



NATIONAL RECONNAISSANCE OFFICE

*Office of Inspector General
14675 Lee Road
Chantilly, VA 20151-1715*



24 January 2018

MEMORANDUM FOR DIRECTOR, OFFICE OF CONTRACTS
GENERAL COUNSEL

SUBJECT: (U) Summary Report of Investigation: False Claim
(Case Number 16-0038-I)

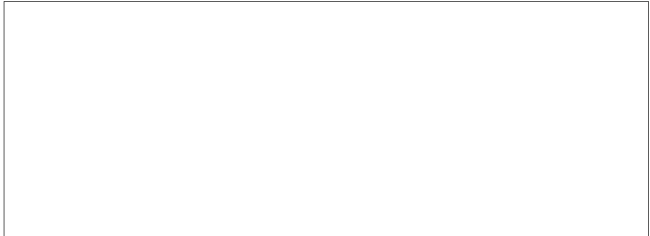
(U//~~FOUO~~) The National Reconnaissance Office (NRO), Office of Inspector General (OIG) conducted a joint investigation with the Department of Justice (DOJ) regarding a complaint against [redacted] [redacted] for violations of the False Claims Act in connection with a [redacted] contract. The attached Summary Report of Investigation details the investigation results.

(b)(3)

(U//~~FOUO~~) You may share information contained within this report with those individuals you deem necessary. If individuals other than the addressees require a copy of this report, please notify the undersigned, and the OIG will promptly review the request. Upon completion of all requested actions, please return all copies of this ROI to the OIG.

(U//~~FOUO~~) If you have any questions concerning this report, please contact Special Agent in Charge [redacted] (secure).

(b)(3)



Attachment:
(U) Summary Report of Investigation
(Case Number 16-0038-I) ~~(S//TK//NF)~~



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

(b)(3)

SUBJECT: (U) Summary Report of Investigation: False Claim
(Case Number 16-0038-I)

OIG/[redacted]/24 January 2018

(b)(3)

DISTRIBUTION:

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Director, Office of Contracts

General Counsel

OIG Official Record [redacted]

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~~“Upon removal of the attachment this document is UNCLASSIFIED//FOR OFFICIAL USE ONLY”~~

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

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(U) SUMMARY REPORT OF INVESTIGATION

(U) (16-0038-I)

24 January 2018

(U) Section A – Subject:

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

Current Contract Number:

(b)(3)

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(U) Section B – Predication:

1. (U//~~FOUO~~) The Department of Justice (DOJ) informed the National Reconnaissance Office (NRO), Office of Inspector General (OIG) it had filed a civil complaint on 13 June 2014 against [redacted] for violations of the False Claim Act in connection with a [redacted] contract. DOJ received information in August 2009 alleging [redacted] overcharged the government by not disclosing current, accurate, and complete commercial discounts, so that [redacted], and others using the [redacted] contract as a purchasing vehicle, would receive [redacted] best pricing as claimed. [redacted] is an information technology management software and services company, which provides goods and services to the NRO and its contractors.

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(U) Section C – Potential Violations:

2. (U) 31 U.S.C. §3729 *False Claims* makes it unlawful for anyone to knowingly present, or cause to be presented, a false or fraudulent claim for payment or approval.

(U) Section D– Investigative Findings:



(b)(1)
(b)(3)
(b)(5)

[Redacted]

(b)(1)
(b)(3)
(b)(4)
(b)(5)

(U) Section D – Conclusion:

(b)(3)

6. (U//~~FOUO~~) In March 2017, [Redacted] agreed to pay [Redacted] to the U.S. Government to resolve allegations that it made false statements and claims in the negotiation and administration its contract with [Redacted] action allegedly caused the NRO and other government agencies to overpay for the goods and service purchased from [Redacted] The NRO subsequently elected not to recover its portion of the settlement.³

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

[Redacted]

(b)(3)

[Redacted]

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