



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



6 February 2019

MEMORANDUM FOR DIRECTOR, NATIONAL RECONNAISSANCE OFFICE
PRINCIPAL DEPUTY DIRECTOR, NATIONAL RECONNAISSANCE OFFICE
DIRECTOR, SPECIAL COMMUNICATIONS OFFICE
GENERAL COUNSEL
DIRECTOR, OFFICE OF CONTRACTS
DIRECTOR, OFFICE OF SECURITY AND COUNTERINTELLIGENCE

SUBJECT: (U) Summary Report of Investigation: False Claim
(Case Number 13-0021-I)

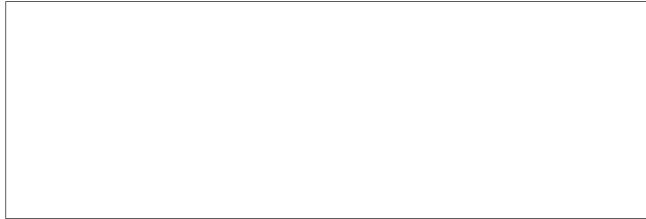
(U//~~FOUO~~) The National Reconnaissance Office, Office of Inspector General (OIG) conducted a joint investigation with the Department of Justice and the Defense Criminal Investigation Service regarding a complaint against [redacted] for violations of the False Claims Act concerning information systems security noncompliance. The attached Summary Report of Investigation (SROI) details the investigation results.

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(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. Please return all copies of this SROI to the OIG.

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

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Attachment:

~~(S//TK//NF)~~ SROI
(Case Number 13-0021-I) ~~(S//TK//NF)~~



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

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SUBJECT: (U) Summary Report of Investigation: False Claim
(Case Number 13-0021-I)

OIG/[redacted] 6 February 2019

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DISTRIBUTION:

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- Director, National Reconnaissance Office
- Principal Deputy Director, National Reconnaissance Office
- Director, Special Communications Office
- General Counsel
- Director, Office of Contracts
- Director, Office of Security and Counterintelligence
- OIG Official Record [redacted]

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

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(U) SUMMARY REPORT OF INVESTIGATION

(U) (13-0021-I)

6 February 2019

(U) Section A – Subject:

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

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Current Contract Number:

Prior Contract Number:

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(U) Section B – Predication:

2. (U//~~FOUO~~) On 22 February 2013, the Civil Division of the United States Attorney’s Office for the District Court [redacted] informed the National Reconnaissance Office (NRO) Office of Inspector General (OIG) it had filed a complaint on 14 February 2013 against [redacted] and named [redacted] employees for violations of 31 United States Code (U.S.C.) § 3729, *False Claims*. The complaint was related to NRO Special Communications Office (SCO) contracts for specialized intelligence computer software and hardware in support of the national security and intelligence activities of the United States. The complaint alleged [redacted] routinely provided information known to be false to the NRO regarding these contracts’ mandated security requirements in order to maximize profit. Specifically, the complaint alleged that [redacted] made false certifications regarding their compliance with mandatory security requirements in furtherance of obtaining 100 percent award fee scores. The NRO OIG, the Department of Justice (DOJ), and subsequently, the Defense Criminal Investigative Service (DCIS)¹ initiated an investigation of [redacted] concerning the work performed in support of the SCO’s [redacted] program from 2008 through 2015.

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3. (U//~~FOUO~~) The OIG determined that the information as alleged in the complaint potentially implicated the security of sensitive national intelligence programs. As a result, in coordination with the DOJ, the OIG made early notifications to SCO and other NRO offices for their respective consideration and action as appropriate. The OIG subsequently provided timely updates and information to these offices as the investigation progressed.

(U) Section C – Potential Violations:

4. (U) 31 U.S.C. § 3729 (a), *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:

[Large redacted area]

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¹ (U//~~FOUO~~) The allegations were exclusive to an NRO program. [redacted]

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² (U//~~FOUO~~) [redacted]

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(U) Section D – Conclusion:

14. (U//~~FOUO~~) The investigation developed sufficient credible evidence to substantiate the allegations that [redacted] repeatedly failed to comply with security requirements for two NRO SCO contracts from 2008 through 2015 resulting in insufficient system security safeguards on critical IT systems while contemporaneously billing the NRO as if [redacted] was compliant with the requirements. The DOJ entered into a [redacted] settlement agreement with [redacted] on behalf of the NRO on 28 June 2018 stipulating the United States dismiss its claims against [redacted]. The case remains under seal at the U.S. District Court for the District [redacted] to protect the highly sensitive NRO intelligence program. All OIG actions are complete to date.

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[redacted]

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¹² (U//~~FOUO~~) [redacted]

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