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**NATIONAL SECURITY AGENCY/CENTRAL SECURITY
SERVICE**



INSPECTOR GENERAL

REPORT OF INVESTIGATION

15 February 2013

IV-12-0113

Alleged Submission of a Forged Document

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UNCLASSIFIED**(U) OFFICE OF THE INSPECTOR GENERAL**

(U) Chartered by the NSA Director and by statute, the Office of the Inspector General conducts audits, investigations, inspections, and special studies. Its mission is to ensure the integrity, efficiency, and effectiveness of NSA operations, provide intelligence oversight, protect against fraud, waste, and mismanagement of resources by the Agency and its affiliates, and ensure that NSA activities comply with the law. The OIG also serves as an ombudsman, assisting NSA/CSS employees, civilian and military.

(U) AUDITS

(U) The audit function provides independent assessments of programs and organizations. Performance audits evaluate the effectiveness and efficiency of entities and programs and their internal controls. Financial audits determine the accuracy of the Agency's financial statements. All audits are conducted in accordance with standards established by the Comptroller General of the United States.

(U) INVESTIGATIONS

(U) The OIG administers a system for receiving complaints (including anonymous tips) about fraud, waste, and mismanagement. Investigations may be undertaken in response to those complaints, at the request of management, as the result of irregularities that surface during inspections and audits, or at the initiative of the Inspector General.

(U) INTELLIGENCE OVERSIGHT

(U) Intelligence oversight is designed to insure that Agency intelligence functions comply with federal law, executive orders, and DoD and NSA policies. The IO mission is grounded in Executive Order 12333, which establishes broad principles under which IC components must accomplish their missions.

(U) FIELD INSPECTIONS

(U) Inspections are organizational reviews that assess the effectiveness and efficiency of Agency components. The Field Inspections Division also partners with Inspectors General of the Service Cryptologic Elements and other IC entities to jointly inspect consolidated cryptologic facilities.

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I. (U) SUMMARY

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(U//~~FOUO~~) This investigation was conducted in response to a complaint alleging that [redacted] for [redacted] [redacted] submitted a forged document as part of [redacted] Request for Proposal (RFP) to the Agency.

(U//~~FOUO~~) The Office of Inspector General (OIG) obtained documents and sworn testimony concerning this allegation. [redacted] voluntarily provided sworn testimony to the OIG that he "forged" the signature of an independent contractor who supported [redacted] and that he included this forged document as part of [redacted] RFP to the Agency.

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(U//~~FOUO~~) We concluded that [redacted] created and submitted a forged document as part of [redacted] RFP to the government. His actions were in violation of the Federal Acquisition Regulation, Subsection 3.1002 (a).

(U//~~FOUO~~) Copies of the OIG report will be forwarded to the Associate Directorate for Security and Counterintelligence and the Office of General Counsel, Acquisition, Technology and Research Law, D25. A copy of the report will also be provided to the Senior Acquisition Executive, [redacted]

[redacted]

II. (U) BACKGROUND

(U) Introduction

(U//FOUO) [redacted] worked for [redacted] as their [redacted]

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[redacted] but does not have [redacted] or controlling influence of [redacted]

(U//FOUO) [redacted] was awarded the initial [redacted] contract with the Agency through a sole-source selection. When this initial contract was about to expire, the Agency started a competitive bid selection process in approximately February 2012 and [redacted] submitted a RFP in June 2012 for the follow-on contract.

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(U//FOUO) In the initial contract, [redacted] relied upon independent contractors to ensure contract performance. To show the government that [redacted] had the human capital available to fulfill the performance terms of the new contract, as part of their RFP [redacted] submitted documents from independent contractors who demonstrated a commitment to [redacted]. The documents submitted by [redacted] to the government were either copies of contracts between [redacted] and the independent contractors or Letters of Intent. The Letters of Intent stated that the independent contractor intended "to continue [my] contract with [redacted] on the [redacted] for the foreseeable future."

(U//FOUO) The OIG received an allegation that a Letter of Intent submitted by [redacted] as part of their RFP, which pertained to an independent contractor who was performing as [redacted] on behalf of [redacted] for the initial contract, was forged.

(U) Applicable Authority

(U) The investigation looked at a possible violation of the Federal Acquisition Regulation, Subsection 3.1002 (a). See Appendix A for the full citation.

III. (U) FINDINGS

(U//~~FOUO~~) Did [redacted] create and submit a forged Letter of Intent as part of [redacted] Request for Proposal to the government?

(U//~~FOUO~~) **CONCLUSION: Substantiated.** The preponderance of the evidence supports the conclusion that [redacted] created and submitted a forged Letter of Intent as part of [redacted] Request for Proposal to the government, in violation of the Federal Acquisition Regulation, Subsection 3.1002 (a).

(U) Documentary Evidence

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(U//~~FOUO~~) Letter of Intent pertaining to [redacted]
The Agency received a Letter of Intent pertaining to [redacted]
an independent contractor, as part of the RFP submitted by [redacted]
This letter is dated 26 June 2012 and contains a signature
ostensibly belonging to [redacted]

(U//~~FOUO~~) This document acknowledges that "this form will be
submitted as part of [redacted] proposal for the continuation of
the [redacted]" The Letter of
Intent stipulates that the independent contractor intends to continue
his contractual relationship with [redacted] in support of the
[redacted] contract for the foreseeable
future (Appendix B).

(U//~~FOUO~~) Maryland Procurement Office letter to [redacted]
On 22 June 2012 the Maryland Procurement Office sent a letter to
[redacted] stating that [redacted] was expected to demonstrate a
commitment by independent contractors to be available for the
new contract. [redacted] was informed that this documentation usually
is in the form of a Letter of Intent but that the Agency would
consider other evidence as long as that evidence showed an explicit
agreement by independent contractor personnel to be available for
the new contract (Appendix C).

(U) Testimonial Evidence

(U//FOUO) [redacted]

(U//FOUO) [redacted] was interviewed on 14 September 2012. He agreed to provide voluntary, sworn testimony and was represented by private counsel during the interview. [redacted] provided the following sworn testimony:

(U//FOUO) [redacted] recalled receiving a request from Agency contracting officials that [redacted] RFP should include documentation showing that [redacted] had the personnel resources to fulfill the terms of the contract. [redacted] thought it essential for [redacted] RFP to have a Letter of Intent from [redacted] since [redacted] for the ongoing [redacted] contract. [redacted] thought that [redacted] RFP would be rated lower by the Agency if it did not contain a Letter of Intent from [redacted]

(U//FOUO) [redacted] "forged" [redacted] signature on a Letter of Intent and then submitted this document as part of [redacted] RFP. He tried to get [redacted] to sign this letter but could not reach [redacted] before the RFP was due to the government. [redacted] recalled being under "pressure and stress" at the time he forged [redacted] signature. [redacted] thought that [redacted] stood to lose a large contract, employees, and revenue if [redacted] was not awarded the new contract.

(U//FOUO) It was [redacted] idea to forge [redacted] signature and he acted without the knowledge of any other [redacted] official. This was the first time he forged any documents associated with an Agency contract.

(U//FOUO) [redacted] repeatedly expressed remorse about forging [redacted] signature. He told [redacted] in early July 2012 that he had forged his signature and submitted the document as part of [redacted] RFP. [redacted] was fired from [redacted] on [redacted] after [redacted] officials became aware of his actions.

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(U//FOUO) [redacted]

(U//FOUO) [redacted] was interviewed on 22 August and 18 September 2012 and provided the following sworn testimony:

(U//FOUO) [redacted] is an independent contractor and is not an employee of [redacted]. He has had a business relationship with [redacted] as a sub contractor [redacted] for the [redacted] since [redacted]

(U//FOUO) [redacted] did not sign a Letter of Intent for [redacted] to use as part of their RFP for the new contract. [redacted] did not give permission to [redacted] to sign his name to this document. He said he did not plan to sign a Letter of Intent with [redacted]

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(U//FOUO) [redacted] recalled that on 10 July 2012, while visiting the [redacted] [redacted] told him that he had created the forged Letter of Intent and included it as part of [redacted] RFP to the government.

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(U) Analysis

(U//FOUO) [redacted] was clear in his testimony that he forged [redacted] signature to a Letter of Intent document. He said he acted alone and without the knowledge of any other [redacted] official. His motivation was to put [redacted] in a better position to be awarded the next [redacted] contract which would result in profits for [redacted]

(U//FOUO) [redacted] actions provide adequate evidence that he be considered for debarment from government contracting activities pursuant to Subsection 9.406-2(c) of the Federal Acquisition Regulation. By his own testimony, he admitted to forging and submitting a Letter of Intent document in an attempt to help [redacted] obtain a contract with the government while he was an official with [redacted]

(U//FOUO) In view of the above, we find that the preponderance of the evidence supports the conclusion that [redacted] created and submitted a forged document to the government, in violation of the Federal Acquisition Regulation.

V. (U) RESPONSE TO TENTATIVE CONCLUSION

(U//~~FOUO~~) [redacted] through representation, was provided an opportunity to respond to the OIG's tentative conclusion. He chose not to respond to the OIG's tentative conclusion.

[redacted]
.....
[redacted]
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VI. (U) CONCLUSION

(U//~~FOUO~~) The preponderance of the evidence supports the conclusion that [redacted] created and submitted a forged Letter of Intent to the government on behalf of [redacted] in violation of the Federal Acquisition Regulation, Subsection 3.1002 (a).

[redacted]
(b) (6)

[redacted]
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VII. (U) DISTRIBUTION OF RESULTS

(U//~~FOUO~~) A copy of this report of investigation will be provided to:

- A. Associate Directorate for Security and Counterintelligence, Special Actions, Q234
- B. Office of General Counsel, Acquisition, Technology and Research Law, D25
- C. Senior Acquisition Executive, NSA

[Redacted]

Senior Investigator

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[Redacted]

Assistant Inspector General for Investigations

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APPENDIX A

(U) Applicable Authorities

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(U) Federal Acquisition Regulation

(U) Subpart 3.10 – Contractor Code of Business Ethics and Conduct, Subsection 3.1002, Policy (a):

Government contractors must conduct themselves with the highest degree of integrity and honesty.

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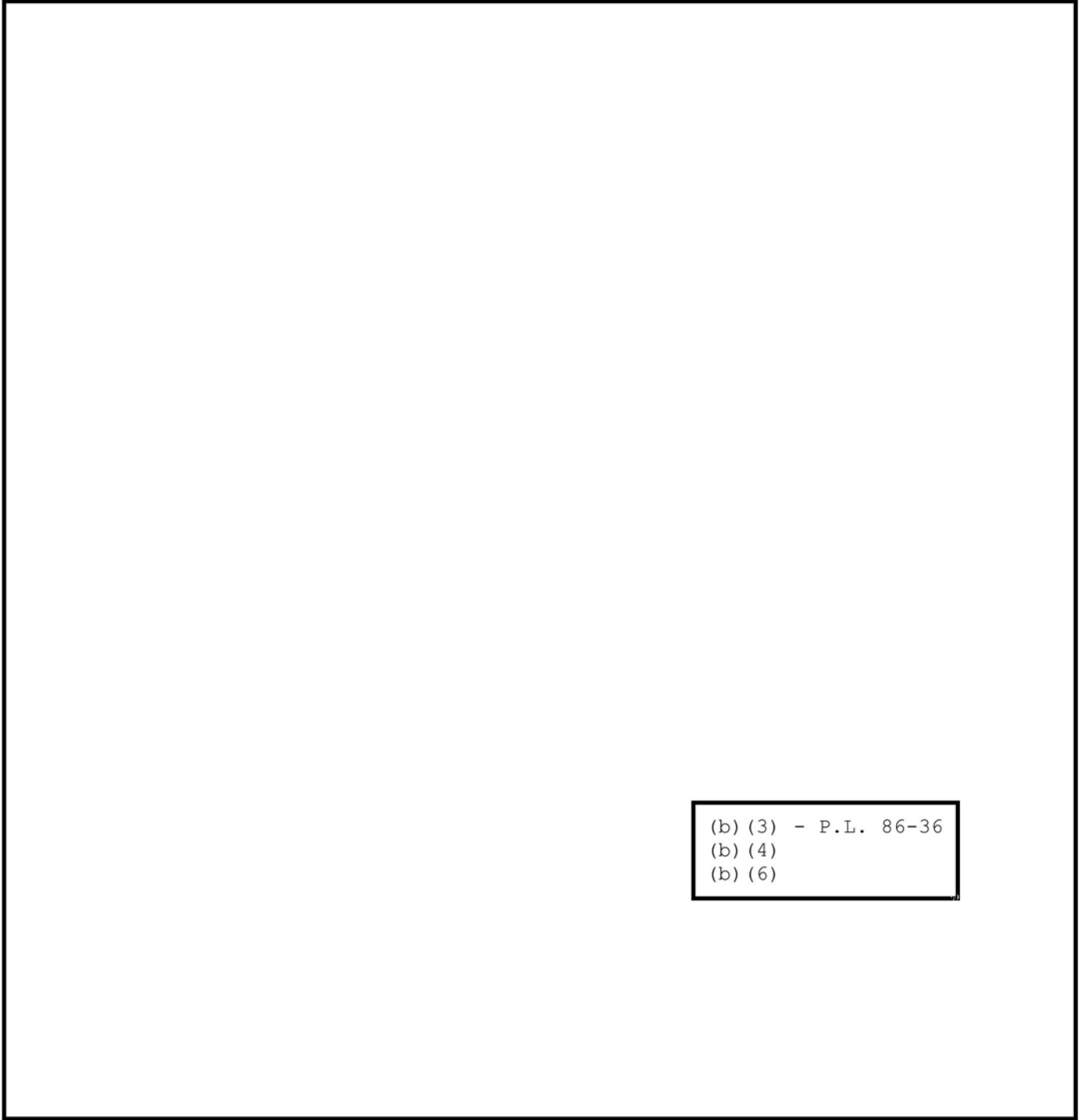
APPENDIX B

(U) Letter of Intent

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LETTER OF INTENT



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[Redacted]

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APPENDIX C

(U) Maryland Procurement Office Letter

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MARYLAND PROCUREMENT OFFICE

9800 SAVAGE ROAD Suite 6288
FORT GEORGE G. MEADE, MD 20755-6626

In Reply Refer to

[Redacted]

DATE: 22 June 2012

[Redacted]

Attention: [Redacted]

Reference: Request for Proposal (RFP) [Redacted]

(b) (6)

Subject: [Redacted] Discussions

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Dear [Redacted]

The Government appreciates the time and effort spent to attend the discussions that were held on 22 June 2012, as it provides an opportunity to ensure that the Government will receive the best possible proposals for this effort. As a result of these discussions, the Government concludes that there are not any further questions/clarifications resulting from your submitted proposal, dated 27 February 2012, and your change pages, dated 19 March 2012.

Pursuant to FAR 15.307, the Government requests the submission of Final Proposal Revisions from [Redacted] in writing no later than **12:00pm EST on Friday, 29 June 2012** at the Acquisition Resource Center (ARC) located at 7471 Candlewood Road, Suite 100, Hanover, MD 21076. To ensure that a Government representative is available to receive your revisions, please contact [Redacted] or [Redacted] to schedule a delivery time. After the closing time and date, the Government intends to review the responses to the discussion items to ensure each issue has been adequately addressed. The Government intends to make award without obtaining further revisions.

The Government would like to provide a clarification regarding the [Redacted] requirement as listed in the RFP. The [Redacted] has to be available 24 hours a day, 7 days a week for any possible contract issues that may arise, however, the [Redacted] is not expected to work those billable hours 365 days a year.

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As discussed in the meeting on 22 June 2012, [redacted] is expected to demonstrate commitment by independent contractors to be available for the new contract. This generally is in the form of a Letter of Intent to perform under the new contract. However other evidence will be considered provided that it shows explicit agreement by independent contractor personnel to be available for the new contract.

The Government requests that five (5) hard copies and two (2) disks of Final Proposal Revisions be submitted by the closing time and date referenced above. [redacted] is permitted to submit as many change pages as appropriate to respond to the discussion items provided on 19 June 2012 as well as what was discussed on 22 June 2012.

Should you have any questions regarding this request, please submit them in writing to [redacted] or the undersigned by 26 June 2012. If the Government receives any questions regarding this request, we will respond by 27 June 2012. All correspondence to this office concerning this procurement should reference the solicitation number [redacted]

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[redacted]
Contracting Officer

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