

(U) SEMIANNUAL REPORT TO THE CONGRESS

(U) For the Period October 1, 2008 through March 31, 2009

(b) (3) - P.L. 86-36

(U//FOUO) [redacted] NSA/CSS IG; AFISRA IG, INSCOM IG, NNWC IG, [redacted]

~~(C//REL)~~ Summary The IG organizations of the Air Force Intelligence, Surveillance, and Reconnaissance Agency, Intelligence and Security Command, Naval Network Warfare Command, and NSA inspected the [redacted]. The team found the site led by a commander who energizes operational and enabling personnel and improved skills and tools used in the cryptologic mission. Exceptional leadership at the [redacted] is reflected in the low number of findings; however, the IG team found that many problems identified in the 2005 Joint Inspectors General Inspection Report continue to reduce site effectiveness. The inspection team attributes most of these problems to the fact that there is no process for converting a Service Cryptologic Element site to an NSA/CSS field site and that there is no NSA headquarters vision for [redacted]. Furthermore, [redacted] substandard facilities, training shortfalls, and decreasing mission support despite an increased pace of system installations can be traced to the absence of an overarching financial picture and centralized resource planning.

(U) Management Action Management concurred with all recommendations and corrective actions are underway.

(U) Overall Report Classifications SECRET//COMINT//REL TO USA, FVEY

(U) Category Joint Warfighting and Readiness

(S//REL) [redacted]; NSA/CSS IG; [redacted] 12 December 2008 (both reports).

(S//REL) Summary We visited [redacted] sites selected on the basis of [redacted] and reported oversight problems. Our reviews assessed site operations, [redacted] and compliance with intelligence oversight requirements and [redacted] instructions. We had no findings or recommendations at [redacted]. [redacted] had not conducted an [redacted]. We recommended that [redacted] Headquarters consider performing a [redacted].

(U) Management Action [redacted] management at the site advised [redacted] that the [redacted] exercise had been conducted. [redacted] Headquarters is investigating [redacted].

(U) Overall Report Classifications: TOP SECRET//COMINT [redacted] /NOFORN (ST-08-0012A); TOP SECRET//COMINT//NOFORN (ST-08-0012B)

(U) Category Joint Warfighting and Readiness

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Approved for Release by NSA on 07-01-2019, FOIA Case # 79825 (litigation)

~~SECRET//REL TO USA, FVEY~~

(U) **Financial Accounting and Corporate Tracking System (FACTS); NSA/CSS IG; AU-08-0019; 31 December 2008**

~~(S//REL)~~ **Summary** In May 2008, the House Permanent Select Committee on Intelligence requested that the NSA OIG independently review FACTS and report to the congressional intelligence committees. Originally planned for implementation in November 2004, FACTS was implemented in October 2007 after three delays. FACTS implementation has resulted in major accounting and process problems, especially in administrative control of funds, financial planning, accounts receivable, accounts payable, reconciling accounts, and cash reporting. FACTS has cost more than [redacted] to date, with another [redacted] budgeted for FY2009-2014. From the outset, FACTS [redacted]



(U) **Management Action** Management concurred with all recommendations.

(U) Overall Report Classifications **SECRET//REL TO USA, FVEY**

(U) Category **Financial Management**

(b) (1)
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(U) **Temporary Secure Work Areas; NSA/CSS IG; ST-08-0021; 5 January 2009**

~~(U//FOUO)~~ **Summary** This special study was initiated as a result of a complaint received by the OIG concerning the use of a facility as a non-accredited Sensitive Compartmented Information Facility (SCIF). The complainant alleged that NSA's practice of repeatedly using a certain uncleared, unsecured venue as a Temporary Secure Work Area (TSWA) places sensitive classified information at risk. Although the venue is not an accredited SCIF, it has been designated as a TSWA. The special study focused on the circumstances and implications of the Agency's designation of the facility as a TSWA and the overall TSWA approval process. NSA's Associate Directorate for Security and Counterintelligence (ADS&CI) is the Cognizant Security Authority for NSA and is responsible for security program management for the protection of sources and methods. The special study found that this matter has been researched and addressed appropriately. Furthermore, ADS&CI has complied with Director of Intelligence Directive No. 6/9, *Physical Security Standards for Sensitive Compartmented Information*.

(U) **Management Action** Management concurred with our recommendation to avoid future approvals of the facility as a TSWA.

(U) Overall Report Classifications **SECRET//NOFORN**

(U) Category **Other (Physical Security)**

~~(U//FOUO)~~ **Aerospace Data Facility; NSA/CSS IG, NGA IG, AFISRA IG, INSCOM IG, NNWC IG; JT-09-0001; 15 January 2009**

~~SECRET//REL TO USA, FVEY~~

~~SECRET//REL TO USA, FVEY~~

(U//~~FOUO~~) Summary The IG organizations of the National Geospatial-Intelligence Agency, Air Force Intelligence, Surveillance, and Reconnaissance Agency, Intelligence and Security Command, Naval Network Warfare Command, NSA, and other agencies conducted a joint inspection of the Aerospace Data Facility. The inspection team found the site led by a commander who energizes the operational and enabling missions. Without clear and consistent guidance from the Intelligence Community (IC), the Commander has done an exceptional job of developing and communicating vision and direction to move from agency mission stovepipes to IC-centric operations. When structured properly, the NSA, NGA, Service Cryptologic Elements, foreign mission partners, and corporate partners at the site present an ideal environment for a cohesive, collaborative relationship that supports the Director of National Intelligence's (DNI) Strategic Plan to create a culture in which intelligence professionals work together. The inspection team found that a more integrated mission environment would support the DNI's functional joint duty assignment initiative. A [redacted] independent site services, and agency specific rather than IC-centric processes threaten the site's ability to achieve this vision.

(U) Management Action Management concurred with all recommendations and corrective actions are underway.

(U) Overall Report Classifications TOP SECRET//COMINT//TALENT KEYHOLE//NOFORN

(b) (3) - P.L. 86-36

(U) Category Joint Warfighting and Readiness

(U) Advisory Report on Human Language Technology; NSA/CSS IG; AU-09-0004; 4 February 2009

~~(S//REL)~~ Summary Our advisory found that the NSA program to improve SIGINT communications processing has invested approximately [redacted] to date and plans to spend [redacted] over the FY2009 - FY2013 program build. This program, known as Human Language Technology (HLT), provides products and services to SIGINT analysts to [redacted] find, evaluate, and report intelligence information critical to national security. Our advisory found that collaboration between users of HLT and researchers is key to the program's success. Not all HLT programs have been successful, but knowledge has been gained from attempts that failed and those that succeeded. Nevertheless, the problem the HLT program was designed to resolve remains:

[redacted] With limited resources, NSA must [redacted]

[redacted] that will yield the best results.

(U) Management Action Management has stated that over the next 15 months each HLT area will be evaluated for inclusion within the Analytic Modernization program or termination.

(U) Overall Report Classifications TOP SECRET//COMINT//NOFORN

(b) (1)
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(U) Category Joint Warfighting and Readiness

(U) Oversight Review of Restaurant Fund, Civilian Welfare Fund, and Cryptologic

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Museum Gift Shop; NSA/CSS IG; AU-09-0017; 17 March 2009

~~(U//FOUO)~~ **Summary** The financial statements of the Agency's Restaurant Fund, Civilian Welfare Fund, and Cryptologic Museum Gift Shop were audited by a Certified Public Accounting firm which issued unqualified opinions. Our review found that the audit had been conducted consistent with Government Auditing Standards. The CPAs did not identify any management concerns in this or the previous year.

(U) Overall Report Classifications **UNCLASSIFIED//FOR OFFICIAL USE ONLY**

(U) Category **Financial Management**

(U) **Deployment of SIGINT Systems; NSA/CSS IG; AU-08-0010; 27 March 2009**

~~(U//FOUO)~~ **Summary** Our objective was to determine whether deployments of SIGINT systems and tools to the field complied with NSA policies. The Agency is generally in compliance with the process for deploying SIGINT and support capabilities to field sites.

[redacted] of sampled NSA/CSS capabilities deployed during FY2007 and FY2008 followed or partially followed the deployment management process prescribed by NSA/CSS Policy Manual 10-4. The manual details the processes for deploying capabilities to field sites, including verifying that the capability is ready to be deployed and that the site is prepared for its installation, integration, operation, and maintenance. Although the policy manual addresses most deployment situations, some areas have been overlooked. For example, the manual and the Acquisition Logistics & Deployment Review Office web pages do not define requirements for [redacted]

[redacted]

(U) **Management Action** The actions taken by the Directorate of Acquisition and the Technology Directorate meet the intent of the recommendations.

(U) Overall Report Classifications **SECRET//COMINT//TALENT KEYHOLE//REL TO USA, FVEY**

(U) Category **Joint Warfighting and Readiness**

(b) (1)
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(U) **Organizational Inspection of the NSA/CSS Threat Operations Center; NSA/CSS IG; IN-08-0004; 31 March 2009**

~~(S//REL)~~ **Summary** Since the inception of the NSA/CSS Threat Operations Center (NTOC) in 2005, Agency senior leadership has been unable to implement the Director's strategic intent for the organization. Our inspection found that disagreements on mission boundaries have prevented NTOC from establishing the foundation required to perform its mission. Recognizing cyber security as a significant national security challenge, the Director NSA/CSS (DIRNSA) established the NTOC as a corporate organization to maximize the Signals Intelligence (SID) and Information Assurance Directorates' (IAD) computer network operations capabilities. DIRNSA has provided much of the guidance on NTOC's strategic mission to the NTOC Director; some of that guidance has conflicted with the established missions of SID and IAD. [redacted] percent of NTOC's budget execution authority for contracts and interagency acquisitions is executed outside the organization, resulting in insufficient oversight, of particular concern because of significant budget increases [redacted]

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 [] expected for NTOC over the FY09-13 program.

(U) **Management Action** All action officials have concurred with the recommendations, and Agency senior leadership has taken appropriate actions to resolve the disagreement about NTOC's mission.

(U) Overall Report Classifications **TOP SECRET//COMINT//REL TO USA, FVEY**

(U) Category **Joint Warfighting and Readiness**

(U) **Hostile Work Environment and Reprisal**; NSA/CSS IG; IV-08-0023; 25 November 2008

(U//~~FOUO~~) **Summary** The OIG substantiated an allegation that a GG-14 managerial employee created a hostile work environment and subsequently reprimed against a subordinate for reporting his inappropriate conduct to his supervisor. The investigation determined that the employee created a hostile work environment through inappropriate and intimidating conduct (swearing and throwing office items) and reprimed against a subordinate who reported the misconduct.

(U) **Overall Report Classification** UNCLASSIFIED//FOR OFFICIAL USE ONLY

(U) **Category** Other (Reprisal and Standards of Conduct)

(U) **Sexual Harassment and False Statement**; NSA/CSS IG; IV-08-0046; 14 January 2009

(U//~~FOUO~~) **Summary** The OIG substantiated an allegation that a GG-12 NSA supervisory police officer sexually harassed a junior police officer. The OIG determined that the senior officer made an unwelcome sexual advance toward the female junior officer. The investigation also determined that the officer knowingly and willfully made a false statement under oath during the investigation. A report was forwarded to the NSA Office of Employee Relations for a determination on disciplinary action.

(U) **Overall Report Classification** UNCLASSIFIED//FOR OFFICIAL USE ONLY

(U) **Category** Other (Equal Employment Opportunity and Standards of Conduct)

(U) **Procurement Fraud Initiative**; NSA/CSS IG; Various Control Numbers; 1 October 2008 to 31 March 2009

(U//~~FOUO~~) **Summary** In October 2007, we launched an initiative to identify fraudulent billings by NSA contractors. This initiative involves data interrogation of contractor access records, coordination with contractor compliance officials, analysis of billing records, and investigation of access and billing anomalies.

(U//~~FOUO~~) Over the past six months, we have continued our initiative at NSA's Cryptologic Centers. As part of Phase II, we completed seven investigations at NSA/CSS Georgia and identified over 3,100 hours mischarged with an estimated recovery exceeding \$200K. Some examples include:

(U//~~FOUO~~) **IV-09-0008** A contractor employee fraudulently billed the government 398 hours (approximately \$42,000) over a 12 month period. The employee admitted to submitting false timesheets for late arrival and early departure each day.

(U//~~FOUO~~) **IV-09-0010** A contractor employee fraudulently billed the government

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~~SECRET//REL TO USA, FVEY~~

(U) NSA/CSS OIG ACTIVITIES RELATED TO COUNTERTERRORISM

(U) Advisory Report on Practices and Procedures To Ensure Accuracy of SIGINT Disseminated in Iraq and Afghanistan; NSA/CSS IG; ST-08-0019; 17 December 2008

~~(S//REL)~~ Summary Because Signals Intelligence (SIGINT) reportedly contributes to [redacted] in Iraq and Afghanistan, the Director of the SIGINT Directorate asked the NSA IG to examine current practices to ensure the accuracy and reliability of intelligence disseminated by SIGINT elements in-theater. Our advisory

found [redacted]

[redacted]

(U) Management Action The recommendations in this advisory report are offered for the SIGINT Directorate leadership to consider after conducting a cost/benefit analysis of implementing the recommendations in a combat area.

(U) Overall Report Classifications SECRET//COMINT//REL TO USA, FVEY

(U) Category Joint Warfighting and Readiness

(b) (1)
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