



**NATIONAL RECONNAISSANCE OFFICE**

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



14 December 2011

MEMORANDUM FOR DIRECTOR, NATIONAL RECONNAISSANCE OFFICE  
PRINCIPAL DEPUTY DIRECTOR, NATIONAL  
RECONNAISSANCE OFFICE  
DEPUTY DIRECTOR, NATIONAL RECONNAISSANCE OFFICE  
DIRECTOR, MISSION OPERATIONS DIRECTORATE  
DIRECTOR, OFFICE OF CONTRACTS  
GENERAL COUNSEL  
DIRECTOR, OFFICE OF SECURITY AND  
COUNTERINTELLIGENCE

SUBJECT: (U//~~FOUO~~) Investigative Summary: False Claims  
(Case Number 2011-070 I)

(U//~~FOUO~~) The National Reconnaissance Office (NRO) Office of Inspector General (OIG) recently completed an investigation of an allegation that a Qinetiq North America (QNA) employee had engaged in false claims by charging hours to an NRO contract for which he did not work. QNA is a subcontractor to Harris Corporation on the Patriot Contract. The attached NRO OIG investigative summary report details the investigation results.

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

(U//~~FOUO~~) The OIG investigative reports are to be read only by the individuals to whom OIG provides them, or to whom the OIG specifically authorizes their release. If you believe other individuals require access to this report as part of their official duties, please let us know, and we will promptly review your request.

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(U//~~FOUO~~) Please direct any questions regarding this summary to Special Agent [redacted] at secure [redacted] or to [redacted], Assistant Inspector General for Investigations, at secure [redacted].

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Lanie D'Alessandro  
Inspector General

Attachment:

(U//~~FOUO~~) Investigative Summary:  
False Claims (Case Number  
2011-070 I)

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DISTRIBUTION:

Director, National Reconnaissance Office  
Principal Deputy Director, National Reconnaissance Office  
Deputy Director, National Reconnaissance Office  
Director, Mission Operations Directorate  
Director, Office of Contracts  
General Counsel  
Director, Office of Security and Counterintelligence  
Lead Agent - [ ]

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All redactions per (b) (3) and (b) (7) (c) unless otherwise indicated.

### INVESTIGATIVE SUMMARY

False Claims - [redacted]  
(Case Number 2011-070 I)

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#### (U) BACKGROUND

(U//~~FOUO~~) On 5 October 2011, the National Reconnaissance Office (NRO) Office of Inspector General (OIG) completed an investigation regarding allegations that [redacted], a QinetiQ North America (QNA) employee assigned to the NRO's Patriot contract, NRO contract [redacted] charged hours he did not work to that contract. The Patriot contract is in the Mission Operation Directorate's (MOD) [redacted] and QNA is a subcontractor to Harris Corporation. [redacted] directly charged hours to the Patriot contract between [redacted]

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(U//~~FOUO~~) The investigation revealed sufficient evidence to support a conclusion that [redacted] actions violated 18 U.S.C. § 287, False, Fictitious, and Fraudulent Claims, which makes it unlawful for anyone to make a claim upon or to the United States, knowing the claim to be false, fictitious or fraudulent. [redacted] mischarged approximately 1,216 hours of his time from [redacted] to the Patriot contract. However, in an interview, [redacted] did not admit to any wrongdoing despite overwhelming evidence of such wrongdoing. The Patriot Program Manager (PM) and Harris immediately removed [redacted] from the Patriot program upon notification of the OIG findings. The NRO Patriot contracting officer (CO) extrapolated the 1,216 hours during the period the OIG examined to cover [redacted] entire time mischarging the Patriot program (beginning in June 2006) and requested a credit of [redacted] from Harris. On 3 October 2011, the OIG presented this matter to the United States Attorney's Office (USAO) for the Eastern District of Virginia (EDVA), which declined prosecution in favor of administrative action and full restitution by Harris.

#### (U) INVESTIGATIVE DETAILS

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(U//~~FOUO~~) On 22 March 2011, the OIG initiated this case as a result of a referral from [redacted] of the Patriot Program. [redacted] had concerns that employees in the [redacted] [redacted] at the [redacted] were falsifying hours on time cards. He cited two reasons for his concerns. The first was that [redacted] had a former employee, recently prosecuted by EDVA, who stated in her debriefing that she was not the only employee in [redacted] falsifying her hours. In addition, [redacted] had received complaints from other employees in [redacted] that [redacted] was always exercising in the gym at [redacted] during hours he should be working. As a result, [redacted] asked the OIG to review the timecard submissions for all of the employees in [redacted]. The OIG's subsequent inquiry revealed that [redacted] was the only employee with time charging discrepancies.

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(U//~~FOUO~~) [redacted] was an Information Systems Specialist responsible for processing customer requests for computer software firewalls as well as changes to existing firewalls. Interviews with [redacted] management and the [redacted] revealed that [redacted] work was conducted exclusively in Government sensitive compartmented information facility (SCIF) spaces at [redacted] or occasionally, the NRO's Westfields facility. [redacted] performed his

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IG Act

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work mainly on the classified Government Wide Access Network, which made it necessary for him to be in SCIF office spaces at [redacted].

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(U//~~FOUO~~) Since [redacted] work required him to be in a SCIF, the OIG conducted an analysis of badge record data compared to time card reporting. The OIG reviewed records covering the period of [redacted]. The analysis showed that [redacted] had charged 1,216 hours that were not supported by the badge record data. Specifically, the analysis showed that [redacted] regularly spent almost two hours per day<sup>1</sup> in the gym at [redacted], and took extended lunches at least once per week. The analysis also showed that [redacted] arrived for work late and left early periodically. The time cards showed that he did not make up any of these hours and directly charged them to the Patriot contract.

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(U//~~FOUO~~) On 31 March 2011, the OIG interviewed [redacted] regarding the discrepancies with his time cards compared to badge record data. [redacted] did not admit to submitting false hours on his timecards. [redacted] acknowledged going to the gym each day, but maintained that he only did so after working a full eight hour day. Even when confronted with the data showing the contrary, [redacted] asserted that he always worked his hours each day. However, [redacted] could not explain the OIG analysis, nor did he dispute it. In light of the facts gathered during the investigation, Harris Corporation along with Patriot program management decided to remove [redacted] from the Patriot program in [redacted]. He was subsequently debriefed from his NRO clearance.

(U//~~FOUO~~) Based on the results of the investigation, both the NRO Contracting Officer and Harris agreed that [redacted] had mischarged the Patriot contract. Harris agreed to reimburse the NRO [redacted] for over 1,900<sup>2</sup> hours of [redacted] time to the Patriot contract. On 16 September 2011, the OIG confirmed Harris reimbursed the NRO the full amount of [redacted] via a contract credit on invoice number 371.

(U//~~FOUO~~) As a result of the discrepancy between the relevant government badge records and [redacted] time and attendance submissions, the OIG concluded that [redacted] submitted false claims in violation of 18 U.S.C. § 287. On 3 October 2011, this case was presented to the USAO for the Eastern District of Virginia, which declined prosecution in favor of administrative action and full restitution to the NRO contact by Harris Corporation.

## (U) CONCLUSION

(U//~~FOUO~~) Given the fact of the Harris credit to the NRO for the mischarged hours and the removal of [redacted] from the NRO, there is no further investigative action required. The OIG considers this investigation closed.

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<sup>1</sup> (U//~~FOUO~~) The arrangement of the badge system at [redacted] allowed OIG to determine [redacted] precise movement between his office and the gym and the time spent at each location.

<sup>2</sup> (U//~~FOUO~~) The NRO contracting officer used the base figure of 1,216 false hours from the OIG investigations to further extrapolate projected mischarging back to [redacted] the point at which [redacted] arrived on the Patriot program.