



NATIONAL RECONNAISSANCE OFFICE

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



19 September 2016

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

SUBJECT: (U//~~FOUO~~) Summary Report of Investigation: False Statement
(Case Number 16-0039-I)

(U//~~FOUO~~) The National Reconnaissance Office (NRO) Office of Inspector General (OIG) initiated an investigation based upon information alleging [redacted] falsified test results on an NRO program. The attached Summary Report of Investigation details the investigation results.

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

(U//~~FOUO~~) The OIG recommends that the Director, Office of Contracts determine whether debarment of [redacted] pursuant to the Federal Acquisition Regulation 9.406, is in the government's interest. The Director, Office of Contracts 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.

(U//~~FOUO~~) You may share information contained within this report with those individuals you deem necessary to complete the requested actions. 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, with the exception of any copy placed in [redacted] security file.

CL BY: [redacted]

DECL ON: 20410919

DRV FM: INCG 1.0, 13 February 2012

(b)(3)

SUBJECT: (U//~~FOUO~~) Summary Report of Investigation: False Statement
(Case Number 16-0039-I)

(U//~~FOUO~~) Questions regarding this report may be directed to
Deputy Assistant Inspector
or to me at

(b)(3)



Assistant Inspector General
for Investigations

Attachment:

(U) Summary Report of Investigation
(Case Number 16-0039-I) (~~S//TK//NF~~)

cc:

General Counsel

SUBJECT: (U) Summary Report of Investigation: False Statement
(Case Number 16-0039-I)

OIG September 2016

(b)(3)

DISTRIBUTION:

Hard Copy

Director, Office of Contracts

General Counsel

Executive Officer, Office of Security and Counterintelligence

OIG Official Record

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

(U) SUMMARY REPORT OF INVESTIGATION

(U) (16-0039-I)

19 September 2016

(U) Section A – Subject:

1. ~~(S//TK//NF)~~ Full Name: (b)(3)
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Employer:

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

Current Contract Number: None

Previous Contract Numbers:

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

Job Title:

CL BY:

DECL ON: 20410523

DRV FM: INCG 1.0, 13 February 2012

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(U) Section B – Predication:

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2. ~~(S//TK//NF)~~ On 21 August 2014, The National Reconnaissance Office (NRO), Office of Security and Counterintelligence (OS&CI) reported to the Office of Inspector General (OIG) that it had developed information that [redacted] a [redacted] employee assigned to contract [redacted] had falsified test results related to the contract at the company’s facilities located in [redacted]

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[redacted] The OS&CI reported that [redacted] knowingly conducted testing that was against the company’s established protocols and then submitted the results to his management as if the results were legitimate. As reported, [redacted] actions violated 18 U.S.C. §1001, False Statements, which makes it unlawful for any person to knowingly falsify or conceal a material fact; or to make a materially false, fictitious, or fraudulent.

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(U) Section C – Investigative Findings:

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3. ~~(S//TK//NF)~~ The OIG obtained OS&CI records which evidenced that during [redacted] security processing on 7 August 2014, he reported that on approximately 9 July 2014 he conducted heat treatment processing on two different metal hardware parts, from two separate work-orders, using a single oven, thus exposing one of the parts to incorrect and unacceptable temperatures. [redacted] stated he subsequently altered the details of the corresponding processing certificate to make it appear that he had conducted the process within acceptable parameters and with a favorable outcome. He stated he performed these actions during the course of his assigned duties on an NRO program, which he knew to be [redacted] The OS&CI immediately communicated the details of [redacted] statement to the NRO [redacted]

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4. ~~(S//TK//NF)~~ On 8 August 2014, [redacted] Security notified [redacted] of its concerns regarding [redacted] actions. During this notification, [redacted] responded that it was not aware of any reporting disclosures made by [redacted] or any of its employees. [redacted] Security subsequently requested that [redacted] be removed from any NRO program related duties located at [redacted] After his removal from NRO programs, [redacted] provided the details noted herein of the incident to [redacted] Security.

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5. ~~(S//TK//NF)~~ The OIG obtained records from [redacted] reflecting the company’s response to the alleged incident. This “Disclosure of Misconduct by Employee” report contained [redacted] internal investigation and corrective measures regarding [redacted] actions associated with the NRO’s [redacted] As set forth in the report [redacted] disclosed to [redacted] that despite the faulty testing process, he allowed the treatment to conclude, and then prepared an inaccurate record using time and temperature data from an older, previously completed heat treatment

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procedure which reflected satisfactory results. The report further noted [redacted] informed [redacted] he falsified the report in an attempt to conceal his actions.

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6. (U//~~FOUO~~) In response to its investigation of [redacted] actions, [redacted] took appropriate corrective action to identify and isolate the affected parts. [redacted] provided assurances it did not install any of the affected parts into any flight hardware and notified the NRO of the incident and its corrective actions. The OIG investigation did not produce any information contrary to these findings.

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(U) Section D – Conclusion:

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7. (S//~~TK//NF~~) [redacted] knowingly submitted falsified test results for parts related to an NRO program. Due to the isolated nature of the event and the company’s corrective actions, the United States Attorney’s Office, Central District of California declined interest in the case. [redacted] reported the incident and its corrective actions to the cognizant [redacted] Contracting Officer, who subsequently requested and received a reimbursement on 7 January 2015 from [redacted] in the amount of \$295.29 to account for the time associated with [redacted] actions. [redacted] resigned from [redacted] prior to any administrative action taken against him by his employer. He was administratively removed from NRO access by virtue of his resignation.

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(U) Section E – Recommendations:

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

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9. (U//~~FOUO~~) The OIG recommends that the Director, Office of Contracts determine whether debarment of [redacted] pursuant to the Federal Acquisition Regulation 9.406, is in the government’s interest. The Director, Office of Contracts 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.

[Redacted signature box]

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Assistant Inspector General
for Investigations