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Description of document: Office of The Director of National Intelligence (ODNI) each Inspector General (OIG) final report/closing memo/referral letter, done for a different agency, 2010-2020

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Office of the Director of National Intelligence (ODNI)
Washington, DC 20511
Email: DNI-FOIA@dni.gov

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OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE
WASHINGTON, DC

September 30, 2020

Re: ODNI Case DF-2014-00072

This letter responds to your Freedom of Information Act ("FOIA") request dated 3 December 2013 (Enclosure 1) and received by the Information Management Office on 16 December 2013, in which you requested "*a copy of each DNI Inspector General final report/closing memo/referral letter, etc. done for a different agency.*" You additionally clarified that you were not seeking documents already publicly available, or documents resulting from routine "OIG Peer Reviews."

A search has been conducted and seven records responsive to your request were located. Six records (Enclosure 2) are being released to you in part with the following exemptions:

- (b)(1), which applies to information that is currently and properly classified pursuant to Executive Order 13526, Section 1.4 (c).
- (b)(3), which applies to information exempt from disclosure by statute. The relevant statutes are: the National Security Act of 1947, as amended, 50 U.S.C. § 3024(m)(1), which protects, among other things, the names and identifying information of ODNI personnel; 50 U.S.C. § 3024(i)(1), which protects information pertaining to intelligence sources and methods; Section 6 of the Central Intelligence Agency Act of 1949, as amended; 10 U.S. Code § 424, which protects the number of persons employed by or assigned or detailed to certain Department of Defense organizations, or the name, official title, occupational series, grade, or salary of any such person.
- (b)(5), which applies to information that concerns communications within or between agencies which are protected by legal privileges.
- (b)(6), which applies to information, the release of which would constitute a clearly unwarranted invasion of the personal privacy of individuals.
- (b)(7)(C), which provides protection for personal information in law enforcement records, the disclosure of which could reasonably be expected to constitute an unwarranted invasion of personal privacy.

In addition, one record has been withheld in full pursuant to the FOIA exemptions (b)(1) and (b)(5). With this release, all reasonably segregable, non-exempt information has been released to you.

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE
WASHINGTON, DC

You may contact me, the FOIA Public Liaison, at dni-foia-liaison@dni.gov or (301) 243-2025 for any further assistance or to discuss any aspect of your request. You may also contact the Office of Government Information Services ("OGIS") of the National Archives and Records Administration to inquire about the mediation services they provide. OGIS can be reached by mail at 8601 Adelphi Road, Room 2510, College Park, MD 20740-6001; telephone (202) 741-5770; facsimile (202) 741-5769; Toll-free (877) 684-6448; or email at ogis@nara.gov.

If you are not satisfied with my response to your request, you may administratively appeal by submitting a written request to the Chief FOIA Officer, c/o Director, Information Management Office, Office of the Director of National Intelligence, Washington, DC 20511 or dni-foia@dni.gov. The request letter and envelope or subject line of the email should be marked "Freedom of Information Act Appeal." Your appeal must be postmarked or electronically transmitted within 90 days of the date of this letter.

If you have any questions, please feel free to contact our Requester Service Center at dni-foia@dni.gov or (301) 243-1499.

Sincerely,

A handwritten signature in black ink that reads "Sally A. Nicholson". The signature is written in a cursive, flowing style.

Sally A. Nicholson
Chief, Information Review &
Release Group
FOIA Public Liaison
Information Management Office

Enclosures

Enclosure 1

Enclosure 2a



OFFICE OF THE INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY
INVESTIGATIONS DIVISION
WASHINGTON, DC 20511

REPORT OF INVESTIGATION

INV-2013-0060

DATE: 15 July 2013

EXECUTIVE SUMMARY

(U//~~FOUO~~) NAME AND POSITION OF SUBJECT:

(b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) AUTHORITIES: 50 USC § 403-3h et seq.

(U//~~FOUO~~) BACKGROUND: On 24 June 2013 the (b)(3), (b)(6), (b)(7)(C)

informed the Intelligence Community Inspector General by email of her concern that (b)(3), (b)(6), (b)(7)(C) (b)(3), (b)(6), (b)(7)(C) may have

violated federal criminal law by failing to timely report a case of suspected child abuse in late 2009 and early 2010 as required by 42 USC § 13031 (b)(3), (b)(6), (b)(7)(C)

(b)(3), (b)(6), (b)(7)(C) On 25 June 2013 the Office of the Intelligence Community Inspector General obtained a final copy of (b)(3), (b)(6), (b)(7)(C)

most recent Statement for Record to the Senate Select Committee on Intelligence. This document included, among other things, allegations that (b)(3), (b)(6), (b)(7)(C)

(b)(3), (b)(6), (b)(7)(C) inappropriately closed an ethics investigation in 2010 and the process for selecting and hiring (b)(3), (b)(6), (b)(7)(C) was improper.

(U//~~FOUO~~) SUBSTANTIATED ALLEGATIONS: None.

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(U//~~FOUO~~) ALLEGATIONS NOT SUBSTANTIATED:

(U//~~FOUO~~) The allegation that (b)(3), (b)(6), (b)(7)(C) failed to comply with 42 USC § 13031 by not timely reporting a 2009 admission of child abuse by a former National Reconnaissance Office contractor employee is not substantiated. There is no evidence to support a criminal or administrative failure to report.

(U//~~FOUO~~) The allegation that (b)(3), (b)(6), (b)(7)(C) failed to properly conduct or supervise the conducting of an investigation into a possible ethics violation by a (b)(3) assigned to National Reconnaissance Office is not substantiated.

(U//~~FOUO~~) The allegation that (b)(3), (b)(6), (b)(7)(C) to be the (b)(3) (b)(3) was improper is not substantiated.

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I. (U//~~FOUO~~) PURPOSE AND AUTHORITY:

A. (U//~~FOUO~~) The IC IG Investigations Division investigated an allegation made by the National Reconnaissance Office (NRO) Inspector General (IG) that a former NRO employee and OIG official engaged in professional misconduct or potentially criminal conduct while assigned to the position of (b)(3), (b)(7)(C)

(b)(3), (b)(7)(C)

B. (U//~~FOUO~~) The National Security Act of 1947, Section 103H authorizes the Intelligence Community Inspector General (IC IG) to investigate matters within the programs and activities under the authority of the Director of National Intelligence (DNI). The NRO is an Intelligence Community (IC) agency funded by the National Intelligence Program. Additionally, (b)(3), (b)(6), (b)(7)(C) referred this matter to the IC IG because (b)(3), (b)(6), (b)(7)(C) had a conflict of interest in relation to the allegations. More significantly, the criminal allegation made by (b)(3), (b)(6), involves a strict liability statute that could equally apply to

II. (U//~~FOUO~~) COMPLAINANT:

Name:

Work Address:

Work Phone:

(b)(3), (b)(6), (b)(7)(C)

III. (U//~~FOUO~~) SUBJECT:

Name:

Work Address:

Work Phone:

(b)(3), (b)(6), (b)(7)(C)

IV. (U//~~FOUO~~) DATE AND BACKGROUND OF COMPLAINT:

A. (U//~~FOUO~~) On 24 June 2013 (b)(3), (b)(6), (b)(7)(C), informed the IC IG by email of concern that (b)(3), (b)(6), (b)(7)(C)

¹ (b)(3), (b)(6), (b)(7)(C) was also considered a potential subject throughout the investigation because of the strict liability nature of the criminal allegation and (b)(3), (b)(6), (b)(7)(C)

(b)(3), (b)(6), (b)(7)(C)

² (b)(3), (b)(6), (b)(7)(C) made this allegation, and the others, against (b)(3), (b)(7)(C) the day before was scheduled to depart on final leave to retire from Federal service. later suspended retirement and remains in Federal service.

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(b)(3) may have violated federal criminal law by failing to timely report a case of suspected child abuse as required by 42 USC § 13031 when (b)(3), (b)(6), (b)(7)(C)

B. (U//~~FOUO~~) On 25 June 2013 the Office of the IC IG obtained a final copy of (b)(3), (b)(6), (b)(7)(C) Statement for Record (SFR) to the Senate Select Committee on Intelligence (SSCI). The SFR included, among other things, allegations that (b)(3), (b)(6), (b)(7)(C) inappropriately closed an ethics investigation in 2010 and the process for selecting and hiring (b)(3), (b)(6), (b)(7)(C) was improper.

C. (U//~~FOUO~~) This investigation examined records of the NRO OIG and Office of Security and Counterintelligence (OS&CI). The IC IG Investigations Division interviewed all personnel with knowledge that was material and relevant to (b)(3), (b)(6), (b)(7)(C) allegations. In support of this investigation, the NRO OGC issued a preservation and production notice to NRO offices for records relevant to the allegations.

V. (U//~~FOUO~~) ALLEGATIONS:

A. (U//~~FOUO~~) The IC IG Investigations Division investigated the following allegations:

1. That (b)(3), (b)(6), (b)(7)(C) failed to comply with 42 USC § 13031 by not timely reporting a 2009 admission of child abuse by a former NRO contractor employee.
2. That (b)(3), (b)(6), (b)(7)(C) failed to properly conduct or supervise the conduct of an investigation into a possible ethics violation by a (b)(3) assigned to NRO.
3. That (b)(3), (b)(6), (b)(7)(C) hiring action (b)(3), (b)(6), (b)(7)(C) was improper.

B. (U//~~FOUO~~) The investigation of the allegations was subject to the following supervision:

1. The IC IG Investigations Division criminally investigated Allegation 1 under the general supervision of the US Attorney's Office for the Eastern District of Virginia (EDVA) and the FBI Washington Field Office from 27 June to 15 July, 2013. The supervising EDVA attorney issued a declination to prosecute Allegation 1 on 15 July 2013.
2. The IC IG Investigations Division criminally investigated allegation 1 and administratively investigated Allegations 2 and 3 under the direct supervision of the IC IG AIGI.
3. In an email dated 26 June 2013 the IC IG recused himself from any involvement into the investigation of all allegations against (b)(3), (b)(6), (b)(7)(C). From that point until the completion of the investigation the Deputy IC IG exercised general supervision over Allegations 2 and 3.

VI. (U//~~FOUO~~) ANALYSIS OF ALLEGATIONS:

A. (U//~~FOUO~~) Allegation 1: That (b)(3), (b)(6), (b)(7)(C) failed to comply with 42 USC § 13031 by not timely reporting a 2009 admission of child abuse by a former NRO contractor employee.

1. Evidence used in analysis of Allegation 1.

a. Documentary Evidence.

(1) Email from (b)(3), (b)(6), (b)(7)(C) to IC IG alleging (b)(3), (b)(6), (b)(7)(C) may have violated a federal criminal statute, dated 24 June 2013.

(2) NRO OIG email correspondence related to NRO OS&CI Security Investigation Subject – NRO Contractor Employee dated from 7 December 2009 to 10 February 2010.

(3) NRO Instruction 80.3, Obligations to Report Evidence of Possible Violations of Federal Criminal Law and Illegal Intelligence Activities, dated August 2009.

(4) NRO OIG Case File – Subject: NRO Contractor Employee

(5) NRO OS&CI Case File – Subject: NRO Contractor Employee

b. Testimonial Evidence.

(1) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013

(2) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013

(3) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013

(4) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013; 11 July 2013

(5) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013

(6) Interview of (b)(3), (b)(6), (b)(7)(C) 11 July 2013

(7) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013

(8) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013

(9) Interview of (b)(3), (b)(6), (b)(7)(C) 26 June 2013

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2. Discussion:

a. To substantiate this allegation, the evidence presented above as applied to the rules that follow must show probable cause that (b)(3), (b)(6), (b)(7)(C) failed to comply with 42 USC § 13031 by not timely reporting a 2009 admission of child abuse by a former NRO contractor employee.

b. The following law or policy is applicable to Allegation 1:

(1) 28 USC § 535. Investigations of crimes involving Government officers and employees; limitations.

(2) 42 USC § 13031. Child abuse reporting.

(3) 18 USC § 2258. Failure to report child abuse.³

(4) 28 CFR § 81.2. Submission of reports; designation of agencies to receive reports of child abuse.

c. The following facts are undisputed. On 7 December 2009 (b)(3), (b)(6), (b)(7)(C) acquired information that gave reason to suspect a child had suffered several incidents of child abuse at the hands of an NRO contractor employee. The NRO Contractor employee had disclosed the physical child abuse (non-sexual) directed towards his infant son to NRO security officials on 18 November 2009. The abuse occurred from August 2008 to February 2009 when the child was less than a year old. It was not until 10 February 2010, 68 days later, (b)(3), (b)(6), (b)(7)(C) report the matter to a local child protection agency in California.

d. The framework for reporting child abuse incidents disclosed to NRO security officials was highly regulated within NRO. The NRO OS&CI and Office of General Counsel (OGC) had jointly established a strict reporting regime in 2009 that only allowed the NRO OIG to acquire admissions of child abuse after the NRO OS&CI and OGC exhausted their lengthy processes for vetting admissions of criminal activity made during security interviews. Before this reporting regime was established, the NRO OIG could not officially acquire admissions of child abuse.⁴

(1) At the time of the alleged incident the admission of child abuse by the NRO contractor employee was subject to a lengthy security vetting process. In this case the

³ This statute criminalizes a breach of the duty to report under 42 USC § 13031 and does not require a knowing or willful violation.

⁴ The appropriateness and legal sufficiency of this reporting regime imposed by the NRO OGC is the subject of a related IC IG investigation into NRO crimes reporting processes. The restrictions placed upon the NRO OIG by other NRO offices will be examined in more detail in that investigation.

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OS&CI possessed the information 27 days before referring it to the NRO OGC. NRO legal officials regarded the child abuse as "bad parenting" and summarily dismissed it with no further action.

(2) (b)(3), (b)(6), (b)(7)(C) notionally received the information on 10 December 2009, but it was not until 16 December 2009 that (b)(3), (b)(6), (b)(7)(C) received the narrative of the referral that included the admission and relevant information. However, it was not until 22 January 2010 that (b)(3), (b)(6), (b)(7)(C) received the referral from NRO OS&CI in the proper form and at an unclassified level that would allow (b)(3), (b)(6), (b)(7)(C) to release the information to a state or local entity. This means (b)(3), (b)(6), (b)(7)(C) office spent 19 days performing its own vetting and verification process before releasing the information. This is significantly shorter than the alleged delay of 68 days.

e. The legal standard for child abuse reporting is that a person defined as a *covered professional* engaged in a related *professional capacity or activity* on Federal land or in a Federal facility shall *as soon as possible* make a report of the *suspected abuse* to the appropriate agency [Emphasis added]. There is no dispute that (b)(3), (b)(6), (b)(7)(C) was on Federal land and in a Federal facility during the period (b)(3), (b)(6), (b)(7)(C) allegedly failed to comply with 42 USC § 13031. The issue as to whether (b)(3), (b)(6), (b)(7)(C) violated Federal criminal law in this instance therefore turns on whether (b)(3), (b)(6), (b)(7)(C) was a covered professional, was engaged in professional capacity or activity, and made a report as soon as possible.

(1) Covered Professional. Of the several classes of covered professionals the most relevant to an (b)(6), (b)(7)(C) is the one referred to as "law enforcement personnel" in 42 USC § 13031. At the time of the activity when (b)(3), (b)(6), (b)(7)(C) allegedly committed a crime the NRO OIG was characterized as an administrative IG. The NRO OIG later acquired the status of Designated Federal Entity (DFE) IG as defined in the 1978 IG Act. The distinction is that an administrative IG derives authority to exist and function from the agency head while the DFE IG derives the same from a statute, independent of the agency head.

(a) A DFE IG investigator is statutorily authorized to investigate criminal activity and can reasonably be considered law enforcement personnel for purposes of child abuse reporting under 42 USC § 13031.⁵ Alternatively, it is not clear that an investigator in an administrative IG office who investigates crimes can be considered law enforcement personnel.

(b) The NRO OIG was an administrative OIG during the period of the allegation. However, there was a NRO policy that gave the NRO OIG responsibility for criminal matters related to the programs and activities of the NRO. This agency designation likely qualified (b)(3), (b)(6), (b)(7)(C) as law enforcement personnel for purposes of child abuse reporting under 42 USC § 13031.

⁵ While many non-IC Agency DFE OIGs do possess law enforcement powers, NRO DFE IG investigators do not possess law enforcement powers and are therefore not considered Federal law enforcement officers.

(2) Engaged in professional capacity or activity. (b)(3), (b)(6), (b)(7)(C) was serving as the (b)(3), (b)(6), (b)(7)(C) during the alleged incident and processing the information in the course and scope of (b)(3), (b)(6), (b)(7)(C) duties that qualified (b)(3), (b)(6), (b)(7)(C) as law enforcement personnel. (b)(3), (b)(6), (b)(7)(C) was without doubt engaged in a professional capacity or activity related to (b)(3), (b)(6), (b)(7)(C) covered personnel status.

(3) Made a report as soon as possible. The Federal statute requiring child abuse reporting does not establish a standard for reporting as soon as possible. The EDVA opined that taking actions on an admission of criminal activity typically requires some degree of due diligence to determine the credibility of the admission.

(a) (b)(3), (b)(6), (b)(7)(C) stated in (b)(3), (b)(6), (b)(7)(C) interview that the reporting requirement is no more than 24 four hours. This position is inexplicable because there is no indication that the NRO OIG reported any admission of child abuse in less than 24 hours after it acquired the information during her tenure as the Deputy IG and IG for the past eight years. Moreover (b)(3), (b)(6), (b)(7)(C) did not know the Federal reporting requirement existed until recently and (b)(3), (b)(6), (b)(7)(C) had not read the statute or taken any steps to have it implemented as NRO policy at the time of this investigation.

(b) It is more reasonable to conclude that how much time is required is situation dependent. Factors such as risk of immediate harm and type of abuse are relevant in determining whether compliance with agency reporting requirements was reasonable under the circumstances. In this instance the NRO contractor employee credibly disclosed the abuse had ended and that he had taken remedial steps to avoid its recurrence. When coupled with the onerous crimes reporting vetting process imposed on the NRO OIG, (b)(3), (b)(6), (b)(7)(C) did make the report as soon as possible by submitting it 19 days after (b)(3), (b)(6), (b)(7)(C) was officially cleared to release the information.

(4) Immunity. If one could argue that delays created by other NRO offices did not relieve (b)(3), (b)(6), (b)(7)(C) duty to report as soon as possible and that the period in the alleged case was too lengthy, the statute that created the duty to report would allow for immunity from criminal liability for good faith reporting.

(a) The OIG file in the alleged case reveals that (b)(3), (b)(6), (b)(7)(C) aggressively took steps to ensure that (b)(3), (b)(6), (b)(7)(C) office reported the admission of child abuse to an appropriate state or local entity. More telling in regard to (b)(3), (b)(6), (b)(7)(C) good faith is (b)(3), (b)(6), (b)(7)(C) established history and record of advocacy to ensure timely reporting in all matters related to the disclosure of child abuse during (b)(3), (b)(6), (b)(7)(C) entire period of employment at NRO OIG.

(b) As the (b)(3), (b)(6), (b)(7)(C) was best positioned to establish a more aggressive and timely reporting regime. It appears however that with the exception of attending one planning meeting in 2009, (b)(3), (b)(6), (b)(7)(C) was disengaged on the issue of crimes reports involving child abuse.

(5) Knowledge. In addition to the defense of immunity for good faith reporting, NRO, specifically the NRO General Counsel and (b)(3), (b)(6), (b)(7)(C) supervisors, failed

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to satisfy its statutory duty to periodically train (b)(3), (b)(6), (b)(7)(C) responsibility to report. Of more concern, the NRO OIG leadership, namely (b)(3), (b)(6), (b)(7)(C), was never aware of the existence of a Federal child abuse reporting requirement applicable to investigators such as (b)(3), (b)(6), (b)(7)(C)

3. Conclusion: The allegation that (b)(3), (b)(6), (b)(7)(C) failed to comply with 42 USC § 13031 by not timely reporting a 2009 admission of child abuse by a former NRO contractor employee is not substantiated. There is no evidence to support a criminal or administrative failure to report.

B. (U//~~FOUO~~) Allegation 2: That (b)(3), (b)(6), (b)(7)(C) failed to properly conduct or supervise the conduct of an investigation into a possible ethics violation by a (b)(3) assigned to NRO.

1. Evidence used in analysis of Allegation 2.

a. Documentary Evidence.

(1) NRO OIG Report of Investigation 2010-096, 21 December 2010

(2) NRO OIG Report of Investigation 2013-095, 5 July 2013

b. Testimonial Evidence.

(1) Interview of (b)(3), (b)(6), (b)(7)(C) 2 July 2013

(2) Interview of (b)(3), (b)(6), (b)(7)(C) 10 July 2013

(3) Interview of (b)(3), (b)(6), (b)(7)(C) 10 JUL 2013

(4) Interview of (b)(3), (b)(6), (b)(7)(C) 11 July 2013

(5) Interview of (b)(3), (b)(6), (b)(7)(C) 11 July 2013

2. Discussion:

a. That (b)(3), (b)(6), (b)(7)(C) failed to properly conduct or supervise the conduct of an investigation into a possible ethics violation by a (b)(3) assigned to NRO.

b. The following policies were applicable to allegation 2:

⁶ (b)(3), (b)(6), (b)(7)(C) unawareness of the law likely explains why (b)(3), (b)(6), (b)(7)(C) relies on a strict liability statute that is equally applicable to (b)(3), (b)(6), (b)(7)(C) failure to report the matter (b)(3), (b)(6), (b)(7)(C) alleges (b)(3), (b)(6), (b)(7)(C) failed to report. (b)(3), (b)(6), (b)(7)(C)

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(1) Counsel of Inspectors General on Integrity and Efficiency (CIGIE), Quality Standards for Investigations, 15 November 2011, provide guidelines for the conduct of IG investigations and state in part that "reasonable steps are taken to ensure that pertinent issues are sufficiently resolved and to ensure that all appropriate criminal, civil, contractual, or administrative remedies are considered"; evidence must be gathered in an unbiased and independent manner; and that evidence must be collected in such a way to ensure that all known or obviously relevant material is obtained.

(2) NRO Inspector General Investigative Procedures Manual, 7 April 2009 states that the assigned investigator and AIGI make case closing decisions in consultation with the IG Counsel. Cases are considered closed when appropriate legal or administrative action has been taken or when allegations have been found to be without merit or disproved.

c. On 22 July 2010, the NRO IG initiated a preliminary inquiry into an ethics violation by (b)(6), (b)(7)(C), (b)(3) related to (b)(3) A (b)(3) confidential source was developed during a routine inspection of (b)(3) by the NRO IG. The confidential source asserted that (b)(3) was participating in matters involving (b)(3) in violation of the conditions of (b)(3) (b)(3), (b)(6), (b)(7)(C) was assigned as lead investigator in the case. On 7 September 2010, the NRO IG opened an investigation and (b)(3) obtained additional lead information regarding (b)(6), (b)(7)(C), (b)(3) involvement in contract decision-making. (b)(3) notified NRO OIG management of (b)(3) investigative efforts to that date, and (b)(3) plan to interview the (b)(3), (b)(6), (b)(7)(C) (b)(3), (b)(6), (b)(7)(C) who potentially had information related to (b)(6), (b)(7)(C), (b)(3) activities and involvement in particular matters that would have violated the terms of (b)(3) (b)(3) (b)(6), (b)(7)(C).

(1) On 10 September 2010 (b)(3) interviewed (b)(3), (b)(6), (b)(7)(C) who provided an opinion that (b)(3) was making programmatic decisions which would impact the (b)(3) (b)(3) contracts and information that (b)(3) had signed decision briefings that affected both contracts. Several witnesses offered opinions that (b)(3) could not make broad programmatic decisions without affecting the financial interests of (b)(3), (b)(6), (b)(7)(C) (b)(3) had not obtained documentary evidence that corroborated these views as of 30 November 2010.

(2) Prior to (b)(3) completing (b)(3) planned investigative activities, (b)(3) believed that on or about 30 November 2010 (b)(3), (b)(6), (b)(7)(C) met informally with (b)(3) during an NRO "All-hands" where (b)(3), (b)(6), (b)(7)(C) informed (b)(3) of (b)(3) status as the subject of an on-going investigation. After the conversation supposedly occurred (b)(3), (b)(6), (b)(7)(C) approached (b)(3) to close the investigation based on (b)(6), (b)(7)(C), (b)(3) statements.

(3) In the opinion of (b)(3), (b)(6), (b)(7)(C) on the 2012 investigation, had (b)(3) been allowed to continue with his investigative plan, (b)(3) would have

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obtained information to substantiate one regulatory conflict of interest violation in 2010.

(4) [REDACTED] stated in a 2 July 2013 interview that he believed [REDACTED] still had a viable case [REDACTED] closed the investigation. [REDACTED] acknowledged that the closing was approved by (b)(3), (b)(6), (b)(7)(C) who was then the (b)(6), (b)(7)(C)

d. By mid-November 2010 [REDACTED] interviewed several witnesses who had suspicions about [REDACTED] involvement with matters related to (b)(3) [REDACTED] but the (b)(3), (b)(6), (b)(7)(C) [REDACTED] opined in a 29 November 2010 interview with [REDACTED] that there was no actual conflict of interest with regard to (b)(6), (b)(7)(C), (b)(3) involvement in (b)(3) [REDACTED] matters. (b)(3), (b)(6), (b)(7)(C) related to IC IG investigators that there was a disagreement between NRO OGC and CIA OGC as to whether a regulatory violation existed with regard to (b)(3), (b)(6), (b)(7)(C) [REDACTED] who [REDACTED] claimed advised [REDACTED] on [REDACTED] participation in (b)(3) [REDACTED] matters, had likely advised [REDACTED] that [REDACTED] may continue to serve in the manner [REDACTED] did with regard to (b)(3) [REDACTED]

(1) [REDACTED] stated that at the time of (b)(3), (b)(6), (b)(7)(C) involvement in the investigation, [REDACTED] had not acquired any direct, documentary evidence that corroborated allegations that [REDACTED] had engaged in activities that would be considered a conflict of interest with regard to either (b)(3), (b)(6), (b)(7)(C) [REDACTED] acknowledged that during the investigation, the focus was on potential criminal violations with regard to (b)(3) [REDACTED] and at that point it appeared that witnesses primarily had knowledge of (b)(6), (b)(7)(C), (b)(3) involvement with (b)(3) [REDACTED] matters.

(2) The NRO case file and closing memo suggest that (b)(3), (b)(6), (b)(7)(C) [REDACTED] had a conversation with [REDACTED] regarding the alleged conflicts of interest on or about 30 November 2010. Significantly, there is no witness statement that a meeting between (b)(3), (b)(6), (b)(7)(C) [REDACTED] occurred, and the contents of that alleged conversation were entered into the case file based on the second-hand knowledge of [REDACTED] as related to [REDACTED] by (b)(3), (b)(6), (b)(7)(C) [REDACTED]. Neither (b)(3), (b)(6), (b)(7)(C) [REDACTED] recall an informal discussion where [REDACTED] was put on notice that [REDACTED] was the subject of an investigation.

(3) (b)(3), (b)(6), (b)(7)(C) [REDACTED] experience as an investigator at NRO OIG, it was not unusual for management to review cases and make a determination to cease investigative efforts when the primary offense could be resolved through administrative measures and properly referred to management officials for action.

e. This allegation primarily revolves around a discretionary authority possessed by the AIGI to determine the best application of investigative resources. While the CIGIE standards and NRO manual call for an investigation to resolve allegations, those standards also allow for assignment of investigative priorities by IG management. Contrary to the allegations made by (b)(3), (b)(6), (b)(7)(C) [REDACTED] on 25 June 2013, the investigator assigned to the case had not obtained credible evidence suggesting that [REDACTED] was involved in criminal or administrative ethics violations. It was not unreasonable for (b)(3), (b)(6), (b)(7)(C) [REDACTED] to advise that the investigation be closed. The

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investigation was closed in accordance with NRO IG processes with the D/AIGI recommending the closing, the AIGI approving it, and the NRO OIG attorney providing no legal objection to the closing.

(1) [REDACTED] did not offer disagreement with [REDACTED] about the decision to close the investigation, and [REDACTED] made it clear to IC IG investigators that [REDACTED] was not directed to close the investigation.

(2) NRO investigators had not obtained evidence during four months of inquiry to substantiate a criminal allegation. Though [REDACTED] alleged that [REDACTED] closed the investigation while the OIG was in possession of credible evidence of a criminal conflict of interest on the part of [REDACTED] there is no basis in fact for this position. Moreover, the allegation was made with the benefit of hindsight and without consultation with [REDACTED]. The NRO OIG case file shows that the NRO OIG did not possess evidence of any violation until nearly two years after the original investigation was closed. Such evidence was discovered only after a much more broadly scoped special review of [REDACTED] was authorized by the IG.

(3) Notably, the complainant, [REDACTED] did not know any details of the 2010 [REDACTED] investigation that were the factual basis for her allegation on 25 June 2013. [REDACTED] did note during her 11 July 2013 interview that [REDACTED] trusted [REDACTED] judgment in all investigative matters therefore undermining [REDACTED] allegations against [REDACTED]

(4) The testimonial evidence of [REDACTED] shows that the NRO IG left these matters to the discretion [REDACTED] and that there were no prior instances where that judgment was called into question. In the absence of actual misconduct on the part of [REDACTED] which this investigation did not discover, and given the adherence to NRO OIG procedures in closing the [REDACTED] investigation, there is no basis to show that [REDACTED] abused [REDACTED] discretion or did anything else improper in this case.

3. Conclusion: The allegation that [REDACTED] failed to properly conduct or supervise the conducting of an investigation into a possible ethics violation by a [REDACTED] assigned to NRO is not substantiated.

C. (U//~~FOUO~~) Allegation 3: That [REDACTED] to be the [REDACTED] was improper.

1. Evidence used in analysis of Allegation 3.

a. Documentary Evidence.

(1) Statement for Record by [REDACTED] dated 25 June 2013

(2) DNRO Letter to the Senate Select Committee on Intelligence, dated 26 June 2013

(3) Senate Select Committee on Intelligence Letter to the DNRO, dated 2 July 2013

(4) Letter from (b)(3), (b)(6), (b)(7)(C) dated 3 July 2012

(5) Emails between (b)(3), (b)(6), (b)(7)(C) and the NRO Director, dated 24 June 2013 and 25 June 2013.

(6) Emails between (b)(3), (b)(6), (b)(7)(C) dated 4 February 2013 and 3 February 2013.

b. Testimonial Evidence.

(1) Interview of DNRO Sapp, 1 July 2013

(2) Interview of PDDNRO Calvelli, 1 July 2013

(3) Interview of (b)(3), (b)(6), (b)(7)(C) 27 July 2013

2. Discussion:

a. Allegation: That (b)(3), (b)(6), (b)(7)(C) to be the (b)(3) was improper.

b. The following law or policy is applicable to allegation 3:

(1) Title 5 App., Inspector General Act of 1978.

(2) Memorandum of Agreement between the Central Intelligence Agency and the National Reconnaissance Office on Personnel Support Relationship, dated August 2012.

c. On 25 June 2013 (b)(3), (b)(6), (b)(7)(C) propounded in a SFR to the SSCI that the circumstances surrounding the appointment of (b)(3), (b)(6), (b)(7)(C) (b)(3) raised "serious concerns on several fronts" (b)(3), and a lack of independent evaluation in the appointment process.

d. (b)(3), (b)(6), (b)(7)(C)

the applicable law and regulation governing appointments are Section 2.4 of the 21 September 2010 Memorandum of Agreement between the Secretary of Defense and the Director of National Intelligence which states "formal agreements either bi-lateral or multi-lateral among NRO, CIA, and/or other DoD components will be used to address staffing and delegations of authority."

(1) Paragraph one of the August 2012 Memorandum of Agreement between the Central Intelligence Agency and the National Reconnaissance Office on Personnel Support Relationship provides CIA and NRO respective responsibilities and documents the

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alignment of positions providing CIA support to the NRO. This MOA provides in pertinent part: (b)(3), (b)(6), (b)(7)(C)

(b)(3), (b)(5), (b)(6), (b)(7)(C)

(b)(3), (b)(6), (b)(7)(C) erroneously asserted that the NRO Director did not consult with (b)(3), (b)(6), (b)(7)(C) regarding (b)(3), (b)(6), (b)(7)(C) appointment. Despite not needing to consult with (b)(3), (b)(6), (b)(7)(C) in appointing (b)(3), (b)(6), (b)(7)(C) The NRO Director did review (b)(3), (b)(6), (b)(7)(C) superlative performance reviews of (b)(3), (b)(6), (b)(7)(C) The NRO Director cited (b)(3), (b)(6), (b)(7)(C) outstanding reviews of (b)(3), (b)(6), (b)(7)(C) as part of (b)(3), (b)(6), (b)(7)(C) reason for (b)(3), (b)(6), (b)(7)(C) in her 26 June 2013 letter to the SSCI.

(b)(3), (b)(6), (b)(7)(C)'s concerns with the hiring and selection of (b)(3), (b)(6), (b)(7)(C) to be the (b)(3), (b)(6), (b)(7)(C) without effect. Also, as there are no restrictions regarding limited term appointments (b)(3), (b)(6), (b)(7)(C) there is no basis to review that concern. Finally, the NRO Director was not required to consult with (b)(3), (b)(6), (b)(7)(C) regarding (b)(3), (b)(6), (b)(7)(C) appointment (b)(3), (b)(6), (b)(7)(C)

3. Conclusion: The allegation that (b)(3), (b)(6), (b)(7)(C) to be the (b)(3) was improper is not substantiated.

VII. (U//~~FOUO~~) CONCLUSIONS:

A. (U//~~FOUO~~) The allegation that (b)(3), (b)(6), (b)(7)(C) committed a crime for a failure to report child abuse while serving as the (b)(3) was neither substantiated nor credible.

B. (U//~~FOUO~~) The allegation that (b)(3), (b)(6), (b)(7)(C) failed to properly conduct or supervise the conduct of an investigation into a possible ethics violation by a (b)(3) (b)(3), (b)(6), (b)(7)(C) was neither substantiated nor accurate.

C. (U//~~FOUO~~) The allegation that (b)(3), (b)(6), (b)(7)(C) to be the (b)(3) was improper was neither substantiated nor based in fact, law, or policy.

VII. (U//~~FOUO~~) RECOMMENDATIONS:

A. (U//~~FOUO~~) The NRO Director should implement 42 USC § 13031 through an NRO policy and train the appropriate covered personnel in NRO, such as IG investigators and behavioral health care providers.

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B. (U//~~FOUO~~) To ensure that intra-agency disagreement over the release of criminal information no longer prevents the timely reporting of admissions of criminal conduct, particularly in cases dealing with child abuse, the NRO Director should consider a thorough review of the responsibility for reporting Federal and state crimes amongst the relevant NRO offices. Such a review should result in clear guidance to and authority for the responsible offices.

SUBMITTED FOR APPROVAL:

(b)(3), (b)(6), (b)(7)(C)

Investigator

(b)(3), (b)(6), (b)(7)(C)

Investigator

APPROVED:

(b)(3), (b)(6), (b)(7)(C)

Assistant Inspector General for Investigations

Enclosure 2b

(b)(3), (b)(6), (b)(7)(C)

24 September 2010

Alleged Misuse of government funds

(U//~~FOUO~~) In 2009, the National Reconnaissance Office (NRO) Office of the Inspector General (OIG) requested the ODNI OIG investigate an anonymous complaint that alleged former (b)(3), (b)(6), (b)(7)(C) misused government funds. The NRO recused itself from investigating this matter (b)(3)

(U//~~FOUO~~) In late 2008, the CIA OIG completed a lengthy investigation into (b)(3), (b)(6), (b)(7)(C) travel vouchers. During this investigation, the CIA OIG examined (b)(3), (b)(6), (b)(7)(C) travel vouchers from approximately 2006-2008. Subsequent to the CIA report being issued, (b)(3), (b)(6), (b)(7)(C) was removed as (b)(3), (b)(6), (b)(7)(C) and reassigned as an (b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) The aforementioned (b)(3), (b)(6), (b)(7)(C) complaint did not contain extensive details, but alleged that former (b)(3), (b)(6), (b)(7)(C) misused government funds in the following ways:

- inappropriately claimed travel and training funds (not further described);
- (b)(3), (b)(6), (b)(7)(C) were reimbursed for first class travel (not further described);
- requested additional travel and training for (b)(3), (b)(6), (b)(7)(C) new job that was beyond (b)(3), (b)(6), (b)(7)(C) new position's scope (not further described).
- received "special" permission to relocate to the West Coast because it was convenient;
- obtained a new job as NRO's special advisor on procurement integrity after being (b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) The ODNI OIG investigation was limited to the allegations concerning (b)(3), (b)(6), (b)(7)(C) use of travel and training funds (b)(3), (b)(6), (b)(7)(C). The OIG obtained copies of all (b)(3), (b)(6), (b)(7)(C) travel vouchers from January 2008 to February 2009. These twenty-four (24) vouchers were analyzed by the OIG and it was determined there was no evidence of fraud or misuse and no evidence (b)(3), (b)(6), (b)(7)(C) claimed any reimbursements for (b)(3), (b)(6), (b)(7)(C). Seventeen (17) of the vouchers were for trips back to NRO HQ (b)(3), (b)(6), (b)(7)(C) for meetings. Five (5) were for various training activities and two (2) involved trips to other NRO facilities for briefings and inspections. The OIG also interviewed NRO administrative officers who processed (b)(3), (b)(6), (b)(7)(C) vouchers and the senior NRO official who reviewed and approved each voucher. These officials stated they were not aware of any fraud or misuse by (b)(3), (b)(6), (b)(7)(C) concerning these trips or any related voucher. This investigation has been closed.

Enclosure 2c

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Office of the Director of National Intelligence
Office of the Inspector General
Washington, D.C. 20511

29 September 2010

MEMORANDUM FOR: (b)(3), (b)(6), (b)(7)(C)
FROM: (b)(3), (b)(6), (b)(7)(C)
FILE NUMBER: 2009-0002
SUBJECT: [REDACTED]
Misuse of government funds

I. (U) Introduction

~~(C)~~ On 06 February 2009, the ODNI Office of Inspector General (OIG) received an email from the National Reconnaissance Office (NRO) OIG which forwarded an anonymous internal NRO email complaint it had received in its NRO OIG's hotline. The complaint did not contain extensive details but alleged that (b)(3), (b)(6), (b)(7)(C) [REDACTED] was misusing government funds in the following ways:

- inappropriately claimed travel and training funds (not further described);
- (b)(3), (b)(6), (b)(7)(C) [REDACTED] were reimbursed for first class travel (not further described);
- requested additional travel and training for [REDACTED] new job that was beyond [REDACTED] new position's scope (not further described).
- received "special" permission to relocate to the West Coast because it was convenient;
- obtained a new job as NRO's special advisor on procurement integrity after (b)(3), (b)(6), (b)(7)(C) [REDACTED]

(U//~~FOUO~~) On 19 February 2009, after coordination with (b)(3) [REDACTED] NRO OIG, the ODNI OIG opened an investigation into captioned matter. (b)(3) [REDACTED]
(b)(3), (b)(6), (b)(7)(C) [REDACTED]

Classified By: (b)(3), (b)(6)
Derived From: ODNI MOS C-09
Reason: 1.4 (c), (g)

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Declassify On: 20340219

(b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) The scope of the ODNI OIG investigation was limited to the allegations concerning (b)(3), (b)(6), (b)(7)(C) recent use of TDY travel and training funds. The aforementioned allegations concerning (b)(3), (b)(6), (b)(7)(C) reassignment from IG to special advisor and (b)(3) PCS transfer to California were not addressed in this investigation.

II. (U) NRO OIG Background

(U//~~FOUO~~) According to the (b)(3), (b)(6), (b)(7)(C), was appointed as (b)(3), (b)(6), (b)(7)(C) in March 2003. In February 2005, the NRO OIG opened a field office in (b)(3). According to (b)(3), (b)(6), (b)(7)(C) had previously prepared a proposal to Dr. Donald M. Kerr, the former Director of the NRO, justifying a permanent OIG presence on the West Coast based on a significant increase in procurement fraud cases and the NRO OIG's working relationship with audit and investigative organizations there.

(U//~~FOUO~~) According to (b)(3), on 16 March 2006, NRO senior management approved the PCS relocation of (b)(3), (b)(6), (b)(7)(C) IG position to (b)(3), (b)(3) Dr. Kerr's *Director's Note* announcing this decision included the following:

(b)(3), (b)(6), (b)(7)(C) *will continue to manage the activities of the Office of the Inspector General (OIG) audit, investigation, and inspection staffs on both coasts, and will have weekly video teleconferences with the Deputy Director and me...*

(b)(3), (b)(6), (b)(7)(C) *will work out of (b)(3), (b)(6), (b)(7)(C) office a minimum of one week per month and will be in regular contact with senior NRO leadership.*

(U//~~FOUO~~) According to the (b)(3), (b)(6), (b)(7)(C) relocated to the (b)(3) California area during the summer of 2006. Shortly thereafter, pursuant to the guidance in the aforementioned Director's Note (b)(3), (b)(6), (b)(7)(C) started making monthly TDY trips to the Washington, D.C. area to conduct official OIG business at NRO Headquarters (NRO HQ), also known as (b)(3). In February 2009, (b)(3), (b)(6), (b)(7)(C) was reassigned from IG to Senior Advisor to the Director on Procurement Integrity and remained stationed in the (b)(3) area. According to the NRO OIG, after February 2009, (b)(3), (b)(6), (b)(7)(C) continued to make frequent trips back to NRO HQ and other facilities to perform the duties of (b)(3), (b)(6), (b)(7)(C) new position.

III. (U) Investigative Summary

(U//~~FOUO~~) At the outset of the ODNI OIG investigation, the NRO OIG was contacted and it agreed to assign (b)(3), (b)(6), (b)(7)(C) as the NRO OIG's point of contact (b)(3), (b)(6), (b)(7)(C) worked closely with the ODNI

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OIG and was periodically briefed on this investigation. The ODNI OIG unilaterally obtained and analyzed all of [REDACTED] travel vouchers from January 2008 to February 2009. This represented the time period from the approximate end of (b)(3) investigation to the time of the NRO hotline email complaint in early February 2009. The OIG also reviewed the processing and approval of [REDACTED] vouchers and interviewed NRO officials involved with the approval and administrative aspects of [REDACTED] vouchers.

A. (U//~~FOUO~~) [REDACTED] TDY Travel

(U//~~FOUO~~) The NRO's Travel Services Center (TSC), which processes NRO vouchers, provided the OIG with twenty-four (24) vouchers, which the TSC reported represents all of [REDACTED] TDY travel vouchers from January 2008 through February 2009.

1. (U//~~FOUO~~) [REDACTED] TDY Travel January 2008 - February 2009

(U//~~FOUO~~) According to NRO records, [REDACTED] took a total of 24 TDY trips from January 2008 to February 2009 (see Attachment #1.) These trips are listed below:

- 13 January - 16 January 2008, (b)(3) to Dulles Airport, Chantilly, VA (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 16 January - 18 January 2008, Dulles to White Sands, NM, return (b)(3)
Purpose of trip was to give briefing at a government facility.
- 29 January - 01 February 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 24 February - 29 February 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 16 March - 21 March 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 13 April - 15 April 2008, (b)(3) to Dulles.
Purpose of trip was to attend meetings at NRO HQ.
- 16 April - 18 April 2008, Dulles to Gettysburg, PA, return (b)(3)
Purpose of trip was to attend the annual NRO OIG off-site training retreat.
- 22 April - 25 April 2008 (b)(3) to Columbus, OH, (roundtrip).
Purpose of trip was to attend Association of Inspectors General (AIG) training conference.

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- 04 May - 09 May 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 08 June - 10 June 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 21 June - 27 June 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 13 July - 16 July 2008, (b)(3) to Boston, MA.
Purpose of trip was to attend Association of Certified Fraud Examiners (ACFE) training conference in Boston.
- 16 July - 23 July 2008, Boston to Dulles, return (b)(3)
Purpose of trip was to attend meetings at NRO HQ.
- 17 August - 22 August 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 08 September - 11 September 2008, (b)(3) to Richmond, VA.
Purpose of trip was to attend U.S. Department of Justice National Procurement Fraud Task Force (NPFTF) training conference in Richmond.
- 11 September – 12 September 2008, Richmond to Chantilly, VA via rental car, and return flight (b)(3)
Purpose of trip was to attend meetings at NRO HQ.
- 13 October – 17 October 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 30 October – 31 October 2008, (b)(3) (roundtrip).
Purpose of trip was to participate in an inspection of a NRO facility.
- 04 November – 07 November 2008, personal vehicle travel from residence to Long Beach, CA.
Purpose of trip was to host and attend AIG training conference.
- 16 November – 21 November 2008 (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 08 December – 09 December 2008 (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meeting (b)(3)
- 14 December – 19 December 2008 (b)(3) to Dulles (roundtrip).

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- Purpose of trip was to attend meetings at NRO HQ.
- 25 January – 30 January 2009, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.
- 22 February – 25 February 2009 (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings at NRO HQ.

2. (U) TDY Trips to NRO HQ

(U//~~FOUO~~) The OIG's analysis of [REDACTED] 24 TDY trips determined that sixteen (16) were to trips to Chantilly, VA to attend meetings at NRO HQ. All these trips appear to be for legitimate government business purposes, in compliance with the aforementioned NRO Director's Note that required [REDACTED] to spend a minimum of one week per month at NRO HQ. The vouchers reveal that [REDACTED] took a long trip back to NRO HQ every month from January 2008 to February 2009. According to senior NRO officials, [REDACTED] was observed making one trip a month to work and meet with officials at NRO HQ. A review of [REDACTED] vouchers revealed that [REDACTED] made at least one trip to NRO HQ every month and sometimes combined [REDACTED] NRO HQ visits with scheduled training trips in the Washington, D.C. area.

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) An examination by the OIG of [REDACTED] 16 TDY vouchers to NRO HQ revealed no excessive or inappropriate claims. There was no evidence that [REDACTED] charged the government for any expenses related to his wife or other family member. There was no evidence [REDACTED] traveled in first class or exceeded the standard government approved coach class airfare rate. There was also no evidence [REDACTED] claimed excessive lodging or M&IE rates. It is noted that [REDACTED] typically used a rental vehicle during [REDACTED] trips to NRO HQ, however [REDACTED] vouchers indicate that [REDACTED] complied with NRO rules by requesting and obtaining approval in advance for [REDACTED] use of a rental vehicle. [REDACTED] use of a rental vehicle appears to be reasonable given the purpose of [REDACTED] TDY and the fact that the costs [REDACTED] claimed were within established government rates for the area. The dates of [REDACTED] 16 TDY trips to NRO HQ are listed below:

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

- 13 January - 16 January 2008.
- 29 January - 01 February 2008.
- 24 February - 29 February 2008.
- 16 March - 21 March 2008.
- 13 April - 15 April 2008.
- 04 May - 09 May 2008.

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- 08 June - 10 June 2008.
- 21 June - 27 June 2008.
- 16 July - 23 July 2008.
- 17 August - 22 August 2008.
- 11 September – 12 September 2008.
- 13 October – 17 October 2008.
- 16 November – 21 November 2008.
- 14 December – 19 December 2008.
- 25 January – 30 January 2009.
- 22 February – 25 February 2009.

3. (U) Training TDY Trips

(U//~~FOUO~~) During January 2008 to February 2009, [REDACTED] made five TDY trips for training purposes. Three of the five were to AIG training conferences. One was to a U.S. DOJ biennial fraud conference and one was to an ACFE conference. According to public records and confirmed by the OIG, [REDACTED], like other IGs, holds executive positions in all three of these fraud related organizations and [REDACTED] often hosts or makes presentations at their conferences.

<Paragraph
contains all
(b)(3). (b)(6).
(b)(7)(C)

(U//~~FOUO~~) According to AIG records and personal observations by OIG personnel, [REDACTED] is a member of the Executive Committee of the AIG and served as host and speaker at the AIG conference [REDACTED] attended during a TDY trip in November 2008. [REDACTED] has also been observed by the OIG attending other AIG conferences. According to U.S. Department of Justice (DOJ) records and personal observations by OIG personnel, [REDACTED] is an executive member of the DOJ National Procurement Fraud Task Force (NPFTF) and a Co-Chair of the NPFTF Private Sector Outreach Committee. [REDACTED] was observed by OIG personnel as a featured speaker at the DOJ NPFTF training conference that [REDACTED] attended in a TDY trip in September 2008. According to NRO OIG personnel, [REDACTED] attended the NRO OIG off site training session in April 2009. According to ACFE public records, [REDACTED] is a Certified Fraud Examiner and a member of the ACFE. Public records reflect that [REDACTED] has been a featured speaker at an ACFE conference in the past. [REDACTED] five training trips are listed below:

<Paragraph
contains all
(b)(3). (b)(6).
(b)(7)(C)

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- 16 April - 18 April 2008, Dulles to Gettysburg, PA, return (b)(3)
Purpose of trip was to attend the annual NRO OIG off-site training retreat.
- 22 April - 25 April 2008, (b)(3) to Columbus, OH, (roundtrip).
Purpose of trip was to attend AIG training conference.
- 13 July - 16 July 2008, (b)(3) to Boston, MA.
Purpose of trip was to attend an ACFE training conference in Boston.
- 08 September - 11 September 2008 (b)(3) to Richmond, VA.
Purpose of trip was to attend U.S. DOJ NPFTF fraud training conference in Richmond.
- 04 November - 07 November 2008 residence to Long Beach, CA.
Purpose of trip was to host and attend AIG training conference.

(U//~~FOUO~~) An OIG analysis of [REDACTED] five training trip vouchers revealed no evidence [REDACTED] charged the government for any expenses related to [REDACTED]. All five trip vouchers indicate [REDACTED] only traveled on and claimed government rate coach class airline tickets. Hotel receipts were submitted for each trip and they indicate [REDACTED] stayed in the city claimed on [REDACTED] voucher. The vouchers contain no evidence that [REDACTED] exceeded the standard lodging or M&IE rates except for the DOJ training trip to Richmond in September 2008. On this trip, [REDACTED] requested and received approval beforehand for actual lodging subsistence which increased [REDACTED] lodging costs \$29 a day for the three days of the conference. In summary, all five training trips [REDACTED] made appear to be for legitimate official government business purposes commensurate to [REDACTED]

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

4. (U//~~FOUO~~) Other TDY Trips:

(U//~~FOUO~~) An analysis of [REDACTED] 24 TDY vouchers revealed that three of these trips were to federal government facilities that were not NRO HQ or training related. One trip was to conduct a briefing in New Mexico and one was to conduct an inspection in Colorado. The third trip was to attend meetings (b)(3) [REDACTED]. These trips also appear to be legitimate and job related. An analysis of these three trip vouchers revealed no evidence [REDACTED] charged the government for any expenses related to (b)(3), (b)(6), (b)(7)(C) [REDACTED]. All three trip vouchers indicate [REDACTED] only traveled on and claimed government rate coach class airline tickets. Hotel receipts were submitted for each trip and they indicate [REDACTED] stayed in the location claimed on [REDACTED] voucher. The vouchers contain no evidence that [REDACTED] exceeded the standard lodging or M&IE rates. All three trips appear to be for legitimate official government business purposes commensurate to [REDACTED] position as IG. These three trips are listed below:

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C) unless stated otherwise

- 16 January - 18 January 2008, Dulles to White Sands, NM, return (b)(3)

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Purpose of trip was to give briefing at a government facility.

- 30 October – 31 October 2008, (b)(3) (roundtrip).
Purpose of trip was to participate in an inspection of a NRO facility.
- 08 December – 09 December 2008, (b)(3) to Dulles (roundtrip).
Purpose of trip was to attend meetings (b)(3)

B. (U//~~FOUO~~) NRO Processing of (b)(3), (b)(6), (b)(7)(C) Vouchers

(U//~~FOUO~~) The OIG interviewed members of the NRO's Travel Services Center (TSC), the administrative office that processed vouchers from the 2008 to 2009 time period. [REDACTED], told the OIG that [REDACTED] is not aware of any misconduct or fraud concerning vouchers. [REDACTED] was not aware of [REDACTED] violating any NRO voucher regulations. [REDACTED] stated that [REDACTED] is known to TSC employees as someone who knows the rules and is difficult to deal with but [REDACTED] is not aware of any wrongdoing on [REDACTED] part. [REDACTED] stated that [REDACTED] vouchers seemed to be legitimate and properly approved by [REDACTED] superiors. [REDACTED] added that [REDACTED] would not hesitate to report any suspicious activity concerning vouchers.

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) According to [REDACTED] the TSC does not just review and certify NRO travel vouchers without detailed examination. There is a sampling process in which random vouchers are indiscriminately pulled for a full audit. In addition, there are protocols to pull a voucher for a full audit if it involves circumstances such as foreign travel, training, an obvious error or some other unusual issue. [REDACTED] was not aware of any of [REDACTED] vouchers being pulled for further examination because of an allegation of wrongdoing.

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) According to [REDACTED] voucher certifier in the TSC. [REDACTED] is very strict, and others in the TSC often go to [REDACTED] for assistance in validating travel vouchers. Since [REDACTED] has been in the TSC much longer that [REDACTED] suggested that [REDACTED] may have additional information on [REDACTED] vouchers.

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

(U//~~FOUO~~) [REDACTED] was interviewed by the OIG and [REDACTED] stated [REDACTED] has been at the TSC since 2001. [REDACTED] was not aware of any specific questions concerning [REDACTED] vouchers that raised an issue of impropriety. [REDACTED] has never heard of any related voucher impropriety from other staff members at the TSC. [REDACTED] did hear from a co-worker that some of [REDACTED] vouchers were approved by [REDACTED] subordinate in 2006, but that the vouchers were later disallowed. This is the only questionable issue [REDACTED] has heard about [REDACTED] vouchers.

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

C. (U//~~FOUO~~) NRO Approval of (b)(3), (b)(6), (b)(7)(C) Vouchers

~~CONFIDENTIAL~~

(U//FOUO) After being reviewed and certified by the TSC, all of [REDACTED] 24 TDY travel vouchers were approved by [REDACTED] [REDACTED] was interviewed by the OIG and [REDACTED] stated that from 2006 to 2009, [REDACTED] functionally served as the chief of staff in the NRO Director's office. [REDACTED] is an experienced (b)(3) [REDACTED] who was assigned to the NRO from 2002 to 2009. [REDACTED] was aware of the controversies and investigations involving [REDACTED] vouchers and other issues. However, [REDACTED] never had any reason to question the legitimacy of any of [REDACTED] vouchers. [REDACTED] reviewed and approved all of [REDACTED] vouchers from late 2007 to March 2009. In addition, [REDACTED] added [REDACTED] worked in the NRO OIG before [REDACTED] was there, and would have not hesitated to report any evidence of wrongdoing by [REDACTED]

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C), unless stated otherwise

(U//FOUO) [REDACTED] stated that during the 2008/2009 time period, [REDACTED] typically made one trip a month to NRO HQ. During these trips, [REDACTED] always made a point of coming into the Director's front office to see [REDACTED] and others. [REDACTED] remembered always seeing [REDACTED] during [REDACTED] trips to NRO HQ and it seemed to [REDACTED] that [REDACTED] was legitimately working at headquarters and elsewhere in the area.

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

(U//FOUO) [REDACTED] stated that [REDACTED] always required [REDACTED] to include all receipts with [REDACTED] vouchers before [REDACTED] would approve them. According to [REDACTED] [REDACTED] knew the travel rules and ethics regulations very well and [REDACTED] saw no evidence of fraud, waste or abuse by [REDACTED]. [REDACTED] never heard or saw that [REDACTED] on any official travel. [REDACTED] stated that [REDACTED] and former NRO Director Scott Large both reviewed [REDACTED] travel vouchers and they never found anything questionable about them. [REDACTED] acknowledged there was a perception of wrongdoing by [REDACTED] especially after a U.S. Senator criticized [REDACTED] after (b)(3) [REDACTED] was issued in 2008. [REDACTED] was concerned of the negative perceptions of [REDACTED] and so [REDACTED] only approved [REDACTED] vouchers when there was a "100% appearance" they were legitimate trips. [REDACTED] was not aware of any ethics violations by [REDACTED] and [REDACTED] has no evidence that [REDACTED] was "shady" or "unethical."

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C), unless stated otherwise

IV. (U) Conclusion

(U//FOUO) The OIG found no evidence that substantiated the allegations that [REDACTED] inappropriately claimed travel and training funds, that [REDACTED] were reimbursed for first class travel, or that [REDACTED] requested additional travel and/or training that was beyond the scope of [REDACTED] position at the NRO. All of [REDACTED] TDY trips from January 2008 to February 2009 were examined by the OIG and no improprieties or irregularities were uncovered regarding the purpose of the trips or the travel expenses claimed in [REDACTED] vouchers. NRO personnel who reviewed and certified [REDACTED] vouchers, as well as senior NRO personnel who approved [REDACTED] vouchers were interviewed and they stated that they were not aware of any violation of NRO rules and regulations by [REDACTED] in connection with either [REDACTED] travel or [REDACTED] vouchers.

<Paragraph contains all (b)(3), (b)(6), (b)(7)(C)

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Attachment #1

~~CONFIDENTIAL~~

Enclosure 2d



Office of the Inspector General of the Intelligence Community
Investigations Division
WASHINGTON, DC 20511

cc'd 2 June 2013

MEMORANDUM FOR: Assistant Inspector General for Investigations

FROM: Investigator (b)(3), (b)(6), (b)(7)(C)

SUBJECT: (U//~~FOUO~~) ALLEGATIONS OF MISCONDUCT BY
FORMER NRO IG OFFICIAL (b)(3), (b)(6), (b)(7)(C)

1. (U//~~FOUO~~) Purpose. To investigate allegations raised by the (b)(3), (b)(6), (b)(7)(C) that a former NRO OIG official, who has been selected as (b)(3), (b)(6), (b)(7)(C), engaged in professional and potentially criminal misconduct while assigned to the position of (b)(6), (b)(7)(C) (b)(3), (b)(6), (b)(7)(C) and to examine the propriety of the selection and hiring process by which that official was selected as the next NRO IG.

2. (U//~~FOUO~~) Background.

a. On 24 JUN 13, the (b)(3), (b)(6), (b)(7)(C), informed the Intelligence Community Inspector General (IC IG) by email of (b)(3), (b)(6), (b)(7)(C) concern that the (b)(3), (b)(6), (b)(7)(C) may have violated criminal federal law by failing to timely report a case of suspected child abuse as required by 42 USC 13031.

b. On 25 Jun 13, (b)(3), (b)(6), (b)(7)(C) provided the IC IG with a copy of a Statement for Record (SFR) to the Senate Select Committee on Intelligence (SSCI) which alleged that the (b)(3), (b)(6), (b)(7)(C) inappropriately closed an ethics investigation in 2010. The (b)(3), (b)(6), (b)(7)(C) also asserted that the process for selecting and hiring the IG Select was improper.

3. (U//~~FOUO~~) Authority. The National Security Act of 1947, Section 103H authorizes the IC IG to investigate matters within the programs and activities under the authority of the Director of National Intelligence. The NRO is an IC agency composed of IC personal funded by the National Intelligence Program.

4. (U//~~FOUO~~) Standards.

a. 42 USC 13031—all covered professionals who learn of suspected child abuse while engaged in enumerated activities and professions on federal land or

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in federal facilities must report that abuse, regardless of where the suspected victim is cared for or resides.

b. 18 USC 2258—A covered person [42 USC 13031(b)(6)] who learns of facts that give reason to suspect that a child has suffered an incident of child abuse, as defined in subsection (c) of 42 USC 13031, and fails to make a timely report as required by subsection (a) shall be fined under this title or imprisoned not more than one year, or both.

c. 1995 MOU between the Attorney General and Heads of the IC: Reporting Information Concerning Federal Crimes—Requires senior officials of the Intelligence Community to report to the Attorney General possible violations of the federal criminal laws by employees and of specified federal criminal laws by any other person.

d. Agency Regulation 7-1 Annex D-Reporting and Use of Information Concerning Federal Crimes implements the 1995 MOU with regard to CIA employees and information.

e. NRO Instruction 80-3—Designates the NRO OGC has the primary office to receive and report crimes not related to NRO programs and activities.

f. Council of Inspectors General for Integrity and Efficiency (CIGIE), Quality Standards for Investigations, 15 NOV 11.

g. AR 20-1 Human Resources Administration, 13 JUN 02.

h. Memorandum of Understanding between the NRO and the CIA on Personnel Support Relationship, dated 9 AUG 12.

5. (U//~~FOUO~~) Allegations.

a. That the former (b)(3), (b)(6), (b)(7)(C) while assigned to that position, violated statutory requirements to report knowledge of child physical and sexual abuse, and child pornography to designated authorities pursuant to 42 USC 13031; and

b. That the former (b)(3), (b)(6), (b)(7)(C) failed to exercise due diligence in the investigation of an ethics violation by a senior NRO official, using his position as [REDACTED] to improperly close the investigation without regard for the quality standards of IG investigations; and

c. That the process for hiring and selecting the former NRO AIGI to the position of NRO Inspector General did not comport with applicable authorities.

6. (U//~~FOUO~~) Proposed Scope of the Investigation. This investigation will examine relevant records of the NRO OIG, OGC, Office of Security and Counterintelligence (OS&CI) and OSHC. The IC IG Investigations Division will conduct interviews of all personnel with knowledge that is material and relevant

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to the allegations above. The NRO OGC has issued a preservation and production notice to NRO offices for records relevant to the above allegations, and the NRO CIO has been notified to retain the records of certain former NRO employees.

a. Interview all NRO OIG Investigations staff involved in the crimes referral process.

b. Review of (b)(3) Security file of (b)(3), (b)(6), (b)(7)(C)

(b)(3), (b)(6), (b)(7)(C)

c. Review of NRO IG Investigations Records of the crime referral.

(b)(3), (b)(6), (b)(7)(C)

d. Review OGC records related to the crime referral.

e. Review of NRO IG Investigation files pertaining to

(b)(3), (b)(6), (b)(7)(C)

f. Interview all NRO personnel involved in closing the investigation.

(b)(3), (b)(6), (b)(7)(C)

g. Interview NRO Office of Strategic Human Capital (OSHC) subject matter experts involved in the selection and hiring of as NRO IG.

(b)(3), (b)(6), (b)(7)(C)

h. Review of NRO OSHC records of the selection and hiring decision of Director, NRO, regarding the NRO IG.

i. Interview Betty Sapp, Director, NRO.

j. Interview (b)(3), (b)(6), (b)(7)(C)

k. Interview (b)(3), (b)(6), (b)(7)(C)

7. (U//~~FOUO~~) Recommendation. That you authorize the investigation of matters presented by the NRO Inspector General as discussed above.

(b)(3), (b)(6), (b)(7)(C)

2 Jul 13
Date

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OFFICE OF THE INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY
COUNSEL
WASHINGTON, DC 20511

2 July 2013

MEMORANDUM FOR: (b)(3), (b)(6), (b)(7)(C)

FROM: Jeanette J. McMillian
Counsel to the IC IG

SUBJECT: (U//~~FOUO~~) Legal Review of Opening Memorandum For
Investigation of Allegations of Misconduct by Former NRO IG
Official (b)(3), (b)(6), (b)(7)(C)

CASE NUMBER: INV-2013-0060

(U//~~FOUO~~) **BACKGROUND:** On or about 24 June 2013, the current National Reconnaissance Office (b)(3), (b)(6), (b)(7)(C), forwarded a referral of a misconduct allegation against (b)(3), (b)(6), (b)(7)(C). (b)(3), (b)(6), (b)(7)(C) The allegation stated that (b)(3), (b)(6), (b)(7)(C) may have violated federal law by failing to timely report a case of suspected child abuse as required by 42 U.S.C. § 13031, which imposes a criminal penalty under 18 U.S.C. § 2258 for failing to report in a timely manner. Because (b)(3), (b)(6), (b)(7)(C) has been selected as the next NRO IG, as the current NRO IG is scheduled to retire; and the current NRO IG was the supervisor for (b)(3), (b)(6), (b)(7)(C) during the time of the alleged incident, the current NRO IG could not conduct an

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investigation into the matter due to potential conflicts of interest. On behalf of the IC IG¹, the AIG for Investigations accepted the referral and conducted a preliminary inquiry.

(U//~~FOUO~~) LEGAL REVIEW: Based on the results of the preliminary inquiry, the AIG for Investigations has decided to open an investigation into the allegation. Based upon the preliminary inquiry, initial analysis of the Assistant United States Attorney for the Eastern District of Virginia, and NRO IG Referral, the Counsel to the IC IG finds that there is sufficient predication to open an investigation into the allegation against (b)(3), (b)(6), (b)(7)(C). Specifically, Counsel notes:

- (b)(3), (b)(6), (b)(7)(C) was employed as the (b)(3), (b)(6), (b)(7)(C) at the time (Dec 2009 – Jan 2010) the alleged failure to report in a timely manner occurred;
- (2) The position of (b)(3), (b)(6), (b)(7)(C) is within the NRO Office of Inspector General, which may be considered a “covered professional” position required to report suspected child abuse under 42 U.S.C. § 13031;
 - (3) The IC IG has jurisdiction over this investigative matter as it is within the programs and activities of the DNI, specifically oversight over NIP-funded personnel positions;
 - (4) The DNI is aware of this referral and has not invoked his authority to limit the investigative activities of the IC IG into this matter;
 - (5) The OIGs of the CIA and DOD are both aware of this referral and have not invoked their respective jurisdictional authority to investigate this matter; and
 - (6) Adhering to CIGIE Investigative Standards, the proposed scope and methodology of the investigation is tailored to illicit relevant evidence to determine whether or not (b)(3), (b)(6), (b)(7)(C) violated 42 U.S.C. § 13031;

(U//~~FOUO~~) RECOMMENDATION: Based upon the information presented at this time, there is sufficient predication to conduct the Subject investigation in accordance with statutory authorities, applicable regulations, and CIGIE investigative standards.


Jeanette J. McMillian

Counsel to the Inspector General of the Intelligence Community


Date

¹ (U//~~FOUO~~) Due to the IC IG's personal and professional relationship with (b)(3), (b)(6), (b)(7)(C) recused (b)(3), (b)(6), (b)(7)(C) from these investigative matters.

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TAYLBILA

Date: 10/1/2020

Time: 8:13:35 AM

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Date: 10/1/2020

Time: 8:14:49 AM

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Enclosure 2e

OFFICE OF THE DIRECTOR OF NATIONAL INTELLIGENCE
OFFICE OF THE INSPECTOR GENERAL
WASHINGTON, DC 20511

vvv This page contains all (b)(3), (b)(6), (b)(7)(C) vvv

19 November 2010

Dear [REDACTED]:

(U//~~FOUO~~) By memorandum entitled, "Referral of Allegations Concerning Senior CIA Staff Officer ([REDACTED])," dated 24 May 2010, your office referred a matter for investigation concerning alleged voucher impropriety by former National Reconnaissance Office (NRO) [REDACTED]. Your memorandum advised that a Central Intelligence Agency (CIA) Office of the Inspector General (OIG) confidential source reported the possible misuse of government funds by [REDACTED] during a temporary duty assignment (TDY) visit to Austin, TX in October 2004. Specifically, the source stated that during this trip, [REDACTED] told source that [REDACTED] was given one night's complimentary lodging at a cost of \$55.00.

(U//~~FOUO~~) According to the source, [REDACTED] did not state that [REDACTED] claimed the cost of any complimentary lodging in [REDACTED] travel voucher and the source does not know how [REDACTED] claimed [REDACTED] expenses in [REDACTED] voucher. Subsequently, the CIA OIG reviewed [REDACTED] voucher from the Austin TDY and determined that [REDACTED] did not claim any complimentary lodging and was compensated at the maximum per diem rate for all the nights [REDACTED] stayed at the Austin hotel. Your memorandum also advised that the CIA's Agency Regulation (AR) 22-7 h (2) (a), which governed [REDACTED] TDY voucher activity, specifies in part that, "...when commercial lodging is obtained at no cost to the employee, no part of the lodging per diem allowance will be allowed..." This allegation was referred to the ODNI OIG to conduct additional investigation and attempt to ascertain whether [REDACTED] was improperly reimbursed for complimentary lodging expenses during this TDY.

(U//~~FOUO~~) The ODNI OIG's investigation was unable to substantiate the allegation that [REDACTED] had improperly claimed reimbursement in [REDACTED] voucher for complimentary lodging during this TDY.

(U//~~FOUO~~) In June 2010, the ODNI OIG contacted the hotel chain in question and requested all records concerning [REDACTED] October 2004 hotel activity. Subsequently, the hotel general counsel's office reported that [REDACTED] October 2004 hotel billing records were no longer available.

^^^ This page contains all (b)(3), (b)(6), (b)(7)(C) ^^^

(U//~~FOUO~~) The ODNI OIG's reviewed [REDACTED] voucher provided by the NRO Travel Services Center (TSC) from [REDACTED] October 2004 Austin TDY. The voucher contained a copy of the hotel bill submitted by [REDACTED]. This review reflected that [REDACTED] credit card was charged \$55.00 for each of the three nights [REDACTED] stayed in the hotel and that no credits or deductions were listed on the hotel bill indicating [REDACTED] received any complimentary lodging. [REDACTED] voucher reflects that [REDACTED] claimed the full lodging cost of \$55.00 for each of the three nights listed on [REDACTED] hotel bill and did not claim any credits or deductions indicating [REDACTED] received any complimentary lodging.

(U//~~FOUO~~) The ODNI OIG's review of [REDACTED] voucher also revealed that [REDACTED] executed a standard TDY Travel Certification Statement in which [REDACTED] certified that [REDACTED] used a government travel credit card to pay for [REDACTED] travel expenses. In June 2010, the ODNI OIG asked the CIA OIG to obtain [REDACTED] government credit card records from the October 2004 period to ascertain if these records contain a credit or deduction from the Austin hotel. The CIA OIG provided the credit card records to the ODNI OIG in October 2010. A review of these credit card records by the ODNI OIG revealed that they did not contain any transactions related to [REDACTED] October 2004 TDY.

(U//~~FOUO~~) The ODNI OIG subsequently interviewed the aforementioned CIA OIG source whose allegation initiated this investigation. The source stated that during the Austin TDY, [REDACTED] told the source that [REDACTED] received a complimentary night's lodging from the hotel after [REDACTED] complained about the hotel not properly cleaning [REDACTED] room. The source stated that he/she did not know for sure if the hotel had in fact given [REDACTED] a complimentary night's lodging, but that [REDACTED] had told the source this story on several occasions during the TDY. The source added that [REDACTED] did not tell the source how [REDACTED] planned to claim [REDACTED] lodging expenses from the trip; the source never saw [REDACTED] completed voucher and did not know how [REDACTED] claimed [REDACTED] lodging costs. When questioned why he/she delayed reporting this incident to the OIG, the source stated that in late 2009, he/she became aware of the CIA OIG's investigation of [REDACTED] and recalled what seemed to be a similar allegation of voucher impropriety.

(U//~~FOUO~~) The ODNI OIG interviewed two employees in the NRO's TSC, including the Chief of the TSC. The TSC processed [REDACTED] October 2004 voucher. Both TSC employees advised that they were not aware of any improprieties with [REDACTED] 2004 voucher.

(U//~~FOUO~~) The ODNI OIG also interviewed a former senior official assigned to the NRO OIG in 2004, when [REDACTED] was the IG. This official had no specific information that [REDACTED] improperly claimed a reimbursement for complimentary lodging during [REDACTED] Austin TDY.

(U//~~FOUO~~) Since the ODNI OIG's investigation was unable to substantiate the allegation that [REDACTED] was improperly reimbursed for complimentary lodging expenses during this TDY, this investigation has been closed.

(U//FOUO) Please contact me with any questions at (b)(3), (b)(6)

Sincerely,

(b) (6), (b) (7)(C), (b)(3)

c: NRO IG

Enclosure 2f



OFFICE OF THE INSPECTOR GENERAL OF THE INTELLIGENCE COMMUNITY
WASHINGTON, DC 20511

5 June 2012

Mr. James R. Clapper
Director of National Intelligence
Washington, DC 20505

Dear Director Clapper,

(U//~~FOUO~~) This letter contains the results of a preliminary inquiry into non criminal allegations made against the Director of the Central Intelligence Agency (CIA) when an anonymous complaint was sent to the CIA OIG. The complaint alleged that the Director of the CIA engaged in excessive spending regarding the use of chartered aircraft, misused classified information systems onboard the chartered aircraft, sponsored expensive social functions that included government purchased food, improperly accessed unclassified internet access while overseas, and shared information systems passwords. All allegations were unsubstantiated.

(U//~~FOUO~~) We found that the use of military aircraft for domestic travel is impracticable because it is not adaptable to the current communications equipment requirements, offers less operational security, and does not offer the certainty of chartered air services. This leaves the use of chartered aircraft as the only feasible alternative for domestic travel by the Director of the CIA. We found no improper use of classified information systems onboard the chartered aircraft or information systems passwords. Our inquiry also found no instances where social functions sponsored by the Director of the CIA were inconsistent with Agency policy. Finally, there was no finding of improperly accessed unclassified government information systems while overseas.

PRELIMINARY INFORMATION

1. (U//~~FOUO~~) AGENCY OFFICIAL: David H. Petraeus – Director, Central Intelligence Agency

-1-

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Classified By: [IC IG]
Derived From: ODNI ANA T-08
Reason: 1.4(c)
Declassify On: 20370601

2. (U//~~FOUO~~) **AUTHORITY:** 50 USC § 403-3h.

3. (U//~~FOUO~~) **BACKGROUND:**

a. (U//~~FOUO~~) On May 2, 2012 at 2:19 P.M. an anonymous individual submitted a complaint to the CIA OIG. The CIA OIG styled the complaint as one regarding "excessive spending".¹ It made four allegations of "excessive spending". The four allegations are related to (1) use of a chartered aircraft, (2) use of classified information systems onboard the chartered aircraft, (3) sharing of information system passwords with personal assistants, and (4) social functions involving government purchased food and full-time unclassified internet access.

b. (U//~~FOUO~~) On May 3, 2012 the CIA IG referred the anonymous complaint to the Director of National Intelligence (DNI).² The DNI received the memorandum on May 7, 2012 and forwarded the matter to the Intelligence Community Inspector General (IC IG). After an initial review of the referral the IC IG began a preliminary inquiry into the allegations. The IC IG closed the inquiry with an interview of the Agency Official on June 2, 2012.

CONSIDERATION OF ALLEGATIONS

1. (U//~~FOUO~~) **Allegation #1:** The Agency Official's use of chartered aircraft is an improper or unnecessary expense.

(b)(1)



¹(b)(3)

²(b)(3)

³(b)(3)

(2) (U) Government Aircraft. A government aircraft is one that is operated for the exclusive use of an executive agency or a commercial aircraft hired as commercial aviation services which are chartered or rented.⁴

(3) (U) Required Use Travel. Travel on government aircraft for required-use travel, i.e., when the traveler is authorized to use government aircraft because of bona fide communications needs (e.g., 24 hour secure communications are required).⁵

(4) (U) Required Use Travel Approval. An agency must first establish written standards for determining the special circumstances under which it will require travelers to use government aircraft. The agency's senior legal official, or the senior legal official's principal deputy, must authorize required use travel on a trip-by-trip basis in advance and in writing. Alternatively, if the traveler is an agency head, the President can determine that all the agency head's travel requires the use of government aircraft.⁶

(b)(3)

(b)(1)

⁴ (U) 41 CFR § 102-33.45

⁵ (U) 41 CFR § 301-70.801

⁶ (U) 41 CFR § 301-70.803

(b)(1)

(b)(3)

(b)(1)



(b)(3)



(b)(1)



(b)(3)



(b)(1)



d. (U//~~FOUO~~) **Conclusion.** This allegation is not substantiated.

(b)(1)



a. (U//~~FOUO~~) **Rule.** Intelligence Community (IC) policy governs "Sensitive Compartmented Information Facilities".¹⁴

(1) (U//~~FOUO~~) **Uniform Security Requirements.** The overarching purpose of the policy and its sub-documents is to establish that an Intelligence Community Sensitive Compartmented Information Facility (SCIF) shall comply with uniform IC physical and technical security requirements, typically referred to as uniform security requirements.¹⁵ It is policy that all sensitive compartmented information must be processed, stored, used, or discussed in an accredited SCIF. The policy applies to all facilities within Intelligence Community elements where Sensitive Compartmented Information (SCI) is processed, stored, used, or discussed.

(2) (U//~~FOUO~~) **Waiver.** An Intelligence Community element head may grant a waiver to the SCIF policy. This waiver granting authority may be delegated to a single named

(b)(3)



¹⁴ (U//~~FOUO~~) Intelligence Community Directive (ICD) 705 issued by the DNI and effective May 26, 2010 governs derivative ICD 705 regulatory documents consists of Intelligence Community Standards 705-01 and 705-02 along with a compendium of Technical Specifications that are maintained and reviewed by the security community on a monthly basis.

¹⁵ (U//~~FOUO~~) ICD 705, paragraph D.2.

senior official, typically the Cognizant Security Authority, but may not be further delegated. A waiver is only granted for exceptional circumstances where there is a documented mission requirement that outweighs the need to comply with uniform security requirements.¹⁶

(b)(1)



¹⁶ (U//~~TOP SECRET~~) ICD 705, paragraph D.5.

(b)(3)



(b)(1)



(b)(1)

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d. (U//~~FOUO~~) Conclusion. This allegation is not substantiated.

(b)(1)

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d. (U//~~FOUO~~) Conclusion. This allegation is not substantiated.

4. (U//~~FOUO~~) Allegation #4: The Agency Official's use of government funds for food services, conduct of social functions, and internet access is improper.

a. (U//~~FOUO~~) Rules.

(b)(3)

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(1) (U//~~FOUO~~) Official Reception and Representation Expenses.²² It is policy that "Senior Agency Hosting Officials" may expend funds approved for official reception and representation expenses where the primary objective is to further or facilitate accomplishment of the Agency Official's duties and responsibilities by extending courtesies and amenities to a "Designated Official or Person." Designated approving officials may approve the payment of expenses for functions and activities that satisfy the following criteria:

(a) *Designated Official or Person.* The purpose of the activity or function must be to extend courtesies and amenities to a Designated Official or Person as defined by agency regulation;

(b) *Senior Agency Hosting Official.* The activity or function to extend courtesies and amenities to a Designated Official or Person must be hosted by a Senior Agency Hosting Official as defined by agency regulation; and,

(c) *Purpose.* The primary purpose of the function or activity must be to establish or promote a relationship that will further or facilitate accomplishment of the Agency Official's duties and responsibilities. The event should be principally a social or quasi-social occasion, typically characterized by mixed ceremonial, social, or business purposes.

(2) (U//~~FOUO~~) The Use of Appropriated Funds to Purchase Food.²³ Appropriated funds may be used only for authorized purposes. Generally, appropriated funds are not available to procure food and refreshments for an employee while at his official duty station. Food and beverages are considered a personal expense that must be borne from the employee's own salary. Consistent with the applicable authorities, the use of appropriated funds to purchase food at an employee's official duty station may be approved under certain limited circumstances.

(3) (U//~~FOUO~~) Limited Personal Use of Government Office Equipment Including Information Technology.²⁴ Overt agency personnel are permitted limited use of government office equipment for personal needs if the use involves minimal additional expense to the U.S. Government and does not interfere with official business, affect Agency personnel under cover, and violate the Standards of Ethical Conduct for Employees of the executive Branch. This limited personal use of government office equipment should take place during the individual's non-work time.

²² (U) Agency Regulation 7-4 (U), *Official Reception and Representation Expenses*, dated 20080813.

²³ (U) Agency Regulation 30-11 (U), *The Use of Appropriated Funds to Purchase Food*, dated 20100921.

²⁴ (U) Agency Regulation 7-21 (U), *Limited Personal Use of Government Office Equipment Including Information Technology*, dated 20080527.

b. (U//~~FOUO~~) Evidence.

(1) (U//~~FOUO~~) From September 2011 through April 2012 billing records obtained from CIA's services division establish that 142 events sponsored by the Agency Official occurred involving the purchase of food through the CIA's exclusive vendor for dining and catering. There is no record of any social event sponsored by the Agency Official occurring other than those supported through this customary process. Of these 142 events, 132 (93%) of them were characterized as official and 10 (7%) were characterized as personal.

(2) (U//~~FOUO~~) The allegation regarding full time internet access while overseas for "purely personal reasons" was acknowledged to be a "rumor" by the anonymous complainant. There is no allegation that the Agency Official's use of the internet was improper, e.g., inappropriate or prohibited web sites. The allegation is that the Agency Official's mere act of accessing the internet on an unclassified agency information system is an improper "amenity".

c. (U//~~FOUO~~) Discussion.

(1) (U//~~FOUO~~) All records and information establish that the 132 official functions complied with the policy governing the purchase of food with appropriated funds and the 10 personal functions were paid for by Agency Official with his own funds. Since no irregularities were found which would question the official function designation or the source of funding, there is no basis to support the allegation that the use of appropriated funds to pay for official social functions was improper or personal functions ever occurred.

(2) (U//~~FOUO~~) It is not disputed that the Agency Official can access an unclassified government information system while traveling overseas. The Agency Official is permitted use of an unclassified information system for personal needs. There is no information available to indicate the Agency Official's use interferes with official business, causes additional expense to the U.S. Government, affects Agency personnel under cover, or violates the Standards of Ethical Conduct for Employees of the Executive Branch. Absent any specific information, there is no basis to support the allegation that the mere act of accessing an unclassified information system while overseas is improper.

d. (U//~~FOUO~~) Conclusion. These allegations are not substantiated.

(U) If you have any questions regarding this matter, please contact me at (b)(3), (b)(6)

Sincerely,

A handwritten signature in black ink, appearing to read "I. C. McCullough, III". The signature is fluid and cursive, with the last name "McCullough" being the most prominent part.

I. Charles McCullough, III
Inspector General
of the Intelligence Community