



NATIONAL RECONNAISSANCE OFFICE
Office of Inspector General
14675 Lee Road
Chantilly, VA 20151-1715



11 February 2020

MEMORANDUM FOR DIRECTOR, OFFICE OF CONTRACTS
DIRECTOR, OFFICE OF SECURITY AND COUNTERINTELLIGENCE

SUBJECT: (U) Summary Report of Investigation: Labor Mischarging
(Case Number 15-0041-I)

(U//~~FOUO~~) The National Reconnaissance Office (NRO) Office of Inspector General (OIG) initiated an investigation based on information alleging [redacted] had mischarged time to multiple NRO contracts. The attached Summary Report of Investigation details the investigation results.

(b)(3)
(b)(7)(c)

(U//~~FOUO~~) The OIG requests that the Director, Office of Security and Counterintelligence, place a copy of this report in the appropriate security file, along with a notation in the appropriate security databases. All other copies are for informational purposes only and should be returned to the OIG.

(U//~~FOUO~~) You may share information contained within this report with those individuals you deem necessary to complete the requested actions. If there are other persons who you believe require access as part of their official duties, please let me know, and I will promptly review your request. Questions regarding this summary may be directed to Special Agent in Charge [redacted] (secure) or to the undersigned at [redacted] (secure).

(b)(3)

(b)(3)
(b)(6)

Assistant Inspector General for Investigations

Attachment:
(U) Summary Report of Investigation
(Case Number 15-0041-I) (U//~~FOUO~~)

cc:
General Counsel



UNCLASSIFIED//~~FOUO~~ when separated
from classified document

(b)(3)

SUBJECT: (U) Summary Report of Investigation: Labor Mischarging
(Case Number 15-0041-I)

OIG/[redacted]/11 Feb 20

(b)(3)

DISTRIBUTION:

Hard Copy

Director, Office of Contracts

General Counsel

Office of General Counsel [redacted]

Director, Office of Security and Counterintelligence

OIG Official Record [redacted]

(b)(3)

~~SECRET//TK//NOFORN~~

*(U) National Reconnaissance Office
Office of Inspector General*

[Redacted]

(b)(3)

(U) SUMMARY REPORT OF INVESTIGATION

(U) (15-0041-I)

11 February 2020

~~(S//TK//NF)~~ Section A – Subject:

1. ~~(S//TK//NF)~~ Full Name: [Redacted]

(b)(3)
(b)(7)(c)

AIN: [Redacted]

(b)(3)

DPOB: [Redacted]

Former Employer: [Redacted]

Contract Numbers: [Redacted]

(b)(1)
(b)(3)

[Redacted]

(b)(3)

~~SECRET//TK//NOFORN~~

~~SECRET//TK//NOFORN~~**(U) Section B – Predication:**

2. (~~S//TK//NF~~) On 4 August 2015, the National Reconnaissance Office (NRO) Office of Inspector General (OIG) received notice from the Office of Security and Counterintelligence (OS&CI) regarding an allegation that [redacted] fraudulently recorded hours he claimed to have worked. At the time of the allegation, [redacted] was employed as a Product Engineer with [redacted] on multiple U.S. Government contracts to include the [redacted] and the [redacted]. As reported, [redacted] alleged actions potentially violated 18 United States Code § 287, *False, Fictitious, and Fraudulent Claims*, which makes it unlawful for anyone to make any claim upon or against the United States, or any department or agency thereof, knowing such claim to be false, fictitious, or fraudulent.

(b)(3)
(b)(7)(c)
(b)(3)
(b)(1)
(b)(3)
(b)(3)
(b)(7)(c)**(U) Section C – Investigative Findings:**

3. (U//~~FOUO~~) During an interview conducted by the OIG, [redacted] initially reported he had engaged in multiple periods of mischarging, all while employed by [redacted] across several U.S. Government contracts. The periods provided were 2003 through 2007, at which time he voluntarily left his employment with [redacted]. Subsequent to his return to [redacted] in 2009, he resumed his pattern of mischarging until 2015. [redacted] estimated that the time mischarged to NRO contracts ranged from one to eight hours per pay period throughout each referenced timeframe. He claimed he always completed his required duties, and did so at a high level, citing his receipt of various awards and recognition. He admitted not working the full hours he claimed on his timecards during the relevant period.

(b)(3)

(b)(3)
(b)(7)(c)

4. (U//~~FOUO~~) The OIG obtained information from [redacted] reflecting its analysis that [redacted] had mischarged approximately 640 hours for the period 2009 through 2015. [redacted] determined that the NRO was due a refund of [redacted] to account for [redacted] mischarged time during the relevant period. [redacted] further reported that it was unable to obtain any records reflecting [redacted] activities in [redacted] facilities for the period 2003 to 2007. The OIG's investigation did not produce any information contrary to these findings.

(b)(3) (b)(3)
(b)(4)(b)(3)
(b)(3)
(b)(7)(c)

5. (U//~~FOUO~~) The OIG subsequently contacted the Defense Contract Audit Agency (DCAA) for support in reviewing [redacted] records relevant to [redacted] activities. DCAA completed a review of the internal audit and investigative accounting provided by [redacted] and concurred with [redacted] findings.

(b)(3)

(U) Section D – Conclusion:

6. (U//~~FOUO~~) Both the United States Attorney's Office, Central District of California, and the Los Angeles County District Attorney's Office, declined prosecution.¹ [redacted] terminated [redacted] employment on 4 February 2017. The NRO contracting officer agreed to an administrative settlement with [redacted] and pursuant to that settlement, [redacted] reimbursed the [redacted]

(b)(3)
(b)(3)
(b)(7)(c)

¹ (U//~~FOUO~~) The OIG's final report on this matter was delayed due to considerations by the Los Angeles County District Attorney's Office, which ultimately declined interest on 23 September 2019.

~~SECRET//TK//NOFORN~~

~~SECRET//TK//NOFORN~~

NRO for [redacted] mischarged hours via credits to the affected contracts for [redacted] on 7 July 2017. As a result of [redacted] actions, he was removed from access to NRO programs and provided a Notice of Proposed Debarment by the Air Force Office of Deputy General Counsel Contractor Responsibility and Contract Resolution effective 27 September 2018. All OIG actions are complete.

(b)(3)
(b)(4)
(b)(3)
(b)(7)(c)

7. (U//~~FOUO~~) The OIG requests the Director, OS&CI place a copy of this report in [redacted] security file along with a notation in the appropriate security databases.

[redacted]

Special Agent in Charge

(b)(3)
(b)(6)

~~SECRET//TK//NOFORN~~