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~~(U//FOUO)~~ SUMMARY OF INVESTIGATION, IV-15-0004

~~(U//FOUO)~~ The NSA/CSS Office of the Inspector General (OIG) received an allegation that [redacted] Contract Manager, [redacted] had a conflict of interest between her official duties as Contracting Officer's Representative (COR) on the [redacted] Delivery Order (DO), for which [redacted] is the prime, and her past employment with [redacted]. Specifically, it was alleged that because of her past employment with [redacted] in spring 2013, [redacted] raised [redacted] bonus award fee total score on [redacted] from [redacted] without justification. Subsequently, the OIG received an allegation from another complainant that [redacted] had engaged in unreported export violations under the International Trade in Arms Regulations (ITAR) and NSA/CSS' implementing policy. Specifically, it was alleged that [redacted]

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[redacted]

[redacted] In October 2014, the conflict of interest and export control allegations were combined into a single, preliminary investigation.

(U) CONFLICT OF INTEREST

~~(U//FOUO)~~ 5 CFR § 2635.502 prohibits a Federal employee from participating in a particular matter likely to have a direct and predictable effect on the financial interest of a contractor company for which he or she served as an employee within the last year. 18 U.S.C. § 208 prohibits a Federal employee from participating personally and substantially in a particular matter in which he or she has a financial interest. During the OIG's preliminary investigation into the allegation involving [redacted], we found no evidence that the law or regulation was violated.

~~(U//FOUO)~~ [redacted] Employee Profile disclosed that she has been an NSA employee since September 2008. The complainant, [redacted] Senior Contracts Manager, [redacted] Office, had no knowledge of how long [redacted] worked for [redacted] when she came to NSA, and whether she had any remaining connection to [redacted] such as stock in the company. [redacted] was aware of [redacted] past employment because [redacted] told her that she had once worked for [redacted] and that [redacted] current program lead on [redacted] had been her supervisor. Both [redacted] management chain and Contracting were aware of [redacted] past [redacted] employment.

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~~(U//FOUO)~~ [redacted], who was the [redacted] COR prior to [redacted] told the OIG that she based her conflict of interest suspicions upon [redacted] having raised [redacted] award fee scores without making any change to the supporting verbiage. With only a few weeks of performance remaining in the rating period and just prior to [redacted] assuming her COR duties, [redacted] drafted the original scores and in doing so took into consideration several security and self-reported ITAR violations on the part of [redacted]. According to [redacted] the Contracting Officer (CO) subsequently questioned the lack of justification for [redacted] scores and requested that she provide additional narrative detail to support them.

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(U//FOUO) [redacted] Chief, [redacted] Office, the other complainant in the case, had no first-hand knowledge of the alleged conflict of interest. However, she was aware that [redacted] knew some of [redacted] senior officials. In [redacted] capacity as [redacted] COR, [redacted] told [redacted] that she had telephoned high-level [redacted] executives to complain about the company's failure to abide by ITAR and tell them that they needed to do more to ensure that the company was in compliance. [redacted] speculated that [redacted] knew the executives from having worked for them previously in [redacted].

(U//FOUO) Although there was no allegation that [redacted] had a continued financial interest in [redacted] we obtained her OGE450, Confidential Financial Disclosure Reports, covering both the 2012 and 2013 calendar years. The OGE450s disclosed that [redacted] was employed by [redacted].

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[redacted] she had vested pension plans with all three companies. The OGE450s did not list any assets or income associated with [redacted]. Based on her OGE450s and associated Supervisor's Evaluation Forms, the NSA/CSS Office of General Counsel (OGC) issued [redacted] emails cautioning her to avoid potential conflicts of interest with [redacted]. (In addition to her pensions, [redacted] listed 401K savings with [redacted]. A review of [redacted] website disclosed that [redacted] works with numerous partners, to include [redacted].

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(U//FOUO) The OIG's preliminary investigation disclosed no evidence that [redacted] either has a personal financial interest in [redacted] or had worked for the company within a year of assuming COR duties on the [redacted] DO. Therefore, we determined that the allegation against [redacted] was not credible and required no further investigation.

(U) EXPORT CONTROL VIOLATIONS

(U//FOUO) [redacted]

(U//FOUO) A timeline of events provided by [redacted] to [redacted] revealed that the [redacted] DO, which provides for the [redacted] was awarded to [redacted] in March 2009. Although as COR [redacted] urged [redacted] to obtain a DoS export license on the DO, it was not until October 2011 that [redacted] on which it did not follow through. [redacted] brought the matter to [redacted] attention, and [redacted] met with [redacted] in approximately May 2012. Although [redacted] claimed that the company had conducted a review

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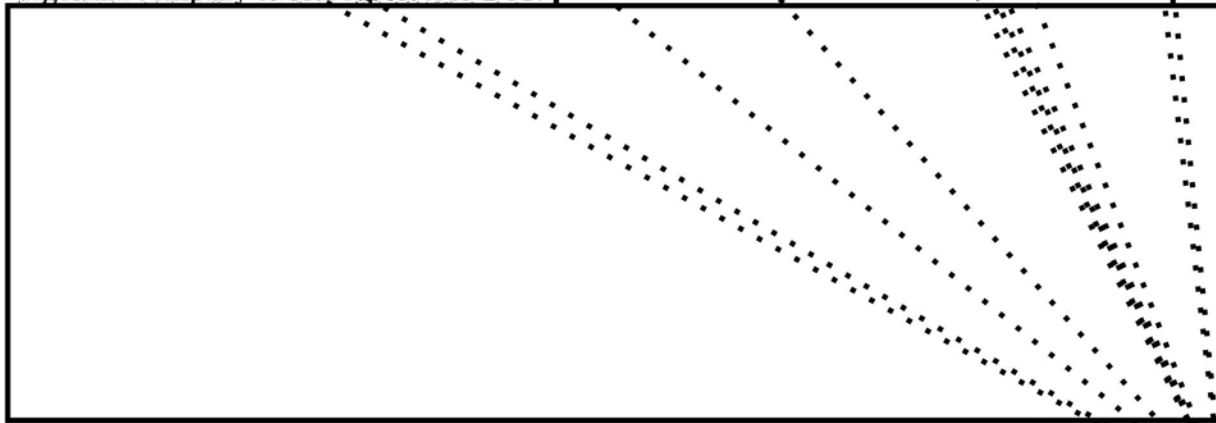
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and determined that it had not exported under [redacted] told the company that it required an export license. In July 2012, [redacted] the company's application for a DoS export license for prescreening and a request for an Exemption Letter until the license could be finalized. [redacted]

(U//~~FOUO~~) We found that since 2012, [redacted] has had several [redacted] export control-related incidents that were ultimately reported and properly resolved – the most recent being the [redacted] In January 2013, the CO even issued [redacted] a letter demanding that [redacted] disclose all interactions with foreign nationals, since the inception of the contract and provide a corrective plan to address [redacted]

(U//~~FOUO~~) [redacted] told the OIG that when she learns of a potential export violation, she urges the company to self-report it to DoS. [redacted]



(U//~~FOUO~~) According to [redacted] denied any unauthorized exports and DoS needs to know what violations occurred in order to take action. She requested that the OIG [redacted]

[redacted] [redacted] acknowledged that any such exports would have been with the knowledge and at the request of the Government. Further, she acknowledged that export control compliance issues are not limited to [redacted] Due to their lack of knowledge on the topic, COs [redacted]

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(U//~~FOUO~~) We found that in a March 2014 unclassified letter response to a DoS query, [redacted] identified multiple interactions with foreign nationals. [redacted] none of which the company believed to constitute exports subject to ITAR. [redacted] also requested a meeting with DoS and the Agency to assist in DoS' review and resolution of the matter. Related emails between [redacted] and DoS in May 2014 disclosed that [redacted] offered to meet in order to provide classified details of their foreign interactions. However, when DoS asked [redacted] how she wanted to proceed, she declined the meeting. She said that [redacted] had been difficult to deal with and a meeting would not be "fruitful." Rather, [redacted] would request that the OIG obtain "emails between [redacted] and any foreign nationals" to help identify violations.

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(U//~~FOUO~~) Contact with DoS disclosed that its information related to possible pre-2012 export violations came from [redacted] and there was no direct evidence that such violations had occurred. Further, [redacted] believed it had performed in compliance with ITAR. Therefore, DoS would take no further action in the matter; although it would be willing to assist in an NSA OIG investigation should direct evidence of a violation be found.

(U//~~FOUO~~) The OIG's preliminary investigation into the export control allegation against [redacted] disclosed that [redacted] has a history of export control violations, as well as related security violations, related to [redacted] all of which were reported and resolved. However, neither direct evidence of a pre-2012 export violation nor a specific [redacted] individual known to have been involved in a particular violation was identified. Further, any activity resulting in such violation would have been at the request of the Agency, which has IEA. Given this information, [redacted] current [redacted] export license/ITAR compliance, DoS's lack of interest in the matter, the lack of predication for identification and review of all [redacted] related emails and trouble tickets (if even retrievable), and the lack of timeliness, we determined that further investigation into the allegation was not warranted.

(U//~~FOUO~~) As a result, the investigation was closed with no further action.

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[redacted signature box]

Senior Investigator

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