

Druyun's Downfall

Darleen A. Druyun, the Air Force's top career civilian acquisition official from 1993-2002, was sentenced Oct. 1 to prison time and later probation after she admitted that, while in her USAF position, she gave Boeing preferential treatment on numerous contracts.

Among these was a controversial \$20 billion lease program for Boeing KC-767 aerial tankers.

Druyun confessed that she performed the favors to "ingratiate" herself with the company in order to win a high-paying executive position for herself after retiring from the Air Force and to secure employment with the company for her daughter and son-in-law.

She received a sentence of nine months in prison, followed by additional, undetermined detention or house arrest, and three years' probation.

The sentence and the confessions shocked the Air Force. Druyun had been expected to receive a six-month suspended sentence—or less—for conspiracy. She had previously admitted having inappropriate negotiations with Boeing officials about a potential post-retirement job, but had denied offering any kind of quid pro quo for Boeing while she was still working for the Air Force.

However, during the US attorney's investigation of the matter, Druyun failed a polygraph test and then admitted she had lied about the facts. She admitted fabricating diaries to support her original version of the story.

Druyun did, in fact, sign on with Boeing, after leaving the Air Force, as head of its missile defense business activities in Washington, D.C. Her compensation (\$250,000 a year and a \$50,000 signing bonus) was more than double what she earned with the Air Force. She was terminated from the Boeing post when the allegations about the conspiracy first surfaced last year.

In a statement issued as part of a plea agreement, Druyun admitted awarding Boeing a \$4 billion contract to upgrade the avionics on C-130 aircraft when an "objective" source selection process may not have given the work to Boeing. She considered herself indebted to Boeing for employing her daughter and son-in-law, she said in court papers.

She admitted passing to Boeing information about the offer of rival European Aeronautic Defense and Space Co. to supply aerial tankers and then negotiating a lease deal with Boeing for 767 tankers that she believed gave the company a better deal than was "appropriate."

There were other favors. She agreed the Air Force would pay Boeing a \$412 million settlement in a dispute over C-17 production and agreed to a price for Boeing to upgrade NATO AWACS aircraft that was \$100 million more generous than she believed the work was worth. The latter deal, she said in court papers, was a "parting gift" to the company before she left office. However, Druyun also said the AWACS move was motivated by the fact that Boeing had agreed to reassign her daughter, who was facing dismissal from the company for poor performance. Druyun's daughter later left Boeing, but her son-in-law was still employed with the company at

the time of Druyun's sentencing.

Druyun's power was so great during the nearly 10 years she held the USAF post that it eclipsed that of the political appointees for whom she supposedly worked. When she left in 2002, the Air Force did not replace her. A service spokesman said that "by virtue of the fact that this position usually had a significantly longer tenure than the assistant secretary of the Air Force for acquisition, [she] was able to exercise more authority than the position warranted."

Prosecutors in the case asked for a 16-month sentence, but US District Court Judge T.S. Ellis said he had been moved by many testimonials touting Druyun as a diligent public servant who made her mistakes only at the end of an otherwise spotless career.

Nevertheless, Ellis said at the sentencing hearing, "I think an example needs to be set" to discourage other public servants from making similar "mistakes."

The Air Force Reacts

The Air Force said in a statement that Druyun's mistakes were her own and don't "reflect the high levels of integrity and accountability within the Air Force acquisition community." The service said its recent changes to the acquisition system will "strengthen" the system and "reduce the likelihood of this happening again." (See "Operational Acquisition," August, p. 54.)

USAF also noted that, shortly after Druyun's initial misbehavior came to light, Air Force Secretary James G. Roche asked the Pentagon's inspector general to "fully investigate" her contracting activities in the two years leading up to her retirement. That probe was still under way in mid-October.

Reacting to the revelations, the chief critic of the proposed tanker deal, Sen. John McCain (R-Ariz.), said the confessions prove that the leasing scheme "was a folly from the start."

A Pentagon spokesman said that the NATO AWACS contract is being renegotiated. He also said that if the Pentagon IG discovers wrongdoing on more contracts, they, too, will be renegotiated.