



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 19-0030-I)

(U//~~FOUO~~) The National Reconnaissance Office (NRO) Office of Inspector General (OIG) initiated an investigation based on allegations that [redacted] mischarged time to an NRO contract in the Ground Enterprise Directorate. The attached Summary Report of Investigation (SROI) 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~~) The OIG asks that the Director, Office of Contracts (D/OC) determine whether it is in the government's interest to initiate the debarment process against [redacted] pursuant to the Federal Acquisition Regulation 9.406. The D/OC should report the result of his determination as well as any action taken or anticipated to the OIG within 45 days from the date of this report.

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

(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 to this SROI as part of their official duties, please let us know, and we will promptly review your request.

(U//~~FOUO~~) Questions regarding this summary may be directed to Special Agent in Charge [redacted] (secure) or to the undersigned at [redacted] (secure).

(b)(3)

[redacted signature box]

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

Assistant Inspector General for Investigations

Attachment:
(U) Summary Report of Investigation:
(Case Number 19-0030-I)

cc:
General Counsel

SUBJECT: (U) Summary Report of Investigation: Labor Mischarging
(Case Number 19-0030-I)

OIG/[]/11 Feb 20

DISTRIBUTION:

Director, Office of Contracts

General Counsel

Office of General Counsel []

Director, Office of Security and Counterintelligence

OIG Official Record []

(b)(3)

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

[Redacted]

(b)(3)

(U) SUMMARY REPORT OF INVESTIGATION

(U) (19-0030-I)

11 February 2020

(U) Section A – Subject:

1. ~~(U//FOUO)~~ Full name: [Redacted]

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

AIN: [Redacted]

Employer: [Redacted]

(b)(3)

Contract: [Redacted]

Dates Supporting Contract: 17 September 2017 to 27 September 2018

Program Supported: Ground Enterprise Directorate [Redacted]

[Redacted]

(b)(3)

Occupation: [Redacted]

(U) Section B – Predication:

2. (U//~~FOUO~~) On 11 September 2018, the National Reconnaissance Office (NRO) Office of Inspector General (OIG) received an allegation that [redacted] charged hours to an NRO contract on a day when he could not be located by his program office. At the time of the allegation, [redacted] was employed by [redacted] which is a subcontractor to [redacted] in the Ground Enterprise Directorate. The OIG initiated an investigation since [redacted] alleged actions potentially violated 18 United States Code (U.S.C.) § 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 of agency thereof, knowing such claim to false, fictitious, or fraudulent. (b)(3) (b)(3) (b)(7)(c)

(U) Section D – Investigative Findings:

3. (U//~~FOUO~~) The OIG compared [redacted] badge records from 01 September 2017 to 30 September 2018¹ against the hours he billed to [redacted] through his employer, [redacted]. The OIG credited [redacted] for all time spent in NRO spaces, as well as time spent at National Geospatial-Intelligence Agency (NGA) and [redacted] spaces. [redacted] was given credit for hours billed in September 2017 even though NRO records indicate [redacted] was not briefed for special compartments by the NRO until 17 October 2017. The OIG determined [redacted] recorded approximately 558 hours for which he did not work as claimed. (b)(3)

4. (U//~~FOUO~~) The OIG interviewed [redacted] Contracting Officer's Technical Representative (COTR). The COTR stated [redacted] had no defined schedule. He was unaware of how [redacted] knew he was supposed to be in the office. The COTR stated [redacted] had an assigned desk at NRO Headquarters, in Chantilly, Virginia. [redacted] was one of the few [redacted] personnel with dedicated space at NRO Headquarters because his duties involved supporting program office leadership. According to the COTR, [redacted] duties generally required access to a classified information system, and [redacted] could have worked from NRO Headquarters, NGA Headquarters, or [redacted] spaces. (b)(3) (b)(7)(c) (b)(3)

5. (U//~~FOUO~~) The COTR also described the instigating incident that precipitated [redacted] to question [redacted] billing. In August 2018, program office personnel could not locate [redacted] for an immediate task to provide support to senior leadership. Program office personnel complained to the COTR, who notified the [redacted] program manager. Attempts to contact [redacted] were unsuccessful. The [redacted] program manager subsequently noticed [redacted] claimed seven hours that day. The COTR stated he did not confront [redacted] regarding this incident or previous absences because the COTR believed it to be an OIG issue.² (b)(3) (b)(3) (b)(7)(c) (b)(3)

¹ (U//~~FOUO~~) This period covered the full extent of [redacted] potentially billable time up to the month in which the allegation was received.

² (U//~~FOUO~~) The OIG had no prior complaint or information regarding [redacted] from the COTR or other parties. (b)(3) (b)(7)(c)

6. (U//~~FOUO~~) The OIG contacted the [redacted] program manager with oversight of the contract and knowledge of [redacted] duties. The [redacted] program manager stated that all of [redacted] expected work under the contract needed to be done in a classified facility.

(b)(3)

7. (U//~~FOUO~~) The OIG obtained records that indicated [redacted] last billed [redacted] for hours attributed to [redacted] on 14 September 2018. Security records reflected [redacted] was debriefed from access to NRO programs on 8 February 2019.

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

8. (U//~~FOUO~~) The OIG interviewed [redacted] on 6 August 2019. During the interview, the OIG presented him with a copy of the OIG’s analysis regarding discrepancies in his billing practices. [redacted] claimed that during the relevant timeframe, he worked “almost” full-time, 30 to 40 hours a week, and did not support any other contracts.

[redacted] stated he attended classified meetings at [redacted] NGA, and the [redacted] [redacted]³ He also stated he conducted work outside of classified spaces, but did not have government authorization to do so and ceased when [redacted] became aware of the practice and told him to stop.

(b)(3)

(U) Section E – Conclusion:

9. (U) The United States Attorney’s Office for the Eastern District of Virginia declined interest in this case in lieu of administrative action by the government. The cognizant NRO Contracting Officer agreed to an administrative settlement with [redacted] in the amount of [redacted] which was paid via a check to the United States Treasury, dated 9 October 2019. [redacted] was removed from access to NRO programs during this investigation. All investigative steps are complete to date.

(b)(3)
(b)(4)

(b)(3)

10. (U//~~FOUO~~) The OIG requests the Director, Office of Security and Counterintelligence, place a copy of this report in [redacted] security file, along with a notation in the appropriate security databases.

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

11. (U//~~FOUO~~) The OIG asks that the Director, Office of Contracts determine whether it is in the government’s interest to initiate the debarment process against [redacted] pursuant to the Federal Acquisition Regulation 9.406. The D/OC should report the result of his determination, as well as any action taken or anticipated, to the OIG within 45 days of the date of this report.

[redacted signature box]

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

Special Agent in Charge

³ (U//~~FOUO~~) The OIG obtained relevant records for NGA and [redacted] spaces. The OIG contacted [redacted] [redacted] for badge records. [redacted] was unable to locate any relevant records. The OIG did not credit [redacted] for any meetings at [redacted]

(b)(3)

⁴ (U//~~FOUO~~) The settlement amount notwithstanding, the OIG obtained records reflecting [redacted] had calculated the value of the mischarged hours as [redacted]

(b)(3)

(b)(3)

(b)(7)(c)

(b)(4)