



SECRETARY OF DEFENSE  
1000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1000

7/21/2017

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR ACQUISITION,  
TECHNOLOGY, AND LOGISTICS  
UNDER SECRETARY OF DEFENSE FOR POLICY  
UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF  
FINANCIAL OFFICER

SUBJECT: Our Mission and Stewardship Responsibilities

In June 2017, the Special Inspector General for Afghanistan Reconstruction released a report titled, "Afghan National Army: DoD May Have Spent Up to \$28 Million More Than Needed to Procure Camouflage Uniforms That May be Inappropriate for the Afghan Environment."

I highlight this report because it reveals two truths about our line of work: (1) our every action contributes to our larger mission of defending the country; and (2) our procurement decisions have a lasting impact on the larger defense budget. As chairs of the Afghanistan Resource Oversight Council, you have a statutory responsibility to oversee procurements funded with Afghanistan Security Forces Fund; I expect you to perform your responsibility with rigor – just as I expect leaders at all levels in the Department to exercise the utmost degree of stewardship over every penny we spend.

Buying uniforms for our Afghan partners, and doing so in a way that may have wasted tens of millions of taxpayer dollars over a ten-year period, must not be seen as inconsequential in the grand scheme of the Department's responsibilities and budget. To the contrary, these actions connect directly to our mission and budget situation. The purpose of equipping the Afghan National Army is to bolster the Afghan Government's capacity to provide for its own security, and ultimately, to help defend our country from terrorist attack.

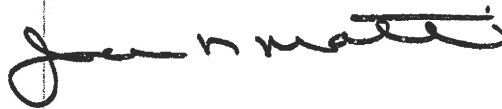
In my view, the key finding of the SIGAR report is not just that it exposes waste, or that it captures how funds were diverted away from other mission priorities, but rather that it serves as an example of a complacent mode of thinking. The report is an indication of a frame of mind – an attitude that can affect any of us at the Pentagon or across the Department of defense – showing how those of us entrusted with supporting and equipping troops on the battlefield, if we let down our guard, can lose focus on ensuring their safety and lethality against the enemy.

On my first day as Secretary of Defense, I wrote, "Every action we take will be designed to ensure our military is ready to fight today and in the future." It is imperative we align our actions to our larger mission and that we disaggregate priorities that increase the lethality of our forces from functions that are wasteful and unnecessary. Only by instilling budget discipline, by establishing a culture of cost awareness, and by holding ourselves accountable, can we earn the



trust and confidence of the Congress and the American people that we are the best possible stewards of taxpayer dollars.

Cavalier or casually acquiescent decisions to spend taxpayer dollars in an ineffective and wasteful manner are not to recur. This principle applies equally from the smallest procurement to the Department's largest programs. Rather than minimize this report or excuse wasteful decisions, I expect all DoD organizations to use this error as a catalyst to bring to light wasteful practices – and take aggressive steps to end waste in our Department. I'm counting on all hands to take effective action.

A handwritten signature in black ink, appearing to read "John R. Matti". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

cc:

Deputy Secretary of Defense  
Secretaries of the Military Departments  
Chairman of the Joint Chiefs of Staff  
Under Secretary of Defense for Personnel and Readiness  
Under Secretary of Defense for Intelligence  
Commander, U.S. Central Command  
Commander, U.S. Forces – Afghanistan  
Director of Cost Assessment and Program Evaluation  
Director, Defense Security Cooperation Agency  
Director, Defense Logistics Agency