United States Reaches $1.53 Million Dollar Settlement with Defense Contractor to Resolve Contract Claim

Baltimore, Maryland – CACI Technologies, LLC has agreed to pay the United States $1,531,928.77 to settle an allegation that it breached its contract with the National Security Agency (NSA), a component of the Department of Defense, by billing and accepting payment from the NSA for work performed by certain CACI employees who did not meet the required qualifications.

The civil settlement was announced by United States Attorney for the District of Maryland Robert K. Hur; Special Agent in Charge Robert E. Craig, Jr. of the Defense Criminal Investigative Service - Mid-Atlantic Field Office; and Assistant Inspector for Investigations G. Shawn Tate, NSA Office of the Inspector General.

CACI Technologies, LLC (“CACI”), located in Chantilly, Virginia, is an information technology company that develops, integrates, and maintains technological solutions across a range of markets, including intelligence systems, communication, cyber-security, logistics and material readiness, and other services for government and commercial customers. In September 2007, CACI was awarded an NSA contract. As part of the contract, NSA required that CACI provide the resources and services of skilled professional and technical personnel necessary to meet the responsibilities specified in, or required by, Delivery Orders and/or Technical Task Orders issued under the contract. The contract and Delivery Orders referenced and attached labor categories that prescribed the type of experience and educational qualifications needed for classes of personnel billed under the particular labor category.

The United States alleged that between January 1, 2010 and June 30, 2014, certain CACI employees who provided services under the Delivery Orders issued under the Contract did not meet all the qualifications described in the labor categories corresponding to the rates billed to and paid by the NSA for those CACI employees. According to the civil settlement agreement, the settlement resolves these allegations.
As part of the settlement, CACI has already paid NSA $739,037.37, and agrees to pay an additional $792,891.40 within 30 days.

The claim resolved by this settlement is an allegation. The settlement is not an admission of liability by CACI, which cooperated in the investigation and took remedial action in the wake of the investigation, nor a concession by the United States that its claims are not well founded.