement were rational and consistent with the FAR.
- [REDACTED] work was “thorough and even-handed.”

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<sup>6</sup> Oracle appealed on August 26, 2019.



- The persons whom Oracle asserted were conflicted were “bit players” whose involvement “did not taint” the work of those who controlled the direction of the procurement.<sup>7</sup>

The court’s order, judgment, and opinion are accessible by visiting <https://www.uscfc.uscourts.gov/opinion-search>, and searching on keyword “18-1880.”

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<sup>7</sup> The persons were [REDACTED] and Mr. Victor Gavin.

## **APPENDIX D – STANDARDS AND DISCLOSURES RELATED TO ALLEGED MISCONDUCT IN THE JEDI CLOUD PROCUREMENT**

### **Title 18, U.S.C. § 208, “Crimes and Criminal Procedure”**

This section of the U.S.C. states:

(a) Except as permitted by subsection (b) hereof, whoever, being an officer or employee of the executive branch of the United States Government, participates personally and substantially as a Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest— Shall be subject to the penalties set forth in section 216 of this title.

(b) Subsection (a) shall not apply if the officer or employee first advises the Government official responsible for appointment to his or her position of the nature and circumstances of the judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by such official that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from such officer or employee.

**DoD 5500.07-R, “Joint Ethics Regulation (JER),” August 30, 1993, including changes 1-7 (November 17, 2011)**

The JER provides a single source of standards of ethical conduct and ethics guidance for DoD employees. Chapter 2, Section 1, of the JER, “Standards of Ethical Conduct,” incorporates Title 5, Code of Federal Regulations (CFR), Part 2635, “Standards of Ethical Conduct for Employees of the Executive Branch,” in its entirety.

### **Subpart A, “General Provisions”**

**Section 2635.101(b), “General Principles,” states:**

Employees shall not use public office for private gain. They shall act impartially and not give preferential treatment to any private organization or individual. They shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities. They shall endeavor to avoid any actions creating the appearance that they are violating the law or ethical standards set forth in Part 2635. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

**Section 2635.107, “Ethics Advice,” states:**



Employees who have questions about the application of this part or any supplemental agency regulations to particular situations should seek advice from an agency ethics official. Disciplinary action for violating this part or any supplemental agency regulations will not be taken against an employee who has engaged in conduct in good faith reliance upon the advice of an agency ethics official, provided that the employee, in seeking such advice, has made full disclosure of all relevant circumstances. Where the employee's conduct violates a criminal statute, reliance on the advice of an agency ethics official cannot ensure that the employee will not be prosecuted under that statute. Disclosures made by an employee to an agency ethics official are not protected by an attorney-client privilege. An agency ethics official is required by 28 U.S.C. 535 to report any information he receives relating to a violation of the criminal code, title 18 of the United States Code.

#### **Subpart D, "Conflicting Financial Interests"**

##### **Section 2635.402, "Disqualifying financial interests," states:**

An employee is prohibited by criminal statute, Title 18, United States Code, section 208(a), from participating personally and substantially in an official capacity in any particular matter in which, to his knowledge, he or any person whose interests are imputed to him has a financial interest, if the particular matter will have a direct and predictable effect on that interest. Unless there is a waiver or exemption, an employee shall disqualify himself from participating in such matters by not participating in them. An employee responsible for his own assignment [to a particular matter] should take whatever steps are necessary to ensure that he does not participate in the matter from which he is disqualified.

The term particular matter encompasses only matters that involve deliberation, decision, or action focused on the interests of specific persons, or a discrete and identifiable class of persons. Particular matters include a contract, and may include policy-making that is narrowly focused on the interests of a discrete and identifiable class of persons. It does not include the consideration or adoption of broad policy options that are directed at the interests of a large and diverse group of persons.

A particular matter will have a direct effect on a financial interest if there is a close causal link between any decision or action to be taken in the matter and any expected effect of the matter on the financial interest. An effect may be direct even though it does not occur immediately. A particular matter will not have a direct effect on a financial interest, however, if the chain of causation is attenuated or is contingent upon the occurrence of events that are speculative or that are independent of, and unrelated to, the matter. A particular matter that has an effect on a financial interest only as a consequence of its effects on the general economy does not have a direct effect within the meaning of this subpart.

A particular matter will have a predictable effect if there is a real, as opposed to a speculative possibility that the matter will affect the financial interest. It is not necessary, however, that the magnitude of the gain or loss be known, and the dollar amount of the gain or loss is immaterial.

If a particular matter involves a specific party or parties, generally the matter will at most only have a direct and predictable effect, for purposes of this subpart, on a financial interest of the employee in or with a party, such as the employee's interest by virtue of owning stock. There may, however, be



some situations in which, under the above standards, a particular matter will have a direct and predictable effect on an employee's financial interests in or with a nonparty. For example, if a party is a corporation, a particular matter may also have a direct and predictable effect on an employee's financial interests through ownership of stock in an affiliate, parent, or subsidiary of that party. Similarly, the disposition of a protest against the award of a contract to a particular company may also have a direct and predictable effect on an employee's financial interest in another company listed as a subcontractor in the proposal of one of the competing offerors.

To participate personally means to participate directly. It includes the direct and active supervision of the participation of a subordinate in the matter. To participate substantially means that the employee's involvement is of significance to the matter. Participation may be substantial even though it is not determinative of the outcome of a particular matter. However, it requires more than official responsibility, knowledge, perfunctory involvement, or involvement on an administrative or peripheral issue. A finding of substantiality should be based not only on the effort devoted to a matter, but also on the importance of the effort. While a series of peripheral involvements may be insubstantial, the single act of approving or participating in a critical step may be substantial. Personal and substantial participation may occur when, for example, an employee participates through decision, approval, disapproval, recommendation, investigation or the rendering of advice in a particular matter.

Unless the employee is authorized to participate in the particular matter by virtue of a waiver or exemption described in paragraph (d) of this section or because the interest has been divested in accordance with paragraph (e) of this section, an employee shall disqualify himself from participating in a particular matter in which, to his knowledge, he or a person whose interests are imputed to him has a financial interest, if the particular matter will have a direct and predictable effect on that interest. Disqualification is accomplished by not participating in the particular matter.

An employee who becomes aware of the need to disqualify himself from participation in a particular matter to which he has been assigned should notify the person responsible for his assignment. An employee who is responsible for his own assignment should take whatever steps are necessary to ensure that he does not participate in the matter from which he is disqualified. Appropriate oral or written notification of the employee's disqualification may be made to coworkers by the employee or a supervisor to ensure that the employee is not involved in a matter from which he is disqualified.

A DoD employee who is required to disqualify himself from participation in a particular matter to which he has been assigned shall provide written notice of disqualification to his supervisor upon determining that he will not participate in the matter.

#### **Subpart E, "Impartiality in Performing Official Duties"**

**Section 2635.502, "Personal and business relationships," states:**

Where an employee knows that a particular matter involving specific parties is likely to have a direct and predictable effect on the financial interest of a member of his household, or knows that a person with whom he has a covered relationship (including a relative with whom the employee has a close personal relationship) is or represents a party to such matter, and where the employee determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to



question his impartiality in the matter, the employee should not participate in the matter unless he has informed the agency designee of the appearance problem and received authorization from the agency designee.

**Section 2635.503, "Extraordinary Payments From Former Employers," states:**

Unless a waiver is granted, an employee shall be disqualified for 2 years from participating in any particular matter in which a former employer is a party or represents a party if he received an extraordinary payment in excess of \$10,000 from that person prior to entering Government service, if the payment is made on the basis of a determination made after it became known to the former employer that the individual was being considered for or had accepted a Government position, and if the payment is made other than pursuant to the former employer's established compensation, partnership, or benefits program. A compensation, partnership, or benefits program will be deemed an established program if it is contained in bylaws, a contract or other written form, or if there is a history of similar payments made to others not entering into Federal service. The 2-year period of disqualification begins to run on the date that the extraordinary payment is received.

**Subpart F, "Seeking Other Employment"**

**Section 2635.602, "Applicability and Related Considerations," states:**

An employee who is seeking employment or who has an arrangement concerning prospective employment must recuse himself if particular matters in which the employee will be participating personally and substantially would, to the employee's knowledge, directly and predictably affect the financial interests of a prospective employer or of a person with whom the employee has an arrangement concerning prospective employment. An employee who is seeking employment with a person whose financial interests are not, to the employee's knowledge, affected directly and predictably by particular matters in which the employee participates personally and substantially has no obligation to recuse under this subpart. In addition, nothing in this subpart requires an employee, other than a public filer, to notify anyone that the employee is seeking employment unless a notification is necessary to implement a recusal pursuant to Section 2635.604. A public filer who negotiates for or has an agreement of future employment or compensation must comply with the notification requirements in Section 2635.607.

**Section 2635.604, "Recusal While Seeking Employment," states:**

An employee may not participate personally and substantially in a particular matter that, to the employee's knowledge, has a direct and predictable effect on the financial interests of a prospective employer with whom the employee is seeking employment. Recusal is accomplished by not participating in the particular matter.

**Section 2635.607, "Notification Requirements for Public Financial Disclosure Report Filers Regarding Negotiations for or Agreement of Future Employment or Compensation," states:**

A public filer who is negotiating for or has an agreement of future employment or compensation with a non-Federal entity must file a written statement notifying an agency ethics official of such negotiation or agreement within three business days after commencement of the negotiation or



agreement. A public filer who files a notification statement must also file with an agency ethics official a notification of recusal whenever there is a conflict of interest or appearance of a conflict of interest with the non-Federal entity identified in the notification statement. The notification statement and the recusal statement may be contained in a single document or in separate documents.

**JER, Chapter 2, Section 2, "Supplemental Standards of Ethical Conduct For Employees of the Department of Defense"**

**Paragraph 2-204, "Standard for Accomplishing Disqualification"**

**Subparagraph 2-204a, "Disqualifying Financial Interests," states:**

A DoD employee who is required, in accordance with 5 CFR section 2635.402(c), to disqualify himself from participation in a particular matter to which he has been assigned shall, notwithstanding the guidance in 5 CFR section 2635.402, provide written notice of disqualification to his supervisor upon determining that he will not participate in the matter.

**Subparagraph 2-204b, "Disqualification to Ensure Impartiality," states:**

A DoD employee who is required, in accordance with 5 CFR section 2635.502, to disqualify himself from participation in a particular matter involving specific parties to which he has been assigned shall, notwithstanding the guidance in 5 CFR section 2635.502, provide written notice of disqualification to his supervisor upon determining that he will not participate in the matter.

**Federal Acquisition Regulation (FAR), Volume I, March 2005**

**FAR 2.101, "Definitions," states:**

"Organizational conflict of interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the Government, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.

"Source selection information" means information that is prepared for use by an agency for the purpose of evaluating a bid or proposal to enter into an agency procurement contract, if that information has not been previously made available to the public or disclosed publicly, including (1) bid prices submitted in response to an agency invitation for bids, or lists of those bid prices before bid opening; (2) proposed costs or prices submitted in response to an agency solicitation, or lists of those proposed costs or prices; (3) source selection plans; (4) technical evaluation plans; (5) technical evaluations of proposals; (6) cost or price evaluations of proposals; (7) competitive range determinations that identify proposals that have a reasonable chance of being selected for award of a contract; (8) rankings of bids, proposals, or competitors; (9) reports and evaluations of source selection panels, boards, or advisory councils; or (10) other information marked as "Source Selection Information."

**FAR 3.101, "Standards of Conduct," states:**



Government business shall be conducted in a manner above reproach, with complete impartiality, and with preferential treatment for none. The general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships. Official conduct must be such that [employees] would have no reluctance to make a full public disclosure of their actions.

**FAR 3.104, "Procurement Integrity"**

**FAR 3.104-1, "Definitions," states:**

"Contractor bid or proposal information" means information submitted to a Federal agency as part of or in connection with a proposal to enter into a Federal agency procurement contract, if that information has not been previously made available to the public or disclosed publicly. Information includes (1) cost or pricing data, (2) indirect costs and direct labor rates, (3) proprietary information about manufacturing processes, operations, or techniques marked by the contractor in accordance with applicable law or regulation, (4) information marked by the contractor as "contractor bid or proposal information" in accordance with applicable law or regulation, and (5) information offerors mark as restricted in their proposals.

"Federal agency procurement" means the acquisition, using competitive procedures and awarding a contract, of goods or services from non-Federal sources by a Federal agency using appropriated funds.

"Participating personally and substantially in a Federal agency procurement" means active and significant involvement of an official in (1) drafting, reviewing, or approving the specification or statement of work for the procurement, (2) preparing or developing the solicitation, (3) evaluating bids or proposals, or selecting a source, (4) negotiating price or terms and conditions of the contract, or (5) reviewing and approving the award of the contract.

"Participating personally" means participating directly, and includes the direct and active supervision of a subordinate's participation in the matter.

"Participating substantially" means that the official's involvement is of significance to the matter. Substantial participation requires more than official responsibility, knowledge, perfunctory involvement, or involvement on an administrative or peripheral issue. Participation may be substantial even though it is not determinative of the outcome of a particular matter. A finding of substantiality should be based not only on the effort devoted to a matter, but on the importance of the effort. While a series of peripheral involvements may be insubstantial, the single act of approving or participating in a critical step may be substantial. However, the review of procurement documents solely to determine compliance with regulatory, administrative, or budgetary procedures, does not constitute substantial participation in a procurement.

Generally, an official will not be considered to have participated personally and substantially in a procurement solely by participating in (1) Agency-level boards, panels, or other advisory committees that review program milestones or evaluate and make recommendations regarding alternative technologies or approaches for satisfying broad agency-level missions or objectives; (2) the performance of general, technical, engineering, or scientific effort having broad application not directly associated



with a particular procurement, notwithstanding that such general, technical, engineering, or scientific effort subsequently may be incorporated into a particular procurement; or (3) clerical functions supporting the conduct of a particular procurement.

FAR 3.104-2, "General," states that contacts with an offeror during the conduct of an acquisition may constitute "seeking employment." Government officers and employees (employees) are prohibited by 18 U.S.C. 208 and 5 CFR Part 2635 from participating personally and substantially in any particular matter that would affect the financial interests of any person with whom the employee is seeking employment. An employee who engages in negotiations or is otherwise seeking employment with an offeror or who has an arrangement concerning future employment with an offeror must comply with the applicable disqualification requirements of 5 CFR 2635.604 and 2635.606. The statutory prohibition in 18 U.S.C. 208 also may require an employee's disqualification from participation in the acquisition even if the employee's duties may not be considered "participating personally and substantially," as this term is defined in FAR 3.104-1.

FAR 3.104-3, "Statutory and Related Prohibitions, Restrictions, and Requirements," prohibits obtaining or disclosing procurement information other than as provided by law and states, in part, that a person must not knowingly disclose [or obtain] contractor bid or proposal information or source selection information before the award of a Federal agency procurement contract to which the information relates.

If an agency official, participating personally and substantially in a Federal agency procurement for a contract in excess of the simplified acquisition threshold, contacts or is contacted by a person who is an offeror in that Federal agency procurement regarding possible non-Federal employment for that official, the official must (1) promptly report the contact in writing to the official's supervisor and to the agency ethics official; and (2) either reject the possibility of non-Federal employment or disqualify himself or herself from further personal and substantial participation in that Federal agency procurement.



**From:** (b) (6), (b) (7)(C)  
**Subject:** FW: DoDIG Matter - Cummings  
**Date:** Wednesday, March 11, 2020 4:04:21 PM  
**Attachments:** [Cummings Response.pdf](#)  
**Importance:** High

---

Ms. Garrison (b) (6), (b) (7)(C) /JEDI Team,

Attached is Ms. Cummings' response to our TCL.

(b) (6), (b) (7)(C) - please add this e-mail and attachment to D-CATS as well.

Thanks everybody!!!

v/r,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense Office of Inspector General  
4800 Mark Center Drive, (b) (6), (b) (7)(C) Alexandria, VA 22350-1500

(b) (6), (b) (7)(C)

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-----Original Message-----

From: Cummings, Stacy A SES OSD OUSD A-S (USA)

(b) (6), (b) (7)(C)

Sent: Wednesday, March 11, 2020 3:43 PM

To: (b) (6), (b) (7)(C) >

Subject: DoDIG Matter - Cummings

(b) (6), (b) (7)(C),

Please find attached response.

Thank you,

Stacy

Stacy A. Cummings  
Principal Deputy Assistant Secretary of Defense, Acquisition Enablers

Pentagon Roo

(b) (6), (b) (7)(C)

Acquisition Enablers: Empower, Analyze, Innovate



March 11, 2020

*Sent via Email Only*

Marguent Garrison  
Deputy Inspector General for Administrative Investigations  
Office of Inspector General  
Department of Defense  
4800 Mark Center Drive  
Alexandria, Virginia 22350-1500  
c/o (b) (6), (b) (7)(C)

Re: *Response to Preliminary Report of Investigation (Cummings, S.)*

Dear Deputy Inspector General Garrison:

Thank you for the opportunity to respond to the Office of Inspector General's (OIG) preliminary report of investigation relating to the Joint Enterprise Defense Infrastructure (JEDI) cloud procurement. I appreciate the OIG recognition that I consistently reported my ownership of Microsoft stock on my OGE 278e, reported the sale of some of this stock in 2019, did not attempt to conceal this ownership, immediately disqualified myself upon advisement from the Standards of Conduct Office (SOCO), and, most importantly, did not participate in the procurement itself.

For these and related reasons, I disagree that my participation would have had a direct and predictable effect on my personal financial interest. I did not receive source selection sensitive material, participate in the procurement itself, or perceive my role in these meetings as affecting which company would receive the contract or whether to procure this contract in the first place.<sup>1</sup> Without such knowledge or involvement, I could not have predicted what effect my limited involvement would have on my stock with Microsoft.

I understand that the OIG may continue to advance a different opinion, and I would welcome additional counselling and training. I look forward to learning from this matter and improving as a senior leader of the organization.

(b)(6), (b)(7)(C)

Stacy Cummings

---

<sup>1</sup> I want to clarify that I did not recommend to modify the solicitation of the contract by adding a performance requirement. I merely recommended to clearly communicate the existing requirement that the Department would award options based on performance measures.

**From:** (b) (6), (b) (7)(C)  
**To:** Garrison, Marguerite C., SES, OIG DoD; (b) (6), (b) (7)(C)  
**Subject:** (Gavin TCL Response) FW: [Non-DoD Source] Re: DoD IG Matter  
**Date:** Thursday, March 5, 2020 2:53:09 PM  
**Importance:** High

---

Ma'am,

See Mr. Gavin's TCL response below. I just spoke with him - he had no issues with our facts but he did request a few minor edits.

We will incorporate these into the main report ASAP.

v/r,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense Office of Inspector General  
4800 Mark Center Drive, (b) (6), (b) (7)(C) Alexandria, VA 22350-1500

(b) (6), (b) (7)(C)

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-----Original Message-----

**From:** Victor Gavin (b) (6), (b) (7)(C) >  
**Sent:** Thursday, March 5, 2020 2:43 PM  
**To:** (b) (6), (b) (7)(C) >  
**Subject:** [Non-DoD Source] Re: DoD IG Matter

(b) (6), (b) (7)(C)

Thanks for the opportunity to review the document. Since we talked yesterday I added a few others.

- 1) Page 2, paragraph 1 "We conclude that Mr. Gavin did not commit an ethical violation, " I recommend stating "We conclude that Mr. Gavin did not commit an ethical violation or violate FAR clause 3.101-1".
- 2) Page 2, paragraph 2 The report states "He did not inform the ethics attorney....". I stated that I did not recall whether I inform the attorney and per the report ethics advisor stated that he/she did not recall being knowing. I would prefer not to imply that I intentionally avoided telling the attorney or ethic advisor which was not the case. I simply don't recall whether I did or not. There was never any attempt to mislead or misinform the attorney and I don't want anyone imply that.
- 3) Table 3 Jan 15 - interviews with AWS to determine "fit" for company, not a specific job.
- 4) Page 6, paragraph 1 " He added that the interview was not for any particular position with AWS." I'd add "it was to determine "fit" for into the culture of the company."
- 5) Page 12, paragraph 2 Request this paragraph or a summary of this paragraph be added to the page 2 Summary. I think its important to hear that previous public statements made about my violation of the FAR would have been different had all the evidence been made known.



Victor Gavin

(b) (6), (b) (7)(C)

-----Original Message-----

From: (b) (6), (b) (7)(C)

To: Victor Gavin (b) (6), (b) (7)(C) <

Sent: Thu, Feb 27, 2020 1:51 pm

Subject: DoD IG Matter

#yiv7987874815 -- filtered { }#yiv7987874815 filtered { }#yiv7987874815 p.yiv7987874815MsoNormal, #yiv7987874815 li.yiv7987874815MsoNormal, #yiv7987874815 div.yiv7987874815MsoNormal {margin:0in;margin-bottom:.0001pt;font-size:11.0pt;font-family:sans-serif;}#yiv7987874815 a:link, #yiv7987874815 span.yiv7987874815MsoHyperlink {color:#0563C1;text-decoration:underline;}#yiv7987874815 a:visited, #yiv7987874815 span.yiv7987874815MsoHyperlinkFollowed {color:#954F72;text-decoration:underline;}#yiv7987874815 p.yiv7987874815MsoPlainText, #yiv7987874815 li.yiv7987874815MsoPlainText, #yiv7987874815 div.yiv7987874815MsoPlainText {margin:0in;margin-bottom:.0001pt;font-size:12.0pt;font-family:New serif;}#yiv7987874815 span.yiv7987874815PlainTextChar {font-family:New serif;}#yiv7987874815 .yiv7987874815MsoChpDefault {font-family:sans-serif;}#yiv7987874815 filtered { }#yiv7987874815 div.yiv7987874815WordSection1 { }#yiv7987874815 Mr. Gavin, Attached are three documents. The first attachment is our tentative conclusions packet consisting of a memorandum explaining our tentative conclusions process and those sections of our preliminary report that pertain specifically to you. We are not providing you with a copy of our entire preliminary report as it is all-encompassing and involves numerous other individuals and focus areas. The second attachment is a copy of the transcript of your August 7, 2019 interview. The third attachment is your e-mail responses to our questions. As we previously discussed, we did not substantiate any allegations made against you. However, I ask that you review the material and provide any comments you deem appropriate. I remind you these documents are property of the DoD OIG and I request that you not distribute them to anyone, other than an attorney, if you choose to retain one. If you want to respond to our preliminary findings, please provide your response no later than March 5, 2020. Finally, please either reply to this e-mail or give me a call to confirm you have received this e-mail and the documents. If I'm away from my desk, a message confirming you received my email and attachments will suffice. Again, thank you for your patience and cooperation. v/r, (b) (6), (b) (7)(C) of Senior Officials Department of Defense Office of Inspector General 4800 Mark Center Drive (b) (6), (b) (7)(C) Alexandria, VA 22350-1500 (b) (6), (b) (7)(C)

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**Congress of the United States**  
**Washington, DC 20515**

October 22, 2018

The Honorable Glenn A. Fine  
Principal Deputy Inspector General  
U.S. Department of Defense – Office of Inspector General  
4800 Mark Center Drive  
Alexandria, VA 22350-1500

Dear Acting Inspector General Fine,

We write to express concern with actions surrounding the development of requirements and the Request for Proposal (RFP) process for the Department of Defense's (DoD) Joint Enterprise Defense Initiative (JEDI) Cloud program. As Members of Congress it is our responsibility to ensure all government procurement programs are conducted in a fair and ethical manner.

On July 26, 2018, DoD issued Solicitation No. HQ0034-18-R-0077, which called for the Department to make a single, potential 10-year, \$10 billion Indefinite Delivery Indefinite Quantity contract award for the JEDI program. The JEDI Cloud will provide infrastructure as a service and platform as a service for DoD to support mission operations. Of particular concern are the 'gating' or restricting provisions and the structure of the proposed contract, that seem to be tailored to one specific contractor.

An example of one of these provisions is the requirement that the Cloud Service Provider meets the Defense Information Systems Agency Impact Level 6. Currently, this unnecessary requirement, along with many others, can only be met by one specific contractor.

The recently-passed Department of Defense and Labor, Health and Human Services, and Education Appropriations Act of 2019 required the Secretary of Defense to provide, "A detailed description of the Department's strategy to implement enterprise-wide cloud computing." This must include, "The strategy to sustain competition and innovation throughout the period of performance of each contract, including defining opportunities for multiple cloud service providers." Congress included a similar provision in the Consolidated Appropriations Act of 2018 and has expressed concerns with the Department's acquisition strategy multiple times in both formal and informal meetings. The Department has not provided any adequate explanation as to why they continue to insist on a contract structure that has been widely criticized by Congress and industry.

Specifically, our concern is how and why the structure and these provisions, which run contrary to industry best-practices and federal acquisition guidelines, were included in the final RFP. It has come to our attention through media reports that individuals who held, or hold, high ranking positions in the Department have significant connections to the specific contractor. Our current understanding is that these individuals, in direct contrast with the Federal Acquisition Regulation and DoD Ethics Policy, had involvement in the development of the JEDI program.



In light of these circumstances we respectfully request that you and your office investigate the development of requirements and RFP process for the JEDI Cloud program. In particular, focusing on how and why the 'gating' requirements were included and why DoD has continued to insist on a contract structure that runs contrary to industry best practices.

Sincerely,

A handwritten signature in blue ink, appearing to read "Steve Womack", written over a horizontal line.

Steve Womack  
Member of Congress

A handwritten signature in blue ink, appearing to read "Tom Cole", written over a horizontal line.

Tom Cole  
Member of Congress



## MEMORANDUM

**TO:** The Honorable Glenn A. Fine  
Acting Inspector General  
United States Department of Defense Office of Inspector General

**FROM:** (b)(6), (b)(7)(C)  
(b)(6), (b)(7)(C)  
Oracle Corporation

**RE:** JEDI Cloud Procurement – Request for Investigation

**DATE:** March 21, 2019

---

### **I. EXECUTIVE SUMMARY**

Department of Defense (“DoD”) Solicitation No. NH0034-18-R-0077 (“RFP”), also known as the Joint Enterprise Defense Infrastructure (“JEDI”) procurement, is a 10-year, \$10 billion, Indefinite Delivery Indefinite Quantity (“IDIQ”) contract for a single awardee to provide infrastructure as a service (“IaaS”) and platform as a service (“PaaS”) cloud services across the entire DoD enterprise. This memorandum raises major concerns regarding improper commercial and financial relationships between Amazon, Inc.’s cloud computing division, Amazon Web Services, Inc. (“Amazon”), and key DoD decisionmakers who conceived of and executed the JEDI procurement: (a) Secretary James Mattis; (b) Senior Advisor to Secretary Mattis Sally Donnelly; (c) Chief of Staff to the Deputy Secretary Anthony DeMartino; and (d) Lead Project Manager Deap Ubhi. As set forth below, the factual circumstances surrounding the JEDI procurement demonstrate the following:

1. Senior DoD officials who orchestrated the JEDI cloud policy – including Secretary James Mattis, Senior Advisor to Secretary Mattis Sally Donnelly, and Chief of Staff to the Deputy Secretary Anthony DeMartino – ***had prior commercial relationships*** with Amazon and its commercial partner C5 Capital, Ltd. (“C5”), a London-based venture capital firm.
2. Secretary Mattis ***failed to disclose*** a prior commercial relationship with Amazon partner C5, despite his work with C5 promoting Amazon’s cloud services in the Middle East prior to serving as Secretary of Defense.





3. While serving as a Senior Advisor in the Office of the Secretary of Defense, Donnelly ***received substantial undisclosed payments*** for the sale of her consulting firm, SBD Advisors, L.L.C. ("SBD Advisors") to an investment group led by an individual associated with Amazon. Donnelly did not disclose these payments until after she left the Pentagon. Donnelly also ***never recused herself*** from matters relating to Amazon or cloud computing. SBD Advisors continued to represent Amazon related to the JEDI cloud procurement, while at the same time making payments to Donnelly.
4. Amazon may have ***facilitated payments*** to Donnelly related to the sale of SBD Advisors. SBD was first sold to an individual investor associated with Amazon when Donnelly entered DoD, and then SBD Advisors was resold to Amazon's long-time commercial partner C5 just weeks after Donnelly left DoD.
5. Faced with increasing public scrutiny, Amazon and C5 made ***false statements*** regarding the scope of their business partnership, which conflict with their collective internal understanding as memorialized in e-mail correspondence between C5 Managing Partner Andre Pienaar and Amazon officials; prior statements regarding their long time partnership around the world; and their extensive work together in the Middle East and the United States.
6. While acting as Chief of Staff to the Deputy Secretary of Defense, DeMartino ***ignored a clear directive*** by the DoD Standards of Conduct Office ("SOCO") not to participate in any matters related to Amazon due to his prior representation of Amazon without SOCO clearance in advance. Instead, he directly participated in JEDI, including the decision to adopt a single source structure, defining solicitation requirements, and arranging meetings Secretary Mattis and Amazon sales executives. DeMartino did not report his knowingly-improper participation in the JEDI cloud procurement until after DoD issued the draft RFP, prompting a belated (and thus ineffective) SOCO recusal order.
7. Secretary Mattis met with Amazon officials, including Vice President for Worldwide Public Sector Business Teresa Carlson and Chief Executive Officer Jeff Bezos, multiple times leading up to the JEDI procurement, including a private meeting in London (UK), in March 2017, between Mattis, Carlson and Donnelly.
8. JEDI's Lead Project Manager, Deap Ubhi, ***previously worked for Amazon*** and led the JEDI cloud procurement while also negotiating a commercial transaction with Amazon to purchase his investment interest in a startup. Ubhi implemented the decision to adopt a single cloud/single vendor solution and played a key role in defining the JEDI RFP requirements to benefit Amazon. Ubhi recused himself only ***after*** DoD issued the Request for Information (RFI). After Ubhi recused himself, he resigned from DoD and Amazon promptly re-hired him, providing Amazon with improper access to ***material and competitively sensitive information related to the JEDI cloud procurement***.



There can be no reasonable dispute that these conflicts of interest have benefited Amazon. They raise serious questions regarding Amazon's use of improper business and financial relationships with key decisionmakers throughout DoD to position itself as the sole viable vendor for DoD cloud services. To be sure, any *one* of these issues represents a major breach of ethics for a defense contractor such as Amazon. Taken together, the factual circumstances surrounding the JEDI procurement demonstrate that Amazon acted systematically to steer this procurement to itself from the outset. We respectfully submit that the factual circumstances and key questions raised herein warrant an immediate and comprehensive investigation by the Department of Defense Office of the Inspector General ("DoD IG").





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## II. INTRODUCTION.

Our national defense procurement system rests on three pillars. *One*, providing our warfighters with the best technology and infrastructure to meet their needs as described, assessed, and validated by subject matter experts in each service. *Two*, unquestionable integrity in procurement, including equal treatment of government contractors through a transparent, competitive, and impartial procurement process. *Three*, public confidence that procurement officials and senior government policy makers are independent and effective stewards of taxpayer dollars.

The JEDI cloud procurement undermines each of these pillars and violates the basic federal acquisition requirements that exist to protect them. The foundation of these procurement pillars is that “[g]overnment business shall be conducted in a manner above reproach and . . . with complete impartiality and with preferential treatment for none,” while strictly avoiding “any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships.” 48 C.F.R. § 3.101-1. “Transactions relating to the expenditure of public funds require the highest degree of public trust and an impeccable standard of conduct.” *Id.* The JEDI cloud procurement reflects the opposite – a partial, preferential, and highly-conflicted process designed to benefit one defense contractor: Amazon.

Cloud computing is a rapidly evolving technology to deliver and consume elastic computing resources on demand. Rather than build and maintain physical hardware and software in customer-owned data centers, cloud computing allows enterprises to access compute capabilities from commercial vendors “in the cloud” and pay for those resources “as a service” on a metered basis.



There are several components to cloud offerings, and the JEDI procurement involves two of them: IaaS (Infrastructure as a Service) and PaaS (Platform as a Service). IaaS refers generally to cloud services that provide the infrastructure components that were traditionally found in a customer's own on-premise data center, such as servers, storage, networking hardware, and a virtualization layer. PaaS refers generally to cloud services that provide the infrastructure components of IaaS and also the operating system and middleware.<sup>1</sup>

Competition in the cloud services market is robust and advances in cloud computing technology are accelerating. Commercial cloud computing services are highly differentiated. Large, complex enterprises predominantly employ multi-cloud strategies. Enterprises adopt multi-cloud strategies for a number of reasons, including to account for (1) rapid advancements in technology; (2) heterogeneous needs of end users; (3) adoption of state-of-the-art security; (4) performance requirements of application workloads; (5) critical need for ongoing price competition; (6) lower cost and ease of data and application migration; and (7) vendor lock-in concerns. According to a 2019 industry survey, 84 percent of enterprises have adopted multi-cloud strategies, with the average organization leveraging five clouds.<sup>2</sup>

The JEDI procurement conflicts with the consensus of sophisticated enterprises adopting multi-cloud computing solutions. DoD has issued an RFP that seeks to acquire a single cloud solution for the entire DoD enterprise from a single cloud provider for a period of 10 years, all of which are antithetical to commercial best practices.<sup>3</sup> The overwhelming response from industry, repeated admonitions from Congress, clear guidance from the Office of Management and Budget

---

<sup>1</sup> A third component, called SaaS (Software as a Service), refers generally to the applications used by cloud customers, such software to manage human resources, financing, or accounting.

<sup>2</sup> Rightscale, 2019, "State of the Cloud Report"

<sup>3</sup> See generally <https://cloud.cio.gov>





("OMB"), and the stated needs of the military service branches, all call for a multi-cloud solution for JEDI.

Moreover, the JEDI procurement's highly-prescribed solicitation requirements have *significantly restricted* competition for the contract award. Although 200 vendors attended DoD's JEDI Cloud Acquisition Industry Day on March 7, 2018, only four vendors submitted bids. And it appears that IBM and Oracle – two of the largest, most established enterprise computer and software vendors in the world – *cannot even compete* under the severely restrictive RFP requirements designed to exclude nearly all but Amazon. Ignoring industry consensus favoring a multi-cloud solution is cause for concern, and limiting the pool of prospective vendors to two qualified bidders cannot reasonably result in the best deal for taxpayers or produce the best discovery of technology for the warfighter.

### III. KEY PLAYERS RESPONSIBLE FOR THE JEDI CLOUD PROCUREMENT.

#### A. Amazon and Teresa Carlson.

Amazon Inc.'s cloud computing division, Amazon Web Services, Inc. ("Amazon"), provides on-demand cloud computing platforms to commercial and government entities throughout the world. Amazon's cloud business accounts for nearly 60 percent of its profits, even though the cloud business contributes only about 10 percent of Amazon's revenue. Further, Amazon's cloud business makes up 140 percent of Amazon's overall operating income.<sup>4</sup> Significantly, Amazon's broader retail business is highly subsidized by its cloud business, making Amazon *highly motivated* to secure public sector cloud computing contracts around the world.

---

<sup>4</sup> <https://ir.aboutamazon.com/news-releases/news-release-details/amazoncom-announces-fourth-quarter-sales-20-724-billion>



Amazon was a first-mover in cloud IaaS (infrastructure). It relies heavily on non-Amazon-developed technologies for cloud PaaS (platform) and largely partners with others to deliver cloud Software as a Service (“SaaS”) or applications. Despite Amazon’s first-mover advantage a decade ago, significant advances in technology have made Amazon’s cloud a legacy offering today. Amazon now faces significant competition from Microsoft, Google, Oracle, IBM, and many others, particularly in hyperscale,<sup>5</sup> secure infrastructure offerings.

In 2012, Amazon won the United States Intelligence Community’s (“USIC”) Commercial Cloud Services (“C2S”) contract, early in the development of commercial IaaS cloud technology. Because of the classified nature of C2S, there has been minimal public transparency into Amazon’s performance under the C2S contract.

The Vice President for Worldwide Public Sector Business Teresa Carlson is the most senior executive responsible for Amazon’s cloud computing sales to the United States and foreign governments. She holds a Top Secret security clearance. Carlson’s public sector strategy has been to leverage Amazon’s incumbent advantage at the USIC and the lack of transparency surrounding C2S to replicate the blueprint of the C2S (single vendor/single cloud) contract at other Federal agencies in the United States and with foreign governments.

Not surprisingly, the JEDI cloud procurement is a key part of Amazon’s cloud strategy: a highly profitable, long-term, locked-in contract – effectively, an annuity – that is shielded from ongoing price and technology competition. Amazon has retained numerous highly paid “consultants” and lobbyists to replicate the C2S contract at DoD and elsewhere. As Bloomberg recently reported, “Amazon is flooding D.C. with money and muscle . . . Amazon is also showing a new level of assertiveness in advancing its corporate interests, though largely out of the public

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<sup>5</sup> Hyperscale refers to the ability of a cloud architecture to scale appropriately as increased demand is added to the system.





eye.”<sup>6</sup> Amazon currently spends more on declared lobbying of the United States Government than either Northrop Grumman or Lockheed Martin.<sup>7</sup> In 2018, Amazon lobbied more federal entities than any other public company in the United States.<sup>8</sup>

## B. C5 Capital and Andre Pienaar.

Amazon partners with former senior government officials, consultants, and lobbyists, to promote and sell Amazon’s cloud services worldwide. As part of its effort to sell cloud computing to various foreign governments in the Middle East and Africa, Amazon works closely with the European venture capital firm C5 Capital, Ltd. (“C5”).<sup>9</sup> C5 is based in London and has significant operations in the Middle East, including Bahrain and other countries. In 2017, Teresa Carlson touted Amazon’s partnership with C5: *“We’ve been partnering with C5 around the world for a long time.”*<sup>10</sup> Relevant here, (b)(6), (b)(7)(C)

.<sup>11</sup> Before founding C5, Pienaar served as a senior executive at Kroll Inc., a corporate investigations and risk consulting firm based in New York, and as an owner of Good Governance Group (“G3”), a corporate intelligence firm based in London that was the original parent of C5.

Significantly, Amazon has partnered with C5 despite Pienaar’s history of questionable commercial operations and associations around the world, including in South Africa and the United Kingdom. **First**, Pienaar has ties to former-South African President, Jacob Zuma, who stands charged with multiple offenses related to corruption and is the subject of investigations in

<sup>6</sup> <https://www.bloomberg.com/graphics/2019-amazon-lobbying/?srnd=premium>

<sup>7</sup> <https://www.opensecrets.org/lobby/top.php?indexType=s&showYear=2018>

<sup>8</sup> <https://www.axios.com/amazon-lobbying-washington-wide-reach-0f7253e4-234e-462a-aca1-ca19705b9c39.html>

<sup>9</sup> See generally <https://www.c5capital.com>

<sup>10</sup> <https://www.vanityfair.com/news/2018/08/has-bezos-become-more-powerful-in-dc-than-trump>

<sup>11</sup> <https://www.andrepienaar.info>



multiple countries, including the United States.<sup>12</sup> For example, South African investigative magazine *Noseweek* reported that in 2007 Pienaar allegedly posed as a corrupt associate of then-President Thabo Mbeki to further the Zuma's ascension to the presidency.<sup>13</sup> **Second**, Pienaar's former firm, G3, has been implicated in major scandals in the United Kingdom, including funding luxury travel and purchases for then-British Defense Minister Liam Fox and Fox's close associate Adam Werrity through shell organizations, which when exposed resulted in Fox's resignation;<sup>14</sup> undisclosed work on behalf of the Kingdom of Bahrain to rehabilitate its image in the aftermath of the ruling Khalifa family's crackdown on Shiite citizens during the Arab Spring;<sup>15</sup> and the resignation of Sir Ian Andrews, the chairman of the Serious Organised Crime Agency ("SOCA") and lead prosecutor in the well-publicized phone hacking scandal, due to conflicts of interest involving G3.<sup>16</sup>

### C. Former DoD Secretary James N. Mattis.

General James N. Mattis (ret.) served as the 26th United States Secretary of Defense from January 2017 through December 2018. Prior to that, from August 2010 to May 2012, General Mattis served as Commander of the United States Central Command ("CENTCOM"). As CENTCOM Commander, Mattis directed the United States Naval Forces Central Command, headquartered in the Kingdom of Bahrain. From 2012 until his nomination, General Mattis served in a variety of capacities in the private sector, including as a Fellow at the Hoover Institution; a Board member of the Center for a New American Security; and a Director on the Boards of the

<sup>12</sup> <http://fortune.com/2017/10/26/sap-south-africa-gupta-doj-sec-corruption/>

<sup>13</sup> *Noseweek*, December 2017, Issue 218, "The Spy Who Got Zuma Off The Hook," by Paul Kirk, 10-14

<sup>14</sup> <https://www.intelligenceonline.com/corporate-intelligence/2011/10/27/why-g3-funded-fox-s-friend,93917596-art;>  
<https://www.ft.com/content/3efa8118-f63b-11e0-86dc-00144feab49a>

<sup>15</sup> <https://web.archive.org/web/20120317081550/http://blogs.telegraph.co.uk/news/andrewgilligan/100142981/gaem-e-lamb-british-generals-company-paid-to-support-bahrain-dictatorship>

<sup>16</sup> <https://www.ft.com/content/ec3f4b14-fab3-11e2-87b9-00144feabdc0>





embattled biotech firm Theranos and defense contractor General Dynamics.<sup>17</sup> He also reported income from Northrop Grumman, Goldman Sachs, and Citicorp.<sup>18</sup>

#### **D. SBD Advisors and Sally B. Donnelly.**

Sally B. Donnelly is a former long-time defense industry journalist and a prominent national security consultant. She is a long established Washington insider. Beginning in 2010, Donnelly served as Director of CENTCOM's Washington, D.C. office serving under then-CENTCOM Commander General Mattis.<sup>19</sup> In 2012, Donnelly resigned from CENTCOM and formed SBD Advisors, a national security consulting firm. Donnelly's firm described itself as offering "stealth strategies" and news reports described it as specializing in "behind-the-scenes assignments."<sup>20</sup> SBD Advisor's website described the firm's work as follows:

- "When we do our job, only the inner circle knows that we were involved."
- "Our team offers guidance and stealth strategies ensuring that clients benefit from the results of our campaigns while outwardly they are under-the-radar."

SBD Advisors and Donnelly maintained a number of high-profile clients, including Amazon.<sup>21</sup>

SBD Advisors and Donnelly also represented C5.

<sup>17</sup> <https://www.politico.com/blogs/donald-trump-administration/2017/01/james-mattis-defense-disclosures-233331>

<sup>18</sup> *Id.*

<sup>19</sup> <https://www.politico.com/tipsheets/morning-defense/2010/10/treading-carefully-in-hanoi-gates-agrees-to-visit-beijing-bostick-investigation-under-way-recruiting-update-uss-cole-bombing-10-years-later-007838>

<sup>20</sup> *Politico*, "Ash Carter an adviser at 'stealth' consulting firm" (Dec. 4, 2014), at <https://www.politico.com/story/2014/12/ash-carter-sbd-advisors-113330>

<sup>21</sup> The Capitol Forum, Vol. 6 No. 225, June 8, 2018, "JEDI: Secretive, Influential Consulting Firm's Close Ties to Amazon Web Services and DoD Raise Additional Questions Around JEDI Contract"

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| <b>Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)</b><br><b>Filer's Information</b><br><hr/> <b>DONNELLY, SALLY</b><br>Senior Advisor to Secretary of Defense, OSD, Office of the Secretary of Defense<br>Date of Appointment: 01/21/2017<br><hr/> Other Federal Government Positions Held During the Preceding 12 Months:<br>Advisor, Defense Business Board, 1/2015 - 1/2016<br><hr/> Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.<br>eSigned in FDM by:<br>SALLY DONNELLY<br>User ID: (b)(6), (b)(7)(C)<br>05/17/2017<br><hr/> (b)(6), (b)(7)(C) |
|---|

Despite its express work in government relations, exercising “stealth strategies” with the “inner circle,” and composition of almost entirely former government – and predominantly military – officials, SBD Advisors never registered as a lobbying firm under the Lobbying Disclosure Act, 2 U.S.C. §§ 1601-14,<sup>22</sup> allowing SBD Advisors to keep the full scope of its work confidential.

Donnelly “ran the Senate confirmation process for Mr. Mattis.”<sup>23</sup> In January 2017, Donnelly joined DoD as a Senior Advisor to Secretary Mattis. As she entered DoD, Donnelly sold her ownership interest in SBD Advisors to a group of investors led by Edwin “Win” Sheridan, the CEO of an IT staffing company with commercial ties to Amazon. Donnelly’s former CENTCOM colleague, William “Chip” Colbert, was named Managing Director of SBD Advisors after Donnelly’s departure. SBD Advisors continued to represent Amazon throughout Donnelly’s tenure at DoD.<sup>24</sup>

<sup>22</sup> [https://lobbyingdisclosure.house.gov/amended\\_lda\\_guide.html](https://lobbyingdisclosure.house.gov/amended_lda_guide.html)

<sup>23</sup> <https://dod.defense.gov/About/Biographies/Biography-View/Article/1420561/sally-donnelly/>

<sup>24</sup> <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>;  
<https://www.bloomberg.com/news/features/2018-12-20/tech-giants-fight-over-10-billion-pentagon-cloud-contract>





On March 9, 2018, Donnelly resigned her position at DoD.<sup>25</sup> Donnelly subsequently received an appointment as a “consultant to the Office of the Secretary of Defense as Special Government Employee [SGE] effective May 18, 2018 not-to-exceed May 17, 2019.” Donnelly today retains full access to the Pentagon and the Office of the Secretary of Defense (“OSD”) as an SGE.<sup>26</sup>

In April 2018, Sheridan *resold* SBD Advisors to C5, through one of its portfolio companies. The date of this sale coincided almost exactly with Donnelly’s departure from DoD.<sup>27</sup> In July 2018, Donnelly established Pallas Advisors, a “strategic advisory firm dedicated to helping leaders overcome business and security challenges, seize opportunities, and manage political risk” and touted its work at the Pentagon on cyber security challenges.<sup>28</sup> Pallas Advisors, similar to C5, operates in Bahrain and London, among other countries.



<sup>25</sup> [https://www.washingtonpost.com/news/checkpoint/wp/2018/02/20/a-longtime-mattis-adviser-is-resigning-leaving-one-less-woman-on-his-senior-staff/?utm\\_term=.923adbf0e13a](https://www.washingtonpost.com/news/checkpoint/wp/2018/02/20/a-longtime-mattis-adviser-is-resigning-leaving-one-less-woman-on-his-senior-staff/?utm_term=.923adbf0e13a)

<sup>26</sup> Dominguez Declaration ¶ 4, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 23, 2019) [ECF 47-1]

<sup>27</sup> <https://www.businesswire.com/news/home/20180403005624/en/ITC-Secure-Acquires-U.S.-based-SBD-Advisors>

<sup>28</sup> See generally <https://pallasadvisors.com/>



### E. Anthony DeMartino.

Anthony DeMartino, a retired Army officer and former Chief of Staff to the Director of the Defense Intelligence Agency,<sup>29</sup> served as the Managing Director of SBD Advisors from December 2014 to January 2017. In this capacity, he performed consulting services for Amazon and C5.

| Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)   |
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| <b>Filer's Information</b>  |
| <b>DEMARTINO, ANTHONY G.</b><br>Deputy Chief of Staff, Office of the SECDEF, OSD<br>Date of Appointment: 01/27/2017   |
| Other Federal Government Positions Held During the Preceding 12 Months: None  |
| Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.<br>eSigned in FDM by:<br>ANTHONY G. DEMARTINO<br>User ID: (b)(6), (b)(7)(C)<br>04/18/2017 |
| (b)(6), (b)(7)(C)   |

DeMartino also assisted Mattis with his confirmation preparations.<sup>30</sup> DeMartino joined DoD in January 2017, as the Deputy Chief of Staff to Secretary Mattis. In March 2017, DeMartino became Chief of Staff to then-Deputy (and now Acting) Secretary of Defense Patrick Shanahan. After leaving DoD, DeMartino co-founded Pallas Advisors with Donnelly.

### F. Deap Ubhi

Deap Ubhi joined the Defense Digital Service (“DDS”) in the summer of 2016. He served as lead JEDI Cloud Project Manager. In this capacity, he oversaw the four-person team leading the JEDI cloud acquisition for DoD. Prior to joining DDS, Ubhi worked for Amazon for two years

<sup>29</sup> See generally Web Archive of A. DeMartino SBD Biography

<sup>30</sup> Capitol Forum, Vol. 6 No. 300, August 17, 2018, “JEDI: Emails Between AWS and DoD Officials Reveal Questionable Judgment, Ethics Experts Say”





with responsibilities related to cloud computing services. Ubhi was rehired by Amazon in November 2017, where he remains today.

#### IV. THE JEDI CLOUD PROCUREMENT.

##### A. Secretary Mattis Launched An Initiative To Accelerate Cloud Adoption.

On September 13, 2017, Deputy Secretary of Defense (“DSD”) Patrick M. Shanahan issued a memorandum entitled “Accelerating Enterprise Cloud Adoption,” implementing guidance from Secretary Mattis. DSD Shanahan wrote that “[l]ast month the Secretary of Defense visited Seattle, Washington, and Palo Alto, California, two epicenters of innovation in our country. That trip reflected several realities: (1) technologies in areas like data infrastructure and management, cybersecurity, and machine learning are changing the character of war; (2) commercial companies are pioneering technologies in these areas; and (3) the pace of innovation is extremely rapid. The *Secretary is determined* to prevent any potential adversary of the United States from surprising us or overtaking our military advantage.”<sup>31</sup>

##### B. The Cloud Executive Steering Group (“CESG”) Was Established To Oversee Mattis’s Initiative.

DSD Shanahan’s memorandum also established a Cloud Executive Steering Group (“CESG”) to “devise and oversee the execution of a strategy to accelerate the adoption of cloud architectures and cloud services, focusing on commercial services.”<sup>32</sup> The CESG was initially chaired by Under Secretary of Defense for Acquisition, Technology, and Logistics Ellen Lord, though Lord was later removed from this role.<sup>33</sup> Despite being tasked to lead Mattis’s cloud adoption initiative, CESG did not initially include the DoD Chief Information Officer (who was

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<sup>31</sup> DSD Mem., “Accelerating Enterprise Cloud Adoption,” at 1 (Sept. 13, 2017) (emphasis added), *available at* <http://www.documentcloud.org/documents/4059163-DoD-Memo-Accelerating-Enterprise-Cloud-Adoption.html>

<sup>32</sup> *Id.*

<sup>33</sup> <https://washingtontechnology.com/blogs/editors-notebook/2018/01/jedi-cloud-steering-changes.aspx?m=1>



relegated to participating only as an advisor).<sup>34</sup> DSD Shanahan directed CESG to report directly to the Office of the Deputy Secretary of Defense, where DeMartino served as Chief of Staff.<sup>35</sup>

### C. CESG Committed to a Single Award/Single Cloud Structure from the Outset.

CESG focused on a single award structure from its inception, even before issuing the Request For Information, which is illustrated by the following examples:

- During its first meeting on September 14, 2017 – the day after it was established – CESG announced its commitment to a single award approach.<sup>36</sup>
- On October 5, 2017, CESG confirmed this commitment during a meeting: “Single cloud solution necessary for this enterprise initiative to be successful and allow DoD to achieve its mission objectives with cloud adoption.”<sup>37</sup>
- On October 27, 2017, CESG provided an update to DSD Shanahan, in which it stated that “the CESG acquisition strategy is focused on a single award.”<sup>38</sup>

### D. Defense Digital Service Head Chris Lynch Was Appointed to Lead the JEDI Procurement.

Phase one of Secretary Mattis’s cloud adoption initiative included a “*tailored acquisition process* to acquire a modern enterprise cloud services.”<sup>39</sup> At the request of Secretary Mattis,<sup>40</sup> DSD Shanahan tasked the Defense Digital Service (“DDS”), a small technology unit within OSD, to lead the effort. Chris Lynch serves as the Director of DDS and as a member of the CESG.

Lynch was unqualified to lead phase one of the cloud adoption initiative, which effectively became the JEDI cloud procurement. Prior to joining DDS, he founded and ran KCBMedia, a firm

<sup>34</sup> DSD Mem., “Accelerating Enterprise Cloud Adoption,” p. 1-2 (Sept. 13, 2017)

<sup>35</sup> DSD Mem., “Accelerating Enterprise Cloud Adoption,” p. 1 (Sept. 13, 2017)

<sup>36</sup> Mem. of Law in Suppt. Of Pltf’s Mot. for Judgment on the Administrative Record at 11, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 59-1]

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> DSD Mem., “Accelerating Enterprise Cloud Adoption,” p. 2 (Sept. 13, 2017)

<sup>40</sup> Sept. 28, 2017 T. Van Name Email re C2S





specializing in Celebrity News, Pop Culture, and Casual Gaming.<sup>41</sup> Significantly, Lynch had no formal technology training. He had no experience in large scale enterprise technology, hyperscale cloud development, or cloud migration. Nor did Lynch have any procurement experience whatsoever. He appointed Deap Ubhi as the Lead Project Manager for the JEDI procurement, and Ubhi implemented the single cloud/single vendor approach, which ultimately became the JEDI RFP.

#### E. The JEDI Cloud Procurement Was an OSD Initiative.

It was no secret that the JEDI procurement was an OSD initiative with the imprimatur of Secretary Mattis, who gave DDS license to implement the single cloud/single vendor structure. By way of example, when Deap Ubhi ultimately recused himself (only after the RFI was complete), he stated he could no longer participate in “*facilitating SecDef and DSD’s initiative* to accelerate the adoption of the cloud for the DoD enterprise.”<sup>42</sup> Likewise, the Deputy Director of DDS stated that “DDS is leading the DoD Cloud Adoption conversation *at the request of Secretary Mattis*.”<sup>43</sup>

#### F. Industry Responses to the RFI Overwhelmingly Favored a Multi-Cloud Strategy.

On October 30, 2017, DDS issued an RFI to the industry seeking input on the JEDI Cloud acquisition (Deap Ubhi provided a draft RFI to DoD leadership on October 27, 2017). DDS received 64 RFI responses. Not surprisingly, as demonstrated by a report issued by DoD in or around March 2018, a “majority of industry recommended multiple awards in order to prevent cost



<sup>41</sup> Bev Lynch LinkedIn Page, at 3; <https://thehill.com/policy/defense/368364-star-wars-references-scrubbed-from-defense-memo-on-cloud-computing> (Lynch’s Star Wars references, including the use of C3PO – the Cloud Computing Central Program Office – were removed from Shanahan’s initial memorandum).

<sup>42</sup> October 31, 2017 Ubhi Email re: Recusal from Cloud Project

<sup>43</sup> E-mail from T. Van Name to [Redacted] (Sept. 28, 2017).



prohibitive vendor lock-in (*i.e.*, it becomes too costly to move data out of the single award contractor cloud), and to enable DoD to use different providers to meet specific requirements.”<sup>44</sup>

- Brian Johnson CEO of Divvy Cloud stated: “what the government is doing with JEDI is not in sync with what the commercial world is doing.”<sup>45</sup>
- A Google spokesperson stated, “had the JEDI contract been open to multiple vendors, we would have submitted a compelling solution ...”<sup>46</sup>
- An IBM senior executive stated, “JEDI’s primary flaw lies in mandating a single cloud environment for up to 10 years . . . JEDI is a complete departure from best practices.”<sup>47</sup>
- The industry group ITAPS stated, “deployment of a single cloud conflicts with established best practices and industry trends in the commercial marketplace.”<sup>48</sup>
- A Microsoft spokesman stated, “we believe the best approach is one that leverages the innovations of multiple cloud service providers.”<sup>49</sup>

Not surprisingly, in stark contrast to the industry consensus, Amazon’s Teresa Carlson stated, “we believe for them [DoD] at this point in time, a single cloud is a good thing – a single award with one cloud for now.”<sup>50</sup>

#### **G. DoD Announced a Single Award/Single Cloud Structure and Issued its Draft RFP.**

On November 6, 2017, DoD released its official JEDI policy declaring its “Acquisition Strategy” to be a “single-award indefinite delivery/indefinite quantity (ID/IQ) contract.”<sup>51</sup> On

<sup>44</sup> Complaint ¶ 76, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Dec. 10, 2018) [ECF 13]

<sup>45</sup> <https://www.marketwatch.com/story/the-jedi-war-amazon-oracle-and-ibm-battle-in-mysterious-world-of-military-contracts-2019-01-07>

<sup>46</sup> *Id.*

<sup>47</sup> <https://www.ibm.com/blogs/policy/jedi-protest/>

<sup>48</sup> <https://www.fedscoop.com/dod-jedi-pentagon-contract-itaps-letter-armed-services/>

<sup>49</sup> <https://sociable.co/technology/pentagon-tech-jedi-cloud/>

<sup>50</sup> [www.fedscoop.com/JEDI-DOD-amazon-AWS-Teresa-Carlson-interview](http://www.fedscoop.com/JEDI-DOD-amazon-AWS-Teresa-Carlson-interview)

<sup>51</sup> JEDI Acquisition Strategy Nov. 6, 2017



March 7, 2018, DoD held the JEDI Cloud Acquisition Day announcing the single award structure.

DoD released the draft JEDI RFP the same day.

#### **H. Newly Appointed DoD Chief Information Officer Dana Deasy Sought to Pause JEDI and Perform a “Full Top-Down, Bottom-Up Review.”**

In April 2018, DoD announced the hiring of Chief Information Officer (“CIO”) Dana Deasy, who most recently served as Global CIO of JP Morgan Chase and previously held IT roles at General Motors, Tyco International, Siemens Americas, and Rockwell.<sup>52</sup> As CIO, Deasy was responsible for managing DoD’s adoption of cloud technology. On or about June 22, 2018, DSD Shanahan announced that DoD CIO Deasy would take the lead on JEDI.<sup>53</sup> On July 11, 2018, Deasy announced a “full top-down, bottom-up review” of JEDI.<sup>54</sup> Deasy stated “[s]ince arriving, I’ve said everybody pause. This is not about making a certain date to get an RFP out.” Instead, Deasy stated DoD will issue “an RFP that’s truly comprehensive, is clear, and is written *in a way that will maximize responses* – and frankly – is written in a way that truly represents what any smart intelligent company in private industry would do in seeking to put an enterprise cloud in place.”<sup>55</sup>

#### **I. DoD Nonetheless Issued its Final RFP Three Weeks After Deasy Announced His Intent to Pause the JEDI Procurement.**

Notwithstanding Deasy’s comments, DoD did not delay the issuance of the JEDI RFP. On July 26, 2018, just three weeks after Deasy announced his intent to pause the procurement, DoD issued the final JEDI Cloud RFP – unchanged in any material respect from the draft RFP – calling

<sup>52</sup> <https://dod.defense.gov/About/Biographies/Biography-View/Article/1515782/dana-deasy/>

<sup>53</sup> <https://dod.defense.gov/News/News-Releases/News-Release-View/Article/1559496/new-cio-to-lead-dod-cloud-initiative/>

<sup>54</sup> <https://govcloudinsider.com/articles/2018/07/11/jedi-pause-deasy.aspx>

<sup>55</sup> *Id.*





for a single award and implementing restrictive solicitation requirements. Ultimately, DoD received only four bids.

## **J. Congress Heavily Scrutinized the JEDI Procurement.**

Congress repeatedly raised detailed concerns regarding the JEDI cloud procurement. On March 23, 2018, Congress passed the Consolidated Appropriations Act of 2018, Pub. L. No. 115-141, which raised concerns regarding the proposed 10-year contract duration; value to the taxpayer; and security concerns with a single vendor approach. Significantly, Congress directed DoD to provide two reports:

- A report by the Secretary of Defense specifying the framework for DoD agencies to procure cloud services (including standards, best practices, contract types, and exit strategies) and justification for using a single cloud instead of creating an infrastructure to store and share data across multiple cloud computing service providers; and
- A report specifically regarding the JEDI RFP to include the amounts requested in fiscal years 2018 and 2019 for JEDI and all other cloud computing service acquisitions; identification and justification for acquisitions that would use “other transactional authorities”; and certification from DoD CIO that all of the military services, combatant commands, the Defense Information Systems Agency, and service CIOs were consulted during the drafting of the JEDI RFP.<sup>56</sup>

Moreover, on August 13, 2018, Congress passed the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, which directed DoD to:

- Analyze workloads that would be migrated to the JEDI cloud, including identifying all cloud initiatives across DoD and all systems and applications that would be migrated to the JEDI cloud, conducting a “rationalization” of applications to identify systems that may duplicate the work of the JEDI cloud, and making decisions regarding the migration or termination of systems in conjunction with the JEDI cloud; and
- Provide a report from DoD CIO to Congressional defense committees with details regarding CESG, DoD cloud initiative stakeholders, and cloud infrastructure characteristics sought; DoD’s rationale on how the JEDI cloud acquisition strategy will result in full and open competition, allow the Department to continuously leverage and acquire new cloud computing capabilities, and maintain DoD’s ability to leverage other

<sup>56</sup> <https://www.congress.gov/bill/115th-congress/house-bill/1625/text?q=%7B%22search%22%3A%5B%22Consolidated+Appropriations+Act%22%5D%7D&r=2>  
Section 8106



cloud service providers; and workloads that would be migrated to the JEDI cloud, an overview of the program office leading DoD's cloud initiative, the role of the JEDI cloud in relation to other DoD cloud initiatives, and updates on any DoD guidance regarding cloud computing. Significantly, Congress limited the use of funds by 15 percent until DoD issued the report to Congress.<sup>57</sup>

Shortly after, on September 28, 2018, the President signed the DoD and Labor, Health and Human Services, and Education Appropriations Act of 2019 and Continuing Appropriations Act of 2019, Pub. L. No. 115-245, which restricted funding by preventing any data or application migration to JEDI until DoD submitted a plan to establish an accounting system to track all funds requested and expended for cloud computing services or cloud migration, as well as a detailed strategy to implement enterprise-wide cloud computing, including the goals and acquisition strategies for all proposed enterprise-wide cloud computing services, how DoD intended to sustain competition and innovation, how DoD intended to foster opportunities for multiple cloud service providers and technologies, and how DoD would mitigate threats to its cloud environment.<sup>58</sup>

Separately, on October 22, 2018, Rep. Steve Womack and Rep. Tom Cole – two members of the Defense Appropriations Subcommittee – sent a letter to DoD IG requesting an investigation into the JEDI cloud RFP because the requirements and structure “seem to be tailored to one specific contractor” and noted that certain DoD officials have “significant ties to the specific contractor.” They further observed that DoD “has not provided any adequate explanation as to why they continue to insist on a contract structure that has been widely criticized by Congress and industry.”<sup>59</sup>

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<sup>57</sup> <https://www.congress.gov/bill/115th-congress/house-bill/5515>

<sup>58</sup> <https://www.congress.gov/bill/115th-congress/house-bill/6157>

<sup>59</sup> <https://defensesystems.com/articles/2018/10/24/jedi-cole-womack-letter.aspx>



## V. FACTS REQUIRING FURTHER INVESTIGATION BY DOD IG.

### A. Mattis, Donnelly, and DeMartino Did Not Recuse Themselves from the JEDI Procurement, Despite Prior Commercial Relationships with Amazon and its Cloud Computing Business Partner C5.

DoD IG should investigate the extent to which substantiated conflicts of interest have tainted the JEDI procurement, including conflicts involving Mattis, Donnelly, and DeMartino. DoD IG also should investigate the extent to which Amazon sought to exploit these relationships for advantage in the development of the policy or the procurement. Mattis carried a preexisting commercial relationship with Amazon's cloud computing business partner C5 into the DoD, but he neither disclosed this relationship nor recused himself from matters involving Amazon. Moreover, Mattis entered DoD as Secretary flanked by two senior advisors who, immediately before entering DoD, represented Amazon as consultants paid to advise on government cloud computing sales strategies in the United States and abroad. Donnelly never recused herself from matters involving Amazon during her DoD tenure, and left her position as Secretary Mattis's Senior Advisor three days after the issuance of the draft JEDI RFP. DeMartino had a role in the JEDI assessment and development process, despite being instructed by SOCO not to take part in any activity involving Amazon without prior review and approval. SOCO ultimately ordered him to recuse himself when his actions were revealed – but only after the JEDI RFP was drafted. Significantly, it appears that *Amazon* stood at the hub of these entangled relationships and was the intended beneficiary of the procurement.

### B. Mattis and Donnelly Had Preexisting Commercial Relationships With Amazon and C5 to Promote Amazon's Cloud Services to Foreign Governments.

Amazon enlisted SBD Advisors and C5 to promote its cloud services in foreign countries, sell cloud services to foreign governments, and secure approvals for the construction of datacenters. According to Pienaar, C5 partnered with Amazon to "help drive AWS [Amazon]





public sector cloud adoption in the region by engaging opinion makers, governments and multilateral organisations” and “help drive AWS [Amazon] sales” in the Middle East and Africa.<sup>60</sup>

**First**, it appears that Mattis was retained indirectly by Amazon through C5 to advocate for the adoption of Amazon cloud services by foreign governments, including, for example, the Kingdom of Bahrain and the Kingdom of Saudi Arabia, and that he was held out as a *non-public executive director of C5* in these commercial endeavors. **Second**, SBD Advisors and Donnelly do not dispute that they performed consulting services directly for Amazon<sup>61</sup> and C5. In fact, in or around 2015, C5 financial records reveal that it provided SBD Advisors with an interest free advance in the amount equivalent to \$560,000 with no record of repayment.

Amazon’s efforts in the Kingdom of Bahrain are instructive. Amazon has actively promoted its cloud services in Bahrain since at least 2015, as Teresa Carlson met with Crown Prince Salman bin Hamad Al-Khalifa in March 2015 regarding Amazon’s cloud computing solutions.<sup>62</sup> C5 Managing Partner Andre Pienaar (an advisor to the royal family dating back to the Arab Spring) facilitated business relationships between AWS and the Kingdom. Amazon has openly admitted its partnership with C5 in Bahrain.<sup>63</sup>

Upon information and belief, Mattis – after serving as CENTCOM Commander in Bahrain – attended a series of meetings with Bahraini government officials, including the Crown Prince and the Prime Minister, to promote and broker the adoption of Amazon’s cloud in Bahrain. For example, in October 2015, Mattis, Donnelly, Pienaar, and Hadyah Fathalla (C5’s executive director in Bahrain and self-identified former Kingdom of Bahrain intelligence officer) met with

<sup>60</sup> E-mail from A. Pienaar to R. Okanla, Global Head of Partner Marketing, Worldwide Public Sector, Amazon (Aug. 24, 2016).

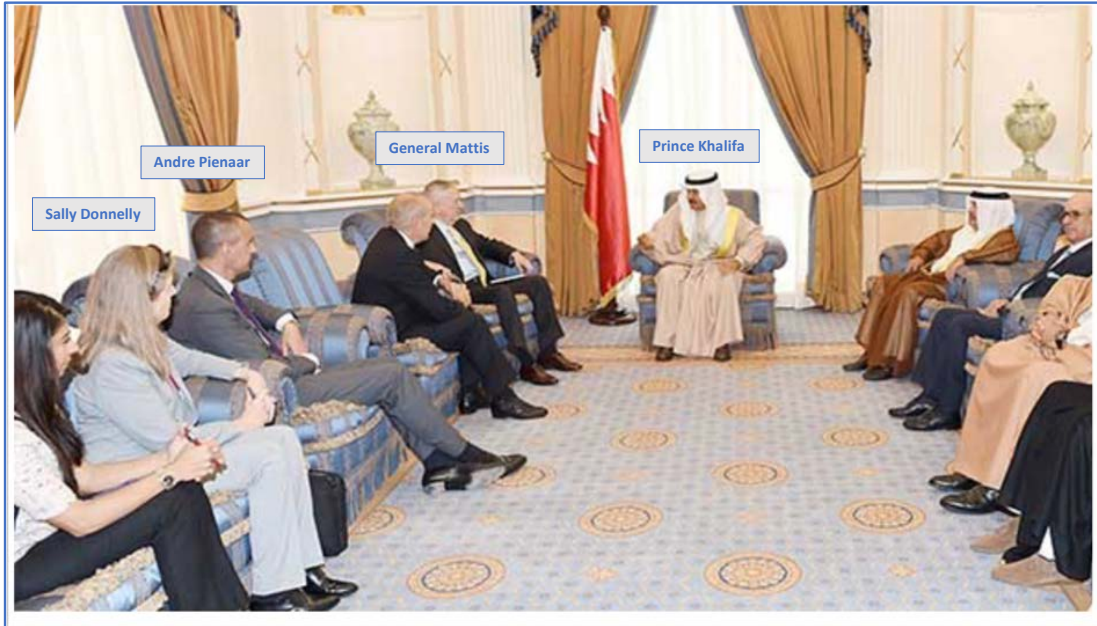
<sup>61</sup> <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>

<sup>62</sup> <http://crownprince.bh/en/media-centre/news/3415/2015/3/1/HRH-the-Crown-Prince-meets-the-Vice-President-of-Amazon-Web-Services-Global-Public-Sector>

<sup>63</sup> <https://aws.amazon.com/blogs/publicsector/setting-the-record-straight-on-inaccurate-reporting-about-aws-and-jedi/>



the Prime Minister of Bahrain and other Bahraini government officials to promote Amazon's cloud services.<sup>64</sup>



Mattis's, Donnelly's, and C5's efforts on behalf of Amazon in Bahrain were successful. On November 29, 2015, Amazon, C5, the Bahrain Economic Development Board, and Tamkeen (a Bahraini government agency that supports economic initiatives) jointly launched the first Cloud Accelerator in the Middle East with initial capital of USD \$100 million.<sup>65</sup> Carlson and C5 Managing Partner Daniel Freeman attended the launch in Bahrain.<sup>66</sup> The cloud accelerator provides startup companies in the Middle East and Africa with training and certificate programs from Amazon, mentoring from C5, and the opportunity to receive "funding from the [USD] \$100

<sup>64</sup> <http://www.gdnonline.com/Details/28827/Premier-hails-US-Uk-ties>

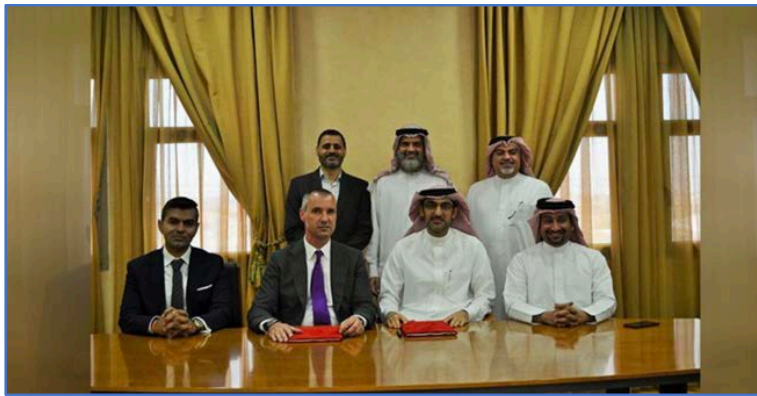
<sup>65</sup> See <https://www.c5accelerate.com/first-middle-east-africa-focused-cloud-accelerator-program-launched-bahrain-press-release/>; <https://bahrainedb.com/latest-news/first-middle-east-and-africa-focused-cloud-accelerator-program-launched-in-bahrain/>; [http://www.gdnonline.com/Details/47264/\\$100-million-fund-for-first-cloud-accelerator](http://www.gdnonline.com/Details/47264/$100-million-fund-for-first-cloud-accelerator)

<sup>66</sup> *Id.*



million allied venture capital fund – the Gulf Technology Corporation – set up for the accelerator and to be managed by C5.”<sup>67</sup> The Cloud Accelerator became active in 2016.<sup>68</sup>

On April 27, 2017, the Kingdom of Bahrain announced the migration of 10 government websites to Amazon, including the Central Bank of Bahrain and National Oil and Gas Authority. Pienaar and others at C5 took part in a signing ceremony with Bahrain Information & eGovernment Authority CEO Mohammed Ali Al Qaed, as shown below:<sup>69</sup>



In September 2017, on the heels of its initial successes in Bahrain, Amazon announced the opening of a services region (data center) in Bahrain.<sup>70</sup> As shown below, Carlson, Pienaar, Fathalla and Max Petersen (Carlson’s deputy) met with Tamkeen related to the announcement:<sup>71</sup>

<sup>67</sup> <http://disrupt-africa.com/2015/12/bahrain-based-accelerator-launched-for-mea-cloud-startups/>

<sup>68</sup> <https://www.entrepreneur.com/article/270218>

<sup>69</sup> [http://www.tradearabia.com/news/IT\\_324149.html](http://www.tradearabia.com/news/IT_324149.html); and Ex. BK, <http://www.bizbahrain.com/iga-migrates-10-government-websites-cloud/>

<sup>70</sup> <https://aws.amazon.com/blogs/publicsector/aws-region-to-open-in-the-middle-east-by-early-2019/>

<sup>71</sup> <http://www.bizbahrain.com/tamkeen-meets-amazon-web-services-vice-president/>



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## Tamkeen meets Amazon Web Services Vice President

October 3, 2017



From left to right: Max Peterson, Andre Pienaar, Teresa Carlson, Dr Ebrahim Mohammed Janahi, Hadiyah Fathalla, Eva Dimitriadis, Qusay Al Arayedh,

Not surprisingly, it appears that C5 received substantial compensation from its efforts in Bahrain on behalf of Amazon. Bahraini financial disclosures show that C5 received ***more than USD \$2.2 million*** beginning in 2015 to assist in providing Amazon cloud services to the Kingdom of Bahrain. C5 also received separate payments for ***“facilitating” the cooperation between Amazon and Bahrain*** in 2016, the same time period in which C5 was a client of SBD Advisors (including Donnelly and DeMartino):

| Payment Amount (Approx. USD \$) | Payment To | “Service Rendered”  | Approximate Date |
|---------------------------------|------------|---|------------------|
| \$108,208.00                    | C5         | “Facilitating the cooperation with the company Amazon Web Services” | 2016             |
| \$107,459.00                    | C5         | “Facilitating the cooperation with the company Amazon Web Services” | 2016             |
| \$131,962.00                    | C5         | “Facilitating the cooperation with the company Amazon Web Services” | 2016             |



### **C. Mattis Did Not Disclose Any Prior Commercial Relationship with C5 or Any Prior Work Related to Amazon's Cloud Services.**

It appears that Secretary Mattis has not publicly disclosed any business relationship with C5 or any work performed related to Amazon's cloud business. As an initial matter, Mattis did not disclose any such relationship in financial disclosures (Form 278e) required by the Office of Government Ethics ("OGE") or through any ethics pledge. Moreover, Mattis has not disclosed any such relationship in testimony before Congress. In fact, Mattis has used his Congressional testimony to deny any preference for Amazon in the JEDI procurement. For example, following the issuance of the draft RFP, Mattis testified before both the House ("HASC") and Senate ("SASC") Armed Services Committees. On April 12, 2018, during testimony before the HASC, Mattis "sought to quell rumors that the Pentagon's planned single-award cloud acquisition was designed with Amazon . . . in mind" and testified that "[t]he movement to the cloud is to enhance the availability of the information among us right now . . . we have watched very closely what CIA got in terms of security and service from their movement to the cloud."<sup>72</sup> Similarly, on April 26, 2018, during testimony before the SASC, Secretary Mattis was asked by Senator Heinrich:

Q. So to be perfectly clear, there are people speculating that this is tailor-made for a single vendor. And I would just ask you to assure me that those concerns are not justified.

A. Sir, our goal is to get the best possible service for the front line. I am aware that some people in industry perhaps believe that this should be an equal opportunity thing where everybody gets a piece of the pie. We have got to go forward in a defensible way where you can go to your constituents and say they did the right thing ethically, as well as legally, in order to carry out the best possible support for our front-line troops.<sup>73</sup>

Similarly, Mattis has not disclosed any prior commercial relationships with C5 or Amazon despite repeated media inquiries regarding the appearance that the JEDI procurement is being

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<sup>72</sup> <https://fcw.com/articles/2018/04/12/mattis-cloud-hasc.aspx>

<sup>73</sup> Mattis Testimony to SASC, April 26, 2018 (pp. 69-70)



steered to Amazon. Significantly, Mattis has denied any lack of transparency or preferential treatment. For example, on March 27, 2018, Secretary Mattis refused to address questions regarding whether the Pentagon would consider changing the single award, stating that “I don’t want to go into that contracting bit because, very quickly, I can’t get into jury-rigging a system that’s designed not to be jury-rigged.”<sup>74</sup> Mattis further commented that “[t]here’s no lack of transparency.”<sup>75</sup>

**D. While Serving as Senior Advisor to Secretary Mattis, Donnelly Received Undisclosed Payments For the Sale of SBD Advisors, Which Simultaneously Represented Amazon.**

Financial disclosure records suggest that Donnelly failed to properly disclose *\$1.17 million* in income from her sale of SBD Advisors. During her tenure as Senior Advisor to Secretary Mattis, Donnelly received *\$1.17 million in undisclosed income* from the sale of SBD Advisors, which simultaneously was assisting “Amazon.com Inc. craft its messaging and marketing strategies *for potential Defense Department cloud-computing contracts.*”<sup>76</sup>

Not surprisingly, Donnelly was required to divest herself of her interest in SBD Advisors and to disclose the details of that sale. According to OGE 278, that disclosure was to include all expected income from the sale of the asset: “Filers cannot avoid reporting income by deferring possession of income made available to them.”<sup>77</sup> In Donnelly’s initial financial disclosure, submitted under penalty of perjury upon her entering the DoD in January 2017, she disclosed only \$390,000 in income from the sale of SBD Advisors, as shown below:

<sup>74</sup><https://dod.defense.gov/News/Transcripts/Transcript-View/Article/1477375/media-availability-with-secretary-mattis-at-the-pentagon/>

<sup>75</sup><https://dod.defense.gov/News/Transcripts/Transcript-View/Article/1477375/media-availability-with-secretary-mattis-at-the-pentagon/>

<sup>76</sup> <https://www.bloomberg.com/news/articles/2018-10-29/ex-pentagon-officials-start-a-new-consulting-firm-in-washington>

<sup>77</sup> <https://www.oge.gov/Web/278eGuide.nsf/Content/Definitions~Received>



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## Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)

### Filer's Information

**DONNELLY, SALLY**

Senior Advisor to Secretary of Defense, OSD, Office of the Secretary of Defense

Date of Appointment: 01/21/2017

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

eSigned in FDM by:

SALLY DONNELLY

User ID: (b)(6), (b)(7)(C)

05/17/2017

### 2. Filer's Employment Assets and Income

| #                 | DESCRIPTION      | EIF | VALUE                     | INCOME TYPE      | INCOME AMOUNT |
|-------------------|------------------|-----|---------------------------|------------------|---------------|
| (b)(6), (b)(7)(C) |                  |     |                           |                  |               |
| 2                 | SBD Advisors LLC | N/A | \$1,000,001 - \$5,000,000 | Partial sale/SBD | \$390,000     |

In August 2017, a DoD ethics official contacted Donnelly seeking clarification regarding the sale. Donnelly confirmed the **total sale** of her interest in SBD Advisors amounted to \$390,000, as shown below:

### Comments of Reviewing Officials (public annotations):

| PART | # | REFERENCE        |
|------|---|------------------|
| 2.   | 2 | SBD Advisors LLC |

### COMMENT

(08/30/17, (b)(6), (b)(7)(C) : Confirmed that this asset actually has \$ 0 value to filer as she no longer has any stake in the company.  
 ADAEO Clarification: Filer confirmed this was total sale of filer's partial interest.

But on May 3, 2018 – almost two months *after* she left DoD – Donnelly for the first time disclosed having received an additional \$1.17 million for the sale of SBD Advisors while serving as Senior Advisor to Secretary Mattis.

This document is part of a Department of Defense Office of Inspector General (DoD-OIG) file and may contain information that could identify an IG source.

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Termination Report | U.S. Office of Government Ethics; 5 C.F.R. part 2634 | Form Approved: OMB No. (3209-0001)(March 2014)

**Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)**

**Filer's Information**

**DONNELLY, SALLY**  
 Senior Advisor to Secretary of Defense, OSD, Office of the Secretary of Defense  
 Date of Termination: 03/09/2018

Other Federal Government Positions Held During the Preceding 12 Months: None

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

Agency Ethics Official's Opinion - On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (Subject to any comment below).

Other review conducted by

U.S. Office of Government Ethics Certification

**1. Filer's Positions Held Outside United States Government**

| POSITION          | LOCATION            | OGE TYPE                    | DATE TO         |
|-------------------|---------------------|-----------------------------|-----------------|
| (b)(6), (b)(7)(C) | Washington, DC, USA | Business Enterprise Officer | 02/2012 01/2017 |

**2. Filer's Employment Assets & Income and Retirement Accounts**

EIF

|   |                  |     |                             |               |             |
|---|------------------|-----|-----------------------------|---------------|-------------|
| 2 | SBD Advisors LLC | N/A | None (or less than \$1,000) | Sale Proceeds | \$1,170,000 |
|---|------------------|-----|-----------------------------|---------------|-------------|

(b)(6), (b)(7)(C)

Significantly, SBD Advisors has since confirmed Donnelly sold her interest in SBD Advisors in January 2017 for \$1.56 million – not the \$390,000 disclosed by Donnelly.<sup>78</sup>

#### E. Amazon May Have Facilitated Payments to Donnelly Related to The Sale of SBD Advisors.

The circumstances surrounding Donnelly's sale of SBD Advisors in January 2017 and the subsequent re-sale of SBD Advisors on April 3, 2018 raise serious questions regarding Amazon's role in facilitating the sale of SBD Advisors, as well as the financial relationships between Amazon, its business partners, and Donnelly.

In January 2017, Donnelly sold her ownership interest in SBD Advisors to a “group of investors led by Win Sheridan.”<sup>79</sup> Sheridan seems to be an unusual buyers. As a general matter, Sheridan – the CEO of an IT staffing company, Apex Systems, Inc., and owner of various

<sup>78</sup> <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>

<sup>79</sup> *Id.*



nightclubs and music venues – had no connection to lobbying, national security, defense consulting, or international operations.

But there is evidence that Sheridan had commercial ties to Amazon’s public sector business and C5. Sheridan’s IT staffing company<sup>80</sup> places personnel on technology projects, often Amazon engineers, including, for example, for the Air Force program to modernize applications on Amazon.<sup>81</sup>

The screenshot shows a job listing page for Apex Systems. At the top, it says "Apex Systems Aws engineer Jobs" and "85 job openings". There are filters for "Department" (set to "aws engineer") and "City, State or Zip". Below the filters, it says "Show: All Results | Last 7 Days". The job listings are as follows:

| Job Title                      | Location                       | Posted      |
|--------------------------------|--------------------------------|-------------|
| AWS Linux Engineer             | Apex Systems – Rockville, MD   | 2 days ago  |
| AWS Development Lead/Architect | Apex Systems – Rockville, MD   | 18 days ago |
| AWS Engineer                   | Apex Systems – Minneapolis, MN | 16 days ago |

Sheridan also has personal ties to Teresa Carlson, both of whom have served as members of boards associated with Virginia Commonwealth University,<sup>82</sup> and Sheridan is a “featured mentor” of the C5 PeaceTech Accelerator, a joint venture between C5 and Amazon.<sup>83</sup>

After purportedly purchasing Donnelly’s ownership interest in SBD Advisors, Sheridan does not appear to have undertaken any role in the business operations of his new consulting firm. He did not even change the firm name.

Significantly, Sheridan held an ownership interest in SBD Advisors until Donnelly resigned her position from DoD. On April 3, 2018, Sheridan re-sold SBD Advisors to C5 through one of C5’s portfolio companies, which then changed the name of the firm to ITC Global

<sup>80</sup> <https://investors.asgn.com/leadership/board-directors/edwin-sheridan-iv>

<sup>81</sup> <https://www.af.mil/News/Article-Display/Article/1518722/kessel-run-hits-hyperdrive/>

<sup>82</sup> <https://www.massey.vcu.edu/giving/community-advisory-board/>; See Ex. CM, <https://annualreports.vcu.edu/archive/medical/2014/leadership/boards.html>

<sup>83</sup> <https://c5us.com/mentors/win-sheridan/>



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Advisors.<sup>84</sup>

Oddly, it appears that Donnelly remained the sole registered owner of SBD Advisors throughout her tenure at DoD and until C5 purchased SBD Advisors from Sheridan. As shown below, District of Columbia corporate records identified Donnelly as the “Governor” or “Authorized Person” for SBD Advisors, not Sheridan, as late as July 9, 2018:

| ENTITY TYPE   | FILING FEE   |
|---|--|
| Domestic or Foreign Filing Entity   | Refer to Corporate Fee Schedule posted online.                             |
| Under the provisions of the Title 29 D.C. Code (Business Organizations Act), The following Domestic or foreign filing entity is in the process of changing the registered agent on record and for that purpose submits the statement below. |  |
| 1. Domestic or Foreign Filing Entity Name.<br>ITC Global Advisors L.L.C.  |  |
| 2. Name of New Registered Agent<br>(b)(6), (b)(7)(C)  |  |
| 2A. New Registered Agent Address in DC<br>(b)(6), (b)(7)(C)   |  |
| If you sign this form you agree that anyone who makes a false statement can be punished by criminal penalties of a fine up to \$1000, imprisonment up to 180 days, or both, under DCOC § 22-2405;   |  |
| 3. Name of the Governor or Authorized Person.<br>Sally Donnelly   | 3A. Signature of the Governor or Authorized Person.<br>07/09/2018 E SIGNED |

In or around the same time that C5’s portfolio company purchased SBD Advisors, Donnelly (and DeMartino) established Pallas Advisors LLC – a direct competitor to ITC Global Advisors (f/k/a SBD Advisors) – specializing in national security consulting, touting its work at the Pentagon, and ability to provide clients with “insights into how governments think and operate.”<sup>85</sup> Pallas Advisors focuses its operations in Washington D.C., New York, London, and Bahrain. The corporate registration for Pallas Advisors was filed on July 10, 2018, precisely one day after Donnelly transferred control of SBD Advisors to C5’s portfolio company through filings with the District of Columbia corporate registry.

<sup>84</sup> <https://www.businesswire.com/news/home/20180403005624/en/ITC-Secure-Acquires-U.S.-based-SBD-Advisors>

<sup>85</sup> See generally <https://www.pallasadvisors.com>

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| THIS IS NOT A STATEMENT OF GOOD STANDING |                           |   |                           |
|--|---------------------------|---|---------------------------|
| <u>File Number:</u>                      | 6969221                   | <u>Incorporation Date / Formation Date:</u> | 7/10/2018<br>(mm/dd/yyyy) |
| <u>Entity Name:</u>                      | PALLAS ADVISORS LLC       |   |                           |
| <u>Entity Kind:</u>                      | Limited Liability Company | <u>Entity Type:</u>                         | General                   |
| <u>Residency:</u>                        | Domestic                  | <u>State:</u>                               | DELAWARE                  |

To be sure, the circumstances surrounding the purchase of SBD Advisors in January 2017, improperly disclosed payments by SBD Advisors to Donnelly during her DoD tenure, and the subsequent purchase of SBD Advisors by C5, raises serious questions regarding the various financial relationships between Amazon, its business partners, and Donnelly, including, for example, the following:

- Whether Sheridan was a proxy buyer for C5, especially given Sheridan's background, the timeline of his ownership interest in SBD Advisors coinciding with Donnelly's DoD tenure, and the fact that he was apparently permitted to make progress payments despite only holding the firm for 15 months;
- Whether Donnelly's receipt of \$1.56 million<sup>86</sup> fully and accurately represented the value of SBD Advisors based on generally accepted market metrics, especially where Donnelly and DeMartino reported income from SBD Advisors of almost \$450,000 in 2016 alone and the company maintained a high-profile stable of clients, including Amazon, Uber, Bloomberg, Palantir, and others;
- Whether additional consideration was promised and paid to Donnelly (outside the window of required disclosures) and, if so, how much and by whom.

<sup>86</sup> <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>



- Whether Amazon and/or Carlson had a role in facilitating the sale of SBD Advisors to Sheridan and then to C5's portfolio company; and
- Whether Amazon and/or C5 made any payments or provided other things of value, either directly or indirectly, to Donnelly related to the sale of SBD Advisors after her tenure as Senior Advisor to Secretary Mattis.

#### **F. Faced with Mounting Public Scrutiny, Amazon and C5 Issued Public Statements Mischaracterizing Their Partnership.**

Following media reporting in December 2018 regarding the relationship between Amazon and C5, both companies issued public statements attempting to downplay their longtime partnership.

On December 13, 2018, Amazon issued a press release titled "Setting the Record Straight on Inaccurate Reporting about AWS and JEDI."<sup>87</sup>



In that release, Amazon stated that "C5 has never been a teaming partner or subcontractor, nor lobbied on behalf of Amazon in order for Amazon to obtain government contracts."<sup>88</sup> Moreover, Amazon went so far as to state:<sup>89</sup>

<sup>87</sup> <https://aws.amazon.com/blogs/publicsector/setting-the-record-straight-on-inaccurate-reporting-about-aws-and-jedi/>

<sup>88</sup> <https://aws.amazon.com/blogs/publicsector/setting-the-record-straight-on-inaccurate-reporting-about-aws-and-jedi/>

<sup>89</sup> *Id.* (emphasis added)

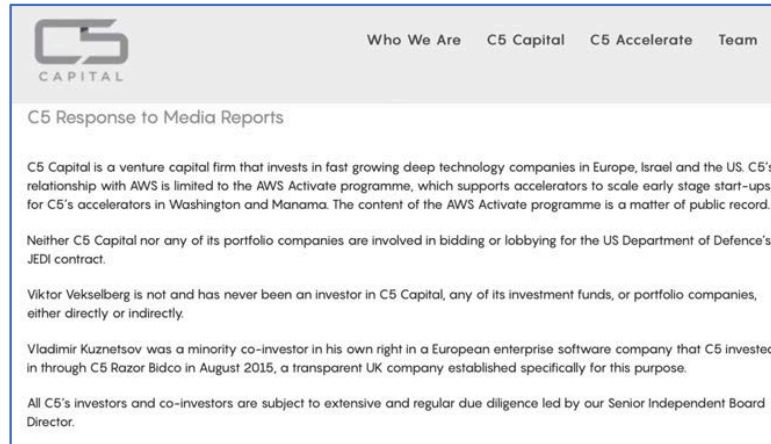




In April of 2017, C5 became part of the AWS Partner Network (APN) Channel Reseller Program for one deal supporting the Bahrain Information and eGovernment Authority (IGA). Since then, C5 has done no further work as a reseller. To be clear, this is no different to the work tens of thousands of other APN Partners do with AWS. For more detail on what this looks like, check out the [webpage](#).

This is the extent of our relationship with C5.

On December 13, 2018, C5 issued a press release titled “C5 Response to Media Reports.”



In that release, C5 stated that its “relationship with AWS is limited to the AWS Activate program, which supports accelerators to scale early stage start-ups, for C5’s accelerators in Washington and Manama . . . . Neither C5 Capital nor any of its portfolio companies are involved in bidding or lobbying for the US Department of Defence’s JEDI contract.”<sup>90</sup> More recently, Pienaar further stated “Our relationship is entirely limited to startups and making sure that, to accelerate this and making sure that the startups who pass through those accelerators succeed and make social impact.”<sup>91</sup>

Both statements are demonstrably false and inconsistent with each other. Significantly, they cannot be reconciled with C5 and Amazon’s own understanding of their business partnership, as memorialized in e-mail correspondence between Pienaar and Amazon senior management. Specifically, Pienaar described C5’s role as “driv[ing] AWS [Amazon] public sector cloud

<sup>90</sup> <https://www.c5capital.com/Blog/c5-response-to-media-reports/>

<sup>91</sup> <https://video.cube365.net/c/911564>



adoption in the region by engaging opinion makers, governments and multilateral organisations,” “driv[ing] AWS [Amazon] sales” and promoting Amazon cloud services throughout the Middle East and Africa, including “Cape Town, Addis Ababa, Rabat, Cairo, Amman, Kuwait City, Muscat, Dubai, Abu Dhabi and Riyadh.”<sup>92</sup> As Teresa Carlson herself stated: “We’ve been partnering with C5 around the world for a long time.”<sup>93</sup>

Moreover, Amazon’s and C5’s statements cannot be reconciled with C5’s and Amazon’s joint effort to launch the USD \$100 million Cloud Accelerator in Bahrain in 2015, which led to the Kingdom of Bahrain adopting Amazon cloud computing services in 2017 for its government cloud computing needs. Nor can they be reconciled with C5’s significant sponsorship presence and speaker roles at Amazon conferences *in the United States*, including Amazon’s Imagine Conference in Seattle on August 7, 2018<sup>94</sup> and Amazon’s re:Invent conference in Las Vegas in November 2018, which most certainly is not limited to Bahrain, as demonstrated below:

<sup>92</sup> E-mail from A. Pienaar to R. Okanla, Global Head of Partner Marketing, Worldwide Public Sector, Amazon (Aug. 24, 2016).

<sup>93</sup> <https://www.vanityfair.com/news/2018/08/has-bezos-become-more-powerful-in-dc-than-trump>

<sup>94</sup> <https://aws.amazon.com/blogs/publicsector/highlights-from-the-2018-imagine-a-better-world-a-global-education-conference/>

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(b)(6), (b)(7)(C)

); (2) Carlson's responsibility for the business and commercial relationship of C5, a reseller of Amazon's cloud services; and (3) Carlson's lead responsibility for sales in the Kingdom of Bahrain, specifically utilizing C5 as the "facilitator."

To be sure, the Amazon and C5 statements, aside from being demonstrably false, evidence their substantial effort, while under public scrutiny, to distance themselves from each other,



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(b)(6), (b)(7)(C)

**G. SOCO Directed DeMartino to Avoid Matters Related to Amazon Without Prior SOCO Approval.**

DeMartino served as Managing Director for SBD Advisors from December 2014 to January 2017, during which time he performed consulting services for Amazon. He became the Deputy Chief of Staff to Secretary Mattis in January 2017, and then Chief of Staff to the then-Deputy (and now Acting) Secretary of Defense Patrick Shanahan in March 2017.

DeMartino disclosed income from Amazon through August 2017. In April 2018, SOCO directed DeMartino to avoid participating in any matters involving Amazon without clearance in advance by SOCO:

This email is to alert you to and assist you in avoiding potential conflicts of interest between your duties as a Government official and your actual or imputed financial interests and affiliations . . . . In this instance, you may have a regulatory prohibition under 5 C.F.R. §2635.502 . . . . In particular, Amazon, Palantir and Bloomberg do business with DoD, and therefore, you should be vigilant and consult with our office before participating in any matters involving these entities until the one-year period has expired.<sup>95</sup>

**H. DeMartino Communicated with Amazon Regarding Mattis's Cloud Initiative.**

Secretary Mattis's senior advisors met with Amazon almost immediately after he was confirmed. On February 11, 2017, only two weeks after leaving SBD Advisors to become the Deputy Chief of Staff to Mattis, DeMartino emailed Teresa Carlson to set up a meeting with Secretary Mattis's Chief of Staff Kevin Sweeney, a longtime advisor to Mattis:<sup>96</sup>

*The Chief of Staff, Kevin Sweeney wanted me to contact you and coordinate a meeting the next time you are in the DC area . . . . As you have probably heard, The SECDEF also asked me to join his team after helping with his confirmation prep. Good news is Sally remains almost right next door, so happy there!*<sup>97</sup>

<sup>95</sup> See Complaint, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Dec. 10, 2018) [ECF 13]

<sup>96</sup> <https://dod.defense.gov/About/Biographies/Biography-View/Article/1376590/kevin-m-sweeney/>

<sup>97</sup> E-mail from A. DeMartino to T. Carlson (Feb. 11, 2017) (emphasis added)



Carlson responded, copying Donnelly: “Hope you are doing GREAT! . . . Thrilled to see you and Sally are supporting the SECDEF.”<sup>98</sup>

On March 15, 2017, DeMartino contacted Carlson to solicit dates for her to meet with Chief of Staff (“CoS”) Sweeney and others in OSD.<sup>99</sup> Due to Carlson’s travel schedule, a meeting was set up between her and Sweeney for April 10, 2017. DeMartino and others within OSD were required to attend.<sup>100</sup>

**I. Teresa Carlson Met Privately With Secretary Mattis and Donnelly in London, Leading To A Meeting Between Secretary Mattis and Jeff Bezos in April 2017.**

On or about March 31, 2017, Teresa Carlson, Secretary Mattis, and Sally Donnelly held a private meeting during an official OSD visit to the United Kingdom.<sup>101</sup> A private meeting, on foreign soil, between a sitting Secretary of Defense, a corporate Vice President responsible for worldwide public sector sales for a defense contractor, and the defense contractor’s former sales consultant (and current Senior Advisor to the Secretary) is extraordinary. This private meeting occurred at a time when SBD Advisors represented Amazon to secure United States and foreign government business, and Donnelly was expecting and receiving additional compensation for the putative sale of her partial interest in SBD. During the private meeting with Carlson, Mattis “expressed interest in meeting with Jeff Bezos,” which was confirmed and arranged in a subsequent telephone call specifically for that purpose from Jennifer Chronis, Amazon’s General Manager of DoD Business, to William Bushman on April 18, 2017.<sup>102</sup> According to Chronis, the purpose of the meeting was “for Bezos to impart his thoughts/observations on DoD’s relationship

<sup>98</sup> Capitol Forum, Vol. 6 No. 300, August 17, 2018, “JEDI: Emails Between AWS and DoD Officials Reveal Questionable Judgment, Ethics Experts Say”

<sup>99</sup> E-mail from A. DeMartino to T. Carlson (Mar. 15, 2017)

<sup>100</sup> E-mail from T. Carlson to A. DeMartino (Mar. 16, 2017)

<sup>101</sup> E-mail from W. Bushman to [Redacted] (Apr. 18, 2017)

<sup>102</sup> *Id.*



with the tech sector.”<sup>103</sup> The meeting between Mattis and Bezos was set up for April 27, 2017.<sup>104</sup>

This was the first of at least two meetings between Secretary Mattis and Bezos leading up to the JEDI procurement announced in September 2017.

**J. Secretary Mattis Met with Jeff Bezos at Amazon’s Headquarters in August 2017 and Then Weeks Later Directed the Formation of the DoD Cloud Initiative, Which Became JEDI.**

Secretary Mattis again met with Jeff Bezos on August 10, 2017 to discuss Amazon’s cloud services capabilities, this time at Amazon’s headquarters in Seattle, Washington.<sup>105</sup> A DoD spokesperson acknowledged that, during this time period, DeMartino and Donnelly (who was still receiving and expecting income from the sale of Amazon consultant, SBD Advisors) were generally involved in “arranging meetings and travel” for Secretary Mattis.<sup>106</sup> Bezos tweeted a picture of himself and Secretary Mattis touring the facility:<sup>107</sup>



<sup>103</sup> *Id.*

<sup>104</sup> *Id.*

<sup>105</sup> Mattis also met with Microsoft and Google before launching the cloud initiative.

<sup>106</sup> <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>

<sup>107</sup> <https://twitter.com/jeffbezos/status/895714205822730241?lang=en>





**K. DeMartino Influenced the JEDI Cloud Procurement Despite a Clear Directive from SOCO Not to Participate in Any Matters Related to Amazon Without Prior Approval.**

Then-Deputy Secretary Shanahan oversaw Secretary Mattis's Cloud Initiative.<sup>108</sup> But, given Shanahan's substantial additional responsibilities as Deputy Secretary, DeMartino undoubtedly played a key role.

Having served as Chief of Staff to Shanahan since March 2017, it appears that DeMartino promptly put himself in the driver's seat of the JEDI Cloud procurement. While under a direct, written prohibition from SOCO to be vigilant not to participate in any matter involving Amazon without SOCO approval, DeMartino:

- Received and reviewed acquisition sensitive information, including cloud acquisition strategy, timeline documents, and the draft Request for Information (RFI).<sup>109</sup>
- Edited Secretary Mattis's briefing documents on cloud computing.<sup>110</sup>
- Strategized how best to advocate for single source cloud (*e.g.*, suggesting how to "nuance" the language describing the single award and requesting that DoD's Cost Assessment and Program Evaluation (CAPE) office describe supposed projected savings from a single cloud).<sup>111</sup>
- Reviewed the updates provided by the CESG to the Deputy Secretary.<sup>112</sup>
- Assisted with media day and press strategies in support of JEDI.<sup>113</sup>

Significantly, DeMartino did not consult with SOCO, even as mainstream media and trade publications widely reported that Amazon was "the odds-on favorite for the Joint Enterprise Defense Infrastructure (JEDI) cloud contract – which could be worth \$10 billion or more . . . ."<sup>114</sup>

<sup>108</sup> See Complaint ¶ 76, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Dec. 10, 2018) [ECF 13]

<sup>109</sup> See Complaint ¶ 73, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Dec. 10, 2018) [ECF 13]

<sup>110</sup> See Complaint ¶ 78, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Dec. 10, 2018) [ECF 13]

<sup>111</sup> Mem. of Law in Suppt. Of Plt's Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 18, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 38-1]

<sup>112</sup> Mem. of Law in Suppt. Of Plt's Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 19, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 38-1]

<sup>113</sup> *Id.*

<sup>114</sup> <https://www.bna.com/force-may-amazon-n57982088959/>



Finally, in April 2018, prompted by public reporting and FOIA requests regarding DeMartino's involvement in the JEDI procurement, and *after* DoD issued the draft RFP, DeMartino consulted with SOCO regarding his work on the JEDI procurement. SOCO immediately ordered DeMartino to recuse himself from any further involvement with the JEDI procurement, as DeMartino must have predicted it would have had he complied with SOCO's directive and sought approval in advance.<sup>115</sup>

#### **L. DDS Tasked Ubhi with Executing the JEDI Procurement and Implementing An Improper Preference for Amazon.**

Chris Lynch appointed Deap Ubhi as the Lead Project Manager in charge of a four-person team to facilitate Secretary Mattis's initiative to accelerate adoption of a DoD-wide cloud computing solution.<sup>116</sup> Before joining DDS in August 2016 as a Product Director, Ubhi worked for Amazon for two years with responsibilities related to Amazon's cloud computing services.<sup>117</sup> Ubhi never hid his support for Amazon. While working for DoD, Ubhi declared in January 2017 that "*once and Amazonian, always an Amazonian.*"<sup>118</sup> In his capacity as Lead Project Manager for JEDI, Ubhi participated personally and substantially in the JEDI procurement. Most significantly, Ubhi helped drive the decision to adopt a single cloud, single vendor approach to JEDI. For example, on October 9, 2017, DDS counsel Sharon Woods indicated that Ubhi planned to attend the next CESG meeting to advocate for a single cloud approach: "Deap [Ubhi] has a specific way he wants to tackle this [single or multiple clouds] and will be attending in person for

<sup>115</sup> Mem. of Law in Suppt. of Plt's Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 17, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 38-1]

<sup>116</sup> E-mail from D. Ubhi to C. Lynch and T. Van Name (Oct. 31, 2017)

<sup>117</sup> <https://inc42.com/buzz/tablehero-funding/>

<sup>118</sup> Mem. of Law in Suppt. of Plt's Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 8-9, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 38-1]; *see also* Ex. A to Mem. of Law, at 6 [ECF 38-2]



this purpose.”<sup>119</sup> JEDI’s contracting officer testified at a GAO proceeding that Ubhi did, in fact, attend CESG meetings and advocated robustly for a single-award contract.<sup>120</sup>

Moreover, Ubhi played a key role in other aspects of the JEDI acquisition strategy, including defining JEDI’s requirements. In addition to zealously advocating for a single cloud approach, Ubhi managed and had access to untold amounts of nonpublic and competitively sensitive information on the Defense Digital Service Google Drive; served as the point person for highly technical discussions with prospective JEDI Cloud industry competitors; established requirements, or metrics; met with DoD cloud users; criticized Amazon competitors; and criticized DoD and industry personnel who favored a multi-cloud, multi-vendor approach. The Deputy Director of DDS Tim VanName stated to the press: “I don’t see the value” of more exchanges because “we’ve made it clear that we are going forward with a single award” and “it is not something that we believe is up for debate with industry.”<sup>121</sup>

Ubhi was not merely an advocate for a single-provider cloud solution. He was central to JEDI’s early decision-making – participating and contributing to key documents that resulted in DoD’s public decision to source JEDI’s massive \$10 billion contract to single provider:

- He participated in developing the JEDI acquisition strategy and requirements documents;<sup>122</sup>
- He participated in drafting the “Problem statement,” which explained “why is only one cloud a truly necessary requirement”;<sup>123</sup> and

<sup>119</sup> Mem. of Law in Suppt. of Pltf’s Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 10, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 38-1].

<sup>120</sup> *Id.*

<sup>121</sup> <https://www.bloomberg.com/news/articles/2018-04-16/pentagon-sticks-with-single-cloud-contract-but-doesn-t-say-why>

<sup>122</sup> Mem. of Law in Suppt. Of Pltf’s Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 11, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 38-1]

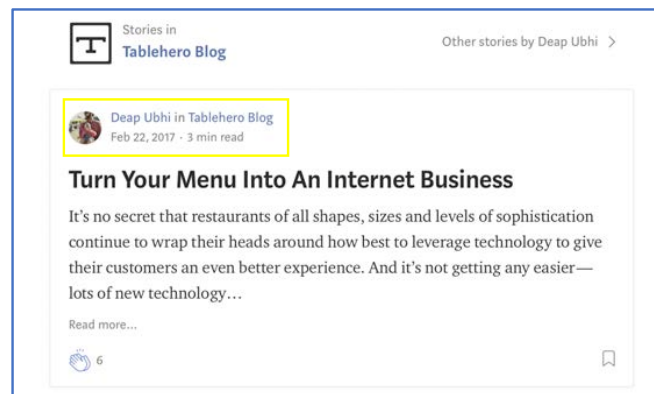
<sup>123</sup> *Id.*





- He contributed to the Business Case Analysis, which describes itself as “serv[ing] as a foundation for the JEDI project.”<sup>124</sup>

Ubhi’s advocacy and participation was hopelessly conflicted. Ubhi served as Lead Project Manager on JEDI *while simultaneously negotiating the sale of his software company, Tablehero, to Amazon*. He did not recuse himself until *after* the DoD released the official RFI for the JEDI Cloud, which Ubhi submitted to DoD leadership on October 27, 2017.<sup>125</sup> Yet on October 31, 2017, Ubhi wrote that SOCO and DDS’s general counsel, Sharon Woods, directed Ubhi to recuse himself from JEDI.<sup>126</sup> The reason: “*Tablehero, a company I founded, may soon engage in further partnership discussions with Amazon, Inc.*, which also owns and operates one of the world’s largest cloud service providers, Amazon Web Services.”<sup>127</sup> On November 6, DoD released its official JEDI policy declaring its “Acquisition Strategy” to be a “*single-award indefinite delivery/indefinite quantity (ID/IQ) contract*,” as Ubhi had championed and as embraced by Amazon.<sup>128</sup>



<sup>124</sup> Mem. of Law in Suppt. Of Plt’s Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 12, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019) [ECF 38-1]

<sup>125</sup> *Id.*; see also

[https://www.fbo.gov/index?s=opportunity&mode=form&id=6fe635bc817ad6913c405d25ec5a34b5&tab=core&\\_cvi=1](https://www.fbo.gov/index?s=opportunity&mode=form&id=6fe635bc817ad6913c405d25ec5a34b5&tab=core&_cvi=1)

<sup>126</sup> FOIA vol. 1, at 00017

<sup>127</sup> *Id.*

<sup>128</sup> JEDI Acquisition Strategy Nov. 6, 2017



**M. After Belatedly Recusing Himself from the JEDI Cloud Procurement, RFI Author Deap Ubhi Left DoD and Was Re-Hired By Amazon.**

On November 13, 2017, Ubhi resigned from DDS *and was hired by Amazon*, where he remains today. This undoubtedly gives Amazon access to competitively sensitive procurement information, including concerning the needs of DoD and the proprietary capabilities of competitors, based on his personal and substantial involvement in the JEDI procurement as Lead Project Manager. In fact, the JEDI contracting officer acknowledged that she had not conducted an Organizational Conflict of Interest analysis regarding whether Ubhi's hiring gave Amazon an unfair competitive advantage.<sup>129</sup> Further, at the request of the Government, the Court of Federal Claims stayed the pending protest of the JEDI procurement so the contracting officer can "reconsider" her analysis of whether Ubhi's conflicts of interest impacted the integrity of the procurement.<sup>130</sup>

**N. DoD's New Cloud Strategy Cannot Be Reconciled with the JEDI RFP.**

Recent developments further demonstrate the need for additional scrutiny by DoD IG. In December 2018 – four months after the final JEDI award was to be made – DoD issued a memorandum titled "DoD Cloud Strategy," which addresses DoD's broader "Enterprise Cloud Environment." Likely the result of DoD CIO Deasy's earlier announcement regarding a "full top-down, bottom-up review," DoD's Cloud Strategy Memo contradicts the single cloud approach – and key requirements – in the JEDI RFP.

The DoD Cloud Strategy makes clear that the DoD Enterprise Cloud Environment – contrary to the JEDI RFP – includes hybrid clouds, milCloud, multiple "Fit-for-Purpose" clouds,

<sup>129</sup> Contracting Officer's Declaration ¶ 6, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 23, 2019) [ECF 47-1]

<sup>130</sup> Order, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Feb. 19, 2019) [ECF 61]; see also Def's Unopposed Mot. to Stay (Redacted Version), *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Feb. 22, 2019) [ECF 62]



SaaS clouds, and of course what will continue to be a large installed base of on-premise systems. Moreover, the DoD Cloud Strategy highlights many features that are not included in the JEDI RFP, such as its security architecture. At the same time, requirements in the JEDI RFP are completely absent in DoD's Cloud Strategy Memo, such as the (unauthorized) third-party cloud software marketplace. At bottom, consistent with observations made by Congress, the DoD Cloud Strategy illustrates the irrationality of the single-source approach and many of the points of emphasis in the Cloud Strategy depict a meaningful shift away from the JEDI RFP.<sup>131</sup>

#### **O. Oracle's Now-Stayed Bid Protest Is Reason Enough to Prompt Thorough Investigation**

Oracle's bid protest currently is pending before the United States Court of Federal Claims.<sup>132</sup> On February 19, 2019, the court granted a request by the Department of Justice to (as the Judge described in the order) "stay this case while the Department of Defense reconsiders whether possible personal conflicts of interest impacted the integrity of the JEDI Cloud procurement."<sup>133</sup> To be sure, DoD's renewed scrutiny regarding its conflicts of interest analysis regarding Ubhi underscores the need for DoD IG to conduct a far more comprehensive investigation into the JEDI procurement, as described in this memorandum.

## **VI. CONCLUSION**

We submit that factual circumstances set forth above warrant a DoD IG investigation. It is not merely the massive size and scope of the JEDI contract – or even the single vendor approach – that causes us to submit this memorandum. We believe that the actions of Amazon point to a

<sup>131</sup> <https://www.bloomberg.com/news/articles/2018-06-07/key-lawmaker-says-she-doubts-pentagon-can-handle-cloud-contract>; see also FY19 NDAA § 1064 (requiring DOD to report to Congress on its Cloud implementation strategy)

<sup>132</sup> See generally *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl.)

<sup>133</sup> Order, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB (Fed. Cl. Feb. 19, 2019) [ECF 61]





complete breakdown of internal controls and the most sensible ethical boundaries, resulting in irreparable damage to the integrity of this procurement. We welcome the opportunity to meet with DoD IG to discuss this memorandum in detail.

MEMORANDUM

**TO:** The Honorable Glenn A. Fine  
Acting Inspector General  
United States Department of Defense Office of Inspector General

**FROM:** (b)(6), (b)(7)(C)  
[REDACTED]  
Oracle Corporation

**RE:** Supplement to Contact # 20190321-118339

**DATE:** May 20, 2019

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Oracle Corporation (“Oracle”) respectfully submits this memorandum to supplement Contact #20190321-118339 (“Request”), which was submitted to the Department of Defense Office of Inspector General (“DoD IG”) on March 21, 2019. Our Request raised major concerns regarding improper commercial and financial relationships between Amazon Web Services, Inc. (“Amazon”) and senior Department of Defense (“DoD”) decisionmakers who conceived and executed the Joint Enterprise Defense Infrastructure (“JEDI”) procurement. We provided substantial evidence demonstrating Amazon’s improper use of these relationships to position itself as the sole awardee of JEDI, a 10-year, \$10 billion, Indefinite Delivery Indefinite Quantity (“IDIQ”) contract for a single vendor to provide cloud services across the entire DoD enterprise.

As of this update, we have established former senior DoD officials who conceived of and executed the JEDI procurement had substantial conflicts of interest with Amazon yet failed to recuse themselves. We established that former Secretary of Defense James Mattis had a non-disclosed prior commercial relationship with close Amazon partner, C5 Capital, Ltd. (“C5”) to promote Amazon’s cloud services in his former CENTCOM region, notably Bahrain. Sally Donnelly and Anthony DiMartino previously represented Amazon as “consultants” and promoted Amazon’s cloud interests before the DoD. Donnelly and DiMartino entered DoD as Senior

Advisor to the Secretary of Defense and as Chief of Staff to the Deputy Secretary, respectively. Donnelly never recused herself from cloud policy determinations and DiMartino waited to recuse until after DoD issued the draft Request for Proposal. Deep Ubhi served as the Lead Program Manager for JEDI and was a key proponent for JEDI's single cloud approach. During the key development of the JEDI RFP, Ubhi had accepted employment with Amazon, concealed the employment discussions, and subsequently created a false story to cover up his actions. Victor Gavin, Deputy Assistant Secretary of the Navy, participated in JEDI's formulation and also had accepted an undisclosed job offer from Amazon. There can be no dispute that as JEDI was being developed, key decision-makers and influencers – namely, Mattis, Donnelly, DiMartino, Ubhi, and Gavin – were all heavily conflicted yet intimately involved in key formulative JEDI policy decisions.

The factual record demonstrates that JEDI's formulation was a results-oriented exercise designed to arrive at a preordained answer. By way of background, on September 13, 2017 DoD issued a memorandum entitled "Accelerating Enterprise Cloud Adoption," which established the Cloud Executive Steering Group ("CESG") and directed the Defense Digital Service ("DDS") to use a "***tailored acquisition process*** to acquire ***a*** modern enterprise cloud services solution (emphasis added)."<sup>1</sup> The CESG reported directly to the Deputy Secretary of Defense. On March 7, 2018 DoD held JEDI Industry Day attended by dozens of capable global cloud vendors. DoD planned an aggressive schedule that included comments to the draft solicitation due on March 21, 2018 (two weeks after the draft solicitation), a final Request for Proposal issued in early May 2018, and an award in September, 2018.

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<sup>1</sup> [https://www.nextgov.com/media/gbc/docs/pdfs\\_edit/090518cloud2ng.pdf](https://www.nextgov.com/media/gbc/docs/pdfs_edit/090518cloud2ng.pdf)



The draft solicitation drew strong criticism from industry and Congress, each questioning the fundamental approach. For example, IBM stated “no business in the world would build a cloud the way JEDI would and then lock in to it for a decade.”<sup>2</sup> The 2018 Consolidated Appropriations Act sought a report on JEDI including “justification, to include cost considerations for executing a single award contract rather than creating an infrastructure capable of storing and sharing data across multiple cloud service providers.”<sup>3</sup>

On May 9, 2018 Dana Deasy was sworn in as DoD’s Chief Information Officer (“CIO”).<sup>4</sup> Notably, the Office of the CIO had only an advisory (non-voting) role on the CESG, despite an enterprise-wide cloud transformation having clear nexus to the CIO’s responsibilities and portfolio. On July 11, 2018 Deasy announced the initiation of a “full top-down, bottom-up review” of JEDI “to ensure we provide clear messaging from the department on our cloud adoption strategy, and on our approach with both industry and Congress.”<sup>5</sup> Inexplicably, the final RFP was issued three weeks later on July 26, 2018 with “few major changes to the acquisition approach.”<sup>6</sup>

JEDI’s continued focus on a single award, combined with the RFP’s highly restrictive gate criteria, without question intended to limit the competitive field. Google, for example, declined to bid stating, “had the JEDI contract been open to multiple vendors, we would have submitted a compelling solution”<sup>7</sup> But this should be of no surprise given Ubhi’s role in formulating the single could approach while negotiating his employment with Amazon and his access to competitively

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<sup>2</sup> <https://federalnewsnetwork.com/contractsawards/2018/10/ibm-to-dod-no-business-in-the-world-would-build-a-cloud-the-way-jedi-would/>

<sup>3</sup> <https://www.fedscoop.com/lawmakers-want-dod-justify-single-award-move-commercial-cloud/>

<sup>4</sup> <https://washingtonexec.com/2018/05/dod-swears-in-new-chief-information-officer/>

<sup>5</sup> <https://www.fedscoop.com/dana-deasy-jedi-cloud-pause/>

<sup>6</sup> <https://washingtontechnology.com/articles/2018/07/26/dod-jedi-final-bids.aspx>

<sup>7</sup> <https://www.marketwatch.com/story/the-jedi-war-amazon-oracle-and-ibm-battle-in-mysterious-world-of-militarycontracts-2019-01-07>

sensitive information, as we detail below. On October 12, 2018, DoD received JEDI bids from just Amazon, IBM, Microsoft and Oracle.

Significantly, since DoD released the JEDI RFP, DoD itself and the United States Intelligence Community (“USIC”) has taken actions contrary to JEDI. In December 2018, *six months after* the DoD issued its JEDI RFP, DoD issued its “DoD Cloud Strategy,” a document materially at odds with the binding JEDI solicitation. On April 8, 2019, USIC held its industry day and announced its intent to procure “multiple commercial cloud vendors that can provide foundational cloud services, including IaaS, PaaS, and SaaS.”<sup>8</sup> According to IBM, “these [C2E and JEDI] are diametrically opposed approaches. Clearly the CIA has five-to-six years of experience in a single cloud environment and they are making a strategic decision to wholeheartedly move into multi cloud world. DoD should take advantage of those five-to-six years of experience in the IC and the national security community to inform what they are doing going forward.”<sup>9</sup>

Undeterred, just two days later on April 11, 2019, DoD applied its gate criteria and eliminated IBM and Oracle from the JEDI competition. Amazon and Microsoft are the sole remaining competitors with the 10 year, \$10 billion JEDI procurement award now set for July 19, 2019.

This background is critical context for evaluating how the conduct of *five* heavily conflicted former DoD officials drove key decisions in the formulation of JEDI and why the JEDI continues in the face of substantial criticism. We now turn to this updates provided in this supplemental memorandum, in which we summarize additional inconsistencies and false

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<sup>8</sup> <https://washingtontechnology.com/.../D081193B6B2249EC80842F89161851FE.ashx>

<sup>9</sup> <https://federalnewsnetwork.com/reporters-notebook-jason-miller/2019/04/is-the-cias-new-cloud-procurement-a-signal-to-dod-to-update-jedi/>

statements by former senior DoD officials and evidence of a long-running illegal scheme by Amazon to leverage financial and commercial relationships with DoD decisionmakers to position itself as the sole awardee of JEDI. We provide four categories of updates:

**First**, this supplemental memorandum provides additional evidence that Sally Donnelly (who served as Senior Advisor to Secretary Mattis) made false statements in required financial disclosure forms submitted under the penalty of perjury related to the sale of her ownership interest in SBD Advisors. We previously demonstrated that Amazon's long-time cloud computing business partner, C5, purchased SBD Advisors *less than one month* after Donnelly resigned from DoD. We demonstrated that C5's Managing Partner, Andre Pienaar, had a long standing personal relationship with Amazon's Theresa Carlson. We also previously demonstrated that Donnelly made false and inconsistent statements regarding her sale of her ownership interest in SBD Advisors when she entered DoD in January 2017 and received undisclosed income from the sale during her tenure at DoD.

Additional new evidence reveals much closer ties between Sally Donnelly and Andre Pienaar (and SBD Advisors and C5 Capital), pointing to the conclusion that that C5 was the actual purchaser of SBD Advisors in 2017 and that Win Sheridan (the purported purchaser) merely was a sham investor. The new facts provided here, combined with the very close and long-time relationship (commercial and otherwise) between Amazon and C5, creates a strong inference that Amazon itself was directly or indirectly involved in payments made to a sitting DoD official *during* her tenure at DoD.

**Second**, in addition to the evidence previously disclosed regarding Secretary Mattis's prior commercial relationship with Amazon and C5 in promoting Amazon's cloud services in foreign countries, we provide new facts regarding a private and "Off the Record" dinner in London on



March 31, 2017 among Mattis, Donnelly, Teresa Carlson, and Pienaar. We also provide evidence that Amazon and C5's partnership extended far beyond Bahrain to include locations throughout the Middle East and Africa, further demonstrating the mischaracterizations of Amazon and C5 in public statements professing that their relationship has been limited to a single deal in Bahrain.

*Third*, in the face of Oracle's bid protest, DoD reopened its integrity investigation into Amazon and former DoD JEDI officials now employed by Amazon. The renewed Government investigation uncovered systemic ethics violations and blatant fabrications by at least two former DoD JEDI officials now working for Amazon. DoD now concedes that this conduct violates Federal procurement law and has referred at least these two former DoD JEDI officials to this Office for further investigation. And at the center of this web of relationships and deception resides Amazon.

DoD's own investigation shows that Amazon covertly recruited and hired at least *two* DoD JEDI officials with personal and substantial participation in JEDI during the procurement – both of whom failed to properly recuse themselves from matters involving Amazon and affirmatively acted to conceal their improper financial relationships with Amazon. DoD concedes that the secret dealings during the procurement among Amazon, Ubhi, and at least one other DoD JEDI official (Victor Gavin) “violated FAR § 3.101-1 and possibly violated 18 U.S.C. § 208 and its implementing regulations.”<sup>10</sup>

We respectfully submit that the facts and questions raised in Oracle's original Request and this supplemental memorandum further demonstrate Amazon's improper financial inducements and leveraging of relationships with key DoD officials to gain an unfair advantage in this and other

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<sup>10</sup> Supplemental Bid Protest Complaint, 1:18-cv-01880-EGB (Fed. Cl. May 7, 2019), ECF No. 71, at ¶ 1.

DoD procurements, as well as ongoing misconduct by former DOD officials involved in JEDI.

We summarize below.

## I. NEW FACTS DEMONSTRATE ADDITIONAL FALSE STATEMENTS AND INCONSISTENCIES IN SALLY DONNELLY'S STATUTORY FINANCIAL DISCLOSURES.

### A. Donnelly's False Statements Regarding the Sale of SBD Advisors Demands Government Action.

Our original Request showed that Donnelly failed to properly disclose *\$1.17 million* in income from her sale of SBD Advisors, which performed consulting services for both Amazon and C5 before and after Donnelly entered DoD. In Donnelly's initial financial disclosure, submitted under penalty of perjury upon her entering DoD, she disclosed only \$390,000 in income from the sale of SBD Advisors, which she later confirmed to be the *total sale* of her interest in SBD Advisors and that it "actually has \$0 value to filer as she no longer has any stake in the company":

| Comments of Reviewing Officials (public annotations): |           |                  |
|---|-----------|------------------|
| PART #  | REFERENCE |                  |
| 2.  | 2         | SBD Advisors LLC |

| COMMENT   |  |
|---|--|
| (b) (6), (b) (7)(C)   | : Confirmed that this asset actually has \$0 value to filer as she no longer has any stake in the company. |
| ADARO Clarification: Filer confirmed this was total sale of filer's partial interest. |  |

We further showed that on May 3, 2018 – almost two months *after* she left DoD – Donnelly for the first time disclosed having received an additional \$1.17 million for the sale of SBD Advisors while serving as Senior Advisor to Mattis. SBD Advisors separately stated that Donnelly sold her interest in SBD Advisors in January 2017 for \$1.56 million – not the \$390,000 disclosed by Donnelly. SBD Advisors spokesperson Price Floyd stated "[t]he purchaser paid Sally over time. The first payment was \$390,000. Remaining payments were \$1.17 [million] for a total sale

price of \$1.56 [million], all fully disclosed in her filings.” It is clear those payments were not “fully disclosed” *at the time they were required* nor can they be reconciled with Donnelly’s August 2017 statement in which Donnelly confirmed her receipt of \$390,000 represented the “total sale”.<sup>11</sup>

Termination Report (U.S. Office of Government Ethics; 5 C.F.R. part 2634 | Form Approved OMB No. (3209-0061) (March 2014)

**Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)**

**Filer's Information**

DONNELLY, SALLY  
 Senior Advisor to Secretary of Defense, OSD, Office of the Secretary of Defense  
 Date of Termination: 03/09/2018

Other Federal Government Positions Held During the Preceding 12 Months: None

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

Agency Ethics Official's Opinion - On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (Subject to any comment below).

Other review conducted by

U.S. Office of Government Ethics Certification

**1. Filer's Positions Held Outside United States Government**

| NO. | POSITION                          | LOCATION            | DATE                        | FROM    | TO      |
|-----|-----------------------------------|---------------------|-----------------------------|---------|---------|
| 1   | (b)(6), (b)(7)(C)<br>SBD Advisors | Washington, DC, USA | Business Enterprise Officer | 11/2012 | Present |
|     |                                   |                     |                             | 02/2012 | 01/2017 |

**2. Filer's Employment Assets & Income and Retirement Accounts**

| NO. | DESCRIPTION       | TYPE | INCOME TYPE                 | INCOME AMOUNT |
|-----|-------------------|------|-----------------------------|---------------|
| 1   | (b)(6), (b)(7)(C) |      |                             |               |
| 2   | SBD Advisors LLC  | W/A  | None (or less than \$1,001) | \$1,170,000   |
|     | (b)(6), (b)(7)(C) |      |                             |               |

We respectfully submit that Donnelly’s false and inconsistent statements regarding the sale of her ownership interest in SBD Advisors in January 2017 and her receipt of undisclosed payments related to the sale alone warrant government action. But we believe that the new fact presented below of C5’s financial interest in SBD Advisors and Pienaar’s position on its Board of Directors – years before Donnelly joined DoD – evidences an even more nefarious scheme behind Donnelly’s misstatements.

<sup>11</sup> <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>



**B. SBD Advisors Was Indebted To Amazon's Long-Time Cloud Computer Partner, C5, For Years Before Donnelly Entered DoD.**

There is no dispute that Amazon's long-time cloud computing business partner, C5, purchased SBD Advisors on April 3, 2018. The purchase occurred less than one month after Donnelly resigned from DoD.<sup>12</sup> We previously raised questions regarding the purported sale of SBD Advisors to Win Sheridan when Donnelly entered DoD in January 2017. Sheridan had no discernable experience in defense contracting consulting or lobbying, but he did have business and personal connections to Amazon. C5 quick acquisition of SBD Advisors less than one month after Donnelly resigned from DoD further evidences Sheridan's strawman role. We respectfully submitted that reliable indicia exist to suggest C5 was the actual purchaser of SBD Advisors in January 2017.

New evidence shows deep, historical commingled business operations between C5 and SBD Advisors, including C5 financial influence and board participation, pointing to the fact that C5 was the purchaser of SBD Advisors in January 2017. New evidence shows that C5 had financial and governance interests in SBD Advisors years *before* Donnelly joined DoD. C5's financial interests in SBD Advisors, as measured in 2017, appear to be controlling, namely, its value exceeded Donnelly's own interest in SBD Advisors as reflected in Donnelly's 2017 reported income from her purported divesting from SBD Advisors. C5 financial records show a multi-year pattern of interest-free loans to SBD Advisors from C5. On July 24, 2017, C5 filed a "restated" 2015 Annual Accounts Statement identifying previously undisclosed interest-free loans to SBD Advisors. For 2014 and 2015, respectively, this restated account statements show that C5 funded

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<sup>12</sup> <https://www.businesswire.com/news/home/20180403005624/en/ITC-Secure-Acquires-U.S.-based-SBD-Advisors>

SBD Advisors in the amount of £422,850, or approximately \$547,077, in the form of interest-free loans.

| <b>7. Other receivables</b>                              |                     |                     |
|--|---------------------|---------------------|
|  | <b>2015<br/>GBP</b> | <b>2014<br/>GBP</b> |
| <b>Becoming due and payable after more than one year</b> |                     |                     |
| SBD Advisory : Interest free advance                     | <b>422,850</b>      | <b>422,850</b>      |
| Superbalist Pty  | <b>44,770</b>       | <b>44,770</b>       |
| Pinard S.à r.l.: Interest free advances                  | <b>455,383</b>      | <b>450,000</b>      |
|  | <b>923,003</b>      | <b>2,243,569</b>    |

C5's restated account statement for 2016 shows that C5 offset the interest-free loans by approximately \$385,909 (depending upon the exact date of exchange), due either to a partial repayment by SBD Advisors or debt forgiveness by C5.<sup>13</sup>

| <b>7. Other debtors</b>                                  |                     |                     |
|--|---------------------|---------------------|
|  | <b>2016<br/>GBP</b> | <b>2015<br/>GBP</b> |
| <b>Becoming due and payable after more than one year</b> |                     |                     |
| SBD Advisory : Interest free advance                     | <b>124,571</b>      | <b>422,850</b>      |
| Superbalist Pty  | <b>44,770</b>       | <b>44,770</b>       |
| Pinard S.à r.l.: Interest free advances                  | <b>1,004,019</b>    | <b>455,383</b>      |
|  | <b>1,173,360</b>    | <b>923,003</b>      |

Interestingly, C5's offset in 2016 corresponds to Donnelly's reported income related to the sale of her ownership interest in SBD Advisors upon entering DoD:

<sup>13</sup> We enclose C5's Restated 2015 and 2016 Annual Account Statements as Exhibit A.

| Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)   |                  |     |  |                           |
|---|------------------|-----|--|---------------------------|
| Filer's Information   |                  |     |  |                           |
| <b>DONNELLY, SALLY</b><br>Senior Advisor to Secretary of Defense, OSD, Office of the Secretary of Defense<br>Date of Appointment: 01/21/2017  |                  |     |  |                           |
| Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.<br>eSigned in FDM by:<br>SALLY DONNELLY<br>User ID: (b)(6), (b)(7)(C)<br>05/17/2017 |                  |     |  |                           |
| 2. Filer's Employment Assets and Income   |                  |     |  |                           |
| #   | DESCRIPTION      | EIF | VALUE                                      | INCOME TYPE INCOME AMOUNT |
| (b)(6), (b)(7)(C)   |                  |     |  |                           |
| 2   | SBD Advisors LLC | N/A | \$1,000,001 - \$5,000,000 Partial sale/SBD | \$390,000                 |

In addition to these interest-free loans, documents dated in or around June 2016 show that C5's founder and Managing Partner, Pienaar, a foreign national, also *served on the Board of SBD Advisors*.<sup>14</sup> Pienaar sat on the Board of SBD Advisors, beginning at least in 2015, and public documents filed with the United Kingdom Companies House show that he remained a Board Member through 2017, long after Donnelly entered DoD.<sup>15</sup>

**Andre Pienaar is the founder and Chairman of C5 Capital, Deputy Chairman of the advisory council of Cranemere Group Ltd and serves on the board of SBD Advisors. He**

Indeed, C5's financial interest in SBD Advisors in the amount of approximately \$547,077 *before* Donnelly entered DoD already represented a greater financial stake in SBD Advisors than Donnelly's disclosed sale price to Sheridan of \$390,000 (and almost half of Donnelly's belatedly disclosed income related to the sale). We respectfully submit that there is no legitimate explanation for Sheridan's 15 month tenure as owner, other than to conceal C5 as the true purchaser, given

<sup>14</sup> E-mail, P. Streatfeild, Chief of Staff and EA to A. Pienaar, Biography of Andre Pienaar, Founder, C5 (June 2016) (Pienaar "also serves on the Board of SBD Advisors, a leading strategy consulting firm in Washington, DC").

<sup>15</sup> Annual Report and Consolidated Financial Statements for Year Ended March 31, 2015, The David Shepherd Wildlife Foundation (March 31, 2015), at 4 (filed December 11, 2015). Subsequent Annual Reports for Years Ending 2016-2017 similarly describe Pienaar as on the Board of SBD Advisors. The 2018 Annual Report removes this reference.



C5's pre-existing material financial interest of SBD Advisors, Pienaar's position on the Board of Directors, and C5's purchase as soon as Donnelly resigned from DoD.

In addition, we believe that the new evidence of C5's financial interest in SBD Advisors raises even more questions regarding Donnelly's mandatory financial disclosures and whether SBD Advisors' debts to C5 were personally guaranteed by Donnelly triggering a disclosure obligation when the debts were reduced. Donnelly's OGE 278e does not disclose any income or liabilities related to C5, even though the legal obligation is clear that the filer must disclose all income and liabilities:

## 2. Filer's Employment Assets and Income

Part 2 discloses the following:

- Sources of earned and other non-investment income of the filer totaling more than \$200 during the reporting period (e.g., salary, fees, partnership share, honoraria, scholarships, and prizes)
- Assets related to the filer's business, employment, or other income-generating activities that (1) ended the reporting period with a value greater than \$1,000 or (2) produced more than \$200 in income during the reporting period (e.g., equity in business or partnership, stock options, retirement plans/accounts and their underlying holdings as appropriate, deferred compensation, and intellectual property, such as book deals and patents)

## 8. Liabilities

Part 8 discloses liabilities over \$10,000 that the filer, the filer's spouse or dependent child owed at any time during the reporting period. This section does not include the following types of liabilities: (1) mortgages on a personal residence, unless rented out (limitations apply for PAS filers); (2) loans secured by a personal motor vehicle, household furniture, or appliances, unless the loan exceeds the item's purchase price; and (3) revolving charge accounts, such as credit card balances, if the outstanding liability did not exceed \$10,000 at the end of the reporting period. Additional exceptions apply.

We believe that these facts, combined with Donnelly's previously identified false statements on her financial disclosures, evidence a broader illegal scheme that demands an immediate investigation by DoD IG to include:

- Circumstances surrounding Win Sheridan's initial purchase of SBD Advisors and subsequent sale to C5;
- Circumstances surrounding any payments received by Donnelly related to the sale of her ownership interest in SBD Advisors before, during, and *after* her tenure at DoD;
- Circumstances explaining why disclosures required *before* Donnelly entered DoD were made *after* Donnelly left DoD, despite no apparent change to the consideration paid for SBD Advisors;

- Circumstances surrounding the interest-free loan to SBD Advisors, any personal guarantees by Donnelly that would trigger an obligation to disclose, and the offset corresponding to the income initially reported by Donnelly from the sale of her ownership interest in SBD Advisors; and
- Circumstances surrounding the financial interdependence involving C5, Andre Pienaar, Win Sheridan, Sally Donnelly, SBD Advisors, Theresa Carlson, and Amazon.

As a final matter, we previously provided evidence that C5's purchase of SBD Advisors also may be a sham. It appears that C5 itself may be acting as a straw buyer for Amazon. Following C5's public acquisition of SBD Advisors on April 3, 2018, Donnelly formed yet another consulting firm (with Anthony DiMartino and other former SBD Advisors senior consultants), Pallas Advisors, on October 29, 2018. Indeed, by all outward appearances Pallas Advisors appears to be a reincarnation of SBD Advisors under a different name, while at the same time directly competing with the SBD Advisors firm now owned by C5. Oddly, C5 apparently never even sought a non-compete from Donnelly and others. We believe this evidence raises substantial questions regarding Amazon's likely role in facilitating the sale of SBD Advisors before Donnelly entered DoD and continuing after her resignation.

## **II. NEW FACTS FURTHER EVIDENCE IMPROPER AND UNDISCLOSED PRIOR BUSINESS RELATIONSHIPS BETWEEN AMAZON, MATTIS, DONNELLY, C5, CARLSON, AND PIENAAR.**

### **A. Amazon and C5 Have Falsely Represented The Extent Of Their Business Partnership.**

Amazon and C5 have gone to great lengths to conceal their business dealings related to Amazon's cloud computing business in face of mounting public scrutiny. *First*, on December 13,

2018, Amazon issued a press release titled “Setting the Record Straight on Inaccurate Reporting about AWS and JEDI.”<sup>16</sup>

AWS Government, Education, & Nonprofits Blog

## Setting the Record Straight on Inaccurate Reporting about AWS and JEDI

on 13 DEC 2018 | In Public Sector | Permalink | Share

This week, the BBC and other media outlets published inaccurate stories attempting to connect the AWS bid for the U.S. Department of Defense's Joint Enterprise Defense Infrastructure (JEDI) Contract to a UK-based investment firm called C5 Capital (C5). To be clear, neither C5 nor any of its subsidiaries are involved in AWS's JEDI bid. At no time, past or present, has Amazon or AWS ever invested in C5, its private equity fund, or any related portfolio companies. C5 has never been a teaming partner or subcontractor, nor lobbied on behalf of AWS in order for AWS to obtain government contracts. Any suggestion to the contrary is false. Below are simply the facts so people aren't confused.

In that release, Amazon stated that “C5 has never been a teaming partner or subcontractor, nor lobbied on behalf of Amazon in order for Amazon to obtain government contracts.”<sup>17</sup> Moreover, Amazon went so far as to limit its relationship with C5 to “*one deal supporting the Bahrain Information and eGovernment Authority*”.<sup>18</sup>

In April of 2017, C5 became part of the AWS Partner Network (APN) Channel Reseller Program for one deal supporting the Bahrain Information and eGovernment Authority (IGA). Since then, C5 has done no further work as a reseller. To be clear, this is no different to the work tens of thousands of other APN Partners do with AWS. For more detail on what this looks like, check out the webpage.

This is the extent of our relationship with C5.

*Second*, on December 13, 2018, C5 issued a press release titled “C5 Response to Media Reports.” In that release, C5 stated that its “relationship with AWS is limited to the AWS Activate program, which supports accelerators to scale early stage start-ups, for C5’s accelerators in Washington and Manama . . . . Neither C5 Capital nor any of its portfolio companies are involved in bidding or lobbying for the US Department of Defence’s JEDI contract.”<sup>19</sup> More recently,

<sup>16</sup> <https://aws.amazon.com/blogs/publicsector/setting-the-record-straight-on-inaccurate-reporting-about-aws-and-jedi/>

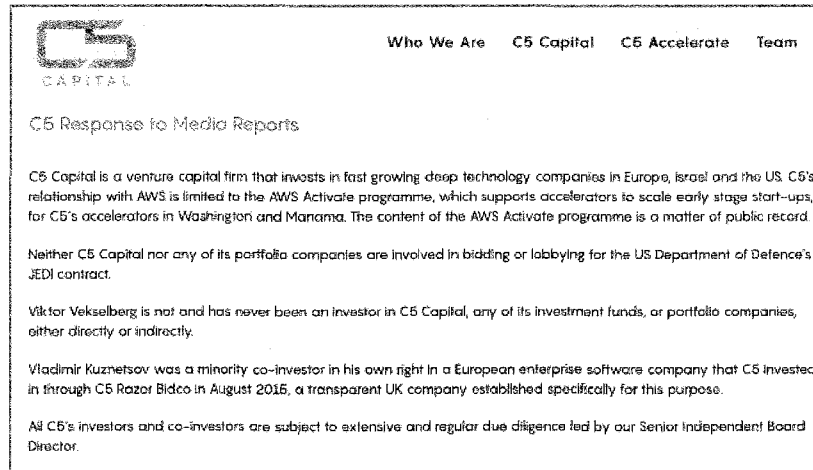
<sup>17</sup> <https://aws.amazon.com/blogs/publicsector/setting-the-record-straight-on-inaccurate-reporting-about-aws-and-jedi/>

<sup>18</sup> *Id.* (emphasis added)

<sup>19</sup> <https://www.c5capital.com/Blog/c5-response-to-media-reports/>



Pienaar further stated: “[o]ur relationship is entirely limited to startups and making sure that, to accelerate this and making sure that the startups who pass through those accelerators succeed and make social impact.”<sup>20</sup>



We previously provided evidence that both statements are false. New evidence suggests that both statements contradict C5 and Amazon's own understanding of their business partnership, as memorialized in e-mail correspondence between Pienaar and Amazon senior management. Specifically, Pienaar described C5's role as *“driv[ing] AWS [Amazon] public sector cloud adoption in the region by engaging opinion makers, governments and multilateral organisations,” “driv[ing] AWS [Amazon] sales”* and promoting Amazon cloud services throughout the Middle East and Africa, including in *“Cape Town, Addis Ababa, Rabat, Cairo, Amman, Kuwait City, Muscat, Dubai, Abu Dhabi and Riyadh.”*<sup>21</sup> Bahrain undoubtedly is not the “extent of our relationship with C5,” as Amazon states. As Carlson herself stated: “We’ve been partnering with C5 around the world for a long time.”<sup>22</sup>

<sup>20</sup> <https://video.cube365.net/c/911564>

<sup>21</sup> E-mail from A. Pienaar to R. Okanla, Global Head of Partner Marketing, Worldwide Public Sector, Amazon (Aug. 24, 2016), which we enclose as Exhibit B.

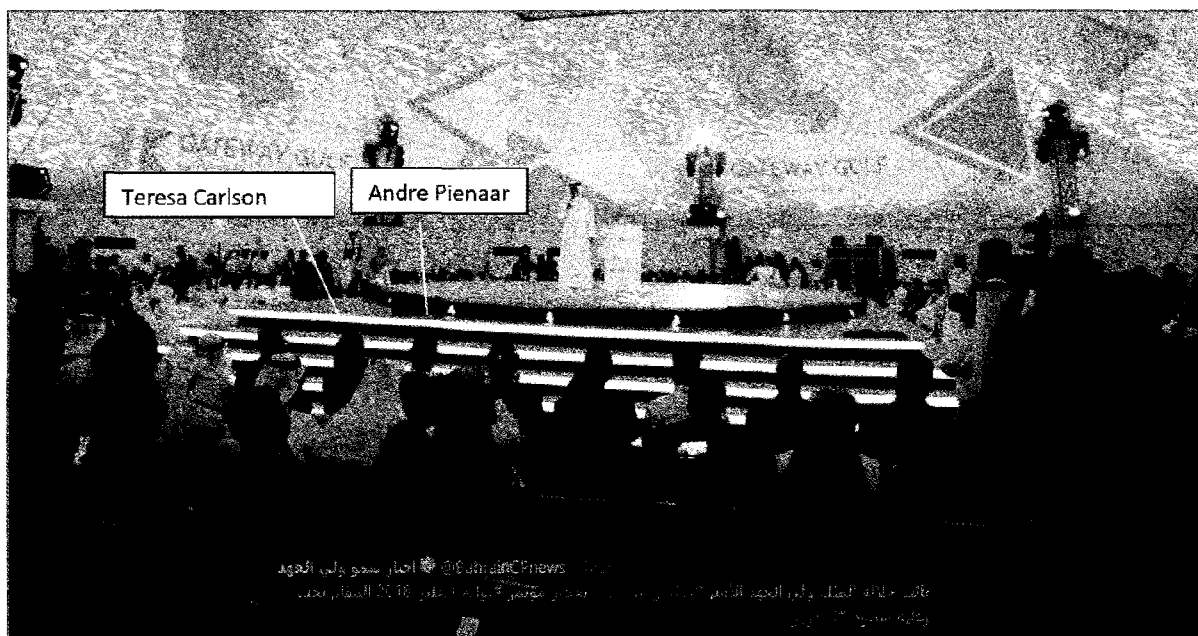
<sup>22</sup> <https://www.vanityfair.com/news/2018/08/has-bezos-become-more-powerful-in-dc-than-trump>

Moreover, even Amazon's characterization of its partnership with C5 just within the Kingdom of Bahrain is false. Amazon defined its relationship to C5 to "one deal supporting the Bahrain Information and eGovernment Authority" in "April of 2017".<sup>23</sup> Amazon even stated that "[s]ince then, C5 has done no further work as a reseller."<sup>24</sup> But new photographic evidence unequivocally shows that Amazon's and C5's strategic partnership in Bahrain continued well into 2018. In May 2018, Carlson and Pienaar jointly attended the Gateway Gulf Investor Forum, a two-day event featuring over 500 global investors and CEOs from various sectors including technology, in Manama, Kingdom of Bahrain, which was held by Crown Prince Salman bin Hamad Al-Khalifa, as shown below:



<sup>23</sup> <https://aws.amazon.com/blogs/publicsector/setting-the-record-straight-on-inaccurate-reporting-about-aws-and-jedi/>

<sup>24</sup> *Id.*





**B. New Facts Related To The Private Dinner Between Secretary Mattis, Donnelly, Carlson, And Pienaar In London On March 31, 2017 Further Demonstrate Their Collective Prior Commercial Relationship.**

We previously provided evidence that Amazon and C5 enlisted Mattis and SBD Advisors to promote and secure contracts for cloud services in foreign countries. We provided evidence regarding Mattis's role advocating for the adoption of Amazon's cloud services in the Middle East and that he was held out as a non-public executive director of C5 in these commercial endeavors. We also provided evidence that SBD Advisors and Donnelly worked on behalf of Amazon and C5 for these purposes.<sup>25</sup>

Against the backdrop of these prior business relationships, we previously provided evidence that Secretary Mattis had a private dinner in London while on official DoD business on or about March 31, 2017,<sup>26</sup> which was attended by Donnelly, Carlson, and others.<sup>27</sup> But even more stunning, recently released FOIA records reflecting Mattis's schedule<sup>28</sup> shows that this "Off the Record" dinner also was attended by Pienaar (in addition to Secretary Mattis, Donnelly, Carlson) and hosted by Lt. Gen. (ret.) Graeme Lamb (a current operating partner of C5)<sup>29</sup> – the same group previously shown to have been advocating for the adoption of Amazon's cloud services in the Middle East.<sup>30</sup>

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<sup>25</sup> Request at 33-34.

<sup>26</sup> Mattis was in the UK for less than 72 hours. His official schedule for March 31, 2017, shows numerous high-level strategic meetings with senior UK and US government officials including: (1) a meeting at the U.S. Embassy to receive a country team briefing; (2) a bilateral meeting with the British Minister of Defense; (3) a joint press conference with the British Minister of Defense; and (4) a meeting with the British Prime Minister at 10 Downing Street. Nevertheless, he ended the day with a substantial commitment of time for a private dinner with Donnelly, Carlson, and Pienaar, among others.

<sup>27</sup> Request at 40-41.

<sup>28</sup> March 31, 2017 Schedule Entries for Secretary Mattis's Travel in London.

<sup>29</sup> <https://www.c5capital.com/team/lt-general-sir-graeme-lamb/>

<sup>30</sup> Request at 24-25.

DoD initially attempted to conceal the fact that Secretary Mattis and Donnelly met privately with Carlson and Pienaar for an “Off the Record” discussion by claiming FOIA (b)(6) redactions somehow were warranted to hide their identities.

| <u>DETAILED ITINERARY</u> |   |
|---------------------------|---|
| <b>18:30 - 20:00</b>      | <b>Dinner</b><br><i>Principal, Faller, Donnelly</i><br>General Graeme Lamb, Host<br>General David Richards<br>Major General James Chiswell<br>Minister Tobias Ellwood<br>[REDACTED]<br>[REDACTED] |
|                           | <b>Off the Record - Listening Mode</b>  |
| <b>20:00 - 20:15</b>      | <b>Motorcade to Hotel</b><br><i>Principal, Faller</i>   |
| <b>20:15 - 09:40</b>      | <b>RON LONDON</b>   |

Only in the face of litigation did DoD relent and change this designation to release the unredacted schedule, as shown below:

| <u>DETAILED ITINERARY</u> |   |
|---------------------------|---|
| <b>18:30 - 20:00</b>      | <b>Dinner</b><br><i>Principal, Faller, Donnelly</i><br>General Graeme Lamb, Host<br>General David Richards<br>Major General James Chiswell<br>Minister Tobias Ellwood<br>Cheryl Plumridge<br>Teresa Carlson<br>Andrew Pienaar |
|                           | <b>Off the Record - Listening Mode</b>  |
| <b>20:00 - 20:15</b>      | <b>Motorcade to Hotel</b><br><i>Principal, Faller</i>   |
| <b>20:15 - 09:40</b>      | <b>RON LONDON</b>   |

A private “Off the Record” dinner on foreign soil among a sitting Secretary of Defense, the corporate Vice President responsible for Amazon’s worldwide public sector sales, the Managing Partner of Amazon’s long time cloud sales business partner, and the retained Washington unregistered lobbyist (and current Senior Advisor to the Secretary) who historically

represented Amazon and C5 with a legacy of business debts to C5 vastly surpassed improper. The fact that the private “Off the Record” dinner occurred during a crowded, official government schedule on the first full day of the first foreign trip by the OSD emphasizes the depth and breadth of the prior relationship among Mattis, Donnelly, Amazon, and C5.

Soon after the private dinner, Jennifer Chronis, Amazon’s General Manager of DoD Business, contacted OSD by phone to set up a future meeting between Mattis and Jeff Bezos “for Bezos to impart his thoughts/observations on DoD’s relationship with the tech sector” because Mattis “expressed interest in meeting with Bezos.”<sup>31</sup>

- Chronis said that the SD and Ms. Donnelly had dinner with Teresa Carlson during the London trip; at the dinner, the SD expressed interest in meeting with Bezos at some point.

- Purpose of the discussion would be for Bezos to impart his thoughts/observations on DoD’s relationship with the tech sector.

The meeting between Secretary Mattis and Bezos was set up for April 27, 2017.<sup>32</sup> Subsequently, Secretary Mattis met with Bezos on August 10, 2017 to discuss Amazon’s cloud services capabilities, this time at Amazon’s headquarters in Seattle, Washington, where he and Donnelly also spent almost 90 minutes with Amazon “Leadership” in a meeting described as “Briefs and Discussion.”<sup>33</sup> Secretary Mattis launched his cloud initiative in September 2017.

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<sup>31</sup> E-mail from W. Bushman to [Redacted] (Apr. 18, 2017)

<sup>32</sup> *Id.*

<sup>33</sup> August 10, 2017 Schedule Entries for Secretary Mattis’s Travel to Amazon headquarters.



### III. NEW FACTS FROM DOD'S RECENT INTEGRITY INVESTIGATION WARRANT A COMPREHENSIVE INQUIRY INTO AMAZON AND FORMER DOD OFFICIALS.

#### A. DoD Uncovered Facts Showing Widespread Misconduct And Improprieties By Amazon And Former DoD Officials Now Employed By Amazon That Have Compromised The JEDI Procurement Beyond Repair.

Oracle's bid protest currently is pending before the United States Court of Federal Claims. Apparently in December 2018, DoD began seeking information from Amazon and former DoD JEDI officials now employed by Amazon related to conflicts of interest. On February 19, 2019, the Court granted a request by the Department of Justice to (as the Judge described in the order) "stay this case while the Department of Defense reconsiders whether possible personal conflicts of interest impacted the integrity of the JEDI Cloud procurement."<sup>34</sup> On May 7, 2019, Oracle filed a Supplemental Bid Protest Complaint, which highlighted DoD's findings regarding the conflicts of interest that led to the stay.<sup>35</sup> Although some details related to DoD's findings have been redacted, the limited information now publicly available, including key admissions by Amazon and former DoD JEDI officials, evidences systemic misconduct, rampant ethical breaches, and widespread violations of Federal procurement and trade secret laws justifying a comprehensive civil and criminal investigation.<sup>36</sup> New evidence shows that DoD JEDI officials currently employed by Amazon covered up the misconduct with false statements, and Amazon failed to correct the record with DoD and the Court of Federal Claims.<sup>37</sup>

<sup>34</sup> Order, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB, ECF 61, (Fed. Cl. Feb. 19, 2019).

<sup>35</sup> We enclose a copy of Oracle's Supplemental Bid Protest Complaint as Exhibit C.

<sup>36</sup> We enclose a timeline of Amazon's, Ubhi's and Gavin's actions related to JEDI, with citations to Oracle's Supplemental Bid Protest Complaint, as Exhibit D.

<sup>37</sup> Additional facts summarized in Part III are set forth in Oracle's Redacted Supplemental Bid Protest Complaint, 1:18-cv-01880-EGB (Fed. Cl.), ECF No. 71, May 7, 2019 ("Supp. Compl."), which quotes and cites to supporting materials not publicly available.

**B. Amazon Hired Deap Ubhi With A Substantial Bonus While He Was Serving As Lead Project Manager for JEDI.**

In August 2016, Deap Ubhi joined DoD Digital Defense Service (“DDS”) as a Product Director, after working at Amazon for two years. What now is clear is that Amazon actively recruited Ubhi and engaged in undisclosed employment negotiations starting in February 2017, just six months after Ubhi joined DDS. On August 23, 2017, less than two weeks after Secretary Mattis’s trip to Amazon headquarters, Ubhi e-mailed Amazon confirming that he would consider Amazon’s offer to “craft my role” in rejoining Amazon.<sup>38</sup>

Amazon continued to engage Ubhi in active but undisclosed employment negotiations throughout September 2017. Yet in mid-September 2017, Ubhi accepted the role of Lead Project Manager in charge of the team tasked with leading the JEDI procurement. As Lead Project Manager for JEDI, Ubhi established a Google Drive to function as DoD’s “repository for \*everything\*” JEDI related, and he convinced all DoD JEDI participants “to dump everything into Google folder.”<sup>39</sup> Moreover, on September 25, 2017, Ubhi *asked* to serve as DoD’s point of contact for all JEDI competitors and to lead the associated offeror capabilities meetings.<sup>40</sup> On October 2, 2017, Ubhi e-mailed Amazon’s JEDI point of contact, advising that he was “running point on all [JEDI] industry touch points.”<sup>41</sup> Inexplicably, at no time did Amazon or Ubhi disclose these employment negotiations to DoD. In fact, neither Ubhi nor Amazon disclosed anything

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<sup>38</sup> Supp. Compl. at ¶ 116.

<sup>39</sup> Supp. Compl. at ¶ 327.

<sup>40</sup> Supp. Compl. at ¶ 329. On the same day, DDS Director Chris Lynch and Ubhi scheduled a meeting with Amazon’s General Manager of DoD Business Jennifer Chronis for October 18, 2017. In an email exchange between Lynch, Ubhi, and Chronis, Chronis invited Lynch to “catch up” over “coffee/lunch/drinks” because “a good amount has transpired over the past few weeks.” Lynch responds: “Sounds good. Adding Deap on our team to help get something scheduled.” It appears a member of Chronis’s office proposes meeting at Amazon’s offices in Ballston, Arlington, Virginia. Ubhi then informs the Amazon senior sales staff that “[b]ecause of acquisition and competition protocol, we would need your team to come into the Pentagon and meet us here. Can we switch the venue of the meeting to the Pentagon please?”

<sup>41</sup> Supp. Compl. at ¶ 330.

regarding these discussions *even after Ubhi verbally committed to accept Amazon's employment offer* on October 4, 2017.

**C. Ubhi Downloaded Confidential JEDI Information Stored On The JEDI Google Drive After He Orally Accepted A Job And Bonus Offer From Amazon.**

Ubhi managed and had access to untold amounts of nonpublic and acquisition sensitive information on the JEDI Google Drive, which stored all acquisition related documents.<sup>42</sup> Significantly, DoD has verified that Ubhi downloaded to his laptop the entire JEDI Google Drive *after agreeing to work for Amazon*.<sup>43</sup> But DoD apparently has taken no steps to investigate what Ubhi downloaded or what he did with it. We respectfully request that DoD IG conduct an immediate and comprehensive investigation into the conduct of Ubhi regarding the Google Drive, including, but not limited to, the content of the drive and the identity of any and all individuals and/or entities that received or otherwise accessed such information.

**D. Ubhi Obtained Valuable JEDI Information And Influenced The Procurement To The Benefit of Amazon After He Orally Accepted A Job And Bonus Offer From Amazon.**

In Oracle's original Request on March 21, 2019, we summarized Ubhi's personal and substantial participation in the JEDI procurement and raised concerns regarding Ubhi's belated recusal and eventual return to Amazon following the issuance of the RFI. But DoD's new and recent findings demonstrate that the conduct of Amazon and Ubhi was far more troubling than facts raised in our original Request.

In fact, Amazon and Ubhi covertly engaged in employment discussions while he served as a DoD JEDI official with substantial authority and influence over the procurement. Moreover, far from recusing himself from JEDI *after committing to return to work to Amazon (which provided*

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<sup>42</sup> Supp. Compl. at ¶ 102.

<sup>43</sup> Supp. Compl. at ¶ 333.



*for a substantial signing bonus*) on October 4, 2017, Ubhi seemingly stepped up his efforts to benefit Amazon. Ubhi played a key role in shaping the JEDI procurement in favor of Amazon *throughout much of October 2017* until his recusal (albeit belated) on or about October 31, 2017.

After agreeing to work for Amazon, Ubhi drove the decision to adopt a single cloud, single vendor approach to JEDI and restrictive gating criteria – all of which uniquely favored Amazon. For example, on October 9, 2017, DDS counsel Sharon Woods indicated that Ubhi planned to attend the next CESC meeting to advocate for a single cloud approach: “Deap [Ubhi] has a specific way he wants to tackle this [single or multiple clouds] and will be attending in person for this purpose.”<sup>44</sup> Ubhi also attended CESC meetings and advocated robustly for a single-award contract.<sup>45</sup>

Moreover, Ubhi remained deeply immersed in the technical aspects of the procurement after he agreed to return to Amazon. In addition to downloading the JEDI Google drive, Ubhi met with leadership within DoD purportedly to obtain information regarding constituent needs in order to structure the JEDI acquisition, including meetings with the Space and Naval Warfare Systems Command (SPAWAR) and Air Force personnel. He worked on JEDI requirements and metrics and worked on source selection documents, including the “Problem statement,” which explained “why is only one cloud a truly necessary requirement”.<sup>46</sup> He drafted the Request for Information (“RFI”), which he submitted to DoD leadership on October 27, 2017. Although committed to Amazon, Ubhi set up meetings and met with Amazon officials about the JEDI procurement and gained information from Amazon’s JEDI competitors, while pretending to serve as an unbiased

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<sup>44</sup> Mem. of Law in Suppt. of Pltf’s Mot. to Complete and Supp. the Administrative Record and for Leave to Conduct Ltd. Discovery at 10, *Oracle Am., Inc. v. United States*, ECF 38-1, No. 1:18-cv-01880-EGB (Fed. Cl. Jan. 10, 2019).

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

DoD JEDI official.<sup>47</sup> Remarkably, Ubhi led discussions with JEDI competitors to tease out information about the competitors' weaknesses even though he fully committed to return to Amazon and accepted Amazon's significant financial inducement (bonus) to do so.<sup>48</sup>

On October 25, 2017, Amazon formalized its offer to Ubhi in writing, which included a substantial signing bonus.<sup>49</sup> On October 27, 2017, *the same day he submitted the draft RFI to DoD leadership*, Ubhi formally accepted Amazon's offer of employment.<sup>50</sup>

#### **E. Ubhi Made False Statements to Conceal The True Reason For His Recusal From JEDI.**

Ubhi made false statements to DoD regarding his recusal in October 2017, seemingly to avoid DoD scrutiny and further conceal his employment discussions with Amazon and his participation in JEDI. On October 31, 2017, Ubhi wrote that SOCO and DDS's General Counsel, Sharon Woods, directed Ubhi to recuse himself from JEDI.<sup>51</sup> The reason: "*Tablehero, a company I founded, may soon engage in further partnership discussions with Amazon, Inc., which also owns and operates one of the world's largest cloud service providers, Amazon Web Services.*"<sup>52</sup> The purported Tablehero basis for recusal, presumably offered with Amazon's knowledge, is patently false. On February 12, 2019, Amazon advised DoD for the first time that Ubhi, Amazon

<sup>47</sup> On October 5, 2017, VMWare sales representative (b) (6), (b) (7)(C) e-mailed Ubhi "to discuss how our relationship with AWS and our newly available VMware Cloud (VMC) on AWS can help the DOD migrate workloads more quickly to the public cloud." Ubhi responded "I'm very aware of the VMWare/AWS partnership and was in fact at AWS when that whole thing went down." They scheduled a meeting for October 24, 2017 meeting is arranged for October 24, 2017 with a Government representative whose name is redacted; Ubhi was to participate by phone. The redacted Government contact informs the VMWare sales person that "[a]s for the agenda, we do not have one. We're happy to answer your questions and we're interested to hear what you bring to the table."

<sup>48</sup> Supp. Compl. at ¶¶ 334-343; Request at 43-46.

<sup>49</sup> On the same day, Amazon sales representative for DoD sales (b) (6), (b) (7)(C) e-mailed Ubhi (copying Chronis) to invite Ubhi to Amazon's 2017 re:Invent conference. Douglas expressly acknowledges that Ubhi is "restricted in terms how [sic] you can interact with the AWS team directly" and yet goes on to invite Ubhi to "feel free to reach out if you have questions or need assistance while you're there (cell phone is below). Jennifer and I are attending and will make ourselves available if needed."

<sup>50</sup> Supp. Compl. at ¶¶ 115, 342, 344.

<sup>51</sup> FOIA vol. 1, at 00017

<sup>52</sup> *Id.*

Restaurants and Amazon.com, Inc. had not discussed Tablehero since December 2016, and further admitted that Amazon had no idea why Ubhi's October 2017 recusal letter stated otherwise.<sup>53</sup> But previously on January 11, 2019, after several public documents made clear DoD's reliance on Ubhi's Tablehero lie, Amazon represented in a Court of Federal Claims filing that "Ubhi acted specifically to avoid any potential conflict by voluntarily recusing himself from any JEDI activities before he eventually returned to AWS."<sup>54</sup>

## **F. DoD Concluded That Ubhi's Conduct Violated Federal Procurement Law.**

DoD now admits that Ubhi's conduct "violated FAR § 3.101-1 and possibly violated 18 U.S.C. § 208 and its implementing regulations."<sup>55</sup> DoD determined that Ubhi violated FAR § 3.101-1 by (i) "seeking employment with a potential offeror while being personally and substantially involved in the JEDI Cloud effort" and (ii) "actions to conceal seeking employment and accepting a position . . . ." DoD further found facts warranting further investigation concerning whether Ubhi's conduct violated 18 U.S.C. § 208 (which makes it a *criminal offense* to "participate[] personally and substantially" in a matter where an entity with which the government employee has or is negotiating an employment arrangement has a financial interest) and has referred this matter to your Office.

Significantly, the Contracting Officer commented that:

Mr. Ubhi should not have continued participation in JEDI Cloud activities, including attending any market research meetings, after he began employment discussions with AWS.

I am very disappointed by Mr. Ubhi's deception and delay in disqualifying himself from the JEDI Cloud activities. Given the critical importance of the JEDI Cloud to the warfighter, Mr. Ubhi's knowledge of his ethical obligations, and the importance of maintaining the integrity of this already complex acquisition, it is likewise

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<sup>53</sup> Supp. Compl. at ¶ 114.

<sup>54</sup> Supp. Compl. at ¶ 114.

<sup>55</sup> Supp. Compl. at ¶ 1.



disconcerting for me to know that Mr. Ubhi's misrepresentation of the facts and the need for me to reopen my investigation has caused others to question the quality and integrity of the JEDI Cloud acquisition, in general.<sup>56</sup>

**G. Amazon Recruited And Hired At Least One Additional DoD JEDI Official In Violation of Federal Procurement Laws During The JEDI Procurement.**

DoD's reopened integrity investigation uncovered another former DoD JEDI official now employed by Amazon who violated FAR § 3.101-1 and possibly violated 18 U.S.C. § 208 and its implementing regulations.<sup>57</sup> Based on limited and further redacted new information,<sup>58</sup> beginning in August 2017, Amazon began employment discussions with a senior Navy official involved with JEDI. Based on publicly available information, we believe DoD's recent findings relate to Victor S. Gavin, who currently serves as Amazon's Head of Federal Technology Vision and Business Development. While engaging in undisclosed employment negotiations with Amazon, Gavin attended an October 5, 2017 CESG meeting to discuss the Navy's experience with cloud services. Gavin did not recuse himself from Amazon-related matters until January 2018, after which he accepted a job offer and now runs Amazon's public sector business development.

Despite having accepted Amazon's job offer and being directed not to participate in any Amazon-related matters, Gavin violated that direction and attended at least one other JEDI Cloud meeting on April 5, 2018 to discuss, for example, the draft Acquisition Strategy.<sup>59</sup> Gavin then went to work for Amazon with this information and subsequently misrepresented to DoD that he had no role in JEDI beyond a single meeting, despite the fact that the Court record indicates that

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<sup>56</sup> Supp. Compl. at ¶ 130.

<sup>57</sup> Supp. Compl. at ¶ 1.

<sup>58</sup> Supp. Compl. at ¶ 144-156.

<sup>59</sup> As a final matter, this conduct parallels the conduct of Anthony DeMartino, which we raised in our original Request, another individual with significant commercial ties to Amazon prior to becoming the Chief of Staff to the Deputy Secretary of Defense. DeMartino, however, told DoD about his ties to Amazon and was directed not to have any involvement with JEDI. Like Gavin, DeMartino ignored this direction and participated in JEDI matters through much of his DoD tenure until he was instructed a second time that he could have no involvement in JEDI.

he participated in multiple JEDI meetings. It also appears that a declaration he submitted as part of Amazon's JEDI proposal may have included misrepresentations about his involvement in JEDI and access to JEDI materials.

But Amazon's leveraging of Gavin goes far beyond JEDI. Based on publicly-available records, Gavin was the Deputy Assistant Secretary of the Navy for Command, Control, Communications, Computers, Intelligence, Information Operations, and Space. *In that role, Gavin oversaw many procurements and had the opportunity to steer other contract awards to benefit Amazon after he was in employment discussions with Amazon.* This includes an Other Transaction Authority ("OTA") agreement between the Navy and Amazon to migrate and re-code the Navy's Enterprise Resource Planning system from an Oracle system to Amazon. The integrity of the procurement system requires that DoD IG independently investigate any procurements potentially influenced by Gavin to ensure his irrefutable employment conflicts of interest did not corrupt them.

## **H. Amazon Improperly Gained An Unfair Competitive Advantage By Engaging In Undisclosed Employment Negotiations and Hiring DoD JEDI Officials During the Procurement.**

Oracle's March 21, 2019 Request raised substantial questions regarding Amazon's role as the primary co-conspirator offering senior DoD officials lucrative financial and commercial incentives to position Amazon as the predetermined JEDI awardee. We believe that new facts brought to light in DoD's recent investigation substantiate the need for DoD IG scrutiny regarding Amazon's conduct in JEDI and other procurements.

Federal procurement law required Amazon timely to report to DoD any employment discussion with Ubhi and Gavin. 48 C.F.R. §§ 3.104-2(b)(2), 3.104-3(c), 3.104-5, and 3.104-8(b). The Federal Acquisition Regulations make clear that: "An offeror who engages in employment

discussion with an official subject to the restrictions of 3.104-3, knowing that the official has not complied with 3.104(c)(1), is subject to the criminal, civil, or administrative penalties set forth in 41 U.S.C. 2105.”

Here, the facts are not subject to reasonable dispute: (a) Amazon engaged in undisclosed employment negotiations with at least two Federal procurement officials during the \$10 billion JEDI procurement; (b) both officials failed timely to recuse themselves from JEDI, in violation of FAR § 3.101-1 and possibly 18 U.S.C. § 208; and (c) both officials had access to nonpublic, proprietary, and confidential trade secret information from JEDI competitors and other confidential procurement information.

Further, just with respect to Ubhi, (a) Amazon *knew* that Ubhi personally and substantially participated in JEDI as the Lead Project Manager; (b) Amazon engaged in undisclosed employment negotiations with Ubhi as a DoD JEDI official; (c) Amazon failed to disclose to DoD that it made employment and bonus offers to Ubhi (which he accepted); (d) Amazon *knew* that Ubhi failed to recuse himself from JEDI and was, in fact, continuing to substantially participate in the procurement; (e) Amazon *knew* that Ubhi continued to serve as the industry’s point of contact for JEDI and was leading JEDI meetings with competitors in his capacity as a DoD JEDI official; (f) Amazon attended at least one JEDI meeting with Ubhi who masqueraded as an unbiased DoD JEDI official; (g) Ubhi downloaded the JEDI Google Drive to a laptop *after* orally accepting Amazon’s employment offer; and (h) Amazon failed to set up timely, adequate firewalls to prevent the misuse of JEDI information and instead allowed Ubhi to firewall himself informally for approximately six months after he rejoined Amazon. These facts are beyond dispute.

Still further, despite knowing that Ubhi and his ties to Amazon were at the center of Oracle’s protests at the GAO and Court, Amazon failed to correct the record regarding its

relationship with Ubhi. In November 2018, the GAO publicly released its decision on Oracle's protest, which made clear that DoD relied on Ubhi's Tablehero lie in finding that Ubhi made a "prompt" recusal once Amazon expressed its interest in Tablehero and began negotiating with Ubhi in October 2017. Although Amazon now admits no such communications took place and that negotiations over Tablehero ended in 2016, Amazon never corrected DoD's reliance on Ubhi's lies. Rather, in January, Amazon represented in court filings that "Ubhi acted specifically to avoid any potential conflict by voluntarily recusing himself from JEDI activities before he returned to AWS."<sup>60</sup>

Amazon went so far as to argue that Oracle's court protest lacked merit because Oracle had not "identified any questionable conduct that could only be explained by bad faith." *Id.* But in making this argument, Amazon concealed the truth regarding Ubhi's continued personal and substantial JEDI involvement for months after beginning employment discussions with Amazon and for weeks after accepting Amazon's job offer and his attempt to cover it up through false statements. Amazon knew that each of its representations to the court was false when made, and its belated attempt to correct the record by letter dated April 19, 2019 (which itself was misleading and incomplete) fails to remedy its misconduct. *See* 48 C.F.R. § 9.104-1(d) (to be eligible for a government contract, a bidder must "[h]ave a satisfactory record of integrity and business ethics").

#### IV. CONCLUSION

We respectfully submit that DoD's recent findings warrant a comprehensive civil and criminal investigation into the conduct of Amazon and former DoD officials, as set forth herein. We further submit that the additional facts set forth above regarding the business dealings between

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<sup>60</sup> Amazon's Resp. to Mot. to Complete and Suppl. Admin. Rec. and for Leave to Conduct Limited Discovery, *Oracle Am., Inc. v. United States*, No. 1:18-cv-01880-EGB, ECF 46, (Fed. Cl. Jan. 11, 2019).





Amazon, Mattis, Donnelly, C5, and Pienaar substantiate the evidence provided in Oracle's original Request and raise additional questions regarding their improper and illegal conduct in this procurement. We invite the opportunity to meet with you to discuss both submissions.

FROM: internaldodhotline@DODIG.MIL  
SUBJECT: FW: 20190613161219528\_hotline\_webform.XML  
DATE: 06/13/2019 16:13:32

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**From:** noreply@dodig.mil  
**Sent:** Thursday, June 13, 2019 4:12:52 PM (UTC-05:00) Eastern Time (US & Canada)  
**To:** Internal DoD Hotline  
**Subject:** 20190613161219528\_hotline\_webform.XML

| Part I - Your Information   |  |
|-----------------------------|--|
| Anonymous                   | No                                     |
| Permission                  | Yes                                    |
| Full Name                   | (b)(6), (b)(7)(C)                      |
| Employee Status             | Other                                  |
| Assigned DoD Branch         | I am not a DoD Employee                |
| Other Agency or Office      |  |
| Organization / Location     |  |
| Job Title / Series / Grade  |  |
| E-mail Address              | (b)(6), (b)(7)(C)                      |
| Mailing Address             | (b)(6), (b)(7)(C)<br>(b)(6), (b)(7)(C) |
| Home Telephone              |  |
| Work Telephone (Commercial) | (b)(6), (b)(7)(C)                      |
| Work Telephone (DSN)        |  |
| Mobile Telephone            | (b)(6), (b)(7)(C)                      |
| Interview                   | Yes                                    |

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## Part II - Allegation Details

### Summary of Your Complaint

What did the person(s) do or fail to do that was wrong? Please see attachment.

When did the incident(s) occur? Please see attachment.

When were you made aware of the problem(s)? Please see attachment.

Where did the incident(s) take place? Please see attachment.

What rule, regulation, or law do you believe to have been violated? Please see attachment.

Briefly summarize how you believe our office can assist you regarding your matter. This is the second supplement to Contact # 20190321-118339. Please don't hesitate to contact me for any reason in connection with this matter.

### Part III - Other Actions You are Taking

Have you reported this matter to any other Organizations / Agencies? No

### Part IV - Document Uploads

File No.1 2019.06.12 2d Supp Submission re Contact # 20190321-118339.pdf

### Part V - Certifications

Certify False Statement Yes

Certify Election Provision Yes

Certify Understanding Confidential Status Yes

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MEMORANDUM

**TO:** The Honorable Glenn A. Fine  
Principal Deputy Inspector General  
United States Department of Defense Office of Inspector General

**FROM:** (b)(6), (b)(7)(C)  
[REDACTED]  
Oracle Corporation

**RE:** Second Supplemental Memorandum to Contact # 20190321-118339

**DATE:** June 12, 2019

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Oracle Corporation (“Oracle”) respectfully submits this Second Supplemental Memorandum to Contact #20190321-118339, originally submitted to the Department of Defense Office of Inspector General (“DoD IG”) on March 21, 2019, and supplemented on May 20, 2019.

Our prior submissions raised major concerns regarding Amazon Web Services, Inc.’s (“Amazon”) long-running illegal scheme to leverage financial and commercial relationships with Department of Defense (“DoD”) decisionmakers to position itself as the sole awardee of the Joint Enterprise Defense Infrastructure (“JEDI”) procurement. We previously established that Amazon had significant financial and commercial relationships with *five* now former DoD officials intimately involved in key formulative JEDI policy decisions – namely former Secretary of Defense James Mattis, Sally Donnelly, Anthony DeMartino, Deap Ubhi, and Victor Gavin – who failed to recuse themselves from JEDI. We further established a pattern of inconsistencies and false statements by former DoD officials that on their face were intended to conceal Amazon’s illegal scheme. Lastly, a *sixth* individual, Robert Daigle, now has emerged as a force within DoD who urged the adoption of a single cloud solution and who recently has been hired as a Principal at Pallas Advisors, the lobbying firm founded by Donnelly and DeMartino.

Notwithstanding the conduct of these *five* heavily conflicted now former DoD officials who drove key decisions in the formulation and execution of JEDI in favor of Amazon, the procurement nonetheless continues to move forward in the face of substantial criticism. Significantly, Oracle's current protest before the Court of Federal Claims ("COFC") cannot ensure the best result for either the warfighter or the taxpayer because its jurisdiction does not extend to the criminal misconduct raised here and in previous submissions to DoD IG.

We now turn to the two categories of updates provided in this submission, summarizing additional facts demonstrating Amazon's institutional corruption of the JEDI procurement and complete disregard of ethics restrictions.

*First*, we summarize additional facts related to Amazon's recruitment and employment of *two* DoD JEDI officials – Deap Ubhi and Victor Gavin – during the JEDI procurement. We previously disclosed that DoD recently uncovered systemic ethics violations and blatant fabrications by former DoD JEDI officials Ubhi and Gavin – both of whom failed to properly recuse themselves from matters involving Amazon, affirmatively acted to conceal their improper financial relationships with Amazon, and now are highly-compensated Amazon employees. DoD concedes that the secret dealings during the procurement among Amazon, Ubhi, and Gavin “violated FAR § 3.101-1 and possibly violated 18 U.S.C. § 208 and its implementing regulations.”<sup>1</sup> In this submission, we summarize additional information now in the public record regarding the massively incentivized financial package provided by Amazon to Ubhi including a large salary, multiple signing bonuses, and lucrative shares of Amazon stock.<sup>2</sup> Moreover, we provide additional

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<sup>1</sup> Supplemental Bid Protest Complaint, 1:18-cv-01880-EGB (Fed. Cl. May 7, 2019), ECF No. 71, at ¶ 1.

<sup>2</sup> Amazon redacts from the public record the amounts of these payments, presumably because it considers them to be part of the competitive process. *See* Court of Federal Claims Protective Order

information regarding now admitted substantive discussions between a senior member of Amazon’s JEDI proposal team and Gavin during the JEDI procurement *after* Gavin was employed by Amazon. We also raise concerns regarding Gavin’s involvement in other procurements during this time period, including, for example, the Other Transaction Authority (“OTA”) agreement between the Navy and Amazon to migrate and re-code the Navy’s Enterprise Resource Planning system from an Oracle system to Amazon. As to both Ubhi and Gavin, the record is clear that Amazon failed to take steps to mitigate any conflicts of interest until *after* the media began to scrutinize Amazon’s conduct related to JEDI.

*Second*, we raise major concerns regarding Pallas Advisors, the consulting firm co-founded by Donnelly and DeMartino (along with other former SBD Advisors senior consultants) on October 29, 2018, following the acquisition of SBD Advisors by Amazon’s long-time business partner C5 Capital, Ltd. (“C5”). We previously demonstrated that SBD Advisors, Donnelly (Founder), and DeMartino (Managing Director) performed consulting services for Amazon and C5 specifically related to Amazon’s government cloud services business. We provided substantial evidence that Donnelly made false statements in required financial disclosure forms submitted under the penalty of perjury related to the sale of her ownership interest in SBD Advisors, including the receipt of undisclosed income from the sale during her tenure at DoD. To be sure, there is substantial evidence that Amazon and C5 were involved directly or indirectly in payments made to Donnelly during her tenure at DoD.

We previously showed that by all outward appearances Pallas Advisors appears to be a reincarnation of SBD Advisors under a different name. It purportedly specializes in national

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¶ 1 (“‘Protected information’ as used in this order means information that *must be protected to safeguard the competitive process* ....”).

security and defense consulting and touts its Pentagon connections and ability to provide clients with “insights into how governments think and operate.”<sup>3</sup> Pallas Advisors is a direct competitor with SBD Advisors (now owned by C5), which apparently never even sought a non-compete from Donnelly or others. We recently learned that Robert Daigle, now former DoD Director of Cost Assessment and Program Evaluation (“CAPE”), has joined Pallas Advisors as a Principal. New evidence shows that Daigle was instrumental in the adoption of the single cloud strategy while at DoD. Against the backdrop of Donnelly’s and DeMartino’s commercial relationship with Amazon related to its cloud business, we believe this raises substantial new questions regarding Daigle’s recruitment and employment with Pallas Advisors.

**I. NEW FACTS IN THE FEDERAL MARKET CONTINUE TO POINT TO JEDI AS AN OUTLIER, RAISING QUESTIONS OF IMPROPER INFLUENCE.**

As an initial matter, the Intelligence Community – comprised of 17 organizations, including eight within the DoD (DIA, NSA, NGA, NRO, and intelligence offices of Army, Navy, Marine Corps, and Air Force) – has announced its move to a multi-cloud, multi-vendor strategy *from a single-cloud, single-vendor strategy*. On March 22, 2019, CIA’s Directorate of Digital Innovation announced CIA’s intent to pursue a multi-vendor, multi-cloud strategy as part of its Commercial Cloud Enterprise (C2E) initiative, the successor to its Commercial Cloud Services (C2S) single-vendor, single-cloud contract awarded in 2013. Significantly, the Intelligence Community decided to move to a multi-vendor, multi-cloud strategy “to increase access to innovation and reduce the disadvantages associated with using a single cloud service provider.”<sup>4</sup> According to Federal Computer Week, “[t]his differs sharply from the Pentagon’s plans to put its

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<sup>3</sup> See generally <https://www.pallasadvisors.com>

<sup>4</sup> <https://fcw.com/articles/2019/04/01/cia-cloud-c2e-multivendor.aspx>



warfighting data and applications into a single cloud under the \$10 billion Joint Enterprise Defense Infrastructure Plan currently being pursued.”<sup>5</sup> IBM has commented that “[t]he CIA’s approach to C2E clearly recognizes the value of multi-cloud while encouraging competition, supporting legacy applications and ensuring the agency’s access to future innovations.”<sup>6</sup>

Similarly, the Department of Homeland Security (DHS) – the third largest Cabinet Department after the DoD and Veterans Affairs – unveiled its “Enterprise Multi-Vendor, Multi-Cloud Strategy.”<sup>7</sup> According to Bloomberg, “[a]lthough the scope of DHS’s ambitions may resemble the Defense Department’s Joint Enterprise Defense Infrastructure, or JEDI, cloud program, *its approach will be radically different*. Where JEDI will be a centralized cloud that provides the bulk of the Pentagon’s infrastructure-as-a-service needs, DHS’s steering group is opting for a more federated approach that relies on *multiple vendors* and hybrid systems capable of running in both on-premise and cloud environments.”<sup>8</sup> According to DHS Chief Information Officer John Zangardi, “[w]e don’t want a hundred, but this will be a hybrid strategy that will allow for multiple players.”<sup>9</sup>

Congress also recently weighed in regarding DoD’s decision to procure a single cloud from a single vendor, despite the Intelligence Community’s decision to embrace multi-vendor, multi-cloud strategies. On May 20, 2019, the Committee on Appropriations issued a report accompanying Department of Defense Appropriations Bill for FY 2020, in which the Committee made clear that:

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<sup>5</sup> *Id.*

<sup>6</sup> *Id.*

<sup>7</sup> <https://about.bgov.com/news/dhs-unveils-enterprise-multi-vendor-multi-cloud-strategy/>

<sup>8</sup> *Id.* (emphasis added).

<sup>9</sup> *Id.*

The Committee is aware that the Department of Defense continues to pursue a single vendor contract strategy for procurement of its Joint Enterprise Defense Infrastructure (JEDI) cloud computing services. The Committee continues to be concerned with this approach given the rapid pace of innovation in the industry and that this approach may lock the Department of Defense into a single provider for potentially as long as ten years.<sup>10</sup>

Specifically citing CIA’s C2E procurement, the Committee noted “other federal agencies have decided to pursue a multiple vendor cloud strategy as recommended by the Office of Management and Budget (OMB) ‘Cloud Smart’ strategy.”<sup>11</sup> The Committee quoted CIA’s rationale in pursuing a multiple cloud strategy – “to increase access to cloud innovation and reduce the disadvantages associated with using a single cloud service provider” – and encouraged DoD “to adopt lessons learned from the CIA’s experience implementing cloud computing over the past five years.”<sup>12</sup> The Committee also observed that DoD “is deviating from established OMB policy and industry best practices, and may be failing to implement a strategy that lowers costs and fully supports data innovation for the warfighter.”<sup>13</sup> Due to these concerns, the Committee “direct[ed] that no funds may be obligated or expended to migrate data and applications to the JEDI cloud until the Chief Information Officer of the Department of Defense provides a report to the congressional defense committees on how the Department plans to eventually transition to a multi-cloud environment, as described in its January 2019 Cloud Initiative Report to Congress.”<sup>14</sup>

Notably, the DoD Cloud Strategy<sup>15</sup> outlines a multiple cloud approach that is irreconcilable with JEDI and was released six months after the JEDI final RFP and three months after JEDI final

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<sup>10</sup> DoD Appropriations Bill, FY 2020, Report, at <https://appropriations.house.gov/sites/democrats.appropriations.house.gov/files/FY2020%20Defense%20Report%20Draft.pdf>

<sup>11</sup> *Id.*

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> <https://media.defense.gov/2019/Feb/04/2002085866/-1/-1/1/DOD-CLOUD-STRATEGY.PDF>

bids were due. To be sure, the JEDI procurement would be substantially different had it been based on DoD's Cloud Strategy and not the product of Amazon's improper conduct.

Notwithstanding the Intelligence Community and DHS's multi-cloud strategies, and DoD's own "Cloud Strategy," DoD nonetheless plans to procure a single-cloud from a single-vendor and award JEDI in just five weeks. Amazon's long running scheme to procure a DoD cloud monopoly by illegally leveraging financial and commercial relationships likely will become irreversible at the expense of the warfighter and taxpayers.

## **II. NEW FACTS REGARDING AMAZON'S COVERT RECRUITMENT OF TWO DOD JEDI OFFICIALS DURING THE JEDI PROCUREMENT FURTHER DEMONSTRATE AMAZON'S WILLFUL DISREGARD OF PROCUREMENT INTEGRITY AND GOVERNMENT ETHICS LAWS.**

### **A. DoD Uncovered Facts Detailing Substantial Financial Incentives Offered to Ubhi While Serving As Lead Project Manager for JEDI.**

Amazon's practice of covertly recruiting and making significant employment offers to DoD JEDI officials is beyond dispute. We previously established that Amazon actively recruited Ubhi and engaged in undisclosed employment negotiations after Ubhi began his role as Lead Project Manager for JEDI in September 2017. Neither Ubhi nor Amazon disclosed anything regarding these discussions *even after Ubhi verbally committed to accept Amazon's employment offer* on October 4, 2017. We explained that far from recusing himself from JEDI *after committing to return to work at Amazon*, Ubhi seemingly stepped up his efforts to benefit Amazon. We provided substantial evidence to show that Ubhi played a key role in shaping the JEDI procurement in favor of Amazon throughout much of October 2017 until his belated recusal on or about October 31, 2017. Ubhi spearheaded the decision to adopt a single, cloud single vendor approach to JEDI and restrictive gating criteria; downloaded untold amounts of nonpublic and competitively sensitive information from the JEDI Google Drive (which he setup and convinced

the JEDI team to use as the repository for JEDI data); met with key DoD stakeholders regarding technical aspects of the procurement; drafted key procurement documents including the Request for Information; and met with JEDI competitors (including Amazon) to discuss each potential bidder's weaknesses – all while under agreement to return to Amazon. Moreover, Ubhi made false statements to DoD regarding his recusal in late-October 2017, seemingly to avoid DoD scrutiny and further conceal his employment discussions with Amazon and his participation in JEDI.

Additional facts now part of the public record provide insight into Amazon's covert recruitment and employment of Ubhi, and Ubhi's influence over JEDI to the benefit of Amazon. Amazon's highly lucrative employment offer included, among other aspects, a massive immediate signing bonus, an additional bonus payable after his first year, a significant salary, and shares of Amazon stock with a face-value of approximately \$960 per share at the relevant time.<sup>16</sup> Moreover, additional facts confirm Ubhi's ultimate influence over the procurement before he left DoD. Recently produced Slack messages confirm that after Ubhi's aggressive lobbying "the single [vs] multiple conversation [was] done. Everyone that now matters [was] convinced."<sup>17</sup> Ubhi also played a key role in conceiving the highly restrictive gating criteria. In responding to a message from Sharon Woods (DDS General Counsel) that "if multiple cloud providers can meet the metrics, *then we don't get to one The metrics solve the problem*," Ubhi replied "[s]o we need to come up with those 5-8 'differentiators' that help us meet mission better right . . . i.e. high availability, built-in redundancy and fail-over, true elasticity, AIVML managed services available 'out of the box'."<sup>18</sup> Additional Slack messages further confirm that Ubhi accessed competitor sensitive

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<sup>16</sup> See Supp. Mot. For Judgment on the Administrative Record at 6, No. 1:18-cv-1880-EGB (Fed. Cl. June 3, 2019) ECF No. 82 ("Supp. MJAR").

<sup>17</sup> Supp. MJAR at 7.

<sup>18</sup> Supp. MJAR at 7.



information after accepting Amazon's job offer: "Yo I wanna be in those Azure meeting [with Microsoft] when they happen, please."<sup>19</sup> And still further messages confirm that he had access to "a (rough) copy of the acquisition strategy" as late as October 27, 2017.<sup>20</sup>

At bottom, neither Amazon's improper covert efforts to recruit and hire Ubhi during the JEDI procurement nor Ubhi's direct influence over JEDI can be subject to dispute.

**B. DoD Uncovered Facts Showing That Gavin Had JEDI Discussions with Amazon's Procurement Team *After* Joining Amazon.**

We previously established, based on DoD's investigation, that Amazon engaged in undisclosed employment negotiations beginning in August 2017 with a senior Navy official Victor S. Gavin, who personally and substantially participated in JEDI,<sup>21</sup> including attending JEDI meetings in November 2017.<sup>22</sup> But Gavin failed to recuse himself from JEDI until January 2018, after which he accepted a job offer at the beginning of April to run Amazon's public sector business development with responsibility for government acquisition projects. Despite accepting Amazon's job offer and being directed not to participate in any Amazon-related matters, Gavin violated that direction and attended at least one other JEDI Cloud meeting on April 5, 2018 to discuss, for example, the draft Acquisition Strategy. Gavin made false statements to DoD regarding his involvement in JEDI and access to JEDI materials. But even more troubling, additional facts stemming from DoD's investigation show that Gavin discussed JEDI with Amazon procurement team members *after* he joined Amazon. Recently disclosed sworn declarations confirm that Gavin and an Amazon JEDI proposal team member who was "intimately involved

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<sup>19</sup> Supp. MJAR at 7.

<sup>20</sup> Supp. MJAR at 8.

<sup>21</sup> Supp. MJAR at 14.

<sup>22</sup> Supp. MJAR at 20.

with drafting AWS’s JEDI proposal” substantively discussed JEDI on multiple occasions during the preparation of Amazon’s proposal (and still “regularly interact to strategize business and technology solutions for federal customers”).<sup>23</sup> Of course, given the discussions described in these declarations and the lack of any firewall at Amazon, it is likely that Gavin also discussed other DoD procurements that Amazon had been or would be pursuing.

### **C. Amazon’s Covert Recruitment of Gavin May Have Corrupted More than Just JEDI.**

We previously raised concerns regarding Gavin’s involvement in other procurements when Amazon began to engage him in undisclosed employment negotiations in August 2017 (and his departure in June 2018). For example, in February 2019, the Navy announced that it would migrate and re-code its Enterprise Resource Planning (“ERP”) system from Oracle to Amazon through an OTA without any competition or oversight. Although it is not clear when the Navy began deliberating on the ERP migration, we believe discussions would have begun months before the public announcement based on the massive scope of the project. To be clear, moving the Navy’s 23 Terabyte ERP system will be (if successful) “the largest single application to migrate to the cloud.”<sup>24</sup> Beyond its sheer size, the Navy’s ERP is perhaps the most complicated ERP system in the world that is highly-customized. Significantly, the Navy never informed Oracle (or anyone else in industry) while it deliberated on such a drastic move, which it then chose to implement through a secretive, non-public OTA circumventing all of the FAR’s procurement rules and bypassing virtually all oversight or review. It is difficult to adduce any sound rational basis to justify migrating an existing system to a new computer platform through an OTA, particularly

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<sup>23</sup> Supp. MJAR at 20.

<sup>24</sup> Amazon Public Sector Summit description of Session 309064 (as discussed herein, Amazon changed Session 309064 and removed any discussion of the Navy ERP system once its clandestine recruiting efforts of Gavin became public).

given the easier and cheaper alternatives to Amazon that are available. We believe the circumstances surrounding Amazon’s covert recruitment and the timing of the Navy’s non-competitive ERP migration raises substantial questions requiring further investigation by DoD IG.

**D. Amazon Failed To Properly Implement Any Conflicts of Interest Mitigation Plan Related To Ubhi And Gavin.**

While affirmatively misrepresenting and actively concealing the scope of the organizational conflicts of interest (“OCI”) created by Amazon’s recruitment of, and lucrative significant job offers to, Ubhi and Gavin (among others), Amazon went even further. In its purported conflicts “mitigation plan,” Amazon includes numerous false statements and false certifications about firewall measures put in place to “prevent any exchange of information related to JEDI” with its employees that worked on JEDI while at DoD.<sup>25</sup> The record now clearly establishes that Amazon took no steps to implement a firewall around Ubhi or Gavin until months after they joined Amazon.<sup>26</sup> This is precisely what the law prohibits. *See, e.g.*, 48 C.F.R. §§ 3.101-3.104-9 (implementing the Procurement Integrity Act); *see also id.* §§ 3.1000-3.1004 (requiring a contractor to maintain an effective code of conduct and providing that contractors that fail to timely disclose a conflict of interest may be subject to “suspension and/or debarment”).

*First*, the record is clear that Amazon did not attempt to issue any kind of instruction to prevent its JEDI proposal team from obtaining nonpublic procurement information from Ubhi until May 11, 2018 – 7 months *after* he returned to work for Amazon (and only *after* Amazon’s hiring of Ubhi came under media scrutiny).<sup>27</sup> Whatever screening claimed by Amazon after that point in time is not only too late, but also entirely ineffectual, that is, all Amazon did was instruct its

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<sup>25</sup> Supp. MJAR at 20.

<sup>26</sup> Supp. MJAR at 20.

<sup>27</sup> Supp. MJAR at 63.

proposal team not to seek out or receive JEDI information from Ubhi without any other measures to block access or ensure compliance.

*Second*, Amazon failed to screen Gavin from JEDI related matters until July 26, 2018 – *six weeks after* he joined Amazon. Amazon did not circulate a formalized firewall email until August 16, 2018 – *two months after* Gavin joined Amazon. The impact of Amazon’s failure is clear: sworn declarations confirm that an Amazon JEDI proposal team member who was “intimately involved with drafting AWS’s JEDI proposal” engaged in substantive discussions with Gavin about JEDI on multiple occasions during the preparation of Amazon’s proposal, as well as “regularly interact[ing] to strategize business and technology solutions for [Amazon’s] federal customers”.<sup>28</sup> This is precisely the type of conduct that the Procurement Integrity Act, the FAR, and the DFARS establish as inviolable prohibitions on post-government employment. In temporal context and in light Amazon’s awareness due to the timing of the Ubhi firewall, Amazon’s failure to screen Gavin appears intentionally designed to confer an advantage to Amazon’s proposal by accessing nonpublic, competitively sensitive information about JEDI from a former integral member of the DoD’s JEDI team knowledgeable of the government’s deliberative process.

Moreover, Amazon’s pattern of flouting its ethical and legal obligations is further demonstrated by its apparent violation of at least 48 C.F.R. § 252.203-7000 in its hiring of Gavin. Section 252.203-7000 prohibited Amazon from paying Gavin (who had worked personally and substantially on JEDI while serving in an SES position in the Navy) anything within the first two years of his departure from DoD “without first determining that the official has sought and received . . . a written opinion from the appropriate DoD ethics counselor regarding the applicability of post-employment restrictions to the activities that the official is expected to undertake on behalf

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<sup>28</sup> Supp. MJAR at 20.



of the Contractor.” *Id.* § 252.203-7000(b). Based on the evidence produced thus far by the Government and Amazon, there is no indication that Amazon ever required Gavin to provide such a letter (or that Gavin ever sought one).<sup>29</sup> To be clear, this is no small omission by Amazon; rather, Amazon’s failure to comply subjects Amazon to potential suspension and/or debarment. *Id.* § 252.203-7000(c).

### **III. NEW FACTS RAISE MAJOR CONCERNS REGARDING DONNELLY’S AND DEMARTINO’S CONSULTING FIRM, PALLAS ADVISORS.**

#### **A. Pallas Advisors’ Hiring Of Robert Daigle, A Former DoD Official Who Played A Key Role In DoD’s Decision To Adopt A Single Cloud Strategy, Raises Substantial Additional Questions.**

We previously raised questions regarding the purported sale of SBD Advisors to Win Sheridan when Donnelly entered DoD in January 2017. We provided substantial evidence that Amazon’s long-time cloud computing partner C5 was the actual purchaser of SBD Advisors, not Sheridan, who had no discernable experience in defense contracting consulting or lobbying. We provided evidence that C5 had a controlling financial interest in SBD Advisors and C5 Managing Partner Andre Pienaar served on the SBD Advisors Board of Directors even before Donnelly entered DoD. And there is no dispute that C5 publicly acquired SBD Advisors less than one month after Donnelly resigned from DoD. Significantly, we provided evidence that Donnelly made false and inconsistent statements in required financial disclosure forms submitted under the penalty of perjury related to the sale of her ownership interest in SBD Advisors and received undisclosed income during her tenure at DoD.

Following C5’s public acquisition of SBD Advisors on April 3, 2018, Donnelly formed

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<sup>29</sup> Supp. MJAR at 56.

consultants. Indeed, by all outward appearances Pallas Advisors appears to be a reincarnation of SBD Advisors under a different name, while at the same time directly competing with the SBD Advisors firm now owned by C5 (and oddly C5 apparently never sought a non-compete from Donnelly and others). Donnelly has described Pallas Advisors as a “strategic advisory firm dedicated to helping leaders overcome business and security challenges, seize opportunities, and manage political risk” and touted its work at the Pentagon on cyber security challenges.<sup>30</sup> Pallas Advisors, similar to SBD Advisors and C5, operates in Washington, London, Bahrain, among other countries. We also have raised concerns regarding Amazon’s role in facilitating the sale of SBD Advisors before Donnelly entered DoD and continuing after her resignation.

In June 2019, Pallas Advisors hired Robert Daigle as a Principal. Daigle was DoD Director of Cost Assessment and Program Evaluation (“CAPE”) with prior significant input into the JEDI procurement.

## BOB DAIGLE

### PRINCIPAL

Bob is an expert in national security capabilities, economic analysis, and reform of the defense enterprise. He most recently served as the Director of Cost Assessment and Program Evaluation in the Pentagon. Previously, he held executive positions at financial and research firms, served on the House Armed Services Committee staff, and was the Executive Director of a congressional commission on military compensation and retirement. He holds an M.B.A. from Columbia Business School, an M.A. in International Security Studies from Georgetown University, and B.A.s in economics and mathematics from the University of Vermont. He also served in the U.S. Army infantry.

New evidence shows that Daigle actively was lobbied by Ubhi about JEDI and the single cloud strategy.<sup>31</sup> At the time Ubhi met with Daigle, key DoD decisionmakers were unconvinced DoD should adopt a single cloud solution instead of procuring multiple clouds. Newly obtained messages now show Daigle, who took over as the head of CAPE a few months earlier, was

<sup>30</sup> See generally <https://pallasadvisors.com/>

<sup>31</sup> By the time Ubhi met with Daigle to discuss the single v. multi cloud issue, Ubhi had already committed to return to work at Amazon. See Supp. MJAR at 16 (discussing Ubhi’s October 2017 meeting with Daigle and others).

“pushing the issue” regarding the “one versus multiple cloud conversation.”<sup>32</sup> Ubhi made at least one presentation to Daigle and CAPE in October 2017 in which Ubhi presented his “one pager” in favor of the single cloud solution.<sup>33</sup> Within days of Ubhi’s presentation, one DDS official stated: “Single [cloud] is assumed now” and another concluded that “[t]he single [vs.] multiple conversation is done” because “[e]veryone that now matters is convinced.”<sup>34</sup> New evidence also establishes that while DeMartino was the Chief of Staff to the Deputy Secretary of Defense he coordinated closely with Daigle’s office to create a justification for the single cloud approach for JEDI.<sup>35</sup> Daigle subsequently became “a vocal defender of the Pentagon’s cloud computing JEDI contract at a time when that program came under intense pressure.”<sup>36</sup> As recently as April 2018, Daigle has publicly advocated and defended DoD’s single cloud approach.<sup>37</sup>

We believe that Donnelly’s and DeMartino’s prior commercial and financial relationship with Amazon and C5 related to Amazon’s cloud computing business around the world, as well as evidence of improprieties related to the sale of SBD Advisors and the formation of Pallas Advisors, raise serious questions related to Daigle’s new employment, including, for example:

- Circumstances surrounding any employment discussions between Pallas Advisors (or Donnelly or DeMartino) and Daigle, including the timing of such negotiations, and his eventual acceptance, whether formally or informally;

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<sup>32</sup> Supp. MJAR at 16.

<sup>33</sup> Supp. MJAR at 16.

<sup>34</sup> Supp. MJAR at 16, 51.

<sup>35</sup> Supp. MJAR at 60. Throughout this period, DeMartino was ignoring specific DoD instruction to have no involvement with JEDI because of his ties to Amazon.

<sup>36</sup> Aaron Mehta, Daigle to Exit as CAPE Head, Leaving Another Pentagon Vacancy, *Defense News*, at <https://www.defensenews.com/pentagon/2019/04/30/daigle-to-exit-as-cape-head-leaving-another-pentagon-vacancy/>

<sup>37</sup> Amber Corrin, The Case for One Giant, Multibillion-dollar Cloud Contract for DoD, *Defense News*, at <https://www.defensenews.com/it-networks/cloud/2018/04/23/the-case-for-dods-single-award-cloud-contract/>

- Whether Daigle was required to recuse himself from DoD matters and when; and
- Compliance with any post-DoD employment restrictions.

#### **IV. Conclusion.**

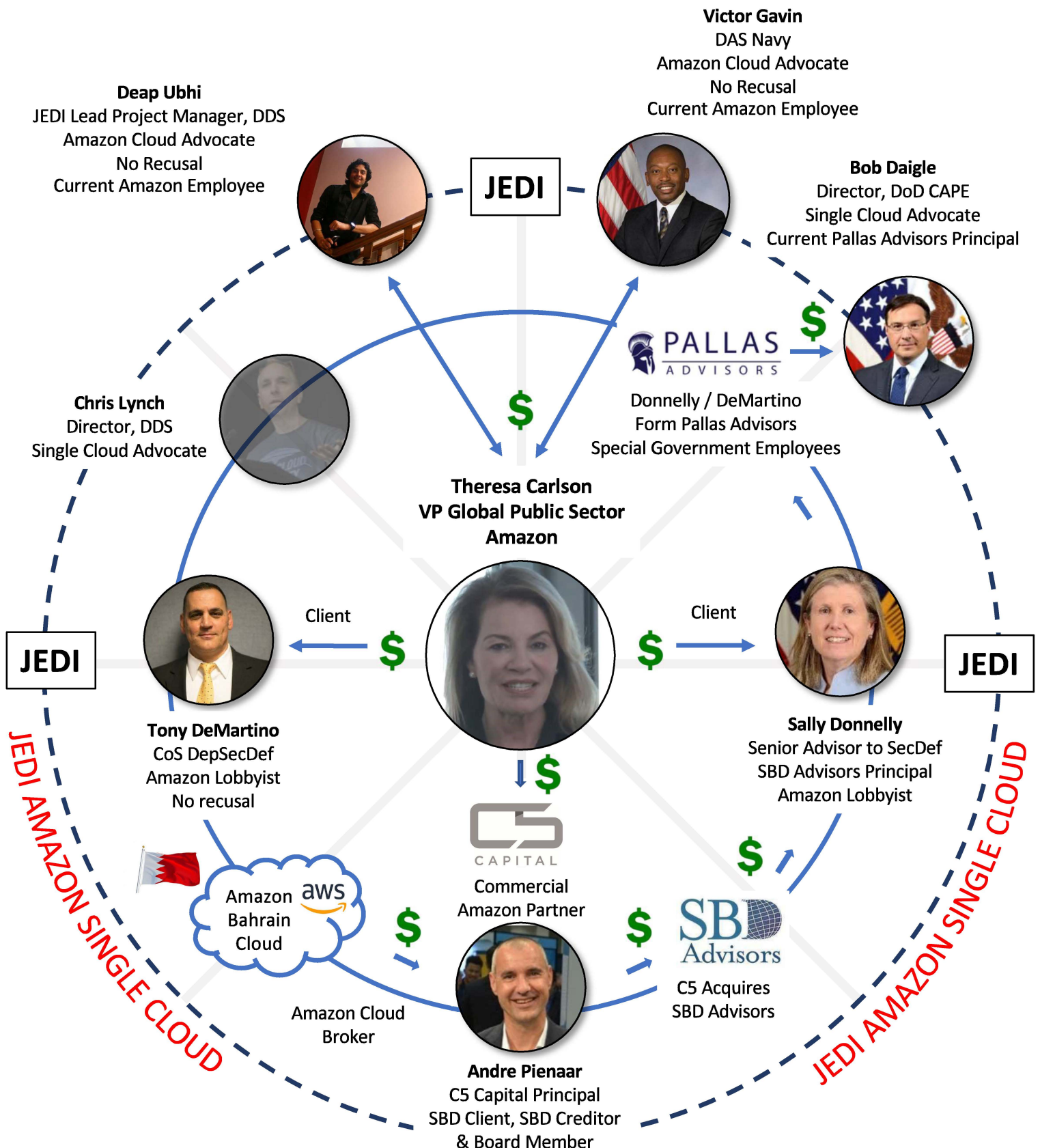
We respectfully submit that this new evidence further underscore the necessity of a comprehensive civil and criminal investigation into the conduct of Amazon and former DoD officials, as set forth herein and in our prior submissions. Collectively, these submissions establish the following areas of wrongful conduct as summarized below, the key elements of which are illustrated in the attached graphic:

1. Amazon improperly leveraged commercial and financial relationships with conflicted key DoD officials to position itself as the sole awardee of JEDI.
2. Amazon has partnered with C5 and Pienaar “around the world for a long time” related to its cloud computing business. C5 had a substantial role in driving Amazon’s public sector cloud adoption and sales in foreign countries, including throughout the Middle East and Africa. Amazon and C5 have made public statements misrepresenting the scope of their coordinated international cloud adoption strategies. Moreover, Carlson has been romantically and personally involved with Pienaar during the relevant time period.
3. Senior DoD officials who orchestrated the JEDI cloud policy – including Mattis, Donnelly, and DeMartino – had prior commercial relationships with Amazon and its commercial partner C5 related to Amazon’s cloud computing business. Mattis, Donnelly, and DeMartino failed to recuse themselves from matters related to Amazon or cloud computing.
4. Evidence demonstrates substantial improprieties and unlawful conduct related to Donnelly’s sale of her ownership interest in SBD Advisors when she entered DoD.
  - a. Donnelly made false statements and omissions on required financial disclosure forms related to the sale of SBD Advisors when she entered DoD and received substantial undisclosed payments for the sale of SBD Advisors during her tenure at DoD.
  - b. C5 and Amazon made payments (directly or indirectly) to Donnelly as a DoD official. C5 had a controlling financial interest in SBD Advisors before Donnelly entered DoD, and Pienaar was a member of the SBD Advisors Board of Directors.



- c. C5 publicly acquired SBD Advisors less than one month after Donnelly resigned from DoD. Evidence shows that C5 was the actual purchaser of SBD Advisors when Donnelly entered DoD in January 2017.
  - d. Donnelly founded Pallas Advisors with DeMartino and other former senior consultants from SBD Advisors. Pallas Advisors appears to be a re-incarnation of SBD Advisors, and a direct competitor with SBD Advisors (now owned by C5 and Pienaar) which
- 5. DeMartino ignored a clear directive by the DoD Standards of Conduct Office (“SOCO”) not to participate in any matters related to Amazon due to his prior representation of Amazon without SOCO clearance in advance. Instead, he directly participated in JEDI, including the decision to adopt a single source structure, defining solicitation requirements, arranging meetings between Mattis and Amazon sales executives, and working with CAPE to craft a justification for a single cloud.
  - 6. Mattis had a private dinner and “Off the Record” discussions with Carlson, Pienaar, Donnelly, and others in London in March 2017. These participants previously marketed Amazon’s cloud services to foreign governments, including Bahrain. Mattis also met with Amazon executives prior to launching the DoD cloud initiative.
  - 7. Deap Ubhi led the JEDI cloud procurement while negotiating a lucrative, undisclosed employment package (to include a substantial salary, two bonuses, and stock) for himself to return to Amazon during the JEDI procurement. After committing to return to work for Amazon, Ubhi aggressively lobbied for the single cloud/single vendor solution, played a key role in defining the JEDI RFP requirements to benefit Amazon, met with DoD decisionmakers regarding technical aspects of the procurement, met with JEDI competitors about their offerings, and downloaded the entire DoD JEDI repository onto his laptop. Ubhi failed to recuse himself and made false statements to justify his eventual, belated recusal. Amazon only corrected these misrepresentations after litigation established Ubhi to knowingly have lied and that Amazon must have been aware of Ubhi’s lies when they were made. Ubhi now works for Amazon.
  - 8. Amazon recruited and engaged in undisclosed employment discussions with Victor Gavin, then-Deputy Assistant Secretary of the Navy for Command, Control, Communications, Computers, Intelligence, Information Operations, and Space. Gavin failed to disclose his employment discussion for months. When he finally did so in early 2017, he was instructed to recuse himself. Gavin ignored that direction and continued to have personal and substantial involvement with JEDI. Gavin now works for Amazon.
  - 9. While Robert Daigle was the Director of CAPE, his office worked closely with DeMartino to craft a justification for JEDI to be single-vendor, single-cloud. Following Ubhi’s lobbying and this coordination with DeMartino, Daigle now works for DeMartino at Pallas Advisors.

# A Conspiracy To Create A Ten Year DoD Cloud Monopoly



**MEMORANDUM**

**TO:** The Honorable Glenn A. Fine  
Principal Deputy Inspector General  
United States Department of Defense Office of Inspector General

**FROM:** (b)(6), (b)(7)(C)  
[REDACTED]  
Oracle Corporation

**RE:** Fourth Memorandum Related to Contact # 20190321-118339

**DATE:** September 4, 2019

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On behalf of Oracle Corporation (“Oracle”), this Fourth Memorandum supplements Oracle’s prior submissions to the Department of Defense Office of Inspector General (“DoD IG”) dated March 21, 2019, May 20, 2019, and June 12, 2019, respectively.

Oracle’s prior submissions raised major concerns regarding Amazon Web Services, Inc.’s (“Amazon”) scheme to leverage financial and commercial relationships with key Department of Defense (“DoD”) decisionmakers in order to position itself as the single awardee of the Joint Enterprise Defense Infrastructure (“JEDI”) procurement. Contrary to DoD’s position that “the enterprise cloud initiative has been open, transparent, and fair” from the beginning,<sup>1</sup> we have previously established that Amazon had significant financial relationships with *five* former DoD officials involved in key formulative JEDI decisions – namely former Secretary of Defense James Mattis, Sally Donnelly, Anthony DeMartino, Deep Ubhi, and Victor Gavin – each of whom ignored clear recusal requirements and instead participated in the formulation and development of DoD cloud policy, which resulted in JEDI. We further established a pattern of false statements

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<sup>1</sup> Statement by DoD Press Secretary Dana White, at <https://www.defenseone.com/technology/2018/08/someone-waging-secret-war-undermine-pentagons-huge-cloud-contract/150685/>

and misconduct by these former DoD officials intended to conceal Amazon's scheme. Amazon disingenuously tries to align its interests with those of the warfighter, while maligning competitors as financially self-interested, a theme regrettably echoed by some DoD officials. Pentagon spokeswoman Elisa Smith, for example, recently stated: "DOD officials directly involved in the work of this procurement along with the senior leaders charged with making the critical decisions related to JEDI have always placed the interests of the warfighter first and have acted without bias, prejudice, or self-interest. The same cannot be said of all parties to the debate over JEDI,"<sup>2</sup> a not-so-veiled reference to Oracle's legitimate efforts to bring transparency to this process.

Of course, *every* vendor has a financial interest in JEDI because the procurement would create a \$10 billion DoD cloud monopoly shielded from ongoing price and technology competition for the next decade. In Amazon's case, JEDI also would immediately unlock nearly one billion dollars in incentives from the Commonwealth of Virginia related to Amazon's planned "HQ2" in Northern Virginia. Under JEDI's structure, the awardee would charge DoD at least *twice* what it charges the commercial sector for the same services and then control the flow of technology to the Pentagon through JEDI's marketplace. Far from serving the best interests of the warfighter, JEDI represents an unprecedented transfer of wealth from taxpayers (both Federal and State) to a single company. We already have demonstrated that this procurement was infected with "bias and prejudice," well beyond the limited record examined by the Court of Federal Claims ("COFC")

This submission discloses new facts related to Sally Donnelly's substantial participation in the JEDI procurement process, notwithstanding her *prior commercial relationships* with Amazon and its commercial partner C5 Capital, Ltd. ("C5") to promote Amazon's cloud services to the

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<sup>2</sup> <https://www.washingtonpost.com/business/2019/07/30/pentagon-issues-forceful-rebuke-oracle-debate-over-massive-federal-contract-turns-caustic/>



United States and foreign governments before entering DoD. Donnelly’s assertions that she “played no role” and “exercised no influence” related to JEDI, as well as DoD’s statement that Donnelly never “participated . . . in the solicitation,” are belied by the fact that she very much did.<sup>3</sup> Recent investigative reporting,<sup>4</sup> which we understand continues, not only substantiates Oracle’s prior submissions to DoD IG, but it further cements Donnelly’s stealth – and crucial – role in advocating for DoD’s cloud policy that is JEDI.

**First**, Donnelly gave Amazon – and not to other competitors – unprecedented access to Secretary Mattis at crucial stages in JEDI’s development. We previously disclosed to DoD IG Donnelly’s role in arranging *and attending* a private “Off the Record” dinner for herself, Secretary Mattis, Teresa Carlson (Amazon’s most senior executive in charge of government sales), and Andre Pienaar (the ultimate purchaser of Donnelly’s firm, SBD Advisors) in London on March 31, 2017, while on official DoD business as DoD was formulating their cloud acquisition strategy.<sup>5</sup> But according to *Fortune* and *ProPublica*, Donnelly also arranged a second, previously undisclosed private dinner on January 17, 2018, between senior Amazon executives, including Jeff Bezos, and Secretary Mattis in Washington, D.C., just weeks before DoD released the draft JEDI

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<sup>3</sup> See, e.g., Kevin Baron, “Someone is Waging a Secret War to Undermine the Pentagon’s Huge Cloud Contract,” *Defense One*, August 2018, <https://www.defenseone.com/technology/2018/08/someone-waging-secret-war-undermine-pentagons-huge-cloud-contract/150685/>

<sup>4</sup> See James Bandler, Anjali Tsui, and Doris Burke, *Fortune* and *ProPublica*, “How Amazon and Silicon Valley Seduced the Pentagon” (Aug. 22, 2019), <https://fortune.com/2019/08/22/amazon-bezos-silicon-valley-pentagon-defense/>

<sup>5</sup> See Memorandum of May 20, 2019, pp. 17-20.

RFP and held Cloud Industry Day. To be sure, “Donnelly helped give Amazon officials access to Mattis in intimate settings, an opportunity that most defense contractors don’t enjoy.”<sup>6</sup>

**Second**, evidence uncovered by *Fortune* and *ProPublica* demonstrates that Donnelly was critical to driving the single cloud, single award procurement strategy. We previously established that Mattis tasked the Defense Digital Service (“DDS”), a small technology unit within OSD never intended to run large scale procurements, to develop and lead the “tailored acquisition process” that became JEDI.<sup>7</sup> *Fortune* and *ProPublica* conclusively answer the question as to how DDS was able to develop and drive JEDI in a manner that was antithetical to every best practice in cloud deployment. The answer is Sally Donnelly. *Fortune* and *ProPublica* have uncovered that Donnelly secured a written directive directly from Secretary Mattis – akin to a “letter of marque” – that provided DDS Director Chris Lynch and his staff the ultimate authority to structure JEDI as a single cloud, single source procurement. Ultimately, this investigative reporting exposes further Donnelly’s crucial role in the development of JEDI to the benefit of Amazon.

#### **I. PRIOR SUBMISSIONS ESTABLISH DONNELLY’S FALSE STATEMENTS TO FEDERAL OFFICIALS IN FINANCIAL DISCLOSURES AND RECEIPT OF UNDISCLOSED INCOME DURING HER TENURE AT DOD.**

We previously provided substantial evidence that Donnelly knowingly made false statements in required financial disclosure forms signed under the penalty of perjury related to the sale of her ownership interest in SBD Advisors when she entered DoD. As the primary tool for identifying and resolving personal and financial conflicts of interests for government officials, financial disclosure reporting serves to ensure public confidence and the overall integrity of

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<sup>6</sup> See James Bandler, Anjali Tsui, and Doris Burke, *Fortune* and *ProPublica*, “How Amazon and Silicon Valley Seduced the Pentagon” (Aug. 22, 2019), <https://fortune.com/2019/08/22/amazon-bezos-silicon-valley-pentagon-defense/>

<sup>7</sup> DSD Mem., “Accelerating Enterprise Cloud Adoption,” p. 2 (Sept. 13, 2017).

government action. But as we previously established, Donnelly acted with disregard for these basic – and paramount – ethical rules requiring fulsome and accurate financial reporting, all the while “she came to be viewed as the ‘fairy godmother’ of the Big Tech advocates in the department, as one Pentagon official put it to ProPublica.”<sup>8</sup> We believe that Donnelly’s conduct at minimum violated 18 U.S.C. § 1001 (false statements); 5 C.F.R. § 2634.701 (failure to file or falsifying reports); and the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. § 2635.101(b).

Donnelly’s conduct is bookended by two undisputed facts: (1) prior to entering DoD, Donnelly provided consulting services (*i.e.*, lobbied) for her client, Amazon; and (2) Donnelly’s firm, SBD Advisors, *currently is owned by close Amazon commercial partner*, C5, which purchased SBD Advisors on April 3, 2018, less than one month after Donnelly resigned from DoD. In between these bookends, Donnelly failed to recuse herself from technology policy matters that obviously were of financial interest to Amazon, despite acting as big tech’s “fairy godmother,”<sup>9</sup> or provide any transparency into her own financial interests in divesting her ownership of SBD Advisors.

We established that Donnelly failed to properly disclose **\$1.17 million** in income from her sale of SBD Advisors, which performed consulting services for both Amazon before *and after* Donnelly entered DoD. On August 30, 2017, Donnelly falsely stated that she received \$390,000 in income – as previously disclosed when she entered DoD – for the **total sale** of her ownership interest in SBD Advisors. She failed to disclose **any** additional income she received or expected

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<sup>8</sup> See James Bandler, Anjali Tsui, and Doris Burke, *Fortune* and *ProPublica*, “How Amazon and Silicon Valley Seduced the Pentagon” (Aug. 22, 2019), <https://fortune.com/2019/08/22/amazon-bezos-silicon-valley-pentagon-defense/>

<sup>9</sup> *Id.*

to receive from **any** source related to the sale of SBD Advisors until **after** she left DoD. To the contrary, she confirmed in August 2017 that by receiving \$390,000, SBD Advisors “actually has \$0 value to filer as she no longer has any stake in the company,” which materially is false. Donnelly’s false statements are memorialized in the following filings and communications with an ethics official:

Donnelly’s initial financial disclosure, submitted under penalty of perjury upon her entering DoD, disclosed only **\$390,000** of income from the sale of SBD Advisors:

| Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)   |                  |     |                           |                  |
|---|------------------|-----|---------------------------|------------------|
| Filer's Information   |                  |     |                           |                  |
| DONNELLY, SALLY   |                  |     |                           |                  |
| Senior Advisor to Secretary of Defense, OSD, Office of the Secretary of Defense   |                  |     |                           |                  |
| Date of Appointment: 01/21/2017   |                  |     |                           |                  |
| Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge. |                  |     |                           |                  |
| eSigned in FDM by:  |                  |     |                           |                  |
| SALLY DONNELLY  |                  |     |                           |                  |
| User ID: (b)(6), (b)(7)(C)  |                  |     |                           |                  |
| 05/17/2017  |                  |     |                           |                  |
| 2. Filer's Employment Assets and Income   |                  |     |                           |                  |
| #   | DESCRIPTION      | EIF | VALUE                     | INCOME TYPE      |
| (b)(6), (b)(7)(C)   |                  |     |                           |                  |
| 2   | SBD Advisors LLC | N/A | \$1,000,001 - \$5,000,000 | Partial sale/SBD |
|   |                  |     |                           | \$390,000        |

In response to an inquiry from the reviewing official, Donnelly affirmatively stated that the \$390,000 of income previously disclose was the **total sale** of her interest in SBD Advisors and that it “actually has \$0 value to filer as she no longer has any stake in the company”:

| Comments of Reviewing Officials (public annotations): |   |                  |
|---|---|------------------|
| PART  | # | REFERENCE        |
| 2.  | 2 | SBD Advisors LLC |

| COMMENT   |
|---|
| {08/30/17,(b)(6), (b)(7)(C) Confirmed that this asset actually has \$0 value to filer as she no longer has any stake in the company.<br>ADAE0 Clarification: Filer confirmed this was total sale of filer's partial interest. |



But on May 3, 2018 – two months *after* she left DoD – Donnelly contradicted her previously sworn statements and identified for the first time that she actually received an additional \$1.17 million for the sale of SBD Advisors while serving as Senior Advisor to Mattis.

Termination Report | U.S. Office of Government Ethics; 5 C.F.R. part 2634 | Form Approved: OMB No. (3209-0001)(March 2014)

**Executive Branch Personnel Public Financial Disclosure Report (OGE Form 278e)**

**Filer's Information**

**DONNELLY, SALLY**  
 Senior Advisor to Secretary of Defense, OSD, Office of the Secretary of Defense  
 Date of Termination: 03/09/2018

Other Federal Government Positions Held During the Preceding 12 Months: None

Electronic Signature - I certify that the statements I have made in this form are true, complete and correct to the best of my knowledge.

Agency Ethics Official's Opinion - On the basis of information contained in this report, I conclude that the filer is in compliance with applicable laws and regulations (Subject to any comment below).

Other review conducted by

U.S. Office of Government Ethics Certification

**1. Filer's Positions Held Outside United States Government**

| POSITION     | LOCATION            | OGE TYPE                    | FROM    | TO      |
|--------------|---------------------|-----------------------------|---------|---------|
| SBD Advisors | Washington, DC, USA | Business Enterprise Officer | 02/2012 | 01/2017 |

**2. Filer's Employment Assets & Income and Retirement Accounts**

| ASSET            | DATE ACQUIRED | DATE DISPOSED      | DISPOSITION   | PROCEEDS    |
|------------------|---------------|--------------------|---------------|-------------|
| SBD Advisors LLC | N/A           | None (or less than | Sale Proceeds | \$1,170,000 |

Donnelly's false statements are further substantiated and compounded by SBD Advisors, which separately stated that Donnelly sold her interest in SBD Advisors in January 2017 for \$1.56 million – not the \$390,000 disclosed by Donnelly. SBD Advisors spokesperson Price Floyd stated “[t]he purchaser paid Sally over time. The first payment was \$390,000. Remaining payments were \$1.17 [million] for a total sale price of \$1.56 [million], all fully disclosed in her filings.” It is clear those payments were not “fully disclosed” *at the time they were required* nor can they be reconciled with Donnelly's August 2017 statement in which Donnelly falsely stated that her receipt of \$390,000 represented the “total sale” and that the asset at the time had “\$0 value to the filer.”<sup>10</sup>

<sup>10</sup> <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>.

That Donnelly was paid “over time” means she received \$1.17 million in proceeds (likely in three addition payments of \$390,000) during her tenure at DoD related to the sale of her firm to an unnamed “group of investors.” That firm, SBD Advisors, continued to represent Amazon during Donnelly’s tenure at DoD and while she was receiving substantial undisclosed proceeds from the sale.

Donnelly – while being represented by counsel and herself a career Washington insider – simply cannot offer any justifiable explanation for her failure to comply with the straightforward financial disclosure laws. The very purpose of mandatory financial disclosures is that the public has a clear right to know how much income Ms. Donnelly received and from whom, particularly under circumstances where – as here – that official chooses not to recuse herself from matters relating to her former client’s interests. We reiterate that Donnelly’s false and inconsistent statements regarding the sale of her ownership interest in SBD Advisors in January 2017 and her receipt of undisclosed payments related to the sale alone warrant government action with respect to multiple violations of Federal laws, including, 18 U.S.C. § 1001 (false statements); 5 C.F.R. § 2634.701 (failure to file or falsifying reports); and the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. § 2635.101(b).

Further, we provided substantial evidence that Amazon commercial partner C5 may have been the actual purchaser of SBD Advisors in January 2017, not the purported proxy “group of investors led by Win Sheridan.”<sup>11</sup> We previously established that C5 had financial and governance interests in SBD Advisors years before Donnelly joined DoD.<sup>12</sup>

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<sup>11</sup> Andrew Kerr, “Government Ethics Watchdogs Fear Amazon’s Web Of Influence May Have Tainted Pentagon’s \$10 Billion Cloud Deal,” *Daily Caller*, August 8, 2018, <https://dailycaller.com/2018/08/08/sally-donnelly-defense-department-jedi-cloud-amazon/>

<sup>12</sup> See Memorandum of May 20, 2019, pp. 9-13.

financial statements show that C5 funded SBD Advisors in the amount of £422,850, or approximately \$547,077, in the form of interest-free loans, which was offset in 2016 by £298,279, or approximately \$385,909 (depending upon the exact date of the exchange), due to either a partial repayment by SBD Advisors or debt forgiveness by C5. In addition to these interest-free loans, we demonstrated that C5's founder and Managing Partner, Andre Pienaar, a foreign national, also served on the Board of SBD Advisors beginning at least in 2015 through 2017, long after Donnelly entered DoD. These facts – coupled with C5's public purchase of SBD Advisors as soon as Donnelly resigned from DoD – evidence a nefarious scheme to conceal C5 as the actual purchaser of SBD Advisors in January 2017. Significantly, Donnelly's OGE 278e does not disclose any income or liabilities related to C5, even though the legal obligation is clear that the filer must disclose all income and liabilities.

Still further, we presented substantial evidence related to Amazon's likely role in facilitating the sale of SBD Advisors when Donnelly entered DoD and continuing after her resignation. The growing body of evidence, as summarized here, shows that C5 itself acted as a straw buyer for Amazon. C5 Founding Partner Andre Pienaar and Amazon's Vice President for Worldwide Public Sector Business Teresa Carlson, the most senior executive responsible for Amazon's cloud computing sales to the United States and foreign governments, now are *engaged to be married*. And following C5's public acquisition of SBD Advisors on April 3, 2018, Donnelly formed yet another consulting firm (with Anthony DiMartino, former Chief of Staff to the Deputy Secretary of Defense) and other former SBD Advisors senior consultants, Pallas Advisors, on October 29, 2018.

Indeed, by all outward appearances Pallas Advisors appears to be a reincarnation of SBD Advisors under a different name, while at the same time ostensibly competing with the SBD

Advisors firm now owned by C5. Oddly, C5 never even sought a non-compete from Donnelly and others, substantially devaluing the investment C5 just made in SBD Advisors. We continue to believe that this evidence raises substantial questions regarding Amazon's likely role in facilitating the sale of SBD Advisors – especially in light of the massive \$10 billion procurement hanging in the balance.

At bottom, Donnelly's false statements call into question the reported \$1.56 million in total sale proceeds disclosed (after the fact) by a spokesperson for SBD Advisors (not Donnelly) – including the actual buyer, the source of the income, the true amount of the sale, and the timing payments received by Donnelly during and after her tenure at DoD related to the sale of SBD Advisors. We believe these facts alone should have warranted mandatory recusal by Donnelly on all matters related to technology policy (from which Amazon stood to benefit), including JEDI, pursuant to 5 C.F.R. § 2635.101(b). But as demonstrated below, *new facts* further underscore Donnelly's failure to recuse herself based on the crucial role she played in JEDI's formulation and development.

## **II. DONNELLY MATERIALLY PARTICIPATED IN THE JEDI PROCUREMENT DEVELOPMENT, FAILED TO RECUSE HERSELF, AND INSTEAD PROVIDED AMAZON WITH UNPRECEDENTED ACCESS TO KEY DOD DECISIONMAKERS.**

Notwithstanding her prior commercial relationships with Amazon specifically related to Amazon's cloud computing business, Donnelly failed to recuse herself from matters involving Amazon, including JEDI. In an attempt to justify her failure to recuse, Donnelly's legal counsel, Michael Levy, publicly has denied that Donnelly had *any* role related to JEDI or *any* other procurement. Levy stated:

“While at the Department of Defense, Ms. Donnelly had no role in acquisition or procurement. *She played no role, and exercised no influence, in connection with any government contract, including – as the Department of Defense has*



*confirmed repeatedly – the JEDI contract.* To suggest otherwise not only reflects an absence of even the most rudimentary understanding of the government contracting process . . . .”<sup>13</sup>

Although DoD has dismissed Donnelly’s actions in her capacity as Senior Advisor to Secretary Mattis as “ministerial” in nature, our prior submissions have established the opposite. Donnelly participated personally and substantially in critical *cloud policy decisions that ultimately became JEDI*. We provided previously established that Donnelly (and Secretary Mattis) had a private “Off the Record” dinner with Teresa Carlson and Andre Pienaar (and others from C5) in London on March 31, 2017, while on official DoD business as DoD was formulating their cloud acquisition strategy, which became JEDI. This dinner was likewise hidden from the public by DoD:

| MATTIS SECRET AMAZON DINNER, LONDON, MARCH, 2017   |   |
|--|---|
| FOR OFFICIAL USE ONLY<br>DETAILED ITINERARY  | FOR OFFICIAL USE ONLY<br>DETAILED ITINERARY   |
| <p>18:30 - 20:00 Dinner<br/>Principal, Faller, <u>Donnelly</u><br/>General Graeme Lamb, Host<br/>General David Richards<br/>Major General James Chiswell<br/>Minister Tobias Ellwood<br/>(b) (6)<br/>(b) (6)<br/>(b) (6)</p> <p>Off the Record - Listening Mode</p> <p>20:00 - 20:15 Motorecade to Hotel<br/>Principal, Faller</p> <p>20:15 - 09:40 RON LONDON</p> <p>REDACTED</p> | <p>18:30 - 20:00 Dinner<br/>Principal, Faller, <u>Donnelly</u><br/>General Graeme Lamb, Host<br/>General David Richards<br/>Major General James Chiswell<br/>Minister Tobias Ellwood<br/>Cheryl Plumridge<br/>Teresa Carlson<br/>Andrew Pienaar</p> <p>Off the Record - Listening Mode</p> <p>20:00 - 20:15 Motorecade to Hotel<br/>Principal, Faller</p> <p>20:15 - 09:40 RON LONDON</p> <p>UNREDACTED</p> <p>← Amazon Lobbyists</p> |

This dinner had a demonstrable and substantial impact on DoD’s cloud policy decision making. Soon after the private dinner, Jennifer Chronis, Amazon’s General Manager of DoD



<sup>13</sup> See <https://www.defenseone.com/technology/2018/08/someone-waging-secret-war-undermine-pentagons-huge-cloud-contract/150685/> (emphasis added).

Business, contacted OSD to set up a future meeting between Mattis and Jeff Bezos “for Bezos to impart his thoughts/observations on DoD’s relationship with the tech sector” because Mattis “expressed interest in meeting with Bezos.”<sup>14</sup> Notwithstanding any after-the-fact attempt to justify its legitimacy, this private dinner unquestionable *led to official DoD actions* and underscored Donnelly’s failure to recuse herself from matters involving her former client C5’s Andre Pienaar, with whom she was financially intertwined.

- Chronis said that the SD and Ms. Donnelly had dinner with Teresa Carlson during the London trip; at the dinner, the SD expressed interest in meeting with Bezos at some point.

- Purpose of the discussion would be for Bezos to impart his thoughts/observations on DoD’s relationship with the tech sector.

Amazon sought a meeting between Mattis and Jeff Bezos for April 2017,<sup>15</sup> and then Mattis toured Amazon with Bezos on August 10, 2017,<sup>16</sup> this time at Amazon’s headquarters in Seattle, Washington. After meeting with Bezos, Mattis and Donnelly also spent almost 90 minutes with Amazon “Leadership” in a meeting described as “Briefs and Discussion”<sup>17</sup> wherein Amazon “executives made their case that the company’s cloud products offer better security than traditional data centers, according to three people who attended.”<sup>18</sup> Executive Director of the Defense Innovation Board, Josh Marcuse, also attended the meeting at Amazon headquarters (as depicted below, Marcuse is walking behind Secretary Mattis and Bezos).

<sup>14</sup> E-mail from W. Bushman to [Redacted] (Apr. 18, 2017).

<sup>15</sup> *Id.*

<sup>16</sup> August 10, 2017 Schedule Entries for Secretary Mattis’s Travel to Amazon headquarters.

<sup>17</sup> August 10, 2017 Schedule Entries for Secretary Mattis’s Travel to Amazon headquarters.

<sup>18</sup> See James Bandler, Anjali Tsui, and Doris Burke, *Fortune* and *ProPublica*, “How Amazon and Silicon Valley Seduced the Pentagon” (Aug. 22, 2019), <https://fortune.com/2019/08/22/amazon-bezos-silicon-valley-pentagon-defense/>



Within weeks of his meeting with Bezos and Amazon’s sales pitch presentation, Mattis directed then-Deputy Secretary Shanahan to issue a memorandum on September 13, 2017 entitled “Accelerating Enterprise Cloud Adoption,” which announced a “*tailored acquisition process* to acquire a modern enterprise cloud services solution”<sup>19</sup> – the directive that ultimately became JEDI. This memorandum also appointed Marcuse as one of only four standing voting members of the Cloud Executive Steering Committee.<sup>20</sup>

Moreover, *Fortune* and *ProPublica* have discovered even more off-the-record, private dealings orchestrated by Donnelly on behalf of her long-term client Amazon at key moments in JEDI’s formulation and development. We now know that Donnelly arranged a *second private dinner* at a crucial time in JEDI’s development during the lead up to the JEDI RFP and Industry Day. According to *Fortune* and *ProPublica*, at this propitious moment, “Donnelly organized a

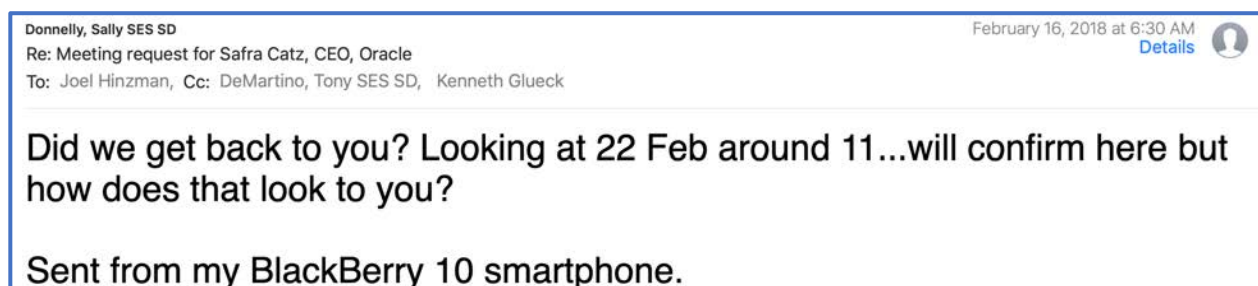
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<sup>19</sup> DSD Mem., “Accelerating Enterprise Cloud Adoption,” p. 2 (Sept. 13, 2017) (emphasis added). 

<sup>20</sup> Marcuse has no background in technology systems, development, modernization, or deployment, despite having substantial foreign policy credentials.

private dinner for Mattis, Bezos, herself and Amazon’s *top government-sales executive* at a Washington restaurant, DBGB, on Jan. 17, 2018.”<sup>21</sup> Significantly, DoD released the draft JEDI RFP and held the JEDI Cloud Acquisition Day to announce the single source, single cloud structure on March 7, 2018. Moreover, Donnelly arranged meetings between Carlson and several of Mattis’s top aides the same year. To be sure, the evidence shows that Donnelly provided Amazon – her former long-time client at SBD Advisors – with unprecedented access to Secretary Mattis during JEDI’s formulation and development.

Donnelly’s personal and substantial participation in JEDI is underscored by actions related to other industry participants. Shortly after Amazon’s private dinner with Mattis and Donnelly at a pivotal moment in JEDI’s development, Oracle sought a meeting with Secretary Mattis and Oracle’s Chief Executive Officer, Ms. Safra Catz. Not surprisingly, Donnelly – the point of contact and gatekeeper for arranging this meeting – *determined that Secretary Mattis would not be available to meet with Ms. Catz*. DoD further informed Oracle that Deputy Secretary Shanahan also was not available to meet with Ms. Catz. DoD offered to make Under Secretary Lord available and ultimately Donnelly agreed to make Deputy Secretary Shanahan and Under Secretary Lord available for a 45 minute meeting, which took place on February 22, 2018.



<sup>21</sup> See James Bandler, Anjali Tsui, and Doris Burke, *Fortune* and *ProPublica*, “How Amazon and Silicon Valley Seduced the Pentagon” (Aug. 22, 2019), <https://fortune.com/2019/08/22/amazon-bezos-silicon-valley-pentagon-defense/> (emphasis added).



We respectfully submit that Donnelly’s facilitating access for one competitor over another – in addition to her other actions intended to benefit Amazon as described in this and prior submissions – *is* personal and substantial participation and represents the precise competitive bias that government ethics rules are designed to prevent. These high level meetings included the following:

- March 31, 2017 dinner with Secretary Mattis, Senior Advisor Donnelly, Amazon’s Senior sales executive Teresa Carlson and others in London;
- April 20, 2017 Amazon site visit by Secretary Mattis hosted by Jeff Bezos followed by a 90 minute briefing on Amazon’s cloud; and
- January 17, 2018 dinner with Secretary Mattis, Amazon CEO Jeff Bezos, and Amazon’s senior cloud salesperson in Washington, D.C.

Donnelly’s receipt of more than one million dollars in undisclosed income from an undisclosed source during her tenure at DoD only exacerbates her failure to comply with basic financial disclosure laws.

**III. DONNELLY SECURED UNPRECEDENTED OFFICIAL DOD AUTHORITY FOR DDS HEAD AND AMAZON PROPONENT CHRIS LYNCH, ALONG WITH THE DDS TEAM INCLUDING DEAP UBHI, TO PREVENT INSTITUTIONAL RESISTENCE TO THEIR SINGLE SOURCE, SINGLE AWARD JEDI STRUCTURE.**

Secretary Mattis’s cloud adoption initiative included a “*tailored acquisition process* to acquire a modern enterprise cloud services.”<sup>22</sup> At the request of Secretary Mattis,<sup>23</sup> DSD Shanahan tasked the Defense Digital Service (“DDS”), a small technology unit within OSD, to lead the effort, taking the acquisition outside the purview of the DoD Chief Information Officer. DDS was formed by Secretary Ash Carter in 2015 to “improve the Department’s technological agility and solve its

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<sup>22</sup> DSD Mem., “Accelerating Enterprise Cloud Adoption,” p. 2 (Sept. 13, 2017)

<sup>23</sup> Sept. 28, 2017 T. Van Name Email re C2S.

most complex IT problems.”<sup>24</sup> Modeled after the newly-formed United States Digital Service, DDS brings “in talent from America’s technology community to work for a specific period of time, or for a specific project, to apply a more innovative and agile approach to solving DoD’s complex IT problems.”<sup>25</sup> Its creation was intended to bring in the “technologically best and brightest” to work within the Pentagon.<sup>26</sup>

Significantly, DDS was never intended to lead massive DoD procurements. While DDS undoubtedly brings needed technological perspective to DoD, it also is conflicted by design. DDS recruits individuals from the private sector for “term-limited ‘tours of duty’”, and employees typically return to the commercial sector at the conclusion of their set term. DDS’s model is designed to operate in a blurry ethical space, as the entire point of DDS is to leverage the private sector and embrace disruption as means to advance DoD’s technology services and solutions. But as a matter of expertise and policy, DDS should not be tasked with leading a major single source 10-year, \$10 billion procurement, as DDS – by design – was made up of limited term, commercial sector employees.

DDS’s lack of expertise in leading major procurements is underscored by its Director, Chris Lynch. As the Director of DDS, Lynch fashioned himself as the leader of the self-proclaimed “Rebel Alliance,” and came up with acronyms such as JEDI (the Joint Enterprise Defense Initiative) and C3PO (the Cloud Computing Central Program Office), in homage to his apparent obsession with the fictional space odyssey Star Wars. His use of “C3PO” to describe the program

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<sup>24</sup> <https://www.defenseone.com/technology/2015/11/meet-head-pentagons-agile-new-digital-service/123825/>

<sup>25</sup> <https://www.defense.gov/Newsroom/Transcripts/Transcript/Article/630419/building-the-first-link-to-the-force-of-the-future-remarks-by-secretary-of-defe/>

<sup>26</sup> <https://breakingdefense.com/2016/09/ash-carter-wants-you-for-the-defense-digital-service/>

office took the Star Wars references too far and was “scrubbed” from Shanahan’s memo, the initial version of which was “issued in error” with the reference.<sup>27</sup>

Lynch also has a demonstrated affinity for Amazon. He regularly appeared as a speaker at Amazon conferences (though he did not attend conferences held by other major technology vendors), including participating on panels with senior Amazon JEDI sales executive Teresa Carlson as shown below at the 2016 Defense One Tech Summit:



Despite being at the helm of JEDI’s development, Lynch was manifestly unqualified to direct the JEDI procurement – or any procurement. (b)(6), (b)(7)(C)

<sup>27</sup> <https://thehill.com/policy/defense/368364-star-wars-references-scrubbed-from-defense-memo-on-cloud-computing>

(b)(6), (b)(7)(C)

(b)(6), (b)(7)(C)

(b)(6), (b)(7)(C)

[REDACTED]. Nor does Lynch – until JEDI – have any procurement experience whatsoever.<sup>28</sup> We respectfully submit that Lynch did not have any relevant skills or experience necessary to lead a technology modernization project of JEDI’s scale and scope, let alone qualifying as one of the “technologically best and brightest” of the United States technology community.

But Lynch was the face of OSD’s strategy to acquire a single, enterprise-wide DoD cloud, which contradicted every best practice in commercial and public-sector cloud deployment, multi-cloud strategies adopted by the intelligence community and other agencies, recommendations by the Office of Management and Budget, repeated concerns by Congress, and DoD’s own “Cloud Strategy.” Moreover, according to *Fortune* and *ProPublica*, there was internal opposition within the Pentagon to the single source, single cloud approach – “that putting all of the agency’s data in one company’s system made it more vulnerable, not less, than having it stored with multiple vendors” and that “such an approach would stifle competition and create a huge monopoly.” These concerns were echoed by the commercial and government marketplace – with the exception of Amazon.

Significantly, *Fortune* and *ProPublica* conclusively answered the question as to how this manifestly unqualified individual – Lynch – was able to push through to completion a massive

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<sup>28</sup> See Memorandum of March 21, 2019, pp. 17-18.



DoD-wide cloud procurement run by a single vendor in face of internal opposition at the Pentagon: ***Sally Donnelly, Amazon’s former lobbyist***. Notwithstanding her prior commercial relationship with Amazon related to its government cloud business, Donnelly gave Lynch – and by extension Deap Ubhi who Lynch appointed to lead the JEDI procurement – the ultimate authority to formulate DoD’s cloud acquisition as the single source, single cloud procurement that became JEDI.<sup>29</sup> *Fortune* and *ProPublica* reported that Donnelly secured for Lynch a written memorandum – much like a “letter of marque” – directly from Secretary Mattis “that put the weight of the agency’s chief behind him.” This ultimate “top cover” secured by Donnelly gave Lynch and his team unfettered access to the DoD’s front office and authority – all the way from the top – to structure the procurement in a manner that was antithetical to every best practice in cloud deployment to the benefit of Donnelly’s former client, Amazon. In effect, Donnelly was at the very core of the JEDI’s single cloud strategy using the “stealth” strategies she promoted for Amazon when she was with SBD Advisors.

We respectfully submit that Donnelly’s failure to recuse herself violated 18 U.S.C. §§ 203, 205, 208 (criminal conflicts of interest statutes); 5 C.F.R. § 2635.402 (financial interests); the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. § 2635.101(b); and 5 C.F.R. § 2635.502 (personal and business relationships).

#### **IV. CONCLUSION.**

Oracle’s submissions collectively have identified substantial evidence of criminal, civil, and ethical violations by Amazon and key DoD officials. Because DoD defines the scope of the administrative record before the Court of Federal Claims, and the litigation allows for only limited

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<sup>29</sup> Ubhi has been referred to this office for potential ethical and criminal violations in connection with his negotiating employment opportunities with Amazon, where he currently is employed.

discovery, we likely have seen only a very small part of Donnelly’s “stealth” activities and the overall scheme. But for Donnelly to be labeled as big tech’s “fairy godmother” by a Pentagon insider is far more consistent with the facts provided in our collective submissions to DoD IG, than the narrative provided by Donnelly through her legal counsel. ***The evidence shows that Donnelly materially participated in the development of DoD’s cloud policy, which resulted in JEDI, and which favored her former client Amazon.*** Donnelly made material and intentional omissions in her financial disclosures concealing substantial income paid ***while Donnelly was employed at DoD.*** We believe the evidence shows Amazon’s plan to influence DoD at the highest levels with heavily conflicted individuals who created and carried out JEDI – which we believe to be clearly actionable by the DoD IG. To be sure, their conduct threatens the core of the procurement process and – unless DoD IG acts – will have long lasting, irreversible effects on DoD, taxpayers, the warfighter, and future procurements.

**From:** (b) (6), (b) (7)(C)  
**To:** Mayo, Kelly P., SES, OIG DoD  
**Cc:** (b) (6), (b) (7)(C)  
**Subject:** JEDI-Cummings Declination  
**Date:** Tuesday, March 3, 2020 8:34:56 AM

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Kelly,

We received the below written (email) declination from EDVA yesterday afternoon. We will be finalizing the IR.

**From:** (b)(6), (b)(7)(C) (USAVAE) <(b)(6), (b)(7)(C)@usdoj.gov>  
**Date:** Monday, Mar 02, 2020, 4:25 PM  
**To:** (b) (6), (b) (7)(C) >  
**Subject:** RE: [Non-DoD Source] RE: JEDI Matter - DRAFT DCIS Information Report

(b) (6), (b) (7)(C)

After reviewing all of the materials provided, the United States Attorney's Office for EDVA has decided not to open a matter relating to Stacy Cummings in connection with her work on the JEDI procurement.

(b)(6), (b)(7)(C)  
Assistant United States Attorney  
Eastern District of Virginia  
(703) (b)(6), (b)(7)(C)

(b) (6), (b) (7)(C)  
Mid-Atlantic Field Office  
Defense Criminal Investigative Service  
U.S. Department of Defense /OIG

(b) (6), (b) (7)(C)

## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

- (1) issued guidance or direction,
- (2) attended related meetings,
- (3) conducted research,
- (4) provided data or other decision support information,
- (5) provided opinion or recommendation,
- (6) wrote or helped write a draft or final version,
- (7) reviewed a draft or final version,
- (8) approved or signed a final version,
- (9) other participation.

If you do not know whether the listed official played a role in a particular activity, indicate “IDK.” If you have questions, please contact (b) (6), (b) (7)(C)  
 Return the completed matrix to (b) (6), (b) (7)(C)



## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | no           | yes 7             | yes, 2    | no             | no           | yes, 2,4      |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | no           | no                | no        | no             | no           | no            |
| 3   | JROCM   | no           | no                | no        | no             | no           | no            |
| 4   | Problem Statement   | no           |                   | yes 3, 6  | no             | no           | yes 2         |
| 5   | Business Case Analysis  | no           | no                | yes 3,6   | no             | no           | yes, 4        |
| 6   | Functional (Business) Requirements  | no           | no                | no        | no             | no           | no            |
| 7   | Technical Requirements (security/other)   | no           | no                | no        | no             | no           | no            |
| 8   | Gating  | no           | no                | no        | no             | no           | no            |
| 9   | RFI   | no           | no                | yes, 3,6  | no             | no           | no            |
| 10  | Industry Day  | no           | yes 9             | no        | no             | no           | no            |
| 11  | One-on-one Meetings   | no           | no                | yes 2,6   | no             | no           | no            |
| 12  | Cloud Focus Sessions  | no           | no                | yes 2,6   | no             | yes 4        | no            |
| 13  | Intel Community Meetings  | no           | yes 9             | no        | no             | no           | no            |
| 14  | Market Research Report  | no           | no                | yes 3     | no             | no           | no            |
| 15  | Acquisition Strategy  | no           | no                | no        | no             | yes 2,5,7    | no            |
| 16  | Acquisition Plan  | no           | no                | no        | no             | no           | no            |
| 17  | Statement of Objective  | no           | no                | no        | no             | no           | no            |
| 18  | Commercial Item Determination   | no           | no                | no        | no             | no           | no            |
| 19  | Contract Type Decision  | no           | no                | no        | no             | no           | no            |
| 20  | Full and Open Competition Decision  | no           | no                | no        | no             | no           | no            |
| 21  | Single Award Decision   | no           | no                | yes 2     | no             | yes 2,5      | no            |
| 22  | Evaluation Criteria   | no           | no                | no        | no             | no           | no            |
| 23  | Draft RFP(s)  | no           | no                | no        | no             | no           | no            |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | no           | no                | no        | no             | no           | no            |
| 25  | Final RFP Evaluation of proposals   | no           | no                | no        | no             | no           | no            |
| 26  | Elimination from further consideration  | no           | no                | no        | no             | no           | no            |
| 27  | Other program or contracting activity   | no           | yes 7             | no        | no             | no           | no            |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

Date

### JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | N            | Y 2,9             | Y (call)  | N (93)         | Y 2,4,9      | Y (All)       |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | N            | N                 | Y (call)  | N              | N            | IDK           |
| 3   | JROCM   | IDK          | N                 | Y         | N              | N            | Y             |
| 4   | Problem Statement   | IDK          | Y 2               | Y         |                | N            | Y             |
| 5   | Business Case Analysis  | IDK          | Y 2?              | Y         |                | Y 2/9        | Y             |
| 6   | Functional (Business) Requirements  | N            |                   | Y         |                | Y 2/9        |               |
| 7   | Technical Requirements (security/other)   | N            |                   | Y         |                | Y 2/9        |               |
| 8   | Gating  | N            |                   | Y ?       |                | N            |               |
| 9   | RFI   | N            |                   | Y (call)  |                | N (2)        |               |
| 10  | Industry Day  | N            |                   | Not sure  |                | IDK          |               |
| 11  | One-on-one Meetings   | N            |                   | " "       |                | Non JEDI (Y) |               |
| 12  | Cloud Focus Sessions  | N            |                   | Y         |                |              |               |
| 13  | Intel Community Meetings  | N            |                   | IDK       |                |              |               |
| 14  | Market Research Report  | N            |                   | IDK       |                | IDK          |               |
| 15  | Acquisition Strategy  | N            |                   |           |                | IDK          |               |
| 16  | Acquisition Plan  | N            |                   |           |                |              |               |
| 17  | Statement of Objective  | N            |                   |           |                |              |               |
| 18  | Commercial Item Determination   | N            |                   |           |                |              |               |
| 19  | Contract Type Decision  | N            |                   |           |                |              |               |
| 20  | Full and Open Competition Decision  | Y (?)        | Y, 2              |           |                |              | Y (call)      |
| 21  | Single Award Decision   | N            | Y, 2              |           |                |              |               |
| 22  | Evaluation Criteria   | N            | Y, 2              |           |                |              |               |
| 23  | Draft RFP(s)  | N            |                   |           |                |              |               |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | N            |                   |           |                |              |               |
| 25  | Final RFP Evaluation of proposals   |              |                   |           |                |              |               |
| 26  | Elimination from further consideration  |              |                   |           |                |              |               |
| 27  | Other program or contracting activity   |              |                   |           |                |              |               |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

Witness Signature

Witness Name

Date

## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

- (1) issued guidance or direction,
- (2) attended related meetings,
- (3) conducted research,
- (4) provided data or other decision support information,
- (5) provided opinion or recommendation,
- (6) wrote or helped write a draft or final version,
- (7) reviewed a draft or final version,
- (8) approved or signed a final version,
- (9) other participation.

If you do not know whether the listed official played a role in a particular activity, indicate “IDK.” If you have questions, please contact (b) (6), (b) (7)(C)  
(b) (6), (b) (7)(C). Return the completed matrix to (b) (6), (b) (7)(C)

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | NO           | YES; 2            | YES; 2    | NO             | NO           | YES; 2        |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | NO           | NO                | NO        | NO             | NO           | IDK           |
| 3   | JROCM   | NO           | NO                | NO        | NO             | NO           | IDK           |
| 4   | Problem Statement   | NO           | NO                | YES; 3,6  | NO             | NO           | YES; 5        |
| 5   | Business Case Analysis  | NO           | NO                | YES; 3,6  | NO             | NO           | NO            |
| 6   | Functional (Business) Requirements  | NO           | NO                | NO        | NO             | NO           | NO            |
| 7   | Technical Requirements (security/other)   | NO           | NO                | NO        | NO             | NO           | NO            |
| 8   | Gating  | NO           | NO                | NO        | NO             | NO           | NO            |
| 9   | RFI   | NO           | NO                | YES; 6,7  | NO             | NO           | NO            |
| 10  | Industry Day  | NO           | NO                | NO        | NO             | NO           | NO            |
| 11  | One-on-one Meetings   | NO           | NO                | YES; 2,3  | NO             | NO           | NO            |
| 12  | Cloud Focus Sessions  | NO           | NO                | YES; 2,3  | NO             | YES; 2       | NO            |
| 13  | Intel Community Meetings  | NO           | NO                | NO        | NO             | NO           | NO            |
| 14  | Market Research Report  | NO           | NO                | YES; 3    | NO             | NO           | NO            |
| 15  | Acquisition Strategy  | NO           | NO                | NO        | NO             | NO           | NO            |
| 16  | Acquisition Plan  | NO           | NO                | NO        | NO             | NO           | NO            |
| 17  | Statement of Objective  | NO           | NO                | NO        | NO             | NO           | NO            |
| 18  | Commercial Item Determination   | NO           | NO                | NO        | NO             | NO           | NO            |
| 19  | Contract Type Decision  | NO           | NO                | NO        | NO             | NO           | NO            |
| 20  | Full and Open Competition Decision  | NO           | NO                | NO        | NO             | NO           | NO            |
| 21  | Single Award Decision   | NO           | NO                | NO        | NO             | NO           | NO            |
| 22  | Evaluation Criteria   | NO           | NO                | NO        | NO             | NO           | NO            |
| 23  | Draft RFP(s)  | NO           | NO                | NO        | NO             | NO           | NO            |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | NO           | NO                | NO        | NO             | NO           | NO            |
| 25  | Final RFP Evaluation of proposals   | NO           | NO                | NO        | NO             | NO           | NO            |
| 26  | Elimination from further consideration  | NO           | NO                | NO        | NO             | NO           | NO            |
| 27  | Other program or contracting activity   | NO           | NO                | NO        | NO             | NO           | IDK           |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

10 JUL 19

Date



## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle  |
|-----|---|--------------|-------------------|-----------|----------------|--------------|----------------|
| 1   | Cloud Executive Steering Group (CESG)   | No.          | No.               | No.       | No.            | No.          | Yes; 2,3,4,5   |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) |              | Yes; 9            |           |                |              | Yes; 9         |
| 3   | JROCM   |              |                   |           |                |              | No.            |
| 4   | Problem Statement   |              | Yes; 2            |           |                |              | Yes; 2,5       |
| 5   | Business Case Analysis  | No.          | No.               | No.       | No.            | No.          | Yes; 2,3,4,5,7 |
| 6   | Functional (Business) Requirements  |              | Yes; 2            |           |                |              | Yes; 2,5       |
| 7   | Technical Requirements (security/other)   |              | Yes; 2            |           |                |              | Yes; 2         |
| 8   | Gating  |              |                   |           |                |              | No.            |
| 9   | RFI   |              |                   |           |                |              | No. *          |
| 10  | Industry Day  |              | Yes; 2,5          |           |                |              | Yes; 2,5       |
| 11  | One-on-one Meetings   |              |                   |           |                |              | No.            |
| 12  | Cloud Focus Sessions  |              |                   |           |                |              | No.            |
| 13  | Intel Community Meetings  |              |                   |           |                |              | Yes; 2         |
| 14  | Market Research Report  |              |                   |           |                |              | No.            |
| 15  | Acquisition Strategy  |              | Yes; 2            |           |                |              | Yes; 2,5       |
| 16  | Acquisition Plan  |              | Yes; 2            |           |                |              | Yes; 2,5       |
| 17  | Statement of Objective  |              |                   |           |                |              | No.            |
| 18  | Commercial Item Determination   |              |                   |           |                |              | No.            |
| 19  | Contract Type Decision  |              | Yes; 2            |           |                |              | Yes; 2,5       |
| 20  | Full and Open Competition Decision  |              | Yes; 2,5          |           |                |              | Yes; 2,5       |
| 21  | Single Award Decision   |              | Yes; 2            |           |                |              | Yes; 2,3,5     |
| 22  | Evaluation Criteria   |              |                   |           |                |              | No.            |
| 23  | Draft RFP(s)  |              |                   |           |                |              | No.            |
| 24  | Evaluation of industry responses to draft RFP(s)                                      |              |                   |           |                |              | No.            |
| 25  | Final RFP Evaluation of proposals   |              |                   |           |                |              | No.            |
| 26  | Elimination from further consideration  |              |                   |           |                |              | No.            |
| 27  | Other program or contracting activity   |              |                   |           |                |              | No.            |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b)(6), (b)(7)(C)

Witness Signature

Witness Name

Date

FOR OFFICIAL USE ONLY

\* They sent it to me, but I never reviewed/read it.

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | N            | N                 | N         | N              | N            | N             |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | N            | N                 | N         | N              | N            | N             |
| 3   | JROCM   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 4   | Problem Statement   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 5   | Business Case Analysis  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 6   | Functional (Business) Requirements  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 7   | Technical Requirements (security/other)   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 8   | Gating  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 9   | RFI   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 10  | Industry Day  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 11  | One-on-one Meetings   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 12  | Cloud Focus Sessions  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 13  | Intel Community Meetings  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 14  | Market Research Report  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 15  | Acquisition Strategy  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 16  | Acquisition Plan  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 17  | Statement of Objective  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 18  | Commercial Item Determination   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 19  | Contract Type Decision  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 20  | Full and Open Competition Decision  | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 21  | Single Award Decision   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 22  | Evaluation Criteria   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |
| 23  | Draft RFP(s)  | N            | N                 | N         | N              | N            | N             |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | N            | N                 | N         | N              | N            | N             |
| 25  | Final RFP Evaluation of proposals   | N            | N                 | N         | N              | N            | N             |
| 26  | Elimination from further consideration  | N            | N                 | N         | N              | N            | N             |
| 27  | Other program or contracting activity   | IDH          | IDH               | IDH       | IDH            | IDH          | IDH           |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

Witness Signature

Dana Deasy  
Witness Name

7/23/19  
Date

\* From July 2018 on

## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

- (1) issued guidance or direction,
- (2) attended related meetings,
- (3) conducted research,
- (4) provided data or other decision support information,
- (5) provided opinion or recommendation,
- (6) wrote or helped write a draft or final version,
- (7) reviewed a draft or final version,
- (8) approved or signed a final version,
- (9) other participation.

If you do not know whether the listed official played a role in a particular activity, indicate “IDK.” If you have questions, please contact (b) (6), (b) (7)(C) [redacted]. Return the completed matrix to (b) (6), (b) (7)(C) [redacted].

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 3   | JROCM   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 4   | Problem Statement   | NO           | NO                | Yes,2,3   | NO             | NO           | NO            |
| 5   | Business Case Analysis  | NO           | NO                | NO        | NO             | NO           | NO            |
| 6   | Functional (Business) Requirements  | NO           | NO                | NO        | NO             | NO           | NO            |
| 7   | Technical Requirements (security/other)   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 8   | Gating  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 9   | RFI   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 10  | Industry Day  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 11  | One-on-one Meetings   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 12  | Cloud Focus Sessions  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 13  | Intel Community Meetings  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 14  | Market Research Report  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 15  | Acquisition Strategy  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 16  | Acquisition Plan  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 17  | Statement of Objective  | NO           | NO                | NO        | IDK            | IDK          | IDK           |
| 18  | Commercial Item Determination   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 19  | Contract Type Decision  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 20  | Full and Open Competition Decision  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 21  | Single Award Decision   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 22  | Evaluation Criteria   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 23  | Draft RFP(s)  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 25  | Final RFP Evaluation of proposals   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 26  | Elimination from further consideration  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 27  | Other program or contracting activity   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

Date



## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   |              |                   |           |                | Yes (2,5)    |               |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) |              |                   |           |                | No           |               |
| 3   | JROCM   |              |                   |           |                | No           |               |
| 4   | Problem Statement   |              |                   |           |                | No           |               |
| 5   | Business Case Analysis  |              |                   |           |                | No           |               |
| 6   | Functional (Business) Requirements  |              |                   |           |                | No           |               |
| 7   | Technical Requirements (security/other)   |              |                   |           |                | No           |               |
| 8   | Gating  |              |                   |           |                | No           |               |
| 9   | RFI   |              |                   |           |                | No           |               |
| 10  | Industry Day  |              |                   |           |                | No           |               |
| 11  | One-on-one Meetings   |              |                   |           |                | No           |               |
| 12  | Cloud Focus Sessions  |              |                   |           |                | No           |               |
| 13  | Intel Community Meetings  |              |                   |           |                | No           |               |
| 14  | Market Research Report  |              |                   |           |                | No           |               |
| 15  | Acquisition Strategy  |              |                   |           |                | Yes (9)      |               |
| 16  | Acquisition Plan  |              |                   |           |                | Yes (9)      |               |
| 17  | Statement of Objective  |              |                   |           |                | No           |               |
| 18  | Commercial Item Determination   |              |                   |           |                | No           |               |
| 19  | Contract Type Decision  |              |                   |           |                | No           |               |
| 20  | Full and Open Competition Decision  |              |                   |           |                | No           |               |
| 21  | Single Award Decision   |              |                   |           |                | No           |               |
| 22  | Evaluation Criteria   |              |                   |           |                | No           |               |
| 23  | Draft RFP(s)  |              |                   |           |                | No           |               |
| 24  | Evaluation of industry responses to draft RFP(s)                                      |              |                   |           |                | No           |               |
| 25  | Final RFP Evaluation of proposals   |              |                   |           |                | No           |               |
| 26  | Elimination from further consideration  |              |                   |           |                | No           |               |
| 27  | Other program or contracting activity   |              |                   |           |                | No           |               |

(b)(6), (b)(7)(C) That to the best of my knowledge, the answers I provided on this document are complete and correct.

Witness Signature

Witness Name

Date

**From:** (b)(6), (b)(7)(C) [CIV OSD OGC \(USA\)](#)  
**To:** (b)(6), (b)(7)(C) [DODIG \(USA\)](#)  
**Cc:** (b)(6), (b)(7)(C) [CIV DODIG \(USA\)](#); (b)(6), (b)(7)(C) [K CIV \(USA\)](#); (b)(6), (b)(7)(C) [DODIG \(US\)](#)  
**Subject:** Re: DoD OIG - Witness Interview  
**Date:** Wednesday, July 17, 2019 11:15:32 AM

---

So as an attorney I'm not going to have any personal knowledge of whether anyone participated in these matters. All of my knowledge is going to be what was told to me by the program/contracting folks as part of my reviews and legal advice. So I don't think the questionnaire is really relevant to my situation. Rather the information i can provide will relate more to my review and evaluation of the facts as they were presented to me by the program and contracting staff and how the ethics laws apply to those facts.

Sent from my iPhone

> On Jul 17, 2019, at 9:59 AM, (b) (6), (b) (7)(C) wrote:

>

> Good morning (b) (6), (b) (7)(C).

>

> Thank you for the prompt response. Will 9:00 a.m., Monday, July 29, 2019, work? Please provide us with a suite number so that we can meet you there.

>

> We also ask that you please fill out the attached fillable form and e-mail it to us by COB Thursday, July 25, 2019. This matrix will help us focus our line of questioning and use your time as efficiently as possible. Please note that when you open the .pdf you will have to click on "Enable All Features" which is located on the top yellow ribbon.

>

> Call or e-mail If you have any questions.

>

> Thank you,

>

(b) (6), (b) (7)(C)

>

>

>

>

> -----Original Message-----

> From: (b) (6), (b) (7)(C)

> Sent: Wednesday, July 17, 2019 9:46 AM

> To: (b) (6), (b) (7)(C)

> Subject: RE: DoD OIG - Witness Interview

>

> Hi (b) (6), (b) (7)(C)

>

> I am on leave next week. I am in this Friday and free all day except 11-12:30 and after 3.

>

> I am in the week of 7/29 and available on:

>

> 7/29: All day

> 7/31: All day except 9:30-11:30.

> 8/1: All day

>

> v/r

>

> (b) (6), (b) (7)(C)

>

>

(b) (6), (b) (7)(C)

> DoD Standards of Conduct Office

> (b) (6), (b) (7)(C)

>

> ~~Caution: This message may contain information protected by the~~  
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> -----Original Message-----

> From: (b) (6), (b) (7)(C)

> Sent: Wednesday, July 17, 2019 9:34 AM

> To: (b) (6), (b) (7)(C)

> Subject: DoD OIG - Witness Interview

> Importance: High

(b) (6), (b) (7)(C),

>

>

>

> I am (b) (6), (b) (7)(C) with the Department of Defense Office of Inspector General.  
> We are currently conducting a review of the Joint Enterprise Defense  
> Infrastructure (JEDI) Cloud acquisition in response to concerns from Members  
> of Congress.

>

>

>

> Your name came up as a potential witness and we believe you may have  
> information relevant to our review of the JEDI Cloud acquisition. Please  
> let me know about your availability for an interview. We can conduct it  
> in-person or telephonically. We propose 2:00 p.m., Tuesday, July 23, 2019.  
> If this time is inconvenient for you, please offer other options. We will  
> need about 120 minutes.

>

>

>

> Note we take sworn recorded testimony. Please review the attached copy of  
> the DoD OIG Privacy Act notice before the interview.

>

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>

> We are required to protect the confidentiality of IG products and the  
> rights, privacy, and reputations of all people involved in them. We ask  
> people not to discuss or reveal matters under review. Accordingly, other  
> than for scheduling purposes, we ask that you not discuss this matter with  
> anyone.

>

>

>

> Call if you have any questions. Additionally, I courtesy copied my  
> colleagues (b) (6), (b) (7)(C).

>

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>

>

> Thank you,

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>

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(b) (6), (b) (7)(C)

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> DoD Office of Inspector General

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> Investigations of Senior Officials

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(b) (6), (b) (7)(C)

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> ~~WARNING: INSPECTOR GENERAL SENSITIVE INFORMATION FOR OFFICIAL USE ONLY.~~

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> may contain sensitive information, which is protected from mandatory  
> disclosure under the Freedom of Information Act, 5 USC 552. It should not  
> be released to unauthorized persons.~~

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> ~~This e-mail is from the Office of the Inspector General, Department of  
> Defense, and may contain information that is "Law Enforcement Sensitive"  
> {LES} or "For Official Use Only" {FOUO} or otherwise subject to the Privacy  
> Act and/or legal and or other privileges that restrict release without  
> appropriate legal authority.~~

>

> <Program Activities Matrix for Witnesses.pdf>



## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write "yes" or "no" in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the "Activity" column. For each "yes," write one or more of the numbers below to describe the role the official played in a particular activity (for example, "Yes; 1, 2, 8").

- (1) issued guidance or direction,
- (2) attended related meetings,
- (3) conducted research,
- (4) provided data or other decision support information,
- (5) provided opinion or recommendation,
- (6) wrote or helped write a draft or final version,
- (7) reviewed a draft or final version,
- (8) approved or signed a final version,
- (9) other participation.

If you do not know whether the listed official played a role in a particular activity, indicate "IDK." If you have questions, please contact (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)  
(b) (6), (b) (7)(C)

Return the completed matrix to (b) (6), (b) (7)(C)

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | IDK          | IDK               | IDK       | IDK            | IDK          | 1,2,5         |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | IDK          | IDK               | IDK       | IDK            | IDK          | 1, 2, 5       |
| 3   | JROCM   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 4   | Problem Statement   | IDK          | 5                 | IDK       | IDK            | IDK          | IDK           |
| 5   | Business Case Analysis  | IDK          | IDK               | IDK       | IDK            | IDK          | 1, 2, 5       |
| 6   | Functional (Business) Requirements  | IDK          | IDK               | IDK       | IDK            | IDK          | 1, 2, 5       |
| 7   | Technical Requirements (security/other)   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 8   | Gating  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 9   | RFI   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 10  | Industry Day  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 11  | One-on-one Meetings   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 12  | Cloud Focus Sessions  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 13  | Intel Community Meetings  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 14  | Market Research Report  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 15  | Acquisition Strategy  | IDK          | IDK               | IDK       | IDK            | IDK          | 5             |
| 16  | Acquisition Plan  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 17  | Statement of Objective  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 18  | Commercial Item Determination   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 19  | Contract Type Decision  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 20  | Full and Open Competition Decision  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 21  | Single Award Decision   | IDK          | IDK               | IDK       | IDK            | IDK          | 1, 2, 5       |
| 22  | Evaluation Criteria   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 23  | Draft RFP(s)  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 25  | Final RFP Evaluation of proposals   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 26  | Elimination from further consideration  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 27  | Other program or contracting activity   | IDK          | IDK               | IDK       | IDK            | IDK          | 1, 2, 5       |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b)(6), (b)(7)(C)

Witness Signature

Witness Name

Date

Ellen M Lord

7.30.19



## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

- (1) issued guidance or direction,
- (2) attended related meetings, —
- (3) conducted research,
- (4) provided data or other decision support information,
- (5) provided opinion or recommendation,
- (6) wrote or helped write a draft or final version,
- (7) reviewed a draft or final version,
- (8) approved or signed a final version,
- (9) other participation.

If you do not know whether the listed official played a role in a particular activity, indicate “IDK.” If you have questions, please contact (b) (6), (b) (7)(C) [REDACTED]. Return the completed matrix to (b) (6), (b) (7)(C) [REDACTED].

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | N            | 2                 | 2         | N              | N            | S             |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) |              | 2                 | 2         | N              | N            | S             |
| 3   | JROCM   |              | N                 | IDK       | N              | N            | S             |
| 4   | Problem Statement   |              | 2                 | 6         | N              |              | S             |
| 5   | Business Case Analysis  |              | 2                 | 6         | N              |              | S             |
| 6   | Functional (Business) Requirements  |              | 2                 | 2         | N              |              | S             |
| 7   | Technical Requirements (security/other)   |              | N                 | 2         |                |              | N             |
| 8   | Gating  |              | N                 | N         |                |              | IDK           |
| 9   | RFI   |              | 2                 | S         |                |              | S             |
| 10  | Industry Day  |              | 2                 | IDK       |                |              | IDK           |
| 11  | One-on-one Meetings   |              | N                 | IDK       |                |              | IDK           |
| 12  | Cloud Focus Sessions  |              |                   | 2         |                |              | N             |
| 13  | Intel Community Meetings  |              |                   | N         |                |              | N             |
| 14  | Market Research Report  |              |                   | IDK       |                |              | S             |
| 15  | Acquisition Strategy  |              |                   | N         |                |              | S             |
| 16  | Acquisition Plan  |              |                   |           |                |              | S             |
| 17  | Statement of Objective  |              |                   |           |                |              | S             |
| 18  | Commercial Item Determination   |              |                   |           |                |              | IDK           |
| 19  | Contract Type Decision  |              |                   |           |                |              | S             |
| 20  | Full and Open Competition Decision  |              |                   |           |                |              | S             |
| 21  | Single Award Decision   |              |                   | 3         |                |              | S             |
| 22  | Evaluation Criteria   |              |                   | N         |                |              | IDK           |
| 23  | Draft RFP(s)  |              |                   |           |                |              | IDK           |
| 24  | Evaluation of industry responses to draft RFP(s)                                      |              |                   |           |                |              | IDK           |
| 25  | Final RFP Evaluation of proposals   |              |                   |           |                |              | IDK           |
| 26  | Elimination from further consideration  |              |                   |           |                |              | N             |
| 27  | Other program or contracting activity   |              |                   |           |                |              | IDK           |

I certify that the answers I provided on this document are complete and correct.

(b)(6), (b)(7)(C)

Witness Signature

Witness Name

Date



## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

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- (9) other participation.

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 Return the completed matrix to (b) (6), (b) (7)(C)

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | Yes; 1       | No                | No        | No             | No           | Yes; 1, 2, 5  |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | IDK          | IDK               | IDK       | IDK            | IDK          | Yes; 5        |
| 3   | JROCM   | IDK          | IDK               | IDK       | IDK            | IDK          | Yes; 1, 5     |
| 4   | Problem Statement   | IDK          | IDK               | IDK       | IDK            | IDK          | Yes; 5, 7     |
| 5   | Business Case Analysis  | IDK          | IDK               | IDK       | IDK            | IDK          | Yes; 5, 7     |
| 6   | Functional (Business) Requirements  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 7   | Technical Requirements (security/other)   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 8   | Gating  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 9   | RFI   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 10  | Industry Day  | No           | Yes; 9            | IDK       | Yes; 9         | IDK          | Yes; 9        |
| 11  | One-on-one Meetings   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 12  | Cloud Focus Sessions  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 13  | Intel Community Meetings  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 14  | Market Research Report  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 15  | Acquisition Strategy  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 16  | Acquisition Plan  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 17  | Statement of Objective  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 18  | Commercial Item Determination   | IDK          | IDK               | IDK       | IDK            | IDK          | Yes; 5        |
| 19  | Contract Type Decision  | IDK          | IDK               | IDK       | IDK            | IDK          | Yes; 5        |
| 20  | Full and Open Competition Decision  | Yes; 1       | IDK               | IDK       | IDK            | IDK          | Yes; 5        |
| 21  | Single Award Decision   | IDK          | IDK               | IDK       | IDK            | IDK          | Yes; 5        |
| 22  | Evaluation Criteria   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 23  | Draft RFP(s)  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 25  | Final RFP Evaluation of proposals   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 26  | Elimination from further consideration  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 27  | Other program or contracting activity   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

9/13/19

Date

## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

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- (4) provided data or other decision support information,
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- (7) reviewed a draft or final version,
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If you do not know whether the listed official played a role in a particular activity, indicate “IDK.” If you have questions, please contact (b) (6), (b) (7)(C) [redacted]  
[redacted] Return the completed matrix to (b) (6), (b) (7)(C) [redacted].

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 3   | JROCM   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 4   | Problem Statement   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 5   | Business Case Analysis  | IDK          | IDK               | IDK       | IDKIDK         | IDK          | IDK           |
| 6   | Functional (Business) Requirements  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 7   | Technical Requirements (security/other)   | IDK          | IDK               | IDK       | IDK            | IDKIDK       | IDK           |
| 8   | Gating  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 9   | RFI   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 10  | Industry Day  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 11  | One-on-one Meetings   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 12  | Cloud Focus Sessions  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 13  | Intel Community Meetings  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 14  | Market Research Report  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 15  | Acquisition Strategy  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 16  | Acquisition Plan  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 17  | Statement of Objective  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 18  | Commercial Item Determination   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 19  | Contract Type Decision  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 20  | Full and Open Competition Decision  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 21  | Single Award Decision   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 22  | Evaluation Criteria   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 23  | Draft RFP(s)  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 25  | Final RFP Evaluation of proposals   | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 26  | Elimination from further consideration  | IDK          | IDK               | IDK       | IDK            | IDK          | IDK           |
| 27  | Other program or contracting activity   | IDK          | IDK               | IDKIDK    | IDK            | IDK          | IDK           |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

July 17, 2019

Date



## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

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(b) (6), (b) (7)(C) Return the completed matrix to (b) (6), (b) (7)(C)

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-----------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | No           | No                | No        | No             | No           | No            |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | No           | No                | No        | No             | No           | No            |
| 3   | JROCM   | No           | No                | No        | No             | No           | No            |
| 4   | Problem Statement   | No           | No                | No        | No             | No           | No            |
| 5   | Business Case Analysis  | No           | No                | No        | No             | No           | No            |
| 6   | Functional (Business) Requirements  | No           | No                | No        | No             | No           | No            |
| 7   | Technical Requirements (security/other)   | No           | No                | No        | No             | No           | No            |
| 8   | Gating  | No           | No                | No        | No             | No           | No            |
| 9   | RFI   | No           | No                | No        | No             | No           | No            |
| 10  | Industry Day  | No           | No                | No        | No             | No           | No            |
| 11  | One-on-one Meetings   | No           | No                | No        | No             | No           | No            |
| 12  | Cloud Focus Sessions  | No           | No                | No        | No             | No           | No            |
| 13  | Intel Community Meetings  | No           | No                | No        | No             | No           | No            |
| 14  | Market Research Report  | No           | No                | Yes       | No             | No           | No            |
| 15  | Acquisition Strategy  | No           | No                | No        | No             | No           | No            |
| 16  | Acquisition Plan  | No           | No                | No        | No             | No           | No            |
| 17  | Statement of Objective  | No           | No                | No        | No             | No           | No            |
| 18  | Commercial Item Determination   | No           | No                | No        | No             | No           | No            |
| 19  | Contract Type Decision  | No           | No                | No        | No             | No           | No            |
| 20  | Full and Open Competition Decision  | No           | No                | No        | No             | No           | No            |
| 21  | Single Award Decision   | No           | No                | No        | No             | No           | No            |
| 22  | Evaluation Criteria   | No           | No                | No        | No             | No           | No            |
| 23  | Draft RFP(s)  | No           | No                | No        | No             | No           | No            |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | No           | No                | No        | No             | No           | No            |
| 25  | Final RFP Evaluation of proposals   | No           | No                | No        | No             | No           | No            |
| 26  | Elimination from further consideration  | No           | No                | No        | No             | No           | No            |
| 27  | Other program or contracting activity   | No           | No                | No        | No             | No           | No            |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

07/15/2019

Date

## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

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(b) (6), (b) (7)(C) Return the completed matrix to (b) (6), (b) (7)(C).

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi   | Sally Donnelly | Victor Gavin | Robert Daigle |
|-----|---|--------------|-------------------|-------------|----------------|--------------|---------------|
| 1   | Cloud Executive Steering Group (CESG)   | No           | Yes - 6           | No          | No             | No           | Yes - 2,5,9   |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | No           | No                | No          | No             | No           | Yes - 2,5,9   |
| 3   | JROCM   | No           | No                | No          | No             | No           | No            |
| 4   | Problem Statement   | No           | No                | Yes - 2,5   | No             | No           | Yes - 2,5     |
| 5   | Business Case Analysis  | No           | No                | Yes - 2,6   | No             | No           | Yes - 2,5,7   |
| 6   | Functional (Business) Requirements  | No           | No                | No          | No             | No           | Yes - 2,5     |
| 7   | Technical Requirements (security/other)   | No           | No                | No          | No             | No           | No            |
| 8   | Gating  | No           | No                | No          | No             | No           | No            |
| 9   | RFI   | No           | No                | No          | No             | No           | No            |
| 10  | Industry Day  | No           | Yes - 2           | No          | No             | No           | Yes - 2       |
| 11  | One-on-one Meetings   | No           | No                | Yes - 2     | No             | No           | No            |
| 12  | Cloud Focus Sessions  | No           | No                | No          | No             | No           | No            |
| 13  | Intel Community Meetings  | No           | Yes - 9           | No          | No             | No           | No            |
| 14  | Market Research Report  | No           | No                | Yes - 2,3,5 | No             | Yes - 2      | No            |
| 15  | Acquisition Strategy  | No           | No                | No          | No             | Yes - 2      | Yes - 2       |
| 16  | Acquisition Plan  | No           | No                | No          | No             | No           | No            |
| 17  | Statement of Objective  | No           | No                | No          | No             | No           | Yes - 2       |
| 18  | Commercial Item Determination   | No           | No                | No          | No             | No           | No            |
| 19  | Contract Type Decision  | No           | No                | No          | No             | No           | No            |
| 20  | Full and Open Competition Decision  | No           | No                | No          | No             | No           | No            |
| 21  | Single Award Decision   | No           | No                | No          | No             | No           | Yes - 2,4,5   |
| 22  | Evaluation Criteria   | No           | No                | No          | No             | No           | No            |
| 23  | Draft RFP(s)  | No           | No                | No          | No             | No           | Yes - 7       |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | No           | No                | No          | No             | No           | No            |
| 25  | Final RFP Evaluation of proposals   | No           | No                | No          | No             | No           | No            |
| 26  | Elimination from further consideration  | No           | No                | No          | No             | No           | No            |
| 27  | Other program or contracting activity   | No           | Yes - 2,6         | No          | Yes - 2,6      | No           | No            |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

16 July 2019

Date



## DoD Office of Inspector General Review of the JEDI Cloud Acquisition

### Instructions:

In the matrix, write “yes” or “no” in each cell to indicate your first-hand knowledge of whether the official played a role in the JEDI matter listed in the “Activity” column. For each “yes,” write one or more of the numbers below to describe the role the official played in a particular activity (for example, “Yes; 1, 2, 8”).

- (1) issued guidance or direction,
- (2) attended related meetings,
- (3) conducted research,
- (4) provided data or other decision support information,
- (5) provided opinion or recommendation,
- (6) wrote or helped write a draft or final version,
- (7) reviewed a draft or final version,
- (8) approved or signed a final version,
- (9) other participation.

If you do not know whether the listed official played a role in a particular activity, indicate “IDK.” If you have questions, please contact (b) (6), (b) (7)(C)  
 Return the completed matrix to (b) (6), (b) (7)(C).

## JEDI Cloud Acquisition Matrix

| No. | Activity  | James Mattis | Anthony DeMartino | Deap Ubhi | Sally Donnelly | Victor Gavin | Robert Daigle      |
|-----|---|--------------|-------------------|-----------|----------------|--------------|--------------------|
| 1   | Cloud Executive Steering Group (CESG)   | N            | Y 2               | Y 2       | N              | N            | Y 2, 5             |
| 2   | Cloud Computing Program Office (CCPO) / Central Cloud Computing Program Office (C3PO) | N            | N                 | N         | N              | N            | Y 5                |
| 3   | JROCM   | N            | N                 | N         | N              | N            | N                  |
| 4   | Problem Statement   | N            | N                 | Y 3, 6    | N              | N            | Y 5                |
| 5   | Business Case Analysis  | N            | N                 | Y 3 (TOC) | N              | N            | N                  |
| 6   | Functional (Business) Requirements  | N            | N                 | N         | N              | N            | N                  |
| 7   | Technical Requirements (security/other)   | N            | N                 | N         | N              | N            | N                  |
| 8   | Gating  | N            | N                 | N         | N              | N            | N                  |
| 9   | RFI   | N            | N                 | Y 6, 7    | N              | N            | N                  |
| 10  | Industry Day  | N            | IDK               | N         | IDK            | IDK          | N                  |
| 11  | One-on-one Meetings   | N            | N                 | Y 2, 3    | N              | N            | N                  |
| 12  | Cloud Focus Sessions  | N            | N                 | Y 2, 3    | N              | Y 2          | N                  |
| 13  | Intel Community Meetings  | N            | N                 | IDK       | N              | N            | N                  |
| 14  | Market Research Report  | N            | N                 | Y 3       | N              | N            | N                  |
| 15  | Acquisition Strategy  | N            | N                 | N         | N              | Y 2          | N                  |
| 16  | Acquisition Plan  | N            | N                 | N         | N              | N            | N                  |
| 17  | Statement of Objective  | N            | N                 | N         | N              | N            | N                  |
| 18  | Commercial Item Determination   | N            | N                 | N         | N              | N            | N                  |
| 19  | Contract Type Decision  | N            | N                 | N         | N              | N            | N                  |
| 20  | Full and Open Competition Decision  | N            | N                 | N         | N              | N            | N                  |
| 21  | Single Award Decision   | N            | N                 | N         | N              | N            | N                  |
| 22  | Evaluation Criteria   | N            | N                 | N         | N              | N            | N                  |
| 23  | Draft RFP(s)  | N            | N                 | N         | N              | N            | N                  |
| 24  | Evaluation of industry responses to draft RFP(s)                                      | N            | N                 | N         | N              | N            | N                  |
| 25  | Final RFP Evaluation of proposals   | N            | N                 | N         | N              | N            | N                  |
| 26  | Elimination from further consideration  | N            | N                 | N         | N              | N            | N                  |
| 27  | Other program or contracting activity   | N            | N                 | N         | N              | N            | Y briefed Congress |

I certify that to the best of my knowledge, the answers I provided on this document are complete and correct.

(b) (6), (b) (7)(C)

Witness Signature

Witness Name

07/10/2019

Date

(b) (6), (b) (7)(C)

**From:** (b)(6), (b)(7)(C) @gsa.gov>  
**Sent:** Monday, July 1, 2019 6:19 PM  
**To:** (b)(6), (b)(7)(C) CIV OSD DOD CIO (USA)  
**Cc:** (b)(6), (b)(7)(C) OIG DoD; (b)(6), (b)(7)(C) OIG DoD; (b)(6), (b)(7)(C) OIG DoD; Greenwell, Roger S Sr SES DISA RE (USA); (b) (6), (b) (7)(C); (b)(6), (b)(7)(C) CIV DISA RME (USA); (b) (6), (b) (7)(C)  
**Subject:** [Non-DoD Source] Re: DoDIG FedRAMP Research

Good Evening,

Apologies in the delayed response, I have been tracking down the appropriate GSA POC to send this request to.

DOD IG, would you mind sending this request to (b)(6), (b)(7)(C) :  
(b)(6), (b)(7)(C) @gsa.gov for processing at GSA?

My signature block is:

(b)(6), (b)(7)(C)

Thank you and looking forward to providing responses.

Best,

(b)(6), (b)(7)(C)

\*twitter\*: @FedRAMP

\*website\*: www.fedramp.gov

On Wed, Jun 26, 2019 at 4:04 PM (b)(6), (b)(7)(C) CIV OSD DOD CIO (USA) <(b)(6), (b)(7)(C) @mail.mil> wrote:

> (b)(6), (b)(7)(C) - I am passing this on at the request of the DoDIG...  
> (C)

> Also, please provide your signature block...thanks in advance!

>

> R/S,

> (b)(6), (b)(7)(C)

> (C)

> -----Original Message-----

> From: (b) (6), (b) (7)(C) >

> Sent: Wednesday, June 26, 2019 4:00 PM

> To: (b)(6), (b)(7)(C) CIV DISA RE (USA) <

> (b)(6), (b)(7)(C) @mail.mil>; (b)(6), (b)(7)(C) CIV OSD DOD CIO

> (USA) (b)(6), (b)(7)(C) civ@mail.mil>

> Cc: (b) (6), (b) (7)(C)

> (b)(6), (b)(7)(C); Greenwell,  
> Roger S Sr SES DISA RE (USA) (b)(6), (b)(7)(C) @mail.mil>; (b) (6), (b) (7)(C)

> (b) (6), (b) (7)(C) >  
> Subject: RE: DoDIG FedRAMP Research  
>  
> Good Afternoon (b)(6), (b)(7) and (b)(6), (b)(7), We've compiled our formal questions to  
> follow-up from our teleconference on June 7, 2019 with you all and (b)(6), (b)(7)  
> (b)(6), (b)(7)(C) from FedRAMP. Please forward the attached RFI to (b)(6), (b)(7) so that we  
> can receive the formal response from FedRAMP. We'd appreciate it if (b)(6), (b)(7)  
> could provide a formal response from FedRAMP by July 8, 2019. If there (b)(6), (b)(7)  
> any issues with this timeframe, we can discuss. Also, could you all please  
> send (b)(6), (b)(7)(C) contact information to me so I have a direct contact? Thank  
> you. If you have any questions, please contact myself, (b) (6), (b) (7)(C), or  
> (b) (6), (b) (7)(C).v/ (b)(6), (b)(7)(C) AuditorCyberspace  
> OperationsU.S. DoD, Office of Inspector GeneralAlexandria,  
> VA703- (b)(6), (b)(7)(C) -----Original Message-----From: (b) (6), (b) (7)(C)  
> (b)(6), (b)(7)(C) > Sent: Thursday, June 6, 2019 1:49 PMTo:  
> (b)(6), (b)(7)(C) CIV DISA RE (USA) <  
> (b)(6), (b)(7)(C) .civ@mail.mil>; (b)(6), (b)(7)(C) CIV OSD DOD CIO  
> (USA) < (b)(6), (b)(7)(C) @mail.mil>Cc: (b) (6), (b) (7)(C)  
> (b)(6), (b)(7)(C) >Subject: RE: DoDIG FedRAMP ResearchHi  
> (b)(6), (b)(7)(C), Yes, 11:30 a.m tomorrow will work for us! I will send an meeting  
> invite with the conference line information. Will you be able to reach out  
> to (b)(6), (b)(7)(C) for us? Thank (b) (6), (b) (7)(C), Cyberspace  
> OperationsDepartment of Defense Office of the Inspector  
> GeneralOffice: (b) (6), (b) (7)(C) SIPR:  
> (b) (6), (b) (7)(C) -----Original Message-----From:  
> (b)(6), (b)(7)(C) CIV DISA RE (USA) <  
> (b)(6), (b)(7)(C) @mail.mil> Sent: Thursday, June 6, 2019 12:19  
> PMTo: (b) (6), (b) (7)(C)  
> (b)(6), (b)(7)(C) CIV OSD DOD CIO (USA) < (b)(6), (b)(7)(C) @mail.mil>Cc:  
> (b) (6), (b) (7)(C) >; (b) (6), (b) (7)(C)  
> (b)(6), (b)(7)(C) >Subject: RE: DoDIG FedRAMP  
> Research (b) (6), (b) (7)(C) (b)(6), (b)(7) and I have a meeting tomorrow morning from 9-11  
> with GSA in DC. Do you have time around 1130 to discuss your  
> questions/concerns with us? From discussion with (b)(6), (b)(7)(C), he indicated  
> (b) (5)  
> (b)(6), (b)(7)(C) have updated (b)(6), (b)(7)(C) email address as part of this  
> response. Please let us know if 1130 will work for your team. (b)(6), (b)(7) This  
> e-mail is from the Office of the Inspector General, Department of Defense,  
> and may contain information that is "Law Enforcement Sensitive" (LES) or  
> "For Official Use Only" (FOUO) or otherwise subject to the Privacy Act  
> and/or legal and or other privileges that restrict release without  
> appropriate legal authority.  
>  
>



(b)(6), (b)(7)(C)

## OIG DoD

**Subject:** DoDIG FedRAMP Research

**Location:** Conf. Line: 703-882-3652; Conference ID (b)(6), (b)(7)(C) #; Password (b)(6), (b)(7)(C) #

**Start:** Fri 6/7/2019 11:30 AM

**End:** Fri 6/7/2019 12:30 PM

**Recurrence:** (none)

**Meeting Status:** Accepted

**Organizer:** (b)(6), (b)(7)(C), OIG DoD

**Required Attendees:** (b)(6), (b)(7)(C) DISA RE (USA); (b)(6), (b)(7)(C) DOD CIO  
(USA); (b)(6), (b)(7)(C) @DODIG.MIL; (b)(6), (b)(7)(C) OIG DoD (b)(6), (b)(7)(C)  
(b)(6), (b)(7)(C) @DODIG.MIL; (b)(6), (b)(7)(C) OIG DoD (b)(6), (b)(7)(C)  
(b)(6), (b)(7)(C) @DODIG.MIL; (b)(6), (b)(7)(C) OIG DoD (b)(6), (b)(7)(C)  
(b)(6), (b)(7)(C) @DODIG.MIL

**Optional Attendees:** (b)(6), (b)(7)(C) OIG DoD; (b)(6), (b)(7)(C) OIG DoD; (b)(6), (b)(7)(C) OIG DoD;  
(b)(6), (b)(7)(C) OIG DoD; (b)(6), (b)(7)(C) OIG DoD; (b)(6), (b)(7)(C) OIG DoD;  
(b)(6), (b)(7)(C) OIG DoD; (b)(6), (b)(7)(C) OIG DoD

**Categories:** Meeting

Conf. Line: 703-(b)(6), (b)(7)(C); Conference ID (b)(6), (b)(7)(C) Password (b)(6), (b)(7)(C)

To discuss FedRAMP policy, RFPs, and contract awards.

(b)(6), (b)(7)(C)

Auditor, Cyberspace Operations

Department of Defense Office of the Inspector General

Office: 703-(b)(6), (b)(7)(C)

NIPR: (b)(6), (b)(7)(C) @dodig.mil

SIPR: (b)(6), (b)(7)(C) @dodig.smil.mil

**From:** (b) (6), (b) (7)(C)  
**To:**  
**Cc:**  
**Subject:** [Non-DoD Source] Re: Department of Defense, Office of Inspector General - Tomorrow's Interview  
**Date:** Tuesday, September 17, 2019 3:34:55 PM

---

Hi (b) (6), (b) (7)(C),  
Yes, today at 2 p.m. PST, is good for the interview.  
My phone no. is (b) (6), (b) (7)(C)  
Mr. Ubhi phone no is (b) (6), (b) (7)(C)  
Thanks.  
(b) (6), (b) (7)(C)

-----Original Message-----

**From:** (b) (6), (b) (7)(C)

**Sent:** Mon, Sep 16, 2019 11:53 am  
**Subject:** Department of Defense, Office of Inspector General - Tomorrow's Interview

(b) (6), (b) (7)(C),  
This is a follow-up email regarding our scheduled interview with your client, Mr. Deap Ubhi on Tuesday, September 17, 2019 at 2 p.m. Pacific Time. Please confirm your availability for our scheduled interview. We respectfully request that you provide our office with the number that you would like for us to contact your client, Mr. Ubhi for this scheduled interview. If this date and time is not feasible, please advise us at your earliest convenience.

Respectfully,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense, Office of Inspector General  
(b) (6), (b) (7)(C) (office)

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**From:** (b) (6), (b) (7)(C)  
**To:** Garrison, Marguerite C., SES, OIG DoD  
**Cc:** (b) (6), (b) (7)(C) oD  
**Subject:** RE: JEDI - Official Extension Request - Cummings TCL  
**Date:** Tuesday, March 3, 2020 2:52:49 PM

---

Ma'am,

I just conveyed, via phone, the new suspense date to Ms. Cummings' attorney.

v/r,

(b) (6), (b) (7)(C)

Investigations of Senior Officials

Department of Defense Office of Inspector General

4800 Mark Center Drive, (b) (6), (b) (7)(C) Alexandria, VA 22350-1500

(b) (6), (b) (7)(C)

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---

**From:** Garrison, Marguerite C., SES, OIG DoD (b) (6), (b) (7)(C) >

**Sent:** Tuesday, March 3, 2020 10:59 AM

**To:** Fine, Glenn A., SES, OIG DoD (b) (6), (b) (7)(C) >

**Cc:** (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) >; Hadjiyane, Paul, SES, OIG DoD (b) (6), (b) (7)(C)

**Subject:** RE: JEDI - Official Extension Request - Cummings TCL

Thanks, Sir.

V/R,

Margie

Marguerite C. Garrison

Deputy Inspector General

for Administrative Investigations

(b) (6), (b) (7)(C)

4800 Mark Center Drive  
Alexandria, VA 22350

(b) (6), (b) (7)(C)

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---

**From:** Fine, Glenn A., SES, OIG DoD (b) (6), (b) (7)(C) >

**Sent:** Tuesday, March 3, 2020 10:57 AM

**To:** Garrison, Marguerite C., SES, OIG DoD (b) (6), (b) (7)(C) >

**Cc:** (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) Hadjiyane, Paul, SES, OIG DoD (b) (6), (b) (7)(C)

**Subject:** RE: JEDI - Official Extension Request - Cummings TCL

I agree. Go ahead.

---

**From:** Garrison, Marguerite C., SES, OIG DoD (b) (6), (b) (7)(C) >

**Date:** Tuesday, Mar 03, 2020, 6:52 PM

**To:** Fine, Glenn A., SES, OIG DoD (b) (6), (b) (7)(C)

**Cc:** (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) >, Hadjiyane, Paul, SES, OIG DoD (b) (6), (b) (7)(C)

**Subject:** FW: JEDI - Official Extension Request - Cummings TCL

Sir,

(b) (6), (b) (7)(C) received a phone call from Ms. Cummings' attorney requesting a one-week extension.

(b) (5)



V/R,  
Margie  
Marguerite C. Garrison  
Deputy Inspector General  
for Administrative Investigations

(b) (6), (b) (7)(C)  
4800 Mark Center Drive  
Alexandria, VA 22350  
(b) (6), (b) (7)(C)

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~~If you are not the intended recipient please contact the sender by e-mail~~  
~~and destroy all copies of the original message and attachments.~~

-----Original Message-----

From: (b) (6), (b) (7)(C)  
Sent: Tuesday, March 3, 2020 10:20 AM  
To: Garrison, Marguerite C., SES, OIG DoD (b) (6), (b) (7)(C) >  
Cc: (b) (6), (b) (7)(C)  
Subject: JEDI - Official Extension Request - Cummings TCL  
Importance: High

Ma'am,

I just received a call from (b)(6), (b)(7)(C), Brownell  
Landrigan, PC, Washington, DC, (202) 822-1701, (b)(6), (b)(7)(C)

(b)(6), (b)(7)(C) said he has been trying to send, via e-mail, his official  
(C) request for a one week extension; however, all of his e-mails have been  
returned/failed delivery. (Note: we've had this problem with him - he can  
receive from us but our system is blocking anything inbound from him/his  
office.)

He is requesting a one week extension until March 12, 2020, to provide his  
response. He said his client, Ms. Cummings, is not available this week. He  
told me last week when I sent him the TCL that she was out of town and would  
not be back until late this week.

I advised him I would contact him at a later time once a decision is made on  
his request.

v/r,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense Office of Inspector General  
4800 Mark Center Drive, (b) (6), (b) (7)(C) Alexandria, VA 22350-1500

(b) (6), (b) (7)(C)

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**From:** [Cummings, Stacy A SES OSD OUSD A-S \(USA\)](#)  
**To:** (b) (6), (b) (7)(C)  
**Subject:** RE: Notification of DoD, Office of Inspector General Investigation Involving Ms. Stacy A. Cummings  
**Date:** Monday, January 27, 2020 10:50:45 AM

---

(b) (6), (b) (7)(C) I am in receipt of your email and your request to meet on Friday 31 JAN. I am free in the morning of 31 January. Can you give me an idea of how long you would like to meet? I suggest 0930 if that is convenient for you.

Stacy A. Cummings  
Principal Deputy Assistant Secretary of Defense, Acquisition Enablers  
Pentagon (b) (6), (b) (7)(C)

Acquisition Enablers: Empower, Analyze, Innovate

-----Original Message-----

**From:** (b) (6), (b) (7)(C) >  
**Sent:** Saturday, January 25, 2020 8:19 AM  
**To:** Cummings, Stacy A SES OSD OUSD A-S (USA) (b) (6), (b) (7)(C)  
**Cc:** (b) (6), (b) (7)(C)  
**Subject:** Notification of DoD, Office of Inspector General Investigation Involving Ms. Stacy A. Cummings

Dear Ms. Stacy A. Cummings,

This e-mail serves to notify you that the Department of Defense, Office of Inspector General (DoD OIG) received a complaint and initiated an investigation based on allegations that you may have potentially violated United States Code 18 § 208, Code of Federal Regulation (CFR) 2635.402, Federal Acquisition Regulation, 5 CFR 2635.502, and the Joint Ethics Regulation. The complaint alleged that you participated personally and substantially in a particular matter having a direct and predictable effect on your actual or imputed financial interests with Microsoft, Inc. The particular matter involves your participation in the DoD Joint Enterprise Defense Infrastructure (JEDI) Cloud acquisition whereas Microsoft Inc., competed for the JEDI Cloud contract and that you did not properly recuse yourself. You are the subject of this investigation.

It is important to note that at this stage of the investigation we have not substantiated any allegations against you. We would like to interview you on January 31, 2020 as part of our investigation and ask that you provide a time that is conducive to your schedule. This interview includes both Criminal and Administrative processes and will be conducted by Senior Investigators from the Defense Criminal Investigative Service (DCIS) Division, Senior Officials Investigations Division, and Senior Auditors within the DoD OIG. I have attached a copy of the DoD OIG Privacy Act notice for you to review prior to our interview. Additionally, you will receive a Garrity Rights Advisement form from the DCIS Investigator during our interview.

Please be advised that we take sworn recorded testimony. We protect witness and subject confidentiality to the extent possible, and seek to protect the rights, privacy, and reputations of all people involved in our investigations. We ask all participants not to discuss or reveal matters under investigation in efforts to maintain the integrity of our work. Accordingly, other than for scheduling purposes, we ask that you do not discuss the matter with anyone, except your personal attorney.

Ms. Cummings, if we substantiate misconduct, we will provide you with the DoD OIG preliminary conclusions for your review and an opportunity to provide additional information before finalizing our report of investigation.

I advise you not to attempt to find out who made these allegations or any possible emerging allegations; not to influence witnesses or discuss the investigation, as it may lead to additional allegations by persons who perceive that

you are trying to reprise against them, or interfere with an ongoing investigation; and not to destroy any documentation or e-mail.

Should you have questions, please contact me at my e-mail address above or call me at (703) (b)(6), (b)(7)(C).

Respectfully,

(b) (6), (b) (7)(C)

Investigations of Senior Officials  
Department of Defense, Office of Inspector General  
(b) (6), (b) (7)(C) office)

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