

FOR OFFICIAL USE ONLY
NAVAL CRIMINAL INVESTIGATIVE SERVICES
RECORDS MANAGEMENT DIVISION
LAW ENFORCEMENT RECORDS

Package ID #: 0022113-000199

Name: COMMANDER NAVY REGION JAPAN YOKOSUKA JAPAN
IDENTIFICATI
AKA:

Social Security Number: _____ **Context:** Impersonal Title

Date of Birth: _____ **State of Birth:** _____ **Country of Birth:** _____

Case Number: 08MAR12FEYK01384YCR **Dossier:** _____

DCII INDEX CODE:
G = 25 years

RECORD SERIES #:
5580/4d(5)

Date Closed:
03/09/2012

RECORD SERIES (FILE PLAN)

Gen Mgmt, Sec & Safety Svcs - Provide Security Svcs - Law Enforcement - Non-Investigative Reports - NCIS Operations Reports (NORS)
Non-Investigative Reports

Comments:

No Polygraph Examination Conducted

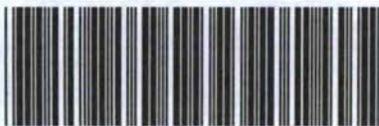
No Sexual Offender Registry Completed

Finger Prints Submitted to Code 23C2

No Final Disposition Report to FBI

CIS - _____ / _____
 Closed Status **Dup Title** **Dup CCN**

Disclosure/Accountability Statement: If this investigation is disseminated outside NCIS, complete NCIS Form 009/10-80, and ensure it is retained in the case file.



1 2 / 5 0 5 2

I, _____ (b)(6), (b)(7)(C) certify that this document has been reviewed and is complete.
Typed Name of SSA
13 MAR 12 _____
DATE _____ **GNATURE** _____ (b)(6), (b)(7)(C)

Unclassified when separated from attachment unless otherwise indicated.

FOR OFFICIAL USE ONLY

Privacy Act Statement
Privacy Sensitive - Any misuse or unauthorized disclosure may result in both civil or criminal penalties

Certified Mail
7008 1140 0001 8085 6768

000001

U.S. NAVAL CRIMINAL INVESTIGATIVE SERVICE

REPORT OF INVESTIGATION (INFO)

09MAR12

INTEGRATED SUPPORT (II)

CONTROL: 08MAR12-FEYK-0138-4YCR

I/COMMANDER NAVY REGION JAPAN, YOKOSUKA, JAPAN/IDENTIFICATION OF HSP
VULNERABILITIES AND COORDINATION WITH NAVAL AUDIT SERVICE

MADE AT/FEYK/YOKOSUKA JAPAN (b)(6), (b)(7)(C)

SPECIAL AGENT

REFERENCES

(A) (b)(7)(A)

(B)

- (C) NCISRA Yokosuka, Japan ROI (INFO)/S/MILITARY AGENCY SERVICES
PTY LTD, SYDNEY, AUSTRALIA/CCN: 28OCT11-FEYK-0637-4MCR
- (D) NCISRA Yokosuka, Japan ROI (INFO)/I/COMSUBGRU-7/YOKOSUKA,
JAPAN/IDENTIFICATION OF POTENTIAL VULNERABILITIES TO USN BY
HUSBANDING SERVICES PROVIDERS

NARRATIVE

1. On 08Mar12, Reporting Agent (RA) participated in a conference call
(b)(6), (b)(7)(C)

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

As background, (b)(6), (b)(7)(C) contacted RA on
02Mar12 to initiate contact and schedule the phone call. (b)(6), (b)(7)(C) related
that NAS Guam was going to begin researching vulnerabilities related to
Husbanding Service Providers (HSP) in the Far East region. (b)(6), (b)(7)(C) asked
RA if there were any potential areas already identified by NCIS as
areas for NAS to focus their research as HSP covers a very wide breadth
of topics.

2. During the phone conversation, RA explained her role as the NCIS
Economic Crimes Special Agent for the Far East and pursuant to these
duties, RA is partially integrated within the acquisition commands as
set forth in Reference (A). RA explained that in the seven months she
has been in the Far East, (b)(7)(A)

(b)(7)(A)

Reference (B) pertains.

3. RA related the vulnerabilities begin with the written contract.
For example, RA was notified of an issue in Sep11 regarding S/GDMA
charging the USN a "demerge" fee. According to the source of the
information, the USN utilized S/GDMA as the HSP for Collection, Holding
and Transfer (CHT) for sewage waste removal. GDMA utilized a barge for

~~FOR OFFICIAL USE ONLY~~

PAGE 1

WARNING

THIS DOCUMENT IS THE PROPERTY OF THE NAVAL CRIMINAL INVESTIGATIVE SERVICE
CONTENTS MAY BE DISCLOSED ONLY TO PERSONS WHOSE OFFICIAL DUTIES REQUIRE
ACCESS HERETO. CONTENTS MAY NOT BE DISCLOSED TO THE PARTY(S) CONCERNED
WITHOUT SPECIFIC AUTHORIZATION FROM THE NAVAL CRIMINAL INVESTIGATIVE SERVICE

SUBJ: I/COMMANDER NAVY REGION JAPAN/YOKOSUKA, JAPAN/IDENTIFICATION O

U.S. NAVAL CRIMINAL INVESTIGATIVE SERVICE

this service. GDMA invoiced the USN for the CHT service as well as charging a fee for GDMA's inability to service other vessels while they are servicing the USN vessel. When RA brought this issue to the Contracting Department at Naval Supply Command (NAVSUP), RA was informed the demerge was written into the contract and it was contractually legal. When pushing the issue further, RA was notified by (b)(6), (b)(7)(C) who was not in position at the time of the contract agreement, that it was "just bad contract writing." The NAS team commented that it did seem like a bad idea as it appears that S/GDMA charged the USN for servicing the vessel and for not being able to service any other vessels while being paid by the USN.

4. RA then provided information regarding Reference (B). RA related

(b)(7)(A)
 (b)(7)(A) RA
 then informed of (b)(6), (b)(7)(C)
 (b)(6), (b)(7)(C) who provided information related to a HSP called Military Agency Services (MAS), Sydney, Australia. MAS submitted fraudulent invoices to the Royal Australian Navy (RAN) and the USN for services provided free of charge by the RAN and (b)(6), (b)(7)(C) himself. The information provided by (b)(6), (b)(7)(C) was submitted to NCISRA Singapore in Reference (C). RA used the example of (b)(6), (b)(7)(C) and the follow-up meeting with (b)(6), (b)(7)(C) to explain their methods of administration of foreign port visits for COMSUBGRU-7 submarines in the Far East Region; Reference (D) pertains.

5. RA explained how (b)(6), (b)(7)(C) previous military service and years of civilian experience enable him to identify what services are necessary, reasonably priced, and reliable, in order to make decisions on what payments from HSP's are legitimate and which are not. (b)(6), (b)(7)(C) also is in close communications with (b)(6), (b)(7)(C) who selects the HSP's for port visits via S/GDMA's online website that provides three separate contractors' bids for services for every service requested by COMSUBGRU-7. The NAS team seemed impressed by (b)(6), (b)(7)(C) work model and agreed it could benefit the USN in general, if their model were to be attributed to the entire surface navy as well.

6. (b)(6), (b)(7)(C) asked RA if it were possible to arrange attendance at a foreign port visit for a USN submarine, small ship (Destroyer, Cruiser, or Frigate), and aircraft carrier in order to observe what occurs during a foreign port visit and to see how they are managed. RA agreed to request information on escorting any of the NAS personnel for a foreign port visit for any of the above mentioned types of vessels. NAS personnel also specifically requested that (b)(6), (b)(7)(C) participate in the submarine visit and for contact information for both

~~FOR OFFICIAL USE ONLY~~

PAGE 2

WARNING

THIS DOCUMENT IS THE PROPERTY OF THE NAVAL CRIMINAL INVESTIGATIVE SERVICE. CONTENTS MAY BE DISCLOSED ONLY TO PERSONS WHOSE OFFICIAL DUTIES REQUIRE ACCESS HERETO. CONTENTS MAY NOT BE DISCLOSED TO THE PARTY(S) CONCERNED WITHOUT SPECIFIC AUTHORIZATION FROM THE NAVAL CRIMINAL INVESTIGATIVE SERVICE.

SUBJ: I/COMMANDER NAVY REGION JAPAN/YOKOSUKA, JAPAN/IDENTIFICATION O

U.S. NAVAL CRIMINAL INVESTIGATIVE SERVICE

of them.

7. On 08Mar12, RA consulted with Supervisory Special Agent (SSA) (b)(6), (b)(7)(C) on the potential attendance of multiple foreign port visits with NAS. SSA (b)(6), (b)(7)(C) concurred with the idea and advised RA to research further into ship schedules and locations for potential funding constraints. RA also notified (b)(6), (b)(7)(C) via email of the potential contact from NAS personnel and for the possibility of participating in upcoming COMSUBGRU-7 foreign port visits.

8. Further interaction with NAS Guam is expected and will be reported via future informational reports.

PARTICIPANTS

(b)(6), (b)(7)(C) Supervisory Special Agent, NCISRA Yokosuka, Japan

DISTRIBUTION

NCISHQ: 023A

INFO: FEYK/002P/SNSN Attn: SA (b)(6), (b)(7)(C) (M)

CASE CONTROL		
	INITIALS	DATE
TRANSMITTED	(b)(6), (b)(7)(C)	3/12/12
CGS		3/12/12
MAILED SNSN		3/13/12
XEROXED		
FAXED		
SSD		
PROCOMM		
DMS		
CLEOC UPDATED		

~~FOR OFFICIAL USE ONLY~~

PAGE 3 LAST

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

V2 LNY

WARNING

THIS DOCUMENT IS THE PROPERTY OF THE NAVAL CRIMINAL INVESTIGATIVE SERVICE CONTENTS MAY BE DISCLOSED ONLY TO PERSONS WHOSE OFFICIAL DUTIES REQUIRE ACCESS HERETO. CONTENTS MAY NOT BE DISCLOSED TO THE PARTY(S) CONCERNED WITHOUT SPECIFIC AUTHORIZATION FROM THE NAVAL CRIMINAL INVESTIGATIVE SERVICE